

**MEADOWS AT MORRIS FARM COMMUNITY ASSOCIATION
ADMINISTRATIVE RESOLUTION NO. 1**

PROCEDURES RELATIVE TO ASSESSMENTS

relating to collection of routine and delinquent payments

WHEREAS, Article 4, Section 4.1 of the Bylaws states that "The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not required by the Act or the Association Documents to be exercised and done by the Members;" and

WHEREAS, Article 6, Section 6.1 of the Declaration creates an assessment obligation for owners; and

WHEREAS, Articles 6 and Article 12 of the Declaration establish certain provisions for the payment and collection of assessments; and

WHEREAS, there is a need to establish orderly procedures for the billing and collection of said assessments;

NOW THEREFORE, BE IT RESOLVED THAT the following assessment procedures be adopted:

I. ROUTINE COLLECTIONS

- A. All monthly installments of the annual assessments shall be due and payable in advance on the first day of the applicable month ("Due Date").
- B. All documents, correspondence, and notices relating to the charges shall be mailed to the address which appears on the books of the Association or as modified in writing by a Unit Owner.
- C. Nonreceipt of an invoice shall in no way relieve a Unit Owner of the obligation to pay the amount due by the Due Date.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT

- A. If payment is not received by the Managing Agent by the tenth (10th) day of each month (or the first working day thereafter if such day is a Saturday, Sunday or legal holiday) the account shall be deemed late and a late fee shall automatically be added to the account and thereafter be a part of the continuing lien for assessments as provided for in Article 6, Section 6.5 of the Declaration until all sums due, including such late charge, shall have been paid in full. The late fee shall be twenty-five dollars, or such other amount as has been established by the Board of Directors. "Late Notice" shall be sent to Owners who have not paid their assessments in full by the tenth (10th) day of the month.
- B. If payment in full, including late charges, is not received by the Managing Agent by the thirtieth (30th) day after the due date, a "Notice of Intent to Accelerate Installments and File a Memorandum of Lien" substantially in the form of Exhibit A to this Resolution shall be mailed to the Unit Owners. The Managing Agent may simultaneously send a copy of such Notice to the Mortgagee of such Unit, if known. The Notice shall be sent to the Unit Owner by certified mail, return receipt requested.

- C. If payment in full, including late charges and the cost of the certified letter is not received by the Managing Agent within thirty (30) days after the "Notice of Intent to Accelerate Installments and File Lien" has been issued, then the remaining installments of the annual assessment may be accelerated and the Association shall refer the matter to legal counsel for the filing of a lien on the unit. Counsel may also file a civil suit against the Unit Owner on the basis of the personal obligation to pay the assessments. The cost of filing both the lien and the civil suit will be added to the account, plus accrued late fees, interest chargeable by law on the unpaid assessment, and all other costs incurred by the collection process as allowed by Article 12 of the Declaration.
- D. If within ten (10) days of the filing of the Memorandum of Lien the account remains delinquent, counsel for the Association shall take other appropriate legal action as directed by the Board.
- E. If the Association receives from any Owner, in any accounting year, two or more returned checks for payment of assessments, the Board may require all future payments to be made by certified check or cashier's check or money order for the remainder of the fiscal year. A reasonable charge will be made for any returned checks, which amount shall be established by the Board of Directors and may be changed by the Board from time to time.
- F. The Board may grant a waiver of any provision herein upon petition in writing by an Owner alleging a personal hardship. Such relief granted an Owner shall be appropriately documented in the Association files. Such documentation shall include, without limitation, the basis for taking such action. Generally, late charge waivers will not be considered for owners who have not mailed their assessment in sufficient time to have been received by the due date.
- G. The Board hereby authorizes the Managing Agent to waive the imposition of late fees on payments received by the Managing Agent after the tenth (10th) day of the month, if the delinquent Unit Owner has owned the Unit for less than three (3) months at the time of the delinquency and, in the judgment of the Managing Agent the delinquency was the result of a misunderstanding of the correct procedures relating to payment of the assessment. Such a waiver may be granted only once to any delinquent Unit Owner.

All Unit Owners who are delinquent shall be subject to the provisions of this Resolution and to the provisions of Articles 6 and 12 of the Declaration with respect to nonpayment of assessments.

- H. If payment in full, including late charges, certified letter costs and attorney's fees, is not received by the Managing Agent within sixty (60) days from the due date, the Association shall have the authority to suspend an Owner's right to use facilities or services provided by the Association in accordance with Section 55-79.80:2 of the Virginia condominium Act. Prior to any such suspension, the Owner shall receive written notice of the potential suspension and the right to request a hearing within ten (10) days of date of letter. If a written request for a hearing is not requested by the owner within ten (10) days of the date of the letter, then the Board will proceed with imposing the suspension without a hearing. If a written request from the homeowner is received by the Managing Agent within ten (10) days of the date of the letter of notification requesting a hearing, then a hearing will be scheduled and the homeowner noticed a minimum of fourteen (14) days prior to the scheduled hearing date. At the hearing date, the decision made by the Association in regards to suspension of services or privileges will be sent to the homeowner in writing within fourteen (14) days of the hearing.

Any suspension imposed against an Owner shall also be applicable to that Owner's tenants or guests and shall include, but not be limited to, the denial of use of the following facilities and services:

1. Use of the Swimming Pool;
2. Rental of the Community Center and/or Pool;
3. Participation in Association-sponsored events;
4. Use of Parking Spaces located within common elements of the Association; and
5. Suspension of Cable TV and Internet provided through the Association.

Any suspension imposed will be lifted immediately upon confirmation of full payment the delinquent amounts due and owing to the Association.

.I. OTHER SANCTIONS FOR NONPAYMENT OF ASSESSMENTS

1. Voting rights shall be suspended for any Owner who is more than sixty (60) days in arrears with respect to the payment of assessments.
2. Use of the Recreation Facilities and Common Areas shall be suspended for any Owner who is more than sixty (60) days in arrears with respect to the payment of assessments.
3. Utility Services provided through the Association and included in the monthly assessment shall be suspended for any Owner who is more than sixty (60) days in arrears with respect to the payment of assessments.
4. The Board of Directors may choose not to impose the sanctions in A through C above or to restore sanctions previously imposed in cases where an Owner in default enters into an agreement approved by the Board for the payment of past due assessments.

VIA CERTIFIED AND FIRST CLASS MAIL

EXHIBIT "A" TO ADMINISTRATIVE RESOLUTION NO. 1
NOTICE OF INTENT TO ACCELERATE INSTALLMENTS AND FILE LIEN

Date:

MEADOWS AT MORRIS FARM
COMMUNITY ASSOCIATION

To: Name
In Care Of
Address
City State Zip

Unit Number
Account Number

DELINQUENCY SUMMARY & CHARGES

<u>CHARGE TYPE</u>	<u>AMOUNT</u>	<u>DETAIL SUMMARY</u>
Transaction		Delinquent Amount
		\$0.00
		Certified Mail/Administrative Charges
TOTAL DUE		\$0.00

As a member of the Meadows at Morris Farm Community Association, you are required to pay assessments when due pursuant to the Declaration and Bylaws for your Association which are recorded in the Loudoun County Land Records. You are hereby notified that the assessments levied by the Association against your property, as described above, are past due, and that your assessments for the fiscal year will be accelerated and a Memorandum of Lien will be recorded against your property if you do not pay the total amount now due within thirty days (30) days after the date of this Notice. The basis for the lien is that you have failed to pay amounts due pursuant to the governing documents of record for the Association.

If payment in full is not received by the Managing Agent within thirty (30) days after the date of this Notice, the remaining installments of your annual assessment shall be declared due and payable immediately. A Memorandum of Lien shall be recorded against your unit, pursuant to Administration Resolution No. 1, or suit may be filed by the Association to recover the outstanding balance (including late fees and accrued interest), plus court costs, attorney fees, and other costs.

Prompt payment of assessments is essential to the financial health of the Association and the protection of all Unit Owners. We sincerely hope that you will promptly pay the amount now due and eliminate the necessity of legal action to collect the amounts due to the Association.

Sincerely,

Delinquency Coordinator

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED
FOR THAT PURPOSE.