

**HIGHPOINTE AT RIPPON LANDING CONDOMINIUM  
UNIT OWNERS ASSOCIATION  
POLICY RESOLUTION NO. 2020 - 1**  
**(Rules and Procedures Relating to Collection of Routine and Delinquent Payments)**

**Effective Date:** May 27, 2020

**WHEREAS**, Article 3, Section 3.1 of the Bylaws provides, in part, that the Board of Directors of Highpointe at Rippon Landing Condominium Unit Owners Association (“Association”) shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners Association and may do all such acts and things as are not by the Condominium Act or the condominium instruments required to be exercised and done by the Association; and,

**WHEREAS**, Article 3, Section 3.1 (1) and (2) of the Bylaws provides that the Board of Directors shall prepare and adopt an annual budget, in which there shall be expressed the assessments of each unit owner for the common expenses and make assessments against unit owners to defray the costs 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; and,

**WHEREAS**, Article 3, Section 3.1 (5) of the Bylaws provides that the Board of Directors has a duty to collect the Assessments; and,

**WHEREAS**, Article 5, Section 5.3 of the Bylaws provides that a late charge of twenty Dollars (\$20.00) or such other amount as the Board of Directors may establish from time to time, shall be imposed if any Assessment, or installment thereof is not paid within ten (10) days after the due date; and

**WHEREAS**, Article 9, Section 9.1 of the Bylaws provides that each unit owner shall be governed by, and shall comply with, all of the terms of the Condominium Act, condominium instruments and rules and regulations, as any of the same may be amended from time to time; and

**WHEREAS**, Article 9, Section 9.1(a) of the Bylaws provides that any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Condominium Act, the condominium instruments and the rules and regulations by any unit owner (or any member of such unit owner’s household or such unit owner’s guests, invitees, tenants, agents or employees) may be assessed against such unit owner’s unit; and

**WHEREAS**, Article 9, Section 9.1 (h) of the Bylaws and Section 55.1-1959 of the Virginia Condominium Act (“the Act”) authorizes the Board of Directors to suspend an unit owner’s right to use facilities or certain services, provided directly through the Association, for non-payment of assessments that are more than sixty (60) days past due after the delinquent unit owner has received notice and an opportunity to be heard, and provided that any suspension does not endanger the health, safety, or property of any unit owner, tenant, or occupant; and,

**WHEREAS**, the Board of Directors deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for the manner in which staff and financial management deal with delinquent accounts, and further, believes it to be in the best interest of the Association to refer these accounts to the Association's legal counsel for collection so as to minimize the Association's loss of assessment revenue.

**NOW THEREFORE, BE IT RESOLVED THAT** the following assessment collection procedures be and is hereby adopted:

I. **COLLECTIONS**

A. Annual Assessments. The Annual Assessments levied by the Board of Directors shall be due and payable in installments on a monthly basis. All monthly installments of the Annual Assessments shall be due and payable in **on or before the first day of each month.**

B. Special Assessments for Additions, Alterations or Improvements. Any additional or special assessments shall be due as specified in the notice provided in accordance with the terms of the Bylaws and Declaration. The Board has the authority to decide when the special assessment is due including but not limited to monthly or quarterly payments.

C. Invoices, Documents, Correspondence and Notices. All invoices, documents, correspondence and notices relating to Assessments and/or late 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 the unit owner, and filed with the Secretary of the Board of Directors. All unit owners have the responsibility of informing the Association, in writing, of his or her correct mailing address and any subsequent changes to that address. Non receipt of any payment invoice, bill statement, payment coupon or other communication relating to assessments and/or charges shall in no way relieve the unit owner of the obligation to pay the amount due by the due date. Refusal or failure to accept a certified or registered mailing will not invalidate the notice. If an unit owner does not receive a notice within the required time period, the unit owner must contact the Association's Managing Agent immediately to obtain a copy of the notice and to confirm the unit owner's correct mailing address. All unit owners are under a legal duty to seek out information about the annual assessment if they do not receive the Association's Annual Assessment notice.

II. **REMEDIES FOR NONPAYMENT OF ASSESSMENT**

A. Late Charges. If any Assessment, or installment thereof, is not paid within ten days after the due date, a late charge of Twenty Dollars (\$20.00) shall be assessed and added to the account.

B. Returned Check Charges. When an unit owner's payment is returned for insufficient funds, stop payment, or because the check was drawn on a closed account and an Assessment or charge due and owing by the unit owner is not otherwise received in the applicable time period, the unit owner's account shall be deemed in default. If a payment is returned for any reason, in addition to the imposition of the late fees, a \$50.00 processing charge in accordance with Section 8.01-27.1 of the Virginia Code may be added to the assessment

account. Such charge shall be part of the continuing lien established pursuant to Article 9, Section 9.2 of the Bylaws and Section 55.1-1966 of the Act. 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 of Directors may require all future payments to be made by certified check or money order for the remainder of the fiscal year.

### III. ADMINISTRATIVE AND LEGAL PROCEDURE FOR NON-PAYMENT OF ASSESSMENTS

A. Late Notices If payment of any assessment or installment thereof is not paid by the tenth (10<sup>th</sup>) day of each month, the Managing Agent may send a late notice to the unit owner who failed to pay such assessments or installments thereof.

B. Acceleration. If an unit owner fails to timely pay any two (2) consecutive installment payments the account may be accelerated and the Managing Agent or counsel may send notice to the unit owner, notifying the unit owner that the account was accelerated and payment of the balance of the Annual Assessment is due in full.

C. Legal Action. If the account remains unpaid for sixty (60) days after the due date, the Managing Agent shall refer the account to legal counsel for collection and commencement of legal action. The Association's attorney shall be authorized to prepare and record liens, file suits on behalf of the Association to collection all delinquent sums and take any other post-judgment actions necessary to collect the debt. All costs of collection, including all legal fees, costs and court costs, shall be added to the account of the delinquent unit owner.

D. Bankruptcy/Foreclosure. The Managing Agent shall consult with the Association's legal counsel and the Board of Directors regarding any account not previously referred for legal action where the Owner files or is the subject of a petition for relief in a bankruptcy or where a deed of trust beneficiary or any other party has commenced foreclosure proceedings against the property. The Managing Agent shall take such action as directed by the Board of Directors.

E. Suit to Enforce Lien. If a lien remains unpaid, the Board of Directors may authorize counsel for the Association to proceed with a suit to enforce the lien in accordance with Section 55.1 -1966 of the Act.

F. Costs and Fees. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Association Documents and Rules and Regulations by any unit owner may be assessed against such unit owner's unit.

G. Legal Proceeding. The Association, in any legal action to collect Assessments or any installments thereof or for injunctive relief, is entitled to recover the costs of collection including but not limited to, attorneys' fees.

H. Application of Payment. Payments received from the unit owner shall be credited in the following order:

1. Charges for attorneys' fees and court costs;
2. Late fees;
3. Violation charges;
4. All other charges, costs and expenses authorized by the Declaration and Bylaws; and
5. The annual and special assessments for each unit, applied first to the oldest amount due.

IV. SUSPENSION OF PRIVILEGES

A. In the event an unit owner fails to pay assessments, including installment payments thereof, within sixty (60) days of the due date, after having been afforded an opportunity to be heard, the unit owner's recreational and other privileges including the right to use the Common Facilities may be suspended, in accordance with Article 9, Section 9.1 of the Bylaws and Section 55.1-1959 of the Act. Any suspension will apply to the unit owner and the unit owner's tenants, guests, visitors, agents, invitees, and household members.

B. Before an unit owner's privileges are suspended, an unit owner shall be afforded the due process rights, which include notice of the suspension, a reasonable opportunity to cure the delinquency prior to the suspension taking effect, and the right to a hearing and to be represented by counsel (at the unit owner's expense) before the Board of Directors. In accordance with Virginia Code Section 55.1-1959, the Board shall schedule a hearing and shall notify the Owner, in writing, of the date, time, and location of the hearing, and the suspension of privileges will not take place until the hearing is held and a decision is rendered by the Board.

V. EFFECTIVE DATE

The Effective Date of this Resolution shall be the 27 day of May, 2020 and shall supersede and replace any previously adopted Policy or Administrative Resolution regarding the collection of assessments.

**HIGHPOINTE AT RIPPON LANDING  
CONDOMINIUM UNIT OWNERS ASSOCIATION**

By: Edward M. Kay  
President

By: Mur Kefauver  
Secretary