

**Westwood Towns Homeowners Association, Inc.**  
**Policy Resolution 2016-01 Regarding Delinquent Assessment Payments**

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Westwood Towns Homeowners Association, Inc. (the "Declaration"), the By-Laws of Westwood Towns Homeowners Association, Inc. (the "Bylaws") and the Articles of Incorporation of Westwood Towns Homeowners Association, Inc. (the "Articles of Incorporation"), as amended, collectively known as the Governing Documents, and the Virginia Property Owners' Association Act (Code §§ 55-508, et seq., the "POAA") provide that the Lots are subject to the Governing Documents and the rules and regulations of the Association; and

WHEREAS, Article IV, Section 1 of the recorded Declaration creates an Assessment obligation for an Owner which includes paying Annual Assessments, Special Assessments (collectively "Assessments"); and

WHEREAS, the Governing Documents and the rules and regulations of Westwood Towns Homeowners Association, Inc. (the "Association") provide that the Board of Directors (the "Board") is empowered to implement procedures to collect the Assessments from the Owners; and

WHEREAS, Article IV, Section 8 of the Declaration provides that any Assessment or installment thereof not paid within thirty (30) days of the due date shall bear interest at the rate of ten percent (10%) per annum from the due date until paid; and

WHEREAS, Article IV, Section 8 of the Declaration provides that the Association may bring an action at law against an Owner or foreclose the lien against the lot if an Owner fails to pay any Assessment or installment thereof within thirty (30) days from the date that such Assessment or installment is due; and

WHEREAS, Article IV, Section 1 of the Declaration creates the personal obligation and creation of a lien for the recovery of reasonable attorney fees, interest, late charges, and costs if an Owner is delinquent in the payment of the Assessments; and

WHEREAS, Article IV, Section 7 of the Declaration empowers the Board to establish the due dates for the payment of the Assessments; and

WHEREAS, Article IV, Section 8 of the Declaration authorizes the imposition of a late charge for any Assessment not paid within thirty (30) days from the due date; and

WHEREAS, Article VII, Section 1(e) of the Declaration and Article VIII, Section 1 of the Declaration provides that the Association may employ a Managing Agent; and

WHEREAS, In accordance with Article IV, Section 8 of the Declaration, no Owner may exempt themselves from liability for Assessments and Special Assessments by abandonment of any lot belonging to them or by the abandonment of their right to the use and enjoyment of the common areas and community facilities. Non-receipt of a payment coupon, coupon books, notices, or other such documents relating to the payment of the Assessments shall not excuse an Owner from the obligation to pay Assessments.

WHEREAS, Article II, Section 1(a) of the Declaration provides that the Association may suspend an Owner's right to vote if the Owner is delinquent in the payment of the Assessments; and

WHEREAS, Article XIII, Section 1 of the Bylaws establishes the fiscal year of the Association as the calendar year; and

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

NOW THEREFORE, it is hereby RESOLVED THAT the Board duly adopts the following assessment collection procedures:

**I. Routine Collections**

A. The amount of the Annual Assessment shall be established by the Board and payable quarterly, in equal installments, with payment due on the first day of January, April, July and October (the Due Date). All Special Assessments shall be due as specified in the notice of Special Assessment. There shall be no penalty for prepayment of an installment of the Assessment.

B. In accordance with Article IV, Section 8 of the Declaration, no Owner may exempt himself from liability for Assessments and Special Assessments by abandonment of any lot belonging to him or by the abandonment of his right to the use and enjoyment of the common areas and community facilities. Non-receipt of a payment coupon, coupon books, notices, or other such documents relating to the payment of the Assessments shall not excuse an Owner from the obligation to pay Assessments.

C. Non-resident Owners must provide the Board with a telephone number and address, in writing, where the Owner can be contacted; otherwise, all notices shall be sent to the Lot address or address on record with the Association.

**II. Remedies for Nonpayment of Assessments**

A. Interest. If a quarterly installment of the Annual Assessment is not paid and received within thirty (30) days of the Due Date, interest shall accrue at the rate of ten percent (10%) per annum from the date of delinquency.

B. Late Charge. If any assessment or installment thereof remains delinquent for thirty (30) days from the due date, a late charge in the maximum amount authorized by Code § 55-513.3 shall be assessed against the delinquent Owner's account.

C. Due Date. If an Owner is delinquent in the payment of a quarterly installment of the Annual Assessment, and the account is referred to the Association's legal counsel for collection, the entire Annual Assessment shall be immediately due and payable for the remainder of the fiscal year if the Owner fails to pay the delinquent balance in full by the due date set forth in legal counsel's demand letter. No further action of the Board shall be required to authorize legal counsel to require the remainder of the fiscal year to become due and owing.

D. Returned Check Charge. If the Association receives a check from an Owner which fails to clear the Owner's banking account, the Association, through the Managing Agent, shall charge the Owner a returned check charge of fifty dollars (\$50.00), or the maximum amount permitted by law, whichever is greater in addition to any fees charged by the Association's bank. If the Association receives from any Owner, in any one-year period, one or more returned checks for payment of an installment of the Assessments, the Managing Agent may require all future payments to be made by certified funds or cashier's check for the remainder of the one-year period.

E. Management Collection Costs. The costs of collections charged by the Managing Agent to the Association shall be assessed to the delinquent Owner's account. Such amounts may include, but are not limited to, the reminder notice, the demand letter, and postage.

F. Notices from Managing Agent.

Whenever an Owner remains delinquent in the payment of any two installments, the Managing Agent, without any further action of the Board, shall automatically take the following action:

1. The Managing Agent shall send a reminder letter to the Owner when the Owner is more than 45 days late paying any single assessment installment. As a reminder notice or demand letter are not required in the Governing Documents as a pre-condition to commencing legal action, the failure of the Owner to receive notices shall not prohibit the Association from commencing legal action to collect the delinquent assessments with legal counsel.

2. The Board or Managing Agent shall suspend an Owner's right to vote if Owner is delinquent in the payment of the Assessments.

3. The Managing Agent shall refer the Owner's account to legal counsel for immediate collection action.

G. Action of Legal Counsel.

1. Legal counsel is authorized, without further action of the Board, to take the following action:

(a) Send a demand letter providing a minimum of thirty (30) days to bring the account current;

(b) If Assessments are not paid in full by due date set forth in demand letter, proceed to collect the entire balance of the Assessments for the remainder of the fiscal year;

(c) Record a memorandum of lien for unpaid homeowner association assessments for the unpaid balance of the Assessment for the remainder of the fiscal year against the title to the Lot;

(d) File a civil action for judgment against the Owner for the unpaid Assessments, interest, late charges, attorney's fees, management costs and court costs;

(e) Take action to collect the unpaid Assessment, interest, late charges, attorney's fees, management fees, collection cost, and court costs.

2. The Board may choose to authorize legal counsel to foreclose the memorandum of lien for unpaid homeowner association assessments, pursuant to the Declaration and in the manner provided by the laws of the Commonwealth of Virginia, including the POAA. Legal counsel shall send a written notice to the Owner and said Owner's Mortgagee, if any, at least ten (10) days prior to filing suit to foreclose. Said notice shall be sent by certified mail, return receipt requested, postage prepaid.

H. Method of Crediting Payments. In accordance with Article XIII, Section 3 of the Bylaws, after an account becomes delinquent, payment received from an Owner will be credited to the account in the following order of priority:

- a. Charges for attorney's fees and court costs.
- b. Interest, late charges, management fees, collection costs, resale disclosure packet fees or any other fees including charges authorized by Article IV, Section 11 of the Declaration and the POAA, and returned check charges.
- c. Any Special Assessments.
- d. The Annual Assessment, oldest outstanding first.

### III. Suspension of Voting

Pursuant to Article II, Section 1(a) of the Declaration, an Owner may not vote if payment of any portion of any Assessment on the Lot is delinquent at the time of such meeting or election. Suspension of the right to vote based on delinquent Assessments does not require notice and a hearing.

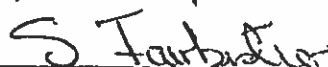
This Resolution is effective November 1, 2016.

The Board directs that this Policy Resolution Regarding Delinquent Assessment Payments shall be reasonably published or distributed to the Owners of the Association.

This Resolution supersedes any prior adopted Policy Resolution Regarding Delinquent Assessment Payments.

**WESTWOOD TOWNS HOMEOWNERS  
ASSOCIATION, INC.**

By:

  
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President

ATTEST:

  
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Secretary