

**POLICY RESOLUTION NO. 17-01**  
**Procedures relative to Delinquency and Collection of Assessments**

**WHEREAS**, the First Amendment to the Deed of Amendment to the Deeds of Dedication of Reston (the “Deed”) provides that any portion of the Property subject to the Deed may also be subjected to a separate Cluster Association; and

**WHEREAS**, Article VII, Section VII.1(b) of the Deed provides that a Cluster Association shall collect and disburse the Cluster Assessments and charges authorized by Article VII; and

**WHEREAS**, the Deed, Article VII, Section VII.1(d)(2) empowers Cluster Board to: (a) permit payment of annual Assessment in installments and declare the entire balance due and payable upon default; (b) charge a late fee on a delinquent Assessment and charge interest on delinquent Assessment and charges; (c) assess the costs, including attorney’s fees and court costs, of collecting delinquent Assessments and charges and of enforcing Cluster Association rules; and

**WHEREAS**, the Deed, Article VII, Section VII.3 provides that each Owner covenants and agrees to pay, as his personal obligation, such Assessments; all Assessments and charges shall be a continuing lien upon the Lot against which each such Assessment is made; each Cluster Board shall annually fix the Assessment against each Lot and the date or dates such Assessment shall come due; and a Cluster Board may levy at any time a Special Assessment in accordance with the Deed; and

**WHEREAS**, the Cluster Board of the Arbor Glen Cluster Association (the “AGCA”) deems it in the best interest of the AGCA and its members to adopt a uniform and systematic procedure for the collection of assessments that assures assessments are collected timely and efficiently.

**NOW, THEREFORE, BE IT RESOLVED**, that the Cluster Board hereby adopts the following policies and procedures for the collection of Assessments.

1. The Annual Assessment shall be established by the Cluster Board through the adopted annual budget. The Annual Assessment will be due on the first day of July every year, but for the convenience of the Owners, the Annual Assessment may be payable in quarterly installments if all Assessments payment from the previous year were timely received. The “Due Dates” for quarterly payments are July 1<sup>st</sup>, October 1<sup>st</sup>, January 1<sup>st</sup>, and April 1<sup>st</sup>. Billing statements are sent to the Owner’s address on record with the Association. Non-receipt of the billing statement does not relieve the property owner from their responsibility to pay the amount due by the Due Date.
2. All other assessments, including Special Assessments, are due and payable on the date(s) specified by the Cluster Board in a notice of Special Assessment. Unless otherwise agreed to by the Cluster Board, a due date would begin thirty days (30 days) after the date of notice of a Special Assessment.
3. Any payment made shall be applied in the following order of priority: (a) attorney fees and court costs; (b) late charges and costs of collection; (c) interest accrued and denied payment

## Arbor Glen Cluster Association

charges; (d) all other charges incurred by the Association pursuant to the Deed or Cluster Documents; and (e) Assessments for the Lot applied first to the oldest amount due. "Costs of collection" include, but are not limited to, printing, postage, delivery fees, administrative or processing fees, certified mailing fees, research fees, and returned payment charges.

4. Assessments not received within *fifteen (15) days of the applicable due date* are delinquent and shall be subject to a late fee of *twenty-five dollars (\$25.00)*. If payment has not been received before the end of the month, an additional *twenty-five dollars (\$25.00)* will be charged. *Twenty-five dollars (\$25.00)* will continue to be charged at the end of each subsequent month until the account is paid in full.
5. Unless otherwise stated in the notice of a Special Assessment, if a Special Assessment is payable in installments and the installment payment of the Special Assessment is delinquent more than *thirty (30) days*, the payment of all installments will be accelerated and the entire unpaid balance of the Special Assessment shall become immediately due and payable. The unpaid balance shall be subject to late fees as stated in Paragraph 4.
6. When any payment is returned or denied by a financial institution for insufficient funds, or for any other reason, and the Assessment is not received by the applicable due date, the Owner's account will be deemed past due, and in addition to a late fee, a returned payment charge of \$20.00 will be assessed against the Owner's account.
7. If an Owner's account is sixty (60) days past due, a notice may be sent requiring payment in full of the entire remaining Assessments. Failure to notify an Owner of an unpaid amount does not relieve the Owner of the responsibility for payment of that amount.
8. If an Assessment remains unpaid for more than ninety (90) days, the Owner's account may be referred to the Association's attorney for legal action. Legal action may include (a) filing a Memorandum of Lien against the Lot in the full amount of Assessments due for the fiscal year plus any permissible costs, late fees, interest and attorney fees; (b) accelerating the Assessments due through the end of the fiscal year; (c) filing suit against the Owner personally for sums due; (d) reporting the delinquent account the major credit reporting bureaus; (e) foreclosing upon the Memorandum of Lien pursuant to the Virginia Property Owners Association Act; and (f) engaging a firm to search and identify assets of the delinquent Owner for performing garnishments and levies. Association's legal counsel may take any necessary actions without regard for the timeframes set forth herein for accounts where an Owner has filed for bankruptcy protection or foreclosure proceedings have commenced.
9. The mailing address for payment of Assessments is indicated on billing statements provided by AGCA. Please note, should an account be referred to the Association's attorney for collection, an Owner may be directed to make payments to the attorney's office or other location specified by the attorney.
10. This Resolution supersedes all prior resolutions, rules and polices governing the collection of Assessments.

This policy will be effective July 1, 2017.

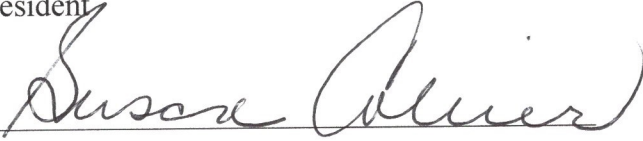
Arbor Glen Cluster Association

BE IT RESOLVED that on this 14 day of JUNE, 2017, the Board of Directors hereby adopts this Policy Resolution on Procedures Relative to the Delinquency and Collection Assessments.

**Board of Directors of  
Arbor Glen Cluster Association, Inc.**



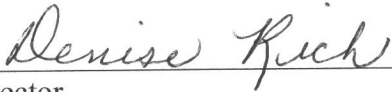
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President



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Treasurer



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Secretary



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Director