

THE UNIT OWNERS ASSOCIATION OF THE CROSSING CONDOMINIUM

POLICY RESOLUTION NO. 2009-04

(Revising and Amending Policy Resolution 2000-01)

PROCEDURES RELATING TO COLLECTION OF ASSESSMENTS AND CHARGES

WHEREAS, Article III, Section 2 (c) and (f), Article VI, Section 4, and Article X, Section 1 of the Bylaws of the Unit Owners Association of The Crossing Condominium (hereinafter the "Association") grant the Board of Directors the power to adopt, amend, and enforce rules and regulations, to make and enforce assessments against unit owners to defray the common expenses of the Condominium and to establish the means and methods of collecting assessments from unit owners;

WHEREAS, Section 55-79.53 of the Virginia Condominium Act, Code of Virginia (1950, as amended) (the "Act"), Article XXI, Section 2 of the Declaration and Article 1, Section 2 of the Bylaws charge all unit owners and their tenants, guests, and invitees with compliance with the Declaration, Bylaws, Rules and regulations (the "Condominium Instruments") of the Association as amended;

WHEREAS, Article VI, Sections 2 and 3 of the Bylaws create an assessment obligation for unit owners;

WHEREAS, Section 55-79.80:2 of the Virginia Condominium Act and Article X, Section 1(i) of the Bylaws empower the Association to assess charges, for violation of the Condominium Instruments and rules and regulations, and to suspend use rights for facilities and services provided through the Association;

WHEREAS, Article X, Sections 1 and 2, of the Bylaws specify the types of relief the Association, through its Board or managing agent, may seek under the terms of the Condominium Instruments or the Virginia Condominium Act when a unit owner is in default; and

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

NOW THEREFORE, IT IS HEREBY RESOLVED that the Board duly adopts the following assessment collection procedures:

I. ROUTINE COLLECTION

A. All monthly installments of the annual assessments shall be due and payable in advance on the first day of each month; all special assessments shall be due and payable, unless

otherwise stated in the notice, on the first day of the next month after delivery to the unit owner of notice of a special assessment ("Due Date").

B. All documents, correspondence, and notices relating to assessments or charges shall be mailed to the address which appears on the books of the Association or to such other address as is designated in writing by an owner.

C. Non-receipt of an invoice or notice shall in no way relieve the owner of the obligation to pay the amount due by the due date.

D. Charges assessed pursuant to Section 55-79.80:2 of the Virginia Condominium Act shall be collected as an assessment or in such a manner as shall be determined by the Board of Directors.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT

A. If a payment of the total assessments or charges due, including special assessments, charges for violations of the Condominium Instruments or Rules and Regulations, and returned check charges, are not received by the managing agent by the fifteen (15th) day of the month, the account shall be deemed late and a late charge and a late charge of Twenty-Five Dollars (\$25.00) automatically shall be added to the amount due and shall be a part of the continuing lien for assessments, as provided for in the Bylaws and in the Condominium Act, until all sums due and owing shall have been paid in full.

B. If a check is returned and an assessment or charge due and owing is not otherwise received in the applicable time period, as provided in paragraph I.A. above, the account shall be deemed late and a late charge shall be added, in addition to a returned check charge of not more than Twenty-Five Dollars (\$25.00).

C. A "Late Notice" shall be sent by the managing agent to owners who have not paid assessments or charges, in full, by the fifteenth (15th) day after the due date. The late notice may warn the owner that the account will be accelerated and may be sent to legal counsel for legal proceedings. Non-receipt of such notice does not relieve the owner of his or her financial obligation to pay the costs of collection accrued by the Association for the collection of the delinquent debt, including, but not limited to, interest, costs and attorneys' fees.

D. If a default in any accounts owed to the Association for other than common assessments continues for in excess of fifteen (15) days, interest of eighteen (18) percent per annum shall be added to the account and shall accrue from the due date thereof until paid in full.

E. If payment in full, of any assessment or charge, interest and returned check charges, is not received by the managing agent by the thirtieth (30th) day after the due date, the account shall be referred to counsel for the Association. Counsel shall mail a demand letter which notifies the owner that the account will be accelerated through the end of the fiscal or budget year and notifies the owner of legal action. Referral of an account to the Association's

attorney for collection shall be deemed to constitute the Board of Directors' decision to accelerate the account through the end of the fiscal year, as set forth at Article X, Section 1(f).

F. If payment in full, of the amounts due, is not received by counsel or the managing agent within ten (10) days after the notice of legal action has been sent, a Memorandum of Lien shall be filed. Non-receipt or lack of notice shall not prevent the Association from filing a lien within the statutory guideline. Reasonable attorneys' fees, interest as appropriate, and the costs of collection, including late charges and the costs of filing and releasing the Memorandum of Lien, shall be added to the account and the delinquent unit owner shall be liable for such costs, interest, and attorneys' fees pursuant to Article X, Section 1 of the Bylaws.

G. If payment in full, of all amounts due, is not received by counsel or the managing agent by the forty-fifth (45th) day after a due date, a civil suit may be filed personally against the delinquent unit's owner(s).

H. If an account remains delinquent after the filing of a lien or civil suit, counsel for the Association shall take other appropriate legal action to collect the amounts due, including as may be provided in Paragraph I and unless directed otherwise by the Board of Directors of the Association.

I. If a lien remains unpaid, a suit to enforce those liens and foreclose on the unit may be filed within twenty-four (24) months of the date the lien is recorded, upon authorization from the Board of Directors.

J. If the Association receives from any unit owner, in any accounting year, two or more checks returned for insufficient funds for payment of assessments or other charges, the Board may require all future payments to be made by certified check, cashier's check or money order for the remainder of the fiscal year.

K. **Suspension of Use Privileges.** If an assessment or other charge due and owing is not received within sixty (60) days after it is due, **and** if a hearing has not been requested by the delinquent owner, the unit owner's privileges to: (i) to park on the condominium common element property (including previously assigned limited/reserved common element parking spaces); and, (ii) to use recreational facilities or other services and facilities of the Association, shall all be suspended and revoked until the account is paid in full or a satisfactory payment plan is accepted by the Board. **Suspension of the parking privilege shall be enforced by towing without prior notice.** Notice of such suspension shall be sent by the management agent to the owner at the owner's last address of record with the Association by certified mail, return receipt requested, not less than ten (10) days prior to the actual effective date for towing, and such notice shall advise the owner of his right to be heard by the Board of Directors prior to the suspension of said privilege. In the event that the unit owner in arrears is a non-resident landlord of the unit, this policy shall apply to his/her tenants' parking privilege as well. Towing of a member's (or his/her tenants') vehicle(s) shall be at the risk and expense of the unit owner or the tenant(s).

L. **Costs of Collection.** All costs incurred by the Association as a result of any violation of the condominium instruments, rules and regulations or resolutions of the Association

by a unit owner, his family, employees, agents, lessees or licensees, to include late payment of the assessment obligation, shall be specially assessed or charged against the unit and shall become a personal obligation of the unit owner. Such costs include, without limitation, legal or administrative expenses (regardless of whether suits or liens are filed) resulting from a unit owner's failure to pay charges or assessments when due, or from any other default referred to in this paragraph or in the Declaration, Bylaws and rules. Such charges shall also specifically include any administrative charges which the Association may incur as a result of notices, letters or other correspondence which may be sent to the unit owner by the management agent pursuant to collection of the assessment obligation. The management agent is hereby authorized to charge against an assessment account a \$20.00 replacement fee to cover the issuance of replacement coupons for coupons lost or misplaced by the owner(s).

M. The Board may grant a waiver of any provision herein, except filing of memoranda of liens beyond the statutory deadline, upon petition, in writing, by an owner alleging a personal hardship. Such relief granted an owner shall be appropriately documented in the files with the name of the person or persons representing the Board granting the relief and the conditions of the relief.

N. Payments received from a unit owner shall be credited in the following order:

1. Charges for attorneys' fees and court costs.
2. All returned check charges or interest accrued, as applicable.
3. All other charges incurred by the Association as a result of any violation by an owner, his family, employees, agents, lessees or licensees of the Declaration, Bylaws, Rules and Regulations or Resolutions.
4. The monthly and special condominium assessment and late charges for each unit, applied first to the oldest amount due.

P. This resolution shall become effective on _____, 2009.

RESOLUTION ACTION RECORD

Resolution Type: Policy No. 2009-04

Pertaining to: Collection of Assessments and Charges (Amending Policy Resolution 2000-01)

Duly adopted at a meeting of the Board of Directors held , 10-21- 2009.

Motion by: Linda Buczek Seconded by: Barry Truel

VOTE:

YES NO ABSTAIN ABSENT

Alicia Rieta ✓ _____
Director

Linda Buczek ✓ _____
Director

Barry Truel ✓ _____
Director

Director

Director

ATTEST:

Linda Buczek 10-21-09
Secretary Date

FILE:
Book of Minutes - 2009

Book of Resolutions:

	Book No.	Page No.
Policy	_____	_____
Regulatory	_____	_____
Special	_____	_____
General	_____	_____

Resolution effective: January 24, 2000; Revised Resolution effective: _____