

CABIN CREEKWOOD HOMEOWNERS ASSOCIATION, INCORPORATED

Policy Regarding Collection of Routine, Special and Delinquent Assessments

Policy Resolution 2024- 1

WHEREAS, § 55.1-1819 (A) of the Virginia Property Owners' Association Act (the "Act") provides that a Board of Directors (the "Board") shall have the power to establish, adopt, and enforce rules and regulations with respect to such areas of responsibility assigned to an association by its declaration, except where expressly reserved by the declaration to members; and,

WHEREAS, Article II, Section 1 of the Cabin Creekwood Homeowners Association, Incorporated's (the "Association") Bylaws states that the Board may exercise all the powers of the Association and perform all lawful acts not inconsistent with the laws Commonwealth of Virginia and the Association's Governing Documents; and,

WHEREAS, Article IV, Section 1 of the Association's Declaration provides that each Owner is deemed to agree to pay the Association the annual assessment charges and special assessment charges; and,

WHEREAS, Article IV, Section 1 of the Association's Declaration further provides that the assessment, together with interest, cost, and attorney's fees, becomes a personal obligation on the owner at the time such assessment was due; and,

WHEREAS, Article IV, Section 8 of the Association's Declaration provides that, "[a]ny assessment not paid within Thirty (30) days after the due date shall bear interest from the due date at the rate of Eight Percent (8%) per annum;" and,

WHEREAS, Article IV, Section 8 of the Association's Declaration further provides that "[t]he Association may bring an action against the Owner personally obligated to pay the same, or foreclose the lien against the property;" and,

WHEREAS, Virginia Code § 55.1-1824 provides that the Board may impose a late fee of 5% for any assessment or installment thereof that is not paid within 60 days of the due date; and,

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

NOW THEREFORE, BE IT RESOLVED that the Board duly adopts the following assessment collection procedures, which shall supersede and replace any previously adopted policies or procedures relating to the same subject.

I. ROUTINE COLLECTIONS

A. The Board has directed that the annual assessment for common expenses shall be payable in monthly installments. Each installment of the annual assessment shall be

due and payable in advance on the first day of the applicable month and all special assessments shall be due and payable on the date specified on the notice of such special assessment (hereinafter "Due Date").

B. Owners may make arrangements with the Management Agent to pay the monthly assessments through a direct debit program, if available.

C. All documents, correspondence, and notices relating to the assessments and charges shall be mailed to the address, which appears on the books of the Association or to such other address as may be designated in writing by the Owner. Non-resident Owners shall furnish the Board via certified mail, return receipt requested, with a telephone number and an address where the Owner will promptly receive mail and notices. If no such address is designated, all notices shall be mailed to the Association address. The responsibility of providing a current address lies solely with the Owners.

D. Non-receipt of an invoice, payment notice or payment coupon shall in no way relieve an Owner of the obligation to pay the amount due by the Due Date, or any associated charges.

E. Once an account is referred to legal counsel or collection agency, all contact with a delinquent Owner shall be handled through the Association's legal counsel and/or collection agency. If the Owner contacts any member of the Board or the Management Agent, such person shall direct the Owner to communicate with the Association's legal counsel and/or collection agency.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT

A. If any payment is not received by the Management Agent by the thirtieth (30th) day after the Due Date, the account shall be deemed delinquent, and shall bear interest per annum at a rate of eight percent (8%). If any payment is not received by the Management Agent by the sixtieth (60th) day after the Due Date, then a late fee of 5% for the installment payment due shall be assessed against the account.

B. If a check or direct debit is returned unpaid to the Association and an assessment due and owing is not otherwise received in the applicable time period as provided in Section II (A) above, the account shall be deemed delinquent and the applicable charges shall be added. In addition, a thirty-five (\$35.00) dollar returned check charge and all bank fees will be added to the Owner's account regardless of whether the assessment due and owing is otherwise received in the applicable time period.

C. If payment in full of any assessment payable in installments including common expenses and other lawful charges, special assessments, late fees, and returned check charges is not received by the Management Agent by the thirtieth (30th) day after the Due Date of the month, a notice shall be mailed to the Owner. This notice shall inform the Owner of the Association's intent to turn the account over to its legal counsel for legal action if not paid in full within thirty (30) days.

D. If payment of the assessment (including any assessment payable in installments or special assessments) remains delinquent for two (2) monthly periods, the Management Agent shall automatically, on behalf of the Board, take the following actions for the Association:

1. Refer the account to the Association's legal counsel or collection agency for collection of the balance; and
2. Refuse to accept further payments from the Owner, and will direct the Owner to make payments to legal counsel and/or collection agency for the Association and will advise legal counsel and/or collection agency for the Association of all "lock-box" payments made on the delinquent account.

E. Upon receipt of a collection account, legal counsel and/or collection agency for the Association is authorized to record and foreclose on liens, and to file suits on behalf of the Association to collect all delinquent sums.

F. In the event that the Association's legal counsel must file a lawsuit against a delinquent Owner for assessments, the Association's legal counsel will assert on behalf of the Association a claim for the costs of pursuing collection, including but not limited to reasonable attorneys' fees and court costs as authorized under Article IV, Section 1 of the Association's Declaration and by the laws of Virginia.

G. If the Association receives from an Owner, in any fiscal year, two (2) or more returned checks (e.g. checks returned for insufficient funds) or rejected electronic debits for insufficient funds, for payment of any sum assessed against the Owner's Lot, all future payments shall be made by direct debit, certified, check or money order for the remainder of the fiscal year.

H. The Board hereby authorizes the Management Agent to waive the imposition of late fees on payments received by the Management Agent after the sixtieth (60th) day from the Due Date, if, in the judgment of the Management Agent, the delinquent Owner has owned the Lot for less than six (6) months at the time of the delinquency and the Management Agent determines the delinquency was the result of a misunderstanding of the correct procedures relative to payment of the assessment.

I. The Board hereby authorizes the Management Agent to enter into repayment arrangements with a delinquent Owner for a term not to exceed ninety days without prior consent of the Board. Such repayment arrangements may include the waiver of future assessment of late fees provided that any cost of administering said repayment plan remains the obligation of the delinquent Owner.

J. The Board hereby authorizes the Management Agent to consult with the Association's legal counsel and/or collection agency and immediately refer for collection any account not previously referred for legal action where the 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.

The Effective Date of this Resolution is 3-28, 2024. It supersedes and replaces any and all prior resolutions relating to the collection of the routine, special, and delinquent assessments.

**CABIN CREEKWOOD HOMEOWNERS
ASSOCIATION**

By: Angela Mayers
President

By: Kathryn LaGamma
Secretary

**CERTIFICATE OF POSTING AND
MAILING OF RULES AND REGULATIONS**

I, Malini Davis, Manager for Cabin Creekwood Homeowners Association, hereby certify that copies of this Policy Resolution No. 2024- 1, were mailed to all Lot Owners in the Association, and were conspicuously posted when this Resolution became effective.

Malini Davis
Malini Davis,
Association Community Manager

**CABIN CREEKWOOD HOMEOWNERS ASSOCIATION
RESOLUTIONS ACTION RECORD**

This Resolution, Policy Resolution No. 2024- 1, was adopted by the Board on 3-28-2024, 2024 with the Directors voting as indicated below:

<u>Angela Mayers</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>
<u>Kathryn LaGamma</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>
<u>Bonnie Seers</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>
<u>Sharon Bailey</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>
_____	Yes _____	No _____	Abstain _____

ATTEST:

Angela Mayers
President

30/03/24
Date

Kathryn LaGamma
Secretary

29/03/24
Date

Signature: *Angela Mayers*
Angela Mayers (Mar 30, 2024 00:22 EDT)
Email: avebelmont@gmail.com

Signature: *Kathryn LaGamma*
Kathryn LaGamma (Mar 29, 2024 11:56 EDT)
Email: kathrynlagamma@gmail.com

Signature: *Bonnie Seers*
Bonnie Seers (Mar 28, 2024 17:07 EDT)
Email: seersbonnie@gmail.com

Signature: *Sharon Bailey*
Sharon Bailey (Apr 1, 2024 18:31 EDT)
Email: tendenseas59@yahoo.com