

BEL ARBOR COMMUNITY ASSOCIATION, INC.

Payment and Collection Policy

March 9, 2016

1. This Payment and Collection Policy for the Bel Arbor Community Association, Inc., supersedes the Association's previous Collection Policy, dated May 12, 2010.
2. The following policy addressing payment and collection of any assessments and any other monies Lot Owners duly owe the Association is effective March 10, 2016.
 - a. Lot Owners are hereby authorized to pay annual assessments in twelve (12) equal monthly installments. Each installment is due and payable on the first day of each calendar month.
 - b. The Board of Directors may revoke the privilege of paying annual assessments in monthly installments for a Lot Owner who is more than thirty (30) days past due in payment of *any* assessment in *any* amount. If the privilege is revoked, the balance of the annual assessment shall immediately become due and payable.
 - c. A Lot Owner with an account not paid in full by the fifth (5th) day of each calendar month shall incur a late fee of ten dollars (\$10.00) and be sent a late notice by the Association's management company via regular mail on or about the sixth (6th) day of that month. Accounts with a past due balance of *any* portion of *any* assessment shall incur a late fee each month until the past due balance is paid in full.
 - d. Lot Owners may submit a request for a waiver of the late fee to the Bel Arbor Community Association Board of Directors for consideration.
 - e. A Lot Owner with an account two (2) monthly installments in arrears shall be sent a late notice by the Association's management company via certified *and* regular mail on or about the sixth (6th) day of the month in which the second installment becomes delinquent. The late notice shall request payment in full of the total delinquent amount within fourteen (14) calendar days from the date of the letter.
 - f. A delinquent account, as cited in paragraph 2e above, not paid in full at the end of the fourteen (14) day period shall be turned over to the Association's attorney for collection. The collection amount shall include the amount in arrears and the balance of the Association's annual assessment for the calendar year. The Lot Owner shall be responsible for all costs of collection, including attorney fees and court costs and fees, incurred by the Association during the collection process.
 - g. A judgment is automatically sought when a matter is referred for collection and not resolved by payment in full within thirty (30) days of the initial demand letter mailed by the collection attorney. A lien on the property is created automatically once judgment is docketed.

- h. When an account becomes delinquent and collection efforts have been initiated, all subsequent payments received shall be applied in the following order: (1) Collection costs and reasonable attorney fees incurred by the Association, (2) returned check fees incurred by the Association and processing fees charged by the Association's management company, (3) late fees, (4) unpaid annual assessment installments and special assessments not part of the collection action in the order of their becoming due and, (5) unpaid annual assessment installments and special assessments which are part of the collection action in the order of their becoming due.
- i. A Lot Owner who renders a check which is returned by a bank for any reason shall be fiscally liable to the Association for the returned check fee charged to the Association by the bank *and* an additional thirty-five dollars (\$35.00) processing fee charged by the Association's management company as allowable by Virginia Code, Section 8.01-27.1.

Approved by the Bel Arbor Community Association, Inc. Board of Directors on March 9, 2016.

Jimmy Miller
President