

**THE UNIT OWNERS ASSOCIATION OF
HERITAGE HUNT CONDOMINIUM I**

ADMINISTRATIVE RESOLUTION NO. 6

PROCEDURES RELATIVE TO ASSESSMENTS

**(Relating to Collection of Annual and Special
Assessments and Charges)**

WHEREAS, Article III, Section 2 of the Bylaws of the Unit Owners Association of Heritage Hunt Condominium I (“Bylaws”) provides that the Board of Directors (“Board”) of the Unit Owners Association of Heritage Hunt Condominium I (“Association”) 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 by the Virginia Condominium Act (“Act”) or the condominium instruments required to be exercised and done by the Association;

WHEREAS, Article III, Section 2(b) of the Bylaws empowers the Board make assessments against Unit Owners to defray the cost and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common Expenses;

WHEREAS, Article III, Section 2(f) of the Bylaws empowers the Board make and amend the rules and regulations;

WHEREAS, Article VI, Section 3 of the Bylaws provides that all Unit Owners shall be obligated to pay the Common Expenses assessed by the Board and such expenses not paid by the fifteenth day of each month shall be in default;

WHEREAS, Article X, Section 1(a) of the Bylaws provides that failure to comply with any of the terms of the Declaration, Bylaws and the rules and regulations shall be grounds for relief which may include, without limitation to, an action to recover any sums due for money damages, foreclosure of the lien for payment of all assessments, and any other relief afforded by the Bylaws or a court of competent jurisdiction;

WHEREAS, Article X, Section 1(c) of the Bylaws provides that in any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys’ fees as may be determined by the court;

WHEREAS, Article X, Section 1(e) of the Bylaws provides that in the event of a default by any Unit Owner in paying any sum assessed against the Unit other than for Common Expense which continues for a period in excess of fifteen days, interest at a rate not to exceed 18% per annum may be imposed in the discretion of the Board on the principal amount unpaid from the date due until paid;

WHEREAS, Article X, Section 1(f) of the Bylaws provides that the payment and collection of the assessments shall be made pursuant to the Bylaws and the Act, including the right reserved to accelerate payment of assessments and the right to recover attorneys' fees and costs;

WHEREAS, Article X, Section 1(g) of the Bylaws provides that any assessment levied pursuant to the Declaration or Bylaws, or any installment thereof, which is not paid within fifteen days after it is due, may be subject to a late charge of not less than ten dollars, or such other amount as the Board may fix;

WHEREAS, Article X, Section 2 of the Bylaws provides that any sum duly levied against each Unit Owner made pursuant to the Bylaws is to be a lien levied against the Unit or Unit Owner as provided in Section 55-79.84 of the Act;

WHEREAS, Section 55-79.80:2 of the Act authorizes the Association to charge a Unit Owner for violations of the condominium instruments; and,

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

NOW, THEREFORE, BE IT RESOLVED THAT the Board duly adopts the following collection procedures.

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. Unless the Board determines otherwise, all special assessments and monetary charges shall be due and payable on the first day of the next month which begins after delivery to the Unit Owner of notice of the special assessments or monetary charges ("Due Date").

B. All documents, correspondence and notices relating to assessments or monetary 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 a Unit Owner.

C. Non-receipt of an invoice shall in no way relieve the Unit Owner of the obligation to pay the amount due by the Due Date.

D. Once an account is referred to legal counsel, all contact with a delinquent Unit Owner shall be handled through Association legal counsel. If the Unit Owner contacts any member of the Board of Directors or the management agent, such person shall direct the Unit Owner to communicate with Association legal counsel.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS AND CHARGES

A. If payment of the total assessments or monetary charges due and owing is not received by the Managing Agent by the fifteenth day of the month, the account shall be in default.

B. If a Unit Owner defaults in paying any sum assessed or monetary charges against his unit which continues for a period in excess of fifteen days, interest at the rate of eighteen percent *per annum* may be imposed on the principal amount unpaid from the Date Due until paid. No notice of the imposition of such interest need be provided to the Unit Owner. Such interest shall be part of the continuing lien as provided for in Article X, Section 2(a) of the Bylaws.

C. If a Unit Owner defaults in paying any sum assessed or monetary charges against his Unit which continues for a period in excess of fifteen days, a late fee of twenty-five dollars will automatically be imposed. No notice of the imposition of the late fee need be provided to the Unit Owner. The late fee shall be part of the continuing lien as provided for in Article X, Section 2(a) of the Bylaws.

D. If a check is returned, and an assessment or monetary charge due and owing is not otherwise received in the applicable time period, the account shall be deemed late, and a late fee as proscribed in Section II C. above shall be imposed, in addition to a forty-dollar returned check charge.

E. A "Late Notice" will be sent by the Managing Agent to Unit Owners who have not paid assessments or monetary charges, in full, by the fifteenth day after the Due Date.

F. If payment in full, including interest, late fees and returned check charges, is not received by the Managing Agent by the forty-fifth day after the Due Date, the Managing Agent shall refer the account to legal counsel. Legal counsel shall mail a "Notice of Intent to Accelerate Installments and File Lien" pursuant to Section 55-79.84 of the Act to the Unit Owner at the address listed on the books of the Association via certified mail, return receipt requested, with the cost of preparation of the Notice added to the delinquent Unit Owner's account.

G. If payment in full of the delinquent assessments or monetary charges, including interest, late fees, returned check charges and legal costs, is not received by legal counsel within

thirty days after the "Notice of Intent to Accelerate Installments and File Lien" has been sent, then the remaining installments of the annual assessments shall be accelerated and a Memorandum of Lien shall be filed against the delinquent Unit Owner's Unit. The cost of preparation and filing the Memorandum of Lien will be added to the account.

H. If payment in full, including interest, late fees, return check charges and legal costs, is not received by legal counsel within thirty days after the "Notice of Intent to Accelerate and File Lien" has been sent, legal counsel may file a civil suit to recover a money judgment against the Unit Owner personally or foreclose on the Association lien.

I. If payment in full, including interest, late fees, return check charges and legal costs, is not received by legal counsel, upon direction of the Board, legal counsel may initiate proceedings to commence foreclosure upon the Memorandum of Lien, thirty days after Notice of Intent to Foreclose has been sent by legal counsel to the Unit Owner at the address listed on the books of the Association via certified mail, return receipt requested.

J. If the Association receives from any Unit Owner, in any accounting year, two or more returned checks for payment of assessments or charges, the Board may require all future payments to be made by certified check or money order for the remainder of the fiscal year.

K. The Board may grant a waiver of any provision herein upon petition in writing by a Unit Owner. Such relief granted a Unit 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. The Board may accept payment plans on a case by case basis.

L. The Board hereby authorizes the Managing Agent to waive the imposition of interest on payments received by the Managing Agent after the fifteenth day of the month, if, in the judgment of the Managing Agent, the delinquent Unit Owner has owned the Unit for less than three months at the time of the delinquency and the Managing Agent determines the delinquency was the result of a misunderstanding of the correct procedures relative to payment of the assessment.

M. The Board hereby authorizes the Managing Agent to consult with legal counsel and immediately refer for collection any account not previously referred for legal action where the Unit Owner files or is the subject of a petition for relief in bankruptcy or where a deed of trust beneficiary or any other party has commenced foreclosure proceedings against the property.

N. Payments received from a Unit Owner will be credited against the Unit Owner's account in the following order of priority:

1. Attorneys' fees, court costs and administrative expenses;
2. Interest accrued, late fees and returned check charges;

3. All other charges incurred by the Association as a result of any violation by a Unit Owner, his family, employees, agents or licensees of the Declaration, Bylaws, Rules and Regulations or Resolutions or the Act, including monetary charges assessed pursuant to Section 55-79.80:2 of the Act;
4. The monthly assessments for each Unit applied first to the ~~newest~~ amount due; *oldest unit* *
5. Special Assessments.

#10255

**THE UNIT OWNERS ASSOCIATION OF
HERITAGE HUNT CONDOMINIUM I**

Pertaining to: Collection of Annual and Special Assessments and Charges.

*
Duly adopted at a meeting of the Board of Directors held September 9, 2008.

Motion by: WARREN MILLER Seconded by: Ed Plummer

	VOTE:			
	YES	NO	ABSTAIN	ABSENT
<u>Ed Plummer</u> President	✓			
<u>Kay Franklin</u> Vice-President				X
<u>Warren Miller</u> Secretary/Treasurer	✓			

ATTEST
Barbara E. Dorn
Secretary

09/09/08
Date

FILE:

Book of Minutes - 20 __
Book of Resolutions:

Resolution effective: October 1, 2008

#10255

* with stipulation that appropriate word - "oldest" or "newest"
be used in Section II.N.4 to codify existing accounting practice
EJP
WM