

Assessment Collection Policy

The purpose of this policy for Sunrise Bay POA is to state the adopted assessment collection procedures based on authority provided by the governing documents and Code of Virginia as related to the means and methods for establishing and collecting assessments.

Specifically, provisions regarding assessments are covered in the Sunrise Bay *Articles of Incorporation*, Paragraph (b)(III), *ByLaws*, Article X, and the *Declaration*, Article X, as well as the Virginia Property Owners Association Act, Section 55.1-1800 of the Code of Virginia.

1. **Due Dates.** Annual assessments are due and payable on January 1 of each year. Special assessments are due and payable on the date designated by the Board.
2. **Prepayments.** Annual assessments can be prepaid as determined and managed by the lot owner. Payments made will be applied towards the assessment balance due on January 1 and reflected on the lot owner's account.
3. **Email Notifications.** All documents, correspondence, and notices, including past due notices, from the Association related to assessments or charges will be emailed to the Owner's email address that appears on the books of the Association. Owners are responsible for promptly informing the Association via email to sunrisebaylka@gmail.com of their correct and subsequent changes to their email address. Non-receipt of a document, correspondence, or notice related to assessments or charges does not excuse an Owner from the obligation to pay by the applicable due date.
4. **Mail Notifications.** Annual invoices will be mailed to the Owner's mailing address that appears on the books of the Association. Lot owners are responsible for promptly informing the Association via email to sunrisebaylka@gmail.com of their correct and subsequent changes to their mailing address. Non-receipt of an invoice does not excuse a lot owner from the obligation to pay by the applicable due date. If lot owner does not receive an invoice within the expected or required time, it is the lot owner's responsibility to contact the Association to confirm their mailing address on record and ensure payments are paid when due.
5. **Returned Checks.** If the Association receives from any lot owner, in any accounting year, two or more checks returned for insufficient funds for payment of assessments or other charges, the Board may require all future payments to be made by certified check, cashier's check, or money order for the remainder of the fiscal year.
6. **Delinquent Accounts.** Any assessments not paid when due are delinquent. The Board of Directors shall take prompt action as necessary to collect assessments remaining unpaid beyond the due date. The Association is not restricted by any election of remedies and may simultaneously proceed with legal action against a delinquent owner's property, including foreclosure, and the delinquent owner personally, as well as initiate any restrictions against a lot owner as may be authorized by the Board in accordance with the Declaration and ByLaws.

7. **Late Fees.** Properties with an assessment balance remaining 60 days after the due date for payment will incur a late fee as described in the Virginia POA Act, Section 55.1-1824.
8. **Collection of Delinquent Assessments.** After 60 days past due, the delinquent account will be turned over to legal counsel for collection. If turned over to legal counsel, all costs, and reasonable attorneys' fees actually incurred by the Association from the inception of counsel's involvement with the account through resolution will be added to the account and the lot owner will be responsible for payment. If payment in full of the amount then due is not received by legal counsel or the Association within ten (10) days after the notice of legal action has been sent, a Memorandum of Lien may be filed against the lot owner's lot. Non-receipt or lack of notice claimed by a delinquent lot owner shall not prevent the Association from filing a lien within the statutory deadlines or seeking recovery through its available legal means. Upon default, the Association may, in its discretion file a civil suit against the delinquent lot owner, and the Association may initiate any available foreclosure remedy to enforce payment of the debt. If an account remains delinquent after the filing of a lien or civil suit, legal counsel for the Association shall take other appropriate legal action to collect the amounts due.

This policy resolution duly adopted by the Board of Directors on November 1, 2023, by majority vote at a Board meeting.

A copy of the above-referenced policy is posted to our website and all property owners notified.

Appendix: Authority Provisions

1. **Purpose of Assessments** *Declaration, Article X, Paragraph 2)*
 - a. Used for the purpose of maintenance of the Common Areas.
 - b. May be used for the purpose of enforcing the covenants and restrictions as deemed appropriate by the Board of Directors and not prohibited by law.
 - c. May be used for administrative purposes as deemed appropriate by the Board of Directors and not prohibited by law.
2. **Special Assessments for Capital Improvement** *Declaration, Article X, Paragraph 1)(b)*
 - a. Must be approved by the Board of Directors or Association
 - b. Found by resolution of the Board of Directors that it is in the best interest of the Association and proceeds are used primarily for capital improvements described in the *Declaration, Article X, Paragraph 4.*
 - i. Applicable for that year, or one year, only
 - ii. Purpose is to defray the pro-rata cost of any construction ore reconstruction, repair or replacement of the common area facilities when amounts to more than mere maintenance for the use and benefit of the members
 - iii. Requires 2/3 votes of a quorum attending an Association meeting for the purpose of imposing the special assessment
 - iv. Nothing shall prevent the Board of Directors from approving a special assessment in accordance with *Declaration, Article X, Paragraph 1.(b).*
 1. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum annual assessment voted by the members with 2/3 votes of a quorum attending an Association meeting for the purpose of setting the maximum annual assessments.
3. **General Assessments**
 - a. Are due and payable on January 1. *Declaration, Article X, Paragraph 3)*
 - b. Shall be fixed against each Lot at least thirty days in advance of each annual assessment period. *Declaration, Article X, Paragraph 6)*
 - c. Shall be in writing, with due dates set by the Board of Directors. *Declaration, Article X, Paragraph 6)*
 - d. May be increased at the end of each year for the next succeeding year by the assent of 2/3 of a quorum attending an Association meeting for the purpose of setting the maximum annual assessments for the next succeeding year. *Declaration, Article X, Paragraph 3)(a)*
 - e. Upon demand and for a reasonable charge, the Association will issue a certificate in writing, signed by an officer of the Association, confirming whether the assessments for a specific lot have been paid. *Declaration, Article X, Paragraph 6)*
4. **General and Special Assessments**
 - a. Shall be a fixed and uniform rate for all lots. *Declaration, Article X, Paragraph 5)*
 - b. May be collected on a monthly, quarterly, or annual basis as determined by the Board of Directors. *Declaration, Article X, Paragraph 5)*

- c. May be rescinded by majority vote of the members attending a meeting of the membership convened within 60 days of the notice of special assessment, and convened in accordance with the provisions of the Declaration and ByLaws.
 - d. Are to be secured by a continuing lien upon the property and the personal obligation of the lot owner. [ByLaws, Article X](#)
 - e. Are to be collected, including by necessary actions to recover past due assessments ([ByLaws, Article X](#)).
 - f. Together with any interest and costs of collection shall be a continuing lien on the property against which each assessment is made. [Declaration, Article X, Paragraph 1\)\(b\)](#)
 - g. Each assessment, together with such interest, costs, and reasonable attorney's fees shall be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. [Declaration, Article X, Paragraph 1\)\(b\)](#)
5. Nonpayment of Assessments [Declaration, Article X, Paragraph 7](#))
- a. Assessments not paid when due shall be delinquent.
 - b. After 30 days past the due date, assessment is subject to 15% per annum interest from date of delinquency.
 - c. The Association may bring action against lot owner personally obligated to pay, or against the property, or both, to include interest, costs, and reasonable attorney's fees.
 - d. Lot owners may not waive liability of the assessment.
 - e. Additionally, the Association has all enforcement remedies provided by the Virginia POA Act for unpaid assessments.
 - f. The lien of assessments will be subordinate to the lien of any second deed of trust. [Declaration, Article X, Paragraph 8](#))
 - g. Sale or transfer of the lot does not affect the lien of any assessment. [Declaration, Article X, Paragraph 8](#))