

COUNTRYSIDE PROPRIETARY

RESOLUTION NO. 229

AS AMENDED NOVEMBER 7, 2018

COLLECTION OF ASSESSMENTS

WHEREAS, Article V of the Declaration of Covenants and Restrictions of the CountrySide Proprietary gives the Board of Directors certain powers and duties concerning annual maintenance assessment; and

WHEREAS, there is a need to establish a sound and consistent policy for payment and/or non-payment of the annual maintenance assessment by a member or members of The Proprietary; and

WHEREAS, the Board desires to amend Resolution No. 229 and

WHEREAS, Article V. Section 1 of the Declaration of Covenants and Restrictions of the CountrySide Proprietary provides that, upon resolution of the Board of Directors, installments of annual assessments may be levied and collected on a quarterly, semi-annual or annual basis rather than on a monthly basis; and

WHEREAS, the Board believes the best interest of the CountrySide Proprietary will be promoted by collecting annual maintenance assessments on an annual basis for those homeowners who are three months in arrears, or who have remained two months in arrears for four consecutive months.

NOW, THEREFORE, BE IT RESOLVED THAT Resolution No. 229 be and hereby is amended

I. **PAYMENT**

Assessments shall be collected monthly, in advance, due and payable on the first day of each month. Assessments are delinquent if not received by the close of business, on the 10th day of each month (the "delinquent date"). All payments are to be made payable to the CountrySide Proprietary. Any assessment, or any installment thereof, not paid within ten days after the due date, will bear interest at the rate of 8% per annum. In addition, in accordance with Va. Code 55-513.3, as amended, a late fee shall be imposed to an owner's account for any assessment or installment thereof that is not paid within 60 days of the due date for payment of such assessment. The late fee shall equal the maximum penalty provided in Va. Code 58.1-3915, as amended.

Payments can be mailed to the address indicated in the assessment coupon booklet or delivered to The Proprietary Management office. A homeowner may pay the entire annual assessment and/or any number of month's assessments in advance.

II. **Delinquent Accounts**

Any payment due and payable on the first of each month which is not received by the close of business on the 10th day of each month shall be considered delinquent. In the event that the 10th should fall on a weekend or a recognized federal or state holiday, the delinquent date shall be close of business on the first day of resumption of normal business operations immediately following the weekend or holiday. There will be no exceptions to the imposition of interest on delinquent assessments or late fees, as applicable.

III. **Delinquent Notices and Collection Action**

Delinquent notices, referral of delinquent accounts to The Proprietary's legal counsel, and collection action shall proceed in accordance with the collection schedule attached to and incorporated into this Amended Administrative Resolution No. 229 as Attachment A, as may be modified by Paragraph IV below.

IV. **Collection of Chronically Delinquent Accounts**

In filing Civil Warrants, The Proprietary's legal counsel is hereby authorized to file suit for and collect the remaining unpaid balance of the annual maintenance assessment together with any applicable interest, late fees and costs (and not merely the past due monthly installments of said annual assessment) as to any owner whose maintenance assessment installments are three consecutive months delinquent and as to any owner whose maintenance assessment installments have remained two months delinquent for a total of four consecutive months. By way of example, of a "three consecutive months delinquent" account, an owner who pays the January monthly installment for the current year of the annual maintenance assessment but who has not paid for the months of February, March and April shall be subject to a suit seeking collection of the entire unpaid annual maintenance assessment for the remainder of the year (i.e. February through December, inclusive). Similarly, by way of example a "two month chronic delinquent" account, an owner who fails to make the January and February monthly assessment installments, but who pays monthly installments in March and April will be considered to be two months delinquent for four consecutive months and, thereafter, shall be subject to a suit seeking the unpaid maintenance assessment balance for the entire year (i.e., ten months of assessment installments).

V. **Request Abstract of Judgment**

The Proprietary's legal counsel will request an Abstract of Judgment (lien) after the applicable appeal period has expired. The judgment lien, once recorded, will remain in place until the judgment amount is paid in full, and will be released as soon as practicable after the judgment amount, together with all applicable accumulated interest, fees and costs is paid in full.

VI. **File Debtor Interrogatories**

After judgment the Proprietary will file debtor interrogatories as may be advisable. If the homeowner fails to establish and maintain a mutually acceptable payment plan with the Proprietary after debtor interrogatories have been filed, the Proprietary may initiate additional collection procedures. The homeowner shall be charged the out-of-pocket expense of filing Debtor Interrogatories in addition to attorney fees and service costs.

VII. **Payment Plans**

The Proprietary may allow a written installment payment arrangement with a homeowner for purposes of satisfying the delinquent account balance over a period of time, provided however, a judgment and judgment lien will be obtained by The Proprietary and will remain in place until the delinquent balance is paid in full. Simply put, a Payment Plan, although accepted by The Proprietary, will not halt the obtaining of a judgment and a judgment lien by the Proprietary. The following represents minimum installment payment terms acceptable to the Proprietary:

- A. A lump sum curtailment of 10% of the balance at the time the plan is implemented, plus the amount of the monthly assessment shall be the monthly curtailment due. In addition to the lump sum and monthly curtailments, the monthly assessment payment must be kept current. Failure of the homeowner to honor the terms of the approved Payment Plan established between the Proprietary and the homeowner may result in additional collection procedures being pursued by the Proprietary.
- B. Additional interest and late fees that accrue during the course of a payment plan may be suspended for members once the delinquent account is approved for a Payment Plan by the Board of Directors, and those suspended interest and late fees may be rescinded when the account is brought current. If any payment is late or missed after that point, all suspended interest and late fees may be reinstated, and future interest and late fees may be assessed each month until the account is current, at the Board of Directors discretion, on a case-by-case basis.

VIII. **Additional Collection Procedures**

The Proprietary is not limited to the above collection schedule and may opt to pursue additional collection alternatives including, but not necessarily limited to, a garnishment of wages and financial accounts, attachment of assets, acceleration of annual maintenance assessment, nonjudicial foreclosure, etc., as it may deem appropriate from time to time. The homeowner shall be charged, as awarded by a Court of competent jurisdiction, the out-of-pocket expense of filing post judgment collection proceedings, in addition to attorney fees and service costs and administrative fees.

IX. **Returned Checks**

A fee commensurate with the amount charged by the banking institution shall be charged to all homeowner accounts on all checks that are returned unhonored from a homeowner's banking institution.

X. **Disclosure Document Package**

An applicable amount shall be charged by The Proprietary for disbursement of a disclosure package designed to satisfy the requirements of the Virginia Property Owners Association Act. An applicable additional expediting fee may be charged. This disclosure package includes but is not limited to the homeowners document package, Articles of Incorporation, a property inspection report to ensure compliance with community architectural guidelines, an assessment account status of the property and the most current available:

- A. Audit Statement
- B. Annual Budget
- C. Assessment Rate Schedule
- D. Balance Sheet
- E. Statement of Income and Expense
- F. Reserve Schedule

XI. **Lender Document Package. (PUD Form)**

An applicable amount shall be charged by the Proprietary for disbursement of a Lender's Document Package that contains no more than two (2) pages. And an additional applicable cost for additional pages. If a twenty-four (24) hour rush is requested, then an additional amount of Twenty-Five dollars (\$25.00) shall be charged. This information may be requested by lending institutions, mortgage insurance companies, the Veterans Administration, etc., as part of loan documentation requirements. These packages may include but are not limited to:

- A. Deeds of Conveyance
- B. Annexation Certificates
- C. Statements Verifying:
 - 1. Board control by Homeowner vs. Developer
 - 2. Common areas have been conveyed to the Proprietary
 - 3. Common Facilities are complete and conveyed to the Proprietary
 - 4. Maintenance of Private Streets as Proprietary responsibility
 - 5. No additional building phases are to be added to CountrySide.

XII. **Access to Association Books and Records**

In accordance with Code of Virginia, the association may impose and collect a charge for Access to Association Books and Records. The cost must reflect the reasonable costs of materials and labor, not to exceed the actual costs. The form and cost schedule for Access to Association Books and Records is attached to this Resolution. The cost schedule may be updated as needed by authority of the Finance Committee.

XIII. **Administrative Fee**

An applicable amount shall be assessed to a property account upon mailing of the notice of hearing of a violation before the Board, in accordance with Virginia Code. The administrative fee is to cover the cost of postage, materials and labor.

An applicable amount shall be assessed to a property account upon mailing of the Board of Directors violation decision, in accordance with Virginia Code. The administrative fee is to cover the costs of postage, materials and labor.

XIV. **Resale Notification**


Prior to resale of any recorded lot in CountrySide, the existing lot owner of record, i.e., the seller must inform the new lot owner of record, i.e., the purchaser, of his/her membership obligations to The Proprietary, which obligations are mandatory with a purchase of a lot in CountrySide.

XV. **Post Closing Fee**

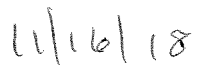
An Applicable post-closing cost shall be charged and collected at settlement for the purpose of establishing the purchaser as the owner of the property in the records of the Proprietary.

ATTEST:

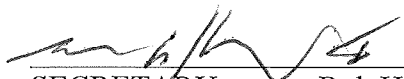
COUNTRYSIDE PROPRIETARY, INC.



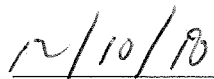
PRESIDENT: Dave Barrie



DATE



SECRETARY: Rob Heckman



DATE