

Rule and Regulation No. 2006 - 005

**Collection of Unpaid Assessments**

of the

**Ridgeview Valley Master Homeowners Association, Inc.**

RVMHA, Inc  
912 Gravelly Run Road  
McHenry, MD 21541

November 2006

(RV10)

*The following procedure is in accordance with Article V Section 2 of the Articles of Incorporation of Ridgeview Valley Master Homeowners Association, Inc. which grant the Association the power to adopt and enforce rules and regulations applicable within the Ridgeview Valley Development.*

## **Ridgeview Valley Master Homeowners Association, Inc.**

Rule and Regulation No. 2006 - 005

### **Collection of Unpaid Assessments<sup>1</sup>**

The financial well-being of RVMHA relies solely on the timely payment of assessments; therefore it is the Board's obligation to use its best efforts to collect funds owed RVMHA.

Let it be resolved that the RVMHA establishes the following rule and regulation regarding the collection of unpaid assessments due the RVMHA:

#### **1. Definitions**

Definitions for Board, Declaration and RVMHA are found in Article I of the Declaration.

#### **2. Amounts payable to RVMHA**

Amounts payable to the RVMHA include, but are not limited to:

1. Common cost assessments, to include administrative & general maintenance costs;
2. Special assessments, to include allocation of costs of functions undertaken or performed primarily for the benefit of a particular group (painting, snowplowing, trash removal, private road repairs, etc.);
3. Penalty assessments levied upon any RVMHA member for violation of the Declaration, protective covenants, articles of incorporation, bylaws, or rules & regulations by said RVMHA member, his agents, tenants, guests or invitees;
4. Legal fees and other costs associated with the collection of funds on behalf of RVMHA.

#### **3. Payment schedule**

A detailed invoice is generated and mailed to RVMHA members quarterly. Fees are payable thirty (30) days after notice is given by the RVMHA. Fees not received within thirty (30) days of the notice given by the RVMHA will be considered past due.

#### **4. Penalty Assessments: interest charges, late fees & NSF charges**

1. Any balance older than 30 days will incur an interest charge of 1% per month
2. (12% per annum) until paid in full.
3. A late fee of \$25.00 shall be charged monthly on all balances greater than 90 days past due.
4. A \$50 NSF (Non-Sufficient Funds) charge will apply to any returned check.

#### **5. Order of crediting payments**

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Payments received shall be applied to the payment of the oldest outstanding assessment(s) and applicable interest charges, late fees and collection expenses, if any.

**6. Process for Delinquency Notification**

1. **Past due notice:** A notice of past due charges, including the total amount due, will be sent by First Class Mail to an RVMHA member whose balance is sixty (60) days past due. This notice will recite the RVMHA's intent to assess a late fee of \$25.00 each month in which a balance remains outstanding past ninety (90) days.
2. **Demand for Payment:** This Notice will recite an intent to turn the matter over to an attorney for collection enforcement if the full balance due is not paid within ten (10) days. Legal action may include, but not be limited to, filing a lien against the property owner, obtaining a personal judgment against the owner, and/or property foreclosure.
3. **Legal Action:** If the Board of Directors determines that RVMHA's rights to collection will be impaired by providing the past due notice and demand for payment, set forth above, the Board may proceed directly to legal action to protect RVMHAA's interests.

**7. Legal Services**

If an account becomes delinquent and is referred to an attorney for collection, the RVMHA member shall be charged RVMHA's attorney fees and all related costs.

**8. Other charges**

The RVMHA may charge the homeowner for:

1. Fees charged by agents to collect funds payable to the RVMHA
2. A fee of \$15.00 to defray the cost of preparing a statement by the RVMHA's book-keeping service, setting forth the amount of any assessments, charges, fines and penalties
3. Notification, filing and satisfaction of liens
4. Enforcement of the RVMHA rules & regulations, declarations, protective covenants, articles or bylaws
5. Attorney fees and costs of litigation
6. Repairs to the RVMHA common areas that result from the acts of RVMHA members, their agents, tenants, guests or invitees.

Date of Adoption: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Signature:

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(President, Ridgeview Valley Master Homeowners Association, Inc)

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