

HAWKS LANDING HOMEOWNERS ASSOCIATION

POLICY RESOLUTION 2025-03-11

Collection Policy for Assessments and Charges

Authority

WHEREAS the Hawks Landing Homeowners Association, Inc. (the "Association") is a Virginia Non-Stock Corporation established under the Virginia Property Owners' Association Act, Va. Code § 55.1-1801, et seq. (the "Act") governed by certain documents including the Articles of Incorporation, Declaration of Protective Covenants and Restrictions (the "Declaration") and Bylaws, and

WHEREAS, Article II of the Articles of Incorporation (the "Articles") of the Association as recorded among the land records of York County, Virginia empowers the Board of Directors (the "Board") of the Association to manage, maintain, and care for the Common Area in the development and to assess, collect and disburse the charges due the Corporation from its Members, and

WHEREAS, Article IV, Section 4.1, of the Declaration subjects every Owner of a lot to the Association assessments, and

WHEREAS, Article IV, Sections 4.3 and 4.4 of the Declaration empowers the Board to levy annual and special assessments against each lot, and

WHEREAS, Article II, Section 2.5 of the Declaration empowers the Board to assess non-compliance charges in accordance with the Act, and

WHEREAS Article IV Section 4.1 of the Declaration provides that any assessment that is not paid when due shall bear interest at the rate established by the Association, which shall not exceed the maximum rate permitted by applicable law. Section 4.1 further authorizes the Board to establish a late charge to be assessed on any assessment that is not paid within ten (10) days of its due date in the amount of thirty dollars (\$30.00) or as may be otherwise established by a resolution duly adopted by the Board, and

WHEREAS, Article IV, Section 4.6 of the Declaration empowers the Board to accelerate all remaining installments of any annual assessment in the event any assessment installment is not paid within thirty (30) days of its due date, and

WHEREAS, Article IV, Section 4.1 provides the assessments, together with interest thereon, late charges and costs of collection including attorneys' fees shall be a continuing lien upon each lot, and

WHEREAS, Article IV, Section 4.6 states the lien may be perfected and enforced in the manner provided in Section 55.1-1833 of the Virginia Code and the Association may also bring an action at law against any Owner for nonpayment of the assessments, and

WHEREAS, Article VII Section 1 of the Bylaws empowers the Board to appoint a managing agent and to prescribe their duties, and;

Purpose

WHEREAS, from time to time, homeowners become delinquent in their payments of these 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.

Scope & Intent

WHEREAS, it is the intent that this resolution will be applicable to all homeowners, and will remain in effect until otherwise rescinded, modified, or amended by the Board. This resolution establishes procedures to be followed to clarify and enforce the Declaration, Articles and Bylaws and replaces any previous procedures.

Specifications

NOW THEREFORE, BE IT RESOLVED that the Association adopts the following Policies and Procedures regarding the collection of assessments and any other charges pursuant to the Association's Articles of Incorporation, Declaration of Protective Covenants and Restrictions, Bylaws and Virginia Statutes. This policy becomes effective thirty (30) days after distribution to owners.

1. Obligation to Pay Assessments: Each assessment is an obligation of the Owner at the time the assessment or other sums are levied.

2. Assessment Period: The Board establishes the Association's regular assessment period to be January 1 to December 31.

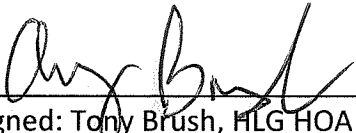
3. Notice of Assessments: The Association will give the homeowners notice of the annual assessment or any special assessment. Notice will be sent by first-class mail to addresses on the membership register as of the date of notice. It is the responsibility of each Owner to advise the association of any mailing address changes.

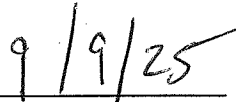
4. Due Date: Unless otherwise specified by the Board, the annual assessment is collected quarterly with 25% of the total annual amount due on the first day of January, April, July and October. Any assessment not paid when due shall be considered delinquent.
5. Charges on Delinquent Amounts: Any assessment not paid within thirty (30) days after the due date will incur a late fee of ten percent (10%) which will be applied to the account every thirty (30) days the assessment remains unpaid.
6. Acceleration of Payments: If an assessment is not paid within thirty (30) days, the board may exercise its power to accelerate all remaining installments for the then current fiscal year which will become due immediately.
7. Payment Plans: An Owner with an overdue balance may contact the Community Association Manager (the "Manager") or Board to request a payment plan. The plan must be approved by the Board and documented in the Association's books and records. If an Owner has agreed to a payment plan and subsequently fails to pay according to that plan, the Board may accelerate payments and proceed with other collections actions, as it deems appropriate.
8. Interest and Collection Charges: Any costs and fees incurred in processing and collecting delinquent amounts, including late fees and interest charges, charges for preparation of delinquency notices or referral to collection, postage and copies, and attorney's fees and costs, will become an additional charge against the Owner and the Owner's lot and will be subject to collection pursuant to this Policy.
9. Application of Payments: Payments will be applied first to assessments, and then to late fees or other charges unless instructed otherwise by the Board of Directors.
10. Late Notice: A notice will be mailed by first class mail to the Owner's address of record after thirty (30) days past the due date. The notice will include a statement of the outstanding balance including the 10% late fee and will include payment instructions.
11. Notice Required Per Va. Code §55.1-1833: Prior to accelerating payments, filing a memorandum of lien or initiating legal action, a written notice will be mailed by Certified Mail to the Owner's last known address informing the Owner of the impending action.
12. Referral to Attorney For Collection: If an Owner accrues a delinquent balance of \$750.00 or more and the Owner has not contacted the Community Association Manager (the "Manager") or Board to request a payment plan, the Board may instruct the Manager to refer the case to the Association's Attorney (the "Attorney") for collection. The Manager will assemble the required documentation and forward to the Attorney with instructions to take the necessary actions to collect the delinquent assessment.

The delinquent assessment amount referred to the Attorney for collection will include all late fees, the Manager's charges for preparation of delinquency notices and referral to collection, mailings and copying costs. Instructions to the Attorney will include requesting the presiding judge to award the Attorney's fees to be included in the final collection amount.

13. Waivers: At its discretion, the board may grant a waiver of late fees and/or interest upon petition in writing by an Owner alleging a personal hardship or other extenuating circumstances. Such relief granted to an Owner shall be appropriately documented in the Association's books and records along with the conditions upon which such relief was granted. Waivers shall be made on a case-by-case basis upon review of particular circumstances. Any waiver on one occasion shall not be deemed or construed as a waiver in any future instance of delinquency by such Owner or any other Owner. The Board may not waive an Owner's liability for the assessments.

This Resolution 2025-03-11 was adopted by unanimous vote by the Board of Directors on March 11, 2025.


Signed: Tony Brush, HLG HOA President


Date