

WEST MARKET COMMUNITY ASSOCIATION
POLICY RESOLUTION ON ASSESSMENT COLLECTION

Procedures Relative to Assessment Collection

WHEREAS, Article VI of the Declaration of Covenants, Restrictions and Conditions (hereinafter "Declaration") of West Market Community Association (hereinafter "Association") and Article XIV of the Bylaws of West Market Community Association (hereinafter "Bylaws") obligate owners to pay assessments; and

WHEREAS, Article VI, Section 6.1 states that the assessments, together with interest, late charges, attorneys fees and collection costs are a continuing lien upon the lot against which the assessment is made; and

WHEREAS, Article VI, Section 6.4 of the Declaration authorizes the Board of Directors to establish special assessments in addition to regular monthly assessments; and

WHEREAS, Article III (b) of the Articles of Incorporation of the Association and Article VII of the Bylaws authorizes the Association through the Board of Directors to fix and collect assessments pursuant to the Declaration; and

WHEREAS, Article VI, Section 6.1 of the Declaration provides that each assessment not paid by the due date shall bear interest at a rate not to exceed 12 percent per annum and any assessment not paid within 30 days of the due date shall incur a late charge equal to five percent of the delinquent assessment; and

WHEREAS, Article VI, Section 6.7 of the Declaration gives the Board of Directors the right to accelerate payment of assessments and the right to recover attorney fees and costs; and

WHEREAS, Article VI, Section 6.12 of the Declaration authorizes the Association to enforce the lien for assessments as provided in Section 55-516 of the Virginia Code, including foreclosure of the lien, and also authorizes the Association to bring an action at law for payment of delinquent assessments, including attorney fees, costs, interest, and late charges; and

WHEREAS, Article IV, Section 4.3(ii) of the Declaration gives the Association the authority, subject to Sections 55-513 and 55-514C of the Virginia Code, to suspend a member's right to use or benefit from any of the General Common Areas during a period in which the member's assessments are more than 60 days past due; and

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

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors duly adopts the following assessment collection procedures:

I. ROUTINE COLLECTIONS

- A. All annual assessment installments shall be due and payable on the first day of each month. All special assessments shall be due as specified in the Notice of Special Assessment.
- B. All documents, correspondence, and notices relating to assessments and charges shall be mailed to the address of record appearing on the Association's books or to such other address as designated in writing by the Owner. Non-resident Owners shall furnish written notice to the Association designating an address at which the Owner promptly receives mail.
- C. Non-receipt of assessment coupons, statements, or other such notices shall in no way relieve an Owner of the obligation to pay the amount due by the due date.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

- A. Assessments are due the first day of each month and any assessment not paid by the due date shall be delinquent.
- B. If payment of the total assessments, including special assessments, charges assessed pursuant to Section 55-513 of the Code of Virginia, interest, and returned check charges is not received by the managing agent within thirty (30) days of the due date, such payment will be deemed late and a late charge equal to five percent (5%) of the delinquent amount will be added to the amount due and shall be part of the continuing lien for assessments, until all sums due and owing shall have been paid in full.
- C. Any assessment not paid within thirty (30) days of the due date shall be delinquent and the Association, by its attorney, may, upon notice to the Owner by certified mail, return receipt requested, declare the entire balance of any annual general assessment or special assessment due and payable in full.
- D. An Owner's failure to pay any monthly assessment within thirty (30) days of the due date shall result in the assessment bearing interest from the date of delinquency at the rate of twelve percent (12%) per annum.
- E. In any instance where an Owner's check is returned dishonored, a \$25.00 returned check charge shall be assessed against such Owner's account.
- F. Any delinquent account may be referred to legal counsel for collection. All attorneys' fees and costs incurred by the Association in connection with the

collection of the delinquent account, or the amount determined by a court in a judicial proceeding, shall be assessed against the Owner's account. Counsel shall initiate appropriate legal action, which may include the filing of a lien and/or suit to collect all sums due the Association, including accelerated assessments for the remainder of the fiscal year, and/or the initiation of a lien foreclosure action.

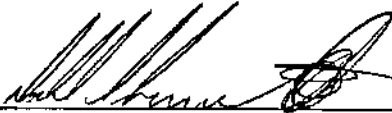
III. SUSPENSION OF PRIVILEGES

After an account is sixty (60) days delinquent, the Association shall have the power, subject to the notice and hearing requirements of Virginia Code Section 55-513, to suspend an Owner's right to use or benefit from any of the General Common Areas for any period during which the Owner's assessment account is delinquent. This includes the suspension of the Owner's right to vote at any Association meeting, pursuant to Section 3.7 of the Bylaws.

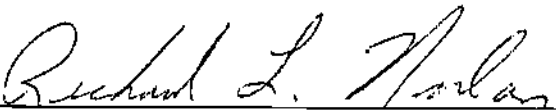
IV. EFFECTIVE DATE OF RESOLUTION

The effective date of this Resolution is JANUARY 13, 2003. The Resolution will be reasonably published or distributed throughout the community.

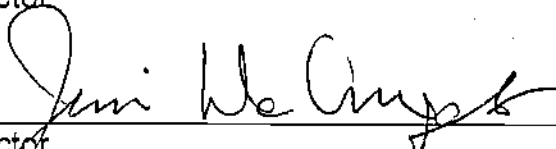
BOARD OF DIRECTORS OF
WEST MARKET COMMUNITY ASSOCIATION



Director



Director



Director



Director