

Pembroke Homeowners' Association
Collection Policy for Assessments and Fines
Resolution of the Board of Directors

WHEREAS, the Board of Directors of the Association is charged with the responsibility of collecting assessments for common expenses from homeowners; and

WHEREAS, from time to time homeowners become delinquent in their payments of assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS, The Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interest of the association to refer these accounts promptly for collection so as to minimize the Association's loss of assessment revenue;

NOW, THEREFORE BE IT RESOLVED THAT the Board of Directors of the Pembroke Homeowners Association (The Association) adopts the following policy and practice.

The Board establishes the Association's policy regarding the collection of assessments pursuant to the Association's Declaration of Covenants, Conditions, and Restrictions.

The board establishes the Association's fiscal year, January 1 to December 31, as the Regular assessment period. Payment is due on the first day of February and are delinquent after 10 days.

- 1.0 **Assessments in General.** The Association has a duty to levy regular and special assessments sufficient to perform its obligations, under the governing documents and Maryland Law. Regular assessments are levied annually and are due and payable on the 1st of February.

- 2.0 **Obligation to Pay Assessments.** Each assessment or charge is the obligation of the owner at the time the assessment or other sums are levied. Each assessment or charge is also a lien on the owners' lot from and after the time the Association causes a Notice of Delinquent Assessment Lien to be recorded with the County Recorder's Office.
- 3.0 **Notice of Assessments.** The Association will give the owners notice before any increase in the annual assessment or any special assessment. Notice will be sent by first-class mail to addresses on the membership register as of the date of the notice. It is the responsibility of each owner to advise the association of any mailing address changes. The Board of Directors may from time to time provide additional statements of assessments and charges, but lack of such statements does not relieve the owners of the obligation to pay assessments.
- 4.0 **Designation of Agent.** The Board of Directors may designate an agent or agents to collect assessment payments and administer this Collection Policy. Such designated agent may be an officer of the Association, manager, bookkeeper, banking institution, trustee company, law firm, or other appropriate agent.
- 5.0 **Due Date/Delinquency Date of Assessments.** Unless otherwise specified by the Board, the Annual Assessment is due the 1st day of February each year. An assessment or any portion thereof, is delinquent if it is not received as directed by the Board of Directors or its designated agent 10 days after it is due.
- 6.0 **Charges on Delinquent Accounts.** After 10 days past due, an assessment, or any portion thereof, that is delinquent shall incur a late charge of \$15.00 per Year, retroactive to the initial delinquent date.
- 7.0 **Interest Charges.** The unpaid balance of an assessment account shall bear interest in accordance with Resolution #2
- 8.0 **Interest and Collection Charges.** Any costs and fees incurred in processing and collection delinquent accounts, including, without limitation, late and interest charges, charges for preparation of delinquency notices or referral to collection, postage and copies, and attorney's fees and costs, shall become an additional charge against the owner and the owner's lot and shall be subject to collection pursuant to this Policy.

9.0 **Application of Payments.** Payments shall be applied first to assessments, unless instructed otherwise.

10.0 **Delinquency Notices.** Owners delinquent 30 days will receive a Notice of Delinquent Assessment and intention to send it to a designated collection agent within ten (10) days.

If the account is not brought current within ten (10) days then it will be turned over to the Association's contracted designated collection agent for collections according to state and federal fair debt collection laws. These collection procedures will include but not limited to Notice of Intent to Lien, Lien and Foreclosure proceedings.

The cost of transferring the account from the Board of Directors to the collection agent and monitoring collections will be \$175.00, which will be levied against the homeowner's account by designated collection agent upon transfer and become part of the collectible debt.

All other expenses, interest, fees and charges incurred in the collection of a delinquent assessment shall be the sole responsibility of the property owner and be payable prior to the curing of delinquency status.

11.0 **Collection of Fines.** When fines reach \$100.00 (including Administrative fees) will be turned over to the Association's designated collection agent for collection after a 10-day notification of intent to turn over to collections is mailed to the property owner.

12.0 **Address of the Association and the Board of Directors.** Owners should make payments and written correspondence to should be sent to the Association at the following address:

Pembroke HOA
46909 Pembroke St
Lexington Park, MD 20653

Please note this is a mailing address only, not a physical address

13.0 Void Provisions. If any provision of this Policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.

This resolution of the Board of Directors has been duly adopted at the
April 17, 2017 Board of Directors Meeting.

By:

Karen MacRae, Secretary

Pembroke Homeowners' Association

Resolution Type: Policy No. 1Pertaining to: Collection PolicyDuly adopted at a meeting of the Board of Directors held: April 17, 2017Motion by: Karon MacRae Seconded by: Chris Steingrub

VOTE

	YES	NO	ABSTAIN	ABSENT
<u></u>	<u>X</u>	<u> </u>	<u> </u>	<u> </u>

President

<u></u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
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Vice President

<u></u>	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
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Treasurer

<u></u>	<u>X</u>	<u> </u>	<u> </u>	<u> </u>
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Secretary

<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>X</u>
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ARC Chairman

Cam Ferguson

Member at Large

X

_____ X

Member at Large

ATTEST:

Karen MacRae

Secretary

04/17/2017

Date

File:

Book of Minutes

Book of Resolutions:

	Book No.	Page No.
Policy	<u>1</u>	<u>1</u>
Administrative	_____	_____
Special	_____	_____
General	_____	_____

Resolution effective date: June 1, 2017

DOCUMENT VALIDATION

LR - HOA Dep Amendment
15.00
HOA Name: PEMBROOK HOA
Ref: 25/52
WALKIN/MACRAE

Total: 40.00
05/10/2017 10:39
CC18-JD
#8349817 CC0704 - St
Mary's
County/CC07.04.04 -
Register 04

Joan W. Williams, Clerk
Circuit Court for St. Mary's County
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