

**THE VILLAS AT FALLS RUN CONDOMINIUM
UNIT OWNERS ASSOCIATION**

**ADMINISTRATIVE RESOLUTION NO. 2008-01
(Establishing Procedures Relative to the Collection of Assessments)**

WHEREAS, Article VI, Section 2 of the Bylaws for The Villas at Falls Run Condominium Unit Owners Association (“the Bylaws”) creates an assessment obligation for all Unit Owners; and,

WHEREAS, Article X, Section 1 of the Bylaws specifies some of the remedies the Association, its Board of Directors, or Managing Agent may seek when a Unit Owner is in default under the terms of the Condominium Instruments and the Virginia Condominium Act, including without limitation, late fees (Section 1(g)), acceleration (Section 1(f)), interest (Section 1(e)), and attorneys’ fees and costs (Section 1(c)); and,

WHEREAS, Article X, Section 2 of the Bylaws provides, in relevant part, that the Association may record a lien for any unpaid assessments, the lien may be enforced and foreclosed in the manner provided under the laws of the Commonwealth of Virginia, and that said foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment; and,

WHEREAS, Article III, Section 2 of the Bylaws provides that the Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may take any and all actions that are not by the Condominium Act or the Condominium Instruments required to be taken by the Association; and,

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

NOW THEREFORE, BE IT RESOLVED that the Board of Directors duly adopts the following assessment procedures, which shall supersede and replace any previously adopted policies or procedures relating to the same subject.

I. ROUTINE COLLECTIONS

- A. All monthly installments of the annual assessments shall be due and payable in advance on the first day of the applicable month, and all special assessments shall be due and payable on the date specified on the notice of special assessment (hereinafter “Due Date”).
- B. Unit owners shall pay the annual assessment in twelve (12) equal monthly installments. Unit owners may make arrangements with the managing agent to pay the monthly assessments through a direct debit program, if available.

- C. All documents, correspondence, and notices relating to the charges shall be mailed to the address which appears on the books of the Association or as modified in writing by a Unit Owner. Non-resident unit owners shall furnish the Board with a telephone number and an address where the owner will promptly receive mail and notices. If no such address is designated, all notices shall be mailed to the unit address.
- D. Non-receipt of an invoice, payment notice or payment coupon shall in no way relieve a Unit Owner of the obligation to pay the amount due by the Due Date.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT

- A. If any payment, including installment payments, is not received by the Managing Agent by the fifteenth (15th) day of each month (or the first working day thereafter if such day is a Saturday, Sunday or legal holiday) the account shall be deemed “in default” and a late fee of eleven dollars (\$11.00) per unit shall automatically be added to the account and thereafter be a part of the continuing lien for assessments as provided for in Article VI, Section 2 of the Bylaws until all sums due, including such late charge, shall have been paid in full. A “Late Notice”, which shall be substantially in the form of **Exhibit A** to this Administrative Resolution or such other form as suggested by the Managing Agent, shall be sent to Owners who have not paid their assessments in full by the fifteenth (15th) day of the month.
- B. If payment of the assessment (including any assessment payable in installments or special assessments) is not received by the Association or managing agent within forty-five (45) days after the Due Date, the Managing Agent shall automatically, on behalf of the Board of Directors, take the following actions for the Association:
 - (i) Accelerate the entire balance of the annual assessment due for the fiscal year;
 - (ii) Accelerate the entire balance of any special assessment payments due for the fiscal year;
 - (iii) Add a cost of collection charge of \$25.00 to the account; and
 - (iv) Refer the account to the Association’s legal counsel for collection of the accelerated balance.
- C. Counsel for the Association shall be authorized to record and foreclose on liens, and to file suits on behalf of the Association to collect all delinquent sums. Counsel for the Association shall add all attorneys’ fees and court costs to the account of the delinquent unit owner.
- D. If the unit owner’s account has been referred to the Association’s legal counsel for collection and a new fiscal year begins, upon notice to the unit owner, the entire balance of the annual assessment due for the new fiscal year shall be accelerated and become due.
- E. All costs incurred by the Association as a result of any violation of the Declaration, Bylaws, Rules and Regulations or Resolutions by a unit owner, his or her family,

employees, guests, agents, invitees or tenants, shall be specially assessed against such unit owner. Such costs shall include, without limitation, legal or administrative expenses (regardless of whether suits or liens are filed) resulting from an owner's failure to pay assessments when due or from any other default referred to in this paragraph.

- F. If the Association received from any Owner, in any fiscal year, two or more returned checks (e.g. checks returned for insufficient funds) or rejected electronic debits for insufficient funds, for payment of any sum assessed against the owner's unit, the Board may require all future payments to be made by certified check or money order. A reasonable charge will be made for any returned checks or rejected electronic debits which amount shall be established by the Board of Directors and may be changed by the Board from time to time.

- G. If a unit owner's assessment account becomes more than sixty (60) days past due, the Board of Directors shall determine whether or not to suspend all of the unit owner's rights and privileges, including, but not limited to, the right to use recreational and common facilities. The suspension shall remain in effect until the unit owner pays all delinquent amounts. The managing agent shall send a notice of the suspension via Certified Mail, Return Receipt Requested, and shall inform the unit owner of his or her rights under Virginia law and Association Regulations to contest the suspension of privileges at a hearing before the Board of Directors (or a committee appointed by the Board). If any unit owner wants to contest a suspension or otherwise explain any matter relative to an account, he or she may request a hearing with the Board of Directors in writing and have counsel, at the unit owner's expense, present at the hearing. Upon receipt of a request for a hearing, the Board will schedule a hearing and notify the unit owner in writing of the date and time of the hearing.

- H. For bookkeeping purposes, payments received from a unit owner will be credited in the following order:
 - (i) Charges for legal fees, costs of collection, and court costs.
 - (ii) All late charges.
 - (iii) All other charges incurred by the Association as a result of any violation by an Owner, his family, employees, guests, agents, invitees or licensees, of any Regulations or Resolutions.
 - (iv) Assessments for common expenses, including any special assessment due, as applicable, with the oldest outstanding balance being credited first.

THE VILLAS AT FALLS RUN CONDOMINIUM UNIT
OWNERS ASSOCIATION

By: _____
Sherri Burke, President

ATTEST:

I, CARLOS SUTTON, Secretary for the Villas at Falls Run Condominium Unit Owners Association, hereby attest that the foregoing Administrative Resolution was adopted by the Board of Directors at a duly-held meeting on the 17th day of January 2008.

Secretary

EXHIBIT A
ADMINISTRATIVE RESOLUTION NO. 08-01

LATE NOTICE

NAME:	_____
ADDRESS:	_____ _____

ACCOUNT # _____

PAY TO: **VILLAS AT FALLS RUN CONDOMINIUM UNIT OWNERS ASSOCIATION**
c/o _____

Past Due: _____

Late Fee: _____

Balance Due: _____

THIS BILL REFLECTS PAYMENTS
THROUGH _____

Payment Due the First Day of the Month
Return this Portion with Check

QUESTIONS? Call _____