

**THE UNIT OWNERS ASSOCIATION OF  
ROSSLYN HEIGHTS, EAST, A CONDOMINIUM  
POLICY RESOLUTION NO. 01 - 2001**

**PROCEDURES RELATING TO COLLECTION OF ASSESSMENTS AND CHARGES  
AND SUSPENSION OF RIGHTS TO FACILITIES AND SERVICES**

WHEREAS, Article II, Section I and Article VI, Section I (d) of the By-Laws of The Unit Owners Association of Rosslyn Heights, East, A Condominium ("Association") create an assessment obligation for unit owners of the Association and empower the Association to make and enforce assessments against unit owners to defray the common expenses of the Association and to establish the means and methods of collecting assessments from unit owners; .

WHEREAS, Article III, Section 2 and Article VI, Section 3 of the By-Laws empower the Board of Directors ("Board") of the Association with the authority to adopt rules and regulations deemed appropriate by the Board for the governance of the Association and direct the Board to take prompt action to collect assessments which are past due;

WHEREAS, Section 55-79.84 of the Virginia Condominium Act and Article X, Section 2(a) of the By-Laws provide that unpaid assessments are to be a continuing lien upon the property on which the assessments are made;

WHEREAS, Article VI, Section I (e) and Article X, Section 2 (b) of the By-Laws provide that in the event that legal action is required to collect assessments, the Board has the right to accelerate payment of assessments and the entire balance of assessments due on the account of such unit for the entire fiscal year shall be immediately due and payable in full;

WHEREAS, Article X, Section 2 (b) of the By-Laws provides that any assessment, or any installment thereof, which is not paid within ten (10) days after its due date, shall be subject to a late charge of not less than ten dollars (\$10.00) per month for each monthly assessment in arrears;

WHEREAS, Article X, Section I (a) of the By-Laws provides that a unit owner's failure to comply with the terms of the Declaration, By-Laws, and Rules and Regulations shall entitle the Association to bring an action at law against that delinquent unit owner and to foreclose on the unit pursuant to a lien filed for non-payment of assessments;

WHEREAS, Article X, Section I (c) of the By-Laws provides that in any proceeding arising out of any alleged default of payment of assessments by a unit owner, the Association, as the prevailing party, shall be entitled to recover attorneys' fees and costs;

WHEREAS, Article X, Section 1 (e) of the Bylaws provides that interest shall accrue on any common expenses or other sum assessed that is in default for more than ten (10) days at a rate of eight percent (8%) per annum;

WHEREAS, Section 55-79.80:2 of the Condominium Act empowers the Board of Directors to suspend a unit owner's right to use facilities or services of the Association for a reasonable period not to exceed the duration of the default or violation for nonpayment of assessments which are more than sixty (60) days past due,

WHEREAS, it is the intent of the Board, pursuant to Section 55-79.80:2 of the Act, to authorize suspension of unit owners' use of the Association's facilities and services provided by or through the Association for nonpayment of assessments which are more than sixty (60) days past due; and

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

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT the Board by the Act, the Governing Documents and this Resolution hereby vacates and supercedes any and all previously

adopted resolutions related to or regarding collection practices and procedures and hereby duly adopts the following assessment collection procedures:

1. ROUTINE COLLECTIONS

A. The Association will allow annual assessments to be paid in twelve (12) equal monthly installments which will be collected on a monthly basis and shall be due and payable on the first day of the applicable month. All special assessments, unless otherwise provided for by the Board in a separate resolution, shall be due and payable on the first day of the next month after delivery to the owner of the notice of special assessment provided that more than ten (10) days notice is provided.

B. All documents, correspondence, and notices relating to assessments or charges shall be mailed to the address which appears on the books of the Association or to such other address as is designated in writing by an owner to the Association.

C. Non-receipt of an invoice shall in no way relieve the unit owner of the obligation to pay the amount due by the due date.

II. REMEDIES FOR NONPAYMENT OF ASSESSMENT

A. Acceleration. If an account is turned over to legal counsel for collection, the entire balance of assessments due on the account of such unit for the entire fiscal year shall be immediately due and payable in full.

B. Late Fee. If payment of the total assessments, or of any installment thereof, or charges due, including special assessments and returned check charges, are not received by the managing agent by the fifteenth (15th) day of the month, the account shall be deemed late and a late fee of \$25.00 shall be added to the amount due and shall be a part of the continuing lien for assessments, as provided for in the Bylaws and the Act, until all sums due and owing shall have been

C. Returned Checks. If a check is returned and an assessment, or any installment thereof, or charge due and owing is not otherwise received in the applicable time period, as provided in paragraph I.A. above, the account shall be deemed late and a late charge shall be added, in addition to a returned check charge of ~~not more than~~ Twenty-Five Dollars (\$25.00).

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D. Late Notice. A "Late Notice" may be sent by the managing agent to owners who have not paid assessments or charges, in full, by the fifteenth (15h) day after the due date. The late notice may warn the owner that the account may be sent to legal counsel for legal proceedings. The notice

may also provide and warn that if the overdue assessments are, become, or remain more than sixty (60) days in arrears, the rights of the unit owner to use the common elements, facilities and services provided through the Association will be suspended. If the owner requests a hearing regarding the proposed suspension, the Board will hold a hearing. The Late Notice may also specify that the unit owner shall have the right to request a hearing regarding any proposed suspension of his or her right to facilities and services of the Association and that such request must be in writing and directed to the Association.

E. Referral to Legal Counsel. If payment in full, of any assessment or charge, interest and returned check charges, is not received by the managing agent by the forty-fifth (45th) day after the due date, the account shall be referred to legal counsel for the Association. Counsel shall mail a demand letter.

F. Demand by Counsel and Lien Filing. If payment in full of the amounts due is not received by legal counsel or the managing agent within fifteen (15) days after the notice of legal action has been sent, a Memorandum of Lien may be filed. Non-receipt or lack of notice shall not prevent the Association from filing a lien within the statutory deadline. Reasonable attorneys' fees and the costs of collection, including late fees and the costs of filing and releasing the Memorandum of Lien, shall be added to the account.

G. Suspension of Rights and Suit Filing. If payment in full, of all amounts due, is not received by legal counsel or the managing agent by the sixtieth (60th) day after a due date, and if the required notice has been sent, then, the unit owner's rights, and the rights of the unit owner's tenants, guests, family or residents, to use the common elements, facilities and services provided by the Association (as provided in Paragraph D hereof) may be suspended, and a separate civil suit may be filed personally against the delinquent unit owner.

H. Other Action of Counsel. 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, except as provided in Paragraph I directly below and unless directed otherwise by the Board.

I. Suit to Enforce Lien. If a lien remains unpaid, a suit to enforce the lien and foreclose on the unit may be filed within twenty-four (24) months of the date the lien is recorded, upon authorization by the Board.

J. Two or More Returned Checks: If the Association receives from any unit owner, in any accounting year, two (2) 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.

L. Assessment of Costs and Attorney's fees. All costs incurred by the Association as a result of any violation of the Declaration, By-Laws, Rules and Regulations or Resolutions of the Association by a unit owner, his family,

against the unit owner. Such costs include, without limitation legal or administrative expenses (regardless of whether suits or liens are filed) resulting from an owner's failure to pay charges or assessments when due or from any other default referred to in this Paragraph. Additionally, all attorneys' fees incurred by the Association in the collection of a unit owner's delinquent assessment account shall be the personal obligation of the unit owner and shall also be an assessment against the unit.

M. Board Waiver. The Board may grant a waiver of any provision herein, except filing of memoranda of liens beyond the statutory deadline, at its discretion or upon petition, in writing, by an owner alleging a personal hardship. Such relief granted an owner shall be appropriately documented in the files with the name of the person or persons representing the Board granting the relief and the conditions of the relief.

N. Managing Agent Right to Waive. The Board hereby authorizes the managing agent to waive the imposition of late fees on payments received by the managing agent after the fifteenth (15th) day of the month, if, in the judgment of the managing agent, the delinquent owner has owned the unit for less than three (3) months at the time of the delinquency and the managing agent determines the delinquency was the result of a misunderstanding of the correct procedures relative to payment of the assessment. Further, such a waiver may be granted only once to any delinquent unit owner.

O. Crediting of Payments. Payments received from a unit owner shall be credited in the following order.

1. Charges for attorneys' fees and court costs.
2. All returned check charges or interest accrued, as applicable.
3. All other charges incurred by the Association as a result of any violation by an owner, his family, employees, agents, lessees or licensees of the Declaration, By-Laws, Rules and Regulations or Resolutions.
4. The annual and special Association assessment, or any installments thereof, and late fees for each unit, applied first to the oldest amount due.

This Resolution shall become effective on     May 1    , 2001.

Duly adopted at a meeting of the Board of Directors held March 14, 2001.