

**FOREST EDGE CLUSTER ASSOCIATION
POLICY RESOLUTION NO. 15 - ____**

(Policy and Procedures Concerning the Collection of Charges, Fees, and Assessments)

WHEREAS, Forest Edge Cluster Association (“Association”) is a Cluster Association as that term is defined by The First Amendment to the Deed of Amendment to the Deeds of Dedication of Reston recorded in Fairfax County Circuit Court land records in Deed Book 18419, at Page 1226 (“Reston Deed of Dedication”); and

WHEREAS, Article VII.3 of the Reston Deed of Dedication authorizes the Association to assess owners to “carry out the purposes of the Cluster Association, to establish reserves for repair and replacement of Cluster property, and to improve Cluster Common Area and other property and improvements owned or leased by the Cluster Association;” and

WHEREAS, Article VII.1 of the Reston Deed of Dedication states that Cluster Associations may have “a separate Cluster declaration, articles of incorporation, and bylaws (collectively known hereinafter as “Cluster Documents”) which address concerns particular to that specific portion of the Property. Any obligations created under any such Cluster Documents shall be in addition to obligations created hereunder;” and

WHEREAS, Article VII.1(d) of the Reston Deed of Dedication authorizes the Association’s Board of Directors to

- (a) permit payment of the annual Assessment in installments and to declare the entire balance of such Assessment immediately due and payable upon default in the payment of any such installment;
- (b) charge a late fee on a delinquent Cluster Assessment and charge interest on delinquent Assessments and charges;
- (c) assess the costs, including attorney’s fees and court costs, or collecting delinquent Assessments and charges and of enforcing Cluster Association rules;

WHEREAS, Article II, Section 4 of the By-Laws of Forest Edge Cluster Association states, in pertinent part:

Association assessment of dues are due and payable on the first day of each quarter of the calendar year (i.e., January 1, April 1, July 1, and October 1). If any member fails to pay an Association assessment of dues within 30 days of the date on which such dues are payable, the member shall, in addition to remaining liable for these delinquent dues, be additionally liable for a late payment charge of \$5.00. An additional late payment charge of \$5.00 per delinquent quarter shall be levied at the end of each succeeding calendar month during which dues or late payment charges remain delinquent. Delinquent dues and late payment charges shall be treated in the same manner as dues themselves with respect to the right of the Association to enforce payment of dues. Such a late payment charges shall become effective July 31, 1979.

WHEREAS, the Board has determined that it is in the best interest of the Association to adopt a formal collection policy, and;

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

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

- 1) The annual assessment may be paid on a quarterly basis. The due dates for the quarterly assessments are on the first day of January, April, July and October respectively.
- 2) Unless otherwise instructed by a Member, in writing, all documents, correspondence and notices relating to assessments shall be mailed first-class, to the address appearing on the books of the Association for each Member. Members have a legal obligation to provide the Association with an address where they regularly receive mail.
- 3) Non-receipt of a notice shall in no way relieve a Member of the obligation to pay the amount due by the due date.
- 4) Any Member or other person responsible for paying assessments whose check is returned for “insufficient funds” shall incur a \$25.00 handling fee, in addition to all bank costs assessed to the Association for processing the returned check.
- 5) Assessments shall be made payable to “Forest Edge Cluster Association” and sent to the Association at the following address:

Forest Edge Cluster Association
P.O. Box 2474
Reston, VA 20195

or to any other address that the Association directs the Members to use.

- 6) All questions regarding assessment and collection procedures shall be either addressed to the Association's Treasurer, whose contact information is on the Association's website, www.forestedgecluster.com, or to the Association at the address in paragraph 5 above.
- 7) Annual assessments are due as follows:
 - a) The obligation by Members to pay the annual assessment for the year arises on January 1 of each year. Quarterly due dates are January 1, April 1, July 1, and October 1. Unless an account has been referred to counsel for legal action, the Association will make best efforts to send a quarterly invoice to the Members for the assessment installment. The Association's failure to send the quarterly notice does not waive a Member's obligation to pay the installment.

- b) The final due date for quarterly payments of assessments is thirty (30) days after the first day of the quarter. Payments must be postmarked or received by the Association's Treasurer by the close of business on the final due date (January 31, May 1, July 31 and October 31).

8) Late Fees and Collections

- a) All assessment installments not paid within 30 days of the due date shall be late and a \$5.00 late fee shall be added to the amount of the assessment. An additional late payment charge of \$5.00 per delinquent quarter shall be levied at the end of each succeeding calendar month during which dues or late payment charges remain delinquent.
 - i) For example, if you do not pay your January dues by January 31, then an additional \$5 is added. If you still have not paid by March 1, another \$5 is added, you now owe \$335. On April 1, the next quarter dues are due, and if not paid by May 1, they would be late. Thus, by May 2 you would owe \$340 for the January dues plus late fees for three months, and \$330 for April dues plus late fees for one month, for a grand total of \$670.
- b) A late notice may be sent to the Member for the first late installment, generally approximately 45 days after the due date (i.e. for January 1 dues, late notices will typically be sent around February 15). However, such late notices are a courtesy, and the dues must be paid regardless of whether such a late notice is sent. No additional notices are required.
- c) If payment in full, of all amounts due, is not received by the Association by the 120th day after a due date, the remaining installments shall be due and payable in full and the account shall be referred to the Association's counsel. Counsel shall take legal action to collect the balance due, which, with prior approval of the Board, may include filing a civil suit against the delinquent Member and/or a lien may be filed against the delinquent Member's property. All legal fees and costs incurred by the Association for this legal action shall be added to the Member's assessment account.
- d) The Board may grant a waiver of late fees, interest and/or legal fees and costs. A Member requesting such a waiver must send a request for a waiver to the Association at the address set forth in paragraph 5. A unanimous vote of the Board is required to grant such relief, and such a vote shall be appropriately documented in the files with the conditions of the relief.
- e) Payments received from a Member shall be credited in the following order:
 - i) Charges for attorneys' fees and court costs.
 - ii) All returned check charges, late fees, costs or interest accrued, as applicable.
 - iii) The quarterly and special Association assessments for each lot applied first to the oldest amount due.

Forest Edge Cluster Association

RESOLUTIONS ACTION RECORD

Resolution Type Policy No. _____

Pertaining to: Collections Policy Resolution

Duly adopted at a meeting of the Board of Directors of Forest Edge Cluster Association, held on .

Motion by: _____ Seconded by: _____

<u>DIRECTOR</u>	<u>TITLE</u>	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
	President				
	Vice President				
	At Large				
	Treasurer				
	Secretary				