

Assessment Collection Procedures FINAL
(Approved at the January, 22 2018 Board Meeting)

General: After extensive discussion aimed at establishing the correct balance between “too quickly” identifying an individual homeowner’s account as past due and ensuring prompt collection of Assessments due, the Board reached a general consensus on the collection procedures.

- Bills for the following year’s Annual Assessments will be mailed to each Association member in December by December 15 and will indicate a due date of 1 January and ~~notice~~ state that at its regular January meeting TMGA will provide the Board of Directors (BoD) with a listing of all Association members whose accounts indicate that Assessment bills for the (now) current year remain unpaid and the current amount due. The BOD will review overdue assessments and commence a formal process of collection on accounts remaining unpaid. The BOD may choose to personally contact individual members whose accounts are not paid.
- On January 31, TMGA will review the outstanding homeowner assessment accounts and mail Assessment letters to each Association member whose assessment has not been paid (see Delinquency Notice Letter below) that also authorizes the addition of an Administrative Fee (currently \$5.00) and a late fee (currently \$15.00) to the amount due to the Association. The actual fees will depend on the amounts specified in the BOD’s annual contract with TMGA. TMGA will also provide the BOD with an updated listing of all Association members to whom letters are sent.
- At its February meeting, the BOD will receive from TMGA a listing of all Association members whose accounts indicate that their Assessment bills for the current year and incurred Administrative and Late Fees remain unpaid. The Board may choose to also personally contact individual members whose accounts are not paid.
- At its March meeting, the BOD will receive from TMGA a listing of all Association members whose accounts indicate that Assessment bills for the (now) current year and incurred Administrative Fees remain unpaid. The BOD can then direct TMGA to send Association members whose accounts (including Administrative Fees and Late Fees) remain unpaid a Notice of Intent to File Lien Letter (see Lien letter below) by certified mail and to add a \$40 Administrative Fee to the amount due the Association. The Board may choose to also personally contact individual members whose accounts are not paid.
 - NOTE: The lien process begins with the sending of the Notice of Intent to File Lien letter by certified mail. If the certified letter is not signed for by a representative of the homeowner and the account (including Administrative Fees and Late Fees) remains unpaid within 30 days, TMGA will post a Notice of Intent to File Lien on the property with a 30-day due date indicating intent to file the lien. If such a posting of the property is required, the posting will result in a \$135 Administrative Fee being added to the Association member’s account.

- At its April and May meetings, the Board will receive from TMGA a listing of all Association members whose accounts (including Administrative Fees and Late Fees) remain unpaid following the required 30-day notice period. The Board can then approve both the filing of a lien and the addition of a \$230.00 Lien Fee to the amount due.
 - NOTE: An account that proceeds to lien AND that required posting of the property would have incurred the following, in addition to the underlying Assessment:
 - Unpaid Assessment Administrative fee: \$5.00*
 - Certified Letter of Intent (Lien) \$40*
 - Administrative fee (posting): \$135*
 - Lien fee: \$230*
 - Lien Filing and Release Filing Fees Actual Cost
- *Actual amounts will be those charged to the Association by TMGA for executing each action under the BOD's management contract

DELINQUENCY NOTICE LETTER

(to be mailed by TMGA, upon BOD approval, on the first business day following January 31 to all homeowners with unpaid Assessment Fees as of January 31)

Your annual assessment incurred as a member of Derwood Station Homeowners Association No. 2 Inc. owning property at [address] and due on 1 January [year] remained unpaid as of 31 January. The BOD recognizes that delayed payment by any Association member impinges upon each Association member.

As communicated to you in the Letter notifying you of the [assessment year] Annual Assessment, the BOD approved commencing a formal process of collection of this overdue account with the sending of this formal delinquency notification. By remaining unpaid to this point, your account with the Association has incurred an Administrative Fee of \$5.00 and now stands at [total amount due] imposed by the Association under its authority as detailed in the covenant documents binding upon your property.

The Board of Directors asks that you resolve this issue before [date of February BOD meeting] by sending your payment in the amount of [total amount due] via US mail to [name and address].

Please make this payment before it becomes necessary for the Board to proceed further with the formal collection process through the placing of a property lien for the due amount and the added costs associated with that lien placement.

Please see the Association Website at <http://derwoodstation2.com/> and follow the links on the left to "The Association" and then to "DSHOA2 Documents" and then in the middle at the top to "HOA Assessment Collection Policy" for a description of the Association's policy for information regarding the minimum extra costs an Association Member may incur for late payment of Annual Assessments.

If you have questions, please call our property manager at 301-948-6666.

NOTICE OF INTENT TO PLACE LIEN

Your annual assessment incurred as a member of Derwood Station Homeowners Association No. 2 Inc. owning property at [address] and due on 1 January [year] remained unpaid as of the meeting of the Association Board of Directors on [date of meeting].

At this meeting, the Board of Directors, acting under its authority as detailed in the covenant documents binding upon your property, voted to both place a lien upon your property for the outstanding amount plus the costs of placing the lien and to send this overdue account to Association's representative for collection of the total amount currently due [total amount due] plus fees incurred.

The BOD regrets the necessity of taking this action, but nonpayment of annual assessment and the associated collection fees by any Association member places a burden upon each Association member. Please see the Association Website at <http://derwoodstation2.com/> and follow the links on the left to "The Association" and then to "DSHOA2 Documents" and then in the middle at the top to "HOA Assessment Collection Policy" for a description of the Association's policy for information regarding the minimum extra costs an Association Member may incur for late payment of Annual Assessments.

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