

GREENHILL CROSSING COMMUNITY ASSOCIATION

**Policy and Administrative Resolution No. 05-08-01
(Assessment Collection Procedures)**

This Policy Resolution No. 05-08-01 Supersedes and Replaces Former Policy Resolution No. 00-07-01

WHEREAS, Article IV, Section 4.1 of the Declaration of Covenants, Conditions and Restrictions for Greenhill Crossing Community Association ("Declaration") creates an assessment obligation for Owners; and,

WHEREAS, Article 11, Section 2.3(13) and Article IV, Section 4.3 of the Declaration empowers the Board of Directors to make assessments against Owners: (i) for the management and upkeep of the Property; (ii) for services to the Lots and Owners; (iii) to maintain adequate reserves; or (iv) to meet obligations of the Greenhill Crossing Community Association ("Association"); and further empowers the Board of Directors to establish the means and methods of collecting such assessments from the Owners; and,

WHEREAS, Article IV, Section 4.8(1) of the Declaration provides that any assessment, or installment thereof, not paid within fifteen (15) days after the due date shall be delinquent and shall accrue a late charge at six percent (6%) and include, in addition, the association administrative expenses as may be established from time to time by the Board of Directors; and further that the Board of Directors has previously established a late charge of ten dollars (\$10.00), and further provides that the Board of Directors or the managing agent shall take prompt action to collect any assessments due which remain unpaid for more than thirty days after the due date for the payment thereof; and,

WHEREAS, Article IV, Section 4.8(1) and Article IV, Section 4.8(l)(b) grants the Board of Directors the expressed power to apply late fees and accelerate payment of assessments, and the Board of Directors has determined that it is in the best interest of the Association to accelerate and impose the balance due of all annual assessments at the time an account is referred for legal actions; and

WHEREAS, Article IV, Section 4.8(1) of the Declaration provides that if an Owner defaults in paying any sum assessed against his Lot for a period exceeding fifteen (15) days, interest from the due date at two percent (2%) per month or twenty-four percent (24%) per annum shall accrue on the principal amount unpaid from the date due until paid; and,

WHEREAS, Article IVY Section 4.8(l)(a) and Article 111, Section 3.2(4) of the Declaration provides that the Board of Directors has the right to impose a penalty for nonpayment of assessments and has determined that the suspension of an Owner's voting rights and an Owner's or resident's right to use Common Area recreational facilities for a reasonable period, not to exceed sixty days, during which any assessment against an Owner's or a resident's lot remains unpaid is just and proper; and,

WHEREAS, Article IV, Section 4.1 of the Declaration provides that any assessment of the Association constitutes a lien levied against the Owner's Lot; and,

WHEREAS, the Board of Directors believes that it is in the best interests of the Association to adopt a policy establishing a uniform set of procedures for the collection of assessments and delinquent accounts.

NOW THEREFORE, the Board of Directors duly adopts the following assessment procedures which supersede and replace all prior resolutions and policies regarding the collection and enforcement of assessments.

I. ROUTINE COLLECTIONS

A. The annual assessment is due in full on January 1 of each fiscal year. The annual assessment for common expenses, trash collection and reserves are due and payable on the first of the year, and may additionally be billed and paid on a monthly basis. If the lot owner elects not to pay the full assessment amount on January 1 of each fiscal year, then the assessment must be paid in Monthly Assessment Installments which shall be due and payable in advance on the first day of the months of each calendar month (hereinafter "Installment Due Date") as an accommodation made to the lot owners. All other assessments (i.e., Special Common Expense Assessment) shall be due as determined by the Board of Directors or as directed in the Association Documents.

B. All Special Assessments shall be due and payable by the date specified in a notice of special assessment, or on the first day of the next month which begins more than ten days after delivery or mailing to the Owner of notice of such special assessment. (Both dates hereinafter "Due Date").

C. All documents, correspondence, and notices relating to the 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. Notices of special assessment shall be sent by first class mail postage prepaid. Non Resident Owners shall furnish the Board of Directors with an address where mail will be promptly received by the Owner.

D. Non-receipt of notices shall in no way relieve the Owner of the obligations to pay the amount due by the Due Date.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

A. Any assessment, or installment thereof, not paid within fifteen (15) days after the Due Date shall accrue a late charge on the 17th day of each month in the amount of \$15.00. A late fee and cost of collection fee shall only be imposed once for the same delinquent period.

B. A "Late Notice" shall be sent to Owners who have not paid assessments in full within thirty (30) days after the Due Date. The Late Notice shall advise the Owner that the following actions will be taken if the account is not brought current within ten (10) days: (i) the account will be accelerated; (ii) the account will be referred to the Association's legal counsel for collection; and (iii) the Owner will be held liable for the legal fees and costs incurred in collection.

C. If a Unit Owner defaults in paying any sum assessed against his/her Lot, which continues for a period in excess of 30 days, the assessment shall bear interest from the due date at a rate of two percent (2%) per month (24% per annum), which will be imposed on the principal amount unpaid from the date due until paid. The imposition of interest shall not preclude collection of a late charge. Additionally, the Board shall suspend the voting rights of such owner and use of the recreational and common facilities until the account is paid in full; provided that such period shall not exceed 60 days.

D. If a check is not honored, and is returned, and an assessment due and owing is not otherwise received in the applicable time period, the account shall be deemed late and the late fee and interest shall be added. In addition, a \$35.00 return check charge and any bank service fees will be added to the account.

E. If payment in full of any assessment payable in installments including annual assessments, special assessments, late fees, and returned check charges and interest is not received by the Association or its appointed agent by the fortieth (40th) day after the Due Date, the account will be accelerated for the balance of the annual assessment, any automatic debit, ACH or automatic pre payment plan will be terminated, and the account will be referred to an attorney for collection and a "Notice of Acceleration and Intent to File Lien" shall be mailed to the Owner at the address listed on the books of the Association, or other address as furnished by the Owner, via Certified Mail, return receipt requested, with all costs added to the delinquent Owner's account.

F. Interest shall be added at the time of the acceleration, and a memorandum of lien shall be filed by Counsel with the Prince William County Circuit Court. The cost of filing the memorandum of lien will be added to the account.

G. Counsel for the Association shall take other appropriate legal action as requested by the Board or its managing agent, including but not limited to suit and foreclosure.

H. If the Association receives from any Owner, in any accounting year, two or more returned checks for payments of assessments, the Board may require all future payments to be made by certified check or money order for the remainder of the fiscal year. A \$35.00 charge will be made for every returned check. Action may also be taken under Section 55-516, and Section 801 .-27.1 et seq., of the Code of Virginia, at the discretion of the Board.

I. All costs incurred by the Association as a result of any violation of the Declaration, Bylaws, Rules and Regulations or Resolutions of the Association by an Owner, his family, employees, agents or licensees, shall be specifically assessed against such Owner. Such costs include, without limitation, legal or administrative expenses (regardless of whether suits or liens are filed) resulting from an Owner's failure to pay assessment when due or from any other default referred to in this resolution.

J. 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 files with the name of the person or persons representing the Board granting the relief and the conditions of the relief. Waiver shall be made on a case-by-case basis upon review of particular circumstances. Further, waiver on one occasion shall not be deemed or construed as a waiver in any future instance of delinquency.

K. The Board hereby authorizes the managing agent to waive the imposition of interest and late fees on payments received by the managing agent seventeen (17) days after the Due Date only if, in the judgment of the managing agent, the delinquent Owner has owned the Lot for less than one month 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. Further, such a waiver may be granted only once to any delinquent Owner.

L. Payments received from an Owner will be credited in the following order of priority:

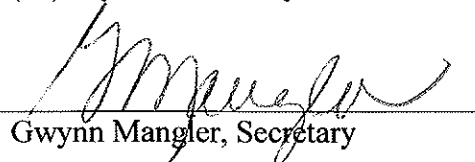
1. Charges for attorney's fees and costs.
2. Late Fees.
3. All interest accrued.
4. All other charges incurred by the Association as a result of any violation of the Declaration, Bylaws, Rules and Regulations or Resolutions, by an Owner, his family, employees, agents or licensees.
5. The assessment(s) due for each Lot including special assessment due, as applicable.

GREENHILL CROSSING COMMUNITY
ASSOCIATION

By: 
David Leake, President

I hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the Board of Directors of Greenhill Crossing Community Association, this 26th day of September, 2005.

This Resolution will become effective thirty (30) days from the day attested hereto.


Gwynn Mangler, Secretary

**GREENHILL CROSSING COMMUNITY ASSOCIATION
RESOLUTION ACTION SHEET**

Resolution Type: Policy and Administrative No. 05-08-01

Pertaining To: Collection of Assessments

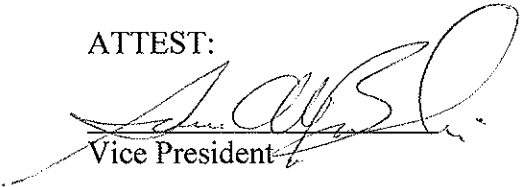
Duly adopted at a meeting of the Board of Directors held on September 26, 2005

Motion by: Al-Bashir Seconded by: Leake

VOTE:

	YES	NO	ABSTAIN	ABSENT
<u>LEAKE</u> President	✓			
<u>Al-Bashir</u> Vice President	✓			
<u>N/A</u> Member at Large				
<u>EAKINS</u> Treasurer	✓			
<u>Mangier</u> Secretary	✓			

ATTEST:


Vice President

File: _____

Book of Minutes: September 26 2005

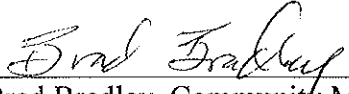
Book of Resolutions:

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

Resolution effective: November 1, 2005

CERTIFICATE OF MAILING AND DISTRIBUTION

I hereby certify that the foregoing Resolution No. 05-08-01 (Assessment Collection Procedures) of Greenhill Crossing Community Association, was duly mailed, regular first-class mail, to the Lot Owners of record on this 7th day of October, 2005.



Brad Bradley, Community Manager