Dranesville Estates Homeowners Association

Policy Resolution 2021-1

Policies and Procedures Relative to Assessment Collection

WHEREAS, Article V, Section 1 (a) of the Declaration of Covenants, Conditions, and Restrictions (the "Declaration") of the Dranesville Estates Homeowners Association (the "Association") imposes an obligation on each Owner to pay to the Association annual assessments or charges; and,

WHEREAS, Article V, Section 1 (b) of the Declaration imposes an obligation on each Owner to pay to the Association special assessments for capital improvements, or other specified items. It further states that, "[t]he annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment together with such interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lots at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them;" and,

WHEREAS, Article V, Section 3 (C) of the Declaration empowers the Board of Directors to fix the annual assessment at an amount not in excess of the maximum amount contained in the Declaration; and,

WHEREAS, Article V, Section 7 of the Declaration states that any assessment not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum. It further states that the Association, in its discretion, may (a) impose a penalty as previously established by rule; (b) accelerate the required payment date of the remaining annual assessment; and (c) bring an action against the Owner personally obligated to pay the same, and/or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment; and,

WHEREAS, Article V, Section 7 of the Declaration also states that no Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his or her Lot; and,

WHEREAS, Article XI, Section 1 of the Declaration provides that the Association, or any Owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges imposed by the provisions of the Declaration; and,

WHEREAS, Article IV, Section 1 (c) of the Declaration empowers the Association to adopt and enforce rules and regulations governing the use of the Common Area, including the imposition of fines for the violation thereof; and,

WHEREAS, Article VIII, Section 1 (b) of the Bylaws authorizes the Board of Directors to suspend the voting rights and right to the use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association; and,

WHEREAS, Article XV, Section 1 of the Bylaws states that the fiscal year of the Association shall begin on the first day of January and end of the thirty-first day of December every year.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors duly adopts the following assessment collection policies and procedures, and this resolution hereby supersedes all previous resolutions with regard to assessment collection.

I. ROUTINE COLLECTIONS

A. Annual assessments and any special assessments or other charges and fees imposed by the Board of Directors in accordance with the Association's Governing Documents and applicable law shall be payable on the due dates as established by the Board of Directors.

B. All annual assessments, fees and charges set forth in Paragraph A above shall be due and payable before the 10th of January each year. All special assessments, violation assessments and other non-routine charges shall be due and payable when assessed or as specified in the notice of such assessment or charge.

C. All documents, correspondence and notices relating to assessments and charges will be hand delivered or mailed to the address which appears in the books and records of the Association. The property address of the home subject to assessments will be deemed to be the record address, and default address, unless such other valid address, to which the United State Postal Service is able to deliver, is designated in writing by the Owner or the Owner's authorized representative. Any changes to an Owner's record address shall be submitted in writing to the Association via the management company.

D. Non-receipt by an Owner of any notice of payment due shall in no way relieve the Owner of the obligation to pay the amount due by the due date. It is each Owner's obligation and responsibility to determine the amount of any annual assessment and the due date thereof.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

A. If the Association or its designated agent does not receive payment in full by the thirtieth (30th) day after the due date, a late payment penalty of thirty-five dollars ($35.00) shall be added to the Owner's account.

B. Any account that remains delinquent for more than sixty (60 days) may be immediately referred to counsel for collection.

C. If a check, credit or debit-card payment, or any other payment, is not honored and is returned for any reason, and an assessment due and owing is not otherwise received in the applicable time period as provided above, the account will be deemed delinquent and a late payment penalty will be applied as set forth above. In addition, the Owner whose payment was not honored will be responsible for payment of any bad-check or return item fees charged to the Association by its bank, other depository or Management Agent. Further, a returned check penalty in the amount of thirty-five ($35.00) dollars shall be added to the Owner's account.

D. If the Association receives from any homeowner, in any accounting year, one or more returned checks or electronic payments, the Board may require all future payments to be made by certified check or money order for the remainder of the fiscal year.

E. If an account is more than thirty (30) days delinquent at any time, the Board of Directors will be deemed to have accelerated the remainder of the assessment payments due in the then current fiscal year without any additional notice or demand and without any further resolution of the Board, and legal action may be taken to collect all such accelerated amounts for prior and current fiscal years. All delinquent

accounts referred for collection to counsel for the Association shall be deemed to have been accelerated with no further action from the Board of Directors.

F. Counsel is authorized to record and foreclose on liens and to file civil suits on behalf of the Association to collect all delinquent sums if the Owner does not pay the unpaid balance in full. In the event that the Association is the prevailing party in a civil suit, all attorneys' fees, costs, and interest awarded in the discretion of the judge shall be added to the Owner's account. Counsel is authorized to take such other actions as are reasonable in the pursuit of the delinquency.

G. The Board may also suspend the rights, privileges and benefits of membership provided by the Association of a delinquent owner in accordance with the Association's due-process procedures, consistent with the Virginia Property Owners' Association Act.

H. The Board of Directors may, in its discretion, enter into a payment agreement with a delinquent Owner as may be equitable and appropriate and in the Association's best interest under all the circumstances of the case. The principal balance, in addition to any late fees, charges, attorneys' fees, court costs, and interest shall be imposed on the outstanding balance as set forth above until full payment has been made.

I. Application of Payments. The Association may apply payments received from delinquent Owners in the following order of priority:

(i) Late charges, interest and returned check charges;
(ii) Any legal fees and costs of collection awarded to the Association;
(iii) The annual assessments, oldest balance first.
(iv) Any and all regular, special or other assessments, violation charges or other sums due and owing.

EFFECTIVE THIS 15th day of February 2021.

DRANESVILLE ESTATES
HOMEOWNERS ASSOCIATION

BY: _____
Anne O'Flaherty, President

I hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the Board of Directors of the Dranesville Estates Homeowners Association on July 28, 2020.

ATTEST: Mimi Kramer-Roberts
Mimi Kramer-Roberts, Secretary

DRANESVILLE ESTATES HOMEOWNERS ASSOCIATION

RESOLUTION ACTION RECORD

Resolution Type: Policy No. 2021-1

Pertaining to: Policies and Procedures Relative to Assessment Collection

Duly adopted at a meeting of the Board of Directors held: July 28, 2020.

Motion by Julie A. Gibbons Seconded by Rikki Gardonia

	VOTE: YES	NO	ABSTAIN	ABSENT
Aaron Banikotes Director	___	___	___	X
Rikki Gardonia Director	X	___	___	___
Rae Kligys Director	___	___	___	X
Anne O'Flaherty Director	X	___	___	___
Mimi Kramer-Roberts Director	X	___	___	___
Julie A. Gibbons Director	X	___	___	___

ATTEST:

Mimi Kramer-Roberts
Secretary

July 28, 2020
Date

Resolution Effective: February 15, 2021

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