

Reflection Homes Association, Inc.
Policy Resolution 2000-4
Assessment Collection Policies

WHEREAS, Article IV, Section I of the Declaration of Covenants, Conditions and Restrictions of Reflection Homes Association (Association) obligates all members to pay an annual assessment to the Association to defray the Association's common expenses;

WHEREAS, the Board of Directors (Board) has determined that it is necessary and in the Association's best interest to establish policies and procedures relative to the collection of assessments and to publish the new policies and procedures to the members.

NOW, THEREFORE, BE IT RESOLVED THAT the Board hereby adopts the following policies and procedures relative to the collection of assessments;

I. ROUTINE COLLECTIONS

1. The annual assessment shall be set by the Board. Except as otherwise provided herein and/or determined by the Board, as a convenience to townhouse lot owning members, the annual assessment may be paid by townhouse lot owning members in monthly installments which shall be due on the first day of every month. The annual assessment shall be paid by single family lot owning members in one lump sum, which shall be due on the first day of the Association's fiscal year, namely, on the first day of January.
2. Prior to the beginning of each new fiscal year, the Board or its management agent shall mail to all members at their address of record with the Association a notice stating the amount of the annual assessment for the upcoming fiscal year and to whom payment shall be directed. In addition, the Board or its management agent may deliver to all townhouse lot owning members a coupon booklet which contains coupons for the monthly payment of assessments.
3. Non-receipt of a notice of the assessment amount and/or coupon book shall not relieve a member of his/her obligation to pay assessments in a timely manner; rather, all members have a duty to seek out information pertaining to the timely and proper payment of assessments.
4. Unless notified otherwise, all members shall direct questions regarding assessments to the Association's management agent:

As of October 10, 2000, the management agent was:

Sequoia Management Company, Inc.
Attn: Sharon Corum
5900 Centreville Road, Suite 425
Centreville, VA 20121-2443

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

- A. Late Charge and Interest - In the event a townhouse lot owning member fails to fully pay any installment of the annual assessment within 15 days of the due date, or a detached single family home owning member fails to fully pay the annual assessment within 30 days of the due date, a late charge in the amount of \$10.00 shall be imposed on the member's account, additional \$10.00 late charges may be imposed monthly thereafter for each monthly failure to pay all then-due assessments and accumulated fines in full.
- B. Returned Check Charge - If the Association receives a check from any member which fails to clear the member's personal banking account, the Association may charge the member an administrative fee of \$25.00.
- C. Referral to Legal Counsel, Acceleration and Suspension of Privileges - In the event a member fails to fully pay any portion of any installment of the annual assessment, the Board may pursue any or all of the following remedies:
1. In the case of townhouse lot owning members: revoke the member's privilege to pay the annual assessment in monthly installments and accelerate the entire balance of the annual assessment and declare it due in full.
 2. Refer the account to legal counsel for immediate legal action, including, but not limited to, recording a lien against the title of the member's lot to secure the Association's claim for the entire amount due and filing a suit for judgment against the member. The delinquent member shall be liable for all costs and attorneys' fees incurred by the Association relating to collection of delinquent accounts.
 3. Suspend a members rights, privileges and benefits of membership until the member pays all outstanding amounts to the Association, including all late fees, fines and/or accrued Attorney's fees. The Board's power to suspend privileges includes, but is not limited to, the power to revoke voting rights, parking privileges and use of recreational facilities.
 4. Suspend the voting rights of any Board member delinquent in homeowner and/or recreation assessments until all such assessments have been paid in full.
- D. Costs of Collection - Whenever the Association incurs actual expenses, costs and fees in the collection process, the Board will add those expenses, costs and fees to the account of the member and shall seek reimbursement in full from the delinquent member.
- E. Method of Crediting Payments - For bookkeeping purposes, the Board reserves the power to apply payments received from delinquent members in the following order of priority, as applicable:
1. Any fees (including reasonable attorneys' fees) or costs of collection;
 2. Monthly fees for late charges and interest;

3. All other charges and fees incurred by the Association as a result of any violation by a member, his family, employees, agents, tenants or licensees of the regulations of the Association; violation by a member, his family, employees, agents, tenants or licensees of the regulations of the Association;
4. Any and all special; and
5. Monthly or yearly assessments.

III. APPOINTMENT OF ASSISTANT SECRETARY AND ATTORNEY-IN-FACT

To expedite the prompt processing and filing of Memoranda of Lien, Juan R. Cardenas and Richard M. Ware are hereby appointed Assistant Secretaries and Attorneys-in-fact for the purpose of signing Memoranda of Lien on behalf of the Association.

Location: This Policy Resolution shall be filed in Section I, Board Responsibilities and Limitations, of the Book of Resolutions.

The effective date of this resolution is **October 10, 2000**.