

**THE UNIT OWNERS ASSOCIATION
OF ROSSLYN HEIGHTS NORTH , A CONDOMINIUM**

POLICY RESOLUTION NO. 04-01

ASSESSMENT COLLECTION PROCEDURES

WHEREAS, Section 55-79.53. of the Virginia Condominium Act, Code of Virginia (1950, as amended) (the “Act”) charges all unit owners and their tenants, guests and invitees with compliance with the Declaration and Bylaws (together, the “Condominium Instruments”) of the Unit Owners Association of Rosslyn Heights North, A Condominium,(“Association”), as may be amended;

WHEREAS Article VI of the Bylaws of the Association creates an assessment obligation for unit owners;

WHEREAS Article III, Section 2 of the Bylaws empowers the Board of Directors of the Association (“Board”) to provide for the establishment and collection of assessments from unit owners;

WHEREAS Section 55-79.80:2.A. of the Act provides the Association, through its Board, with the power to assess charges against unit owners for violations of the Condominium Instruments and the rules and regulations, for which the unit owner or his family members, tenants, guests or other invitees are responsible;

WHEREAS Article III, Section 2 of the Bylaws grants the Board the power to adopt rules and regulations deemed necessary for the benefit of the Condominium; and

WHEREAS there is a need to establish orderly procedures for the collection of assessments;

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

I. ROUTINE COLLECTIONS

A. All monthly installments of the annual assessment shall be due and payable in advance on the first day of the applicable month; all special assessments shall be due and payable in a lump sum or in installments as the Board of Directors may determine, and unless otherwise specified in the notice provided to the unit owners, become effective with the next monthly payment that is due after the delivery of such notice of 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. If a unit owner is uncertain about the amount of the assessment or the due date, it is the unit owner's responsibility to contact the Board or its managing agent to obtain any needed clarification.

D. Covenant and/or rule violation charges assessed pursuant to Section 55-79.80:2 of the Virginia Condominium Act shall be collected as an assessment or in such manner as shall be determined by the Board of Directors.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT.

A. **Late charges/Acceleration.** If payment of the assessment installment or charge due, including annual assessments, special assessments, charges for violations of the Condominium Instruments and returned check charges, are not received by the Association's Board of Directors or designated managing agent by the fifteenth (15th) day of the month, the account shall be deemed late and be subject to a late fee of fifteen dollars (\$15.00). The late charge shall be the personal obligation of the unit owner and shall be a part of the continuing lien for assessments, as provided for in the Bylaws and the Condominium Act, until all sums due and owing shall have been paid in full. In addition, upon default in the payment of any one or more monthly assessment installments, the Board of Directors may declare the installments which would otherwise be due during the remaining fiscal year immediately due and payable. Accelerated amounts can be collected by the Board in the same fashion as other assessments are collected, including, for example, filing a lawsuit or a lien for the entire accelerated amount.

B. **Returned check charges.** If a check is returned due to insufficient funds, a returned check charge of not more than Twenty-Five Dollars (\$25.00) shall be assessed against the unit owner's account. 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, upon written notice to the owner, that all future payments be made by certified check, cashier's check, or money order for the remainder of the fiscal year.

C. **Late Notice.** A "Late Notice" may 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 financial obligation to pay the assessments, including, but not limited to, late charges, interest, costs and attorneys' fees.

D. **Interest.** If a default in any amounts owed to the Association for assessments continues for more than fifteen (15) days, interest equal to nine percent (9%) per annum may be

imposed at the discretion of the Board on the principal amount unpaid from the due date until paid in full.

E. **Legal Referral.** If payment in full, of any assessment or charge, fee, interest and returned check charges, is not received by the managing agent by the thirtieth (30th) day after the due date, the account may be referred to legal counsel for the Association. Unit Owners are responsible for all costs of collection, including attorney's fees.

F. **Lien.** The Board reserves the right to authorize the Association's counsel to file a Memorandum of Lien against a delinquent owner's unit in accordance with the Act. Non-receipt or lack of prior notice shall not prevent the Association from filing a lien within the statutory deadline. Attorneys' fees, interest and costs, including late fees 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 all such amounts.

G. **Civil Suit/Foreclosure.** The Board reserves the right to authorize the Association's counsel to file a civil lawsuit personally against a delinquent owner for the recovery of any unpaid assessments, charges, fees, interest, costs and attorney's fees. The Board also may authorize legal counsel to institute judicial or nonjudicial foreclosure proceedings against the delinquent owner's unit in accordance with the Act and the Association's Bylaws.

H. **Waivers.** The Board may, in its sole discretion, grant a waiver of any provision herein (except the filing of memoranda of liens beyond the statutory deadline), upon petition, in writing, by an owner alleging an extraordinary personal hardship. Such relief, if granted to an owner, shall be appropriately documented in the Association's files.

I. **Management waiver.** The Board hereby authorizes the managing agent to waive the imposition of interest and/or late fees on payments received by the managing agent after the fifteenth (15th) day of the month, *if* the delinquent owner has owned the unit for less than three (3) months at the time of the delinquency and the managing agent determines that the delinquency was the result of a misunderstanding of the correct procedures relative to payment of the assessment. Such a waiver may be granted only once to any delinquent unit owner.

J. **Application of payments.** Payments received from a Unit Owner shall be credited in the following order:

1. Charges for attorneys' fees and court costs.
2. All late fees, returned check charges or interest accrued, as applicable.
3. All other charges assessed against an Owner as a result of violations of the Association's Declaration, Bylaws, and/or rules and regulations.
4. The installments of the annual assessments and any special assessments against the Unit, applied first to the oldest amount due.

K. **Suspension of Privileges.** An owner whose assessment account remains delinquent for more than sixty (60) days shall also have his or her right to use facilities, services or common element parking spaces provided by the Association, automatically suspended for the duration of the delinquency, after the Unit Owner is given notice and an opportunity for a hearing in accordance with the requirements set forth in Section 55-79.80:2.B. of the Act and as may otherwise be adopted by the Board. A notice from the management company apprising the unit owner that his or her privileges are suspended due to the owner's delinquency and stating that the owner may request a hearing within ten (10) days, regarding the proposed suspension, shall be sufficient to notify the owner of the suspension. If the owner requests a hearing, the Board shall hold a hearing in accordance with the requirements of the Act, including a fourteen (14) day notice of this hearing to the owner by certified mail. Once imposed, the suspension shall continue for as long as the Unit Owner's assessment account remains delinquent.

L. **Suspension of Voting Rights.** Pursuant to Article II, Section 8 of the Bylaws, no unit owner shall be eligible to vote, either in person or by proxy, at any meeting of the Unit Owners or be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more that thirty (30) days delinquent in any payment due the Association.

The remedies stated herein shall not constitute an election of remedies and all remedies shall be deemed cumulative.

This resolution shall become effective on February 11, 2004.

**THE UNIT OWNERS ASSOCIATION
OF ROSSLYN HEIGHTS, NORTH, A CONDOMINIUM,**

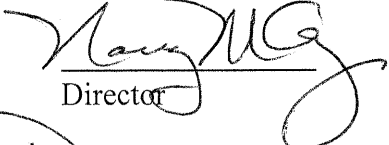
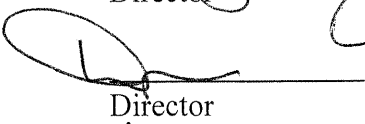
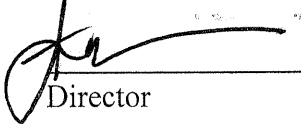
Resolutions Action Record

Resolution Type: Policy No. 04-01

Pertaining to: Assessment Collection Procedures

Duly adopted at a meeting of the Board of Directors held on the 11 day of February, 2004.

Motion by: Nancy Marsh-Ayers Seconded by: Jon Herman

VOTE:	YES	NO	ABSTAIN	ABSENT
 Director	X	—	—	—
 Director	X	—	—	—
 Director	✓	—	—	—
_____ Director	—	—	—	—
_____ Director	—	—	—	—

ATTEST: 
Secretary Date 2-11-04

FILE:

Book of Minutes - ~~2003~~ 2004

Book of Resolutions:

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

Resolution effective: February 11, 2004.