



Brenford Station II Maintenance Corporation

ASSESSMENT, FINE and DELINQUENT ACCOUNT

COLLECTION POLICY RESOLUTION #2018-02

This resolution is adopted by the Executive Board of the Brenford Station II Maintenance Corporation, (the “Corporation”), on the following date October 20, 2018 at a regular meeting of the Executive Board.

This resolution is adopted by the Corporation under the Brenford Station II Maintenance Declaration (the “Declaration”), Section 1, and the Bylaws of the Corporation, Article IX, “Assessments”.

WHEREAS, the Corporation is charged with maintaining the private open spaces and Common Facilities in the Brenford Station II Subdivision, including, but not limited to, any Stormwater Management Facilities; and

WHEREAS, the Corporation must have the financial ability to discharge its responsibilities; and

WHEREAS, the Corporation must collect assessments and other charges in a timely manner, including delinquent accounts, from homeowner members; and

WHEREAS, the Corporation intends to adopt a uniform, non-discriminating, and systematic procedure to collect assessments and other charges of the Corporation,

NOW, THEREFORE, IT IS RESOLVED that the CORPORATION adopts these procedures and policies for the collection of assessments and other charges of the Corporation.

1. DUE DATES. The annual assessment as determined by the Corporation, and as allowed in the declaration, articles of incorporation, and bylaws shall be due and payable in Quarterly installments due on the First Day of January, April, July, and October of each fiscal year (Jan. 1st through Dec. 31st).

Assessments shall be the personal obligation of the owner(s) of the property for which such assessment or installment is unpaid. Assessments or other charges not paid to the Corporation by the 30th day of the beginning month in which they are due shall be considered past due and delinquent.

2. INVOICES. The Corporation may, but is not required to, deliver an invoice to an owner as a condition to an owner’s obligation to pay assessments or other charges of the Corporation. If the Corporation provides an owner with an invoice for Quarterly assessments,

although invoices are not required, the invoice should be mailed or electronically mailed (e-mailed) to the owner between the 15th and 30th day of the month preceding each due date. Non-receipt of an invoice shall not relieve the owner of the obligation to pay the amount due by the due date. The Corporation may retain the services of a management company or other agency to perform these functions.

3. LATE CHARGES IMPOSED ON DELINQUENT INSTALLMENTS. Assessments shall be past due and delinquent if not paid as specified above. The Corporation may impose a \$10.00 late charge on the outstanding or past due balance then due the Corporation. The late charge shall be a “common expense” for each owner who fails to pay an installment of the annual assessment by the due date as specified above.

The late charge shall be the personal obligation of the owner(s) of the property for which such assessment or installment is unpaid. All late charges shall be due and payable immediately, without notice, in the manner provided by the Declaration (and in this Collection Policy) for payment of assessments.

4. INTEREST. The Corporation may impose interest of 12% per annum on any unpaid balance. The interest shall be a “common expense” for each owner who fails to pay an installment of the annual assessment by the due date as specified above.

The interest shall be the personal obligation of the owner(s) of the property for which such assessment or installment is unpaid. All interest shall be due and payable immediately, without notice, in the manner provided by the declaration (and in this Collection Policy) for payments of assessments.

5. RETURNED CHECK CHARGES. In addition to any charges imposed under the Declaration, articles of incorporation, the bylaws, the rules and regulations of the Corporation, or this Resolution, a \$45.00 fee shall be assessed against an owner if any check or other instrument attributable to or payable for the benefit of such owner is not honored by the bank or is returned by the bank for any reason, including but not limited to insufficient funds.

This returned check charge shall be a “common expense” for each owner who tenders payment by check or other instrument not honored by the bank upon which it is drawn. A returned check charge shall be due immediately, upon demand. Notwithstanding this provision, the Corporation may pursue all additional remedies allowed by law.

Returned check charges shall be the obligation of the owner(s) of the property for which payment was tendered to the Corporation. Returned check charges shall become effective on any instrument given to the Corporation for payment of sums due under the Declaration, articles, bylaws, rules and regulations, or this Resolution after Jan. 1st, 2019. If two (2) or more checks of a property owner are returned unpaid by the bank within any 12 month period, the Corporation may require that the property owner’s future payments, for a period of two (2) years, be made by certified check or US Postal Money Order.

6. ATTORNEY’S FEES ON DELINQUENT ACCOUNTS. As an additional expense permitted under the Declaration, articles, bylaws, and statutes, the Corporation shall be entitled to recover its reasonable attorney’s fees and collection costs in the collection of assessments or

other charges due the Corporation from a delinquent owner. The reasonable attorney's fees and costs incurred by the Corporation shall be due immediately when incurred, upon demand. Such fees are deemed reasonable if approved by the Executive Board and are paid by the Corporation.

7. COLLECTION LETTERS. After an assessment installment or other charge due the Corporation becomes 30 days past due, the Corporation may, but is not required to, send a *late notice* to the property owner. The Corporation may simultaneously send a copy of the notice to the mortgagee of the property.

If payment in full is not received within 45 days of the initial due date, the Corporation may, but is not required to, send notice to the property owner(s) that it intends to begin collection, and may, but is not required to, refer the account to an attorney. The Corporation may simultaneously send a copy of the notice to the mortgagee of the property.

8. USE OF CERTIFIED MAIL/REGULAR MAIL. If the Corporation shall send a collection or demand letter or notice to a delinquent owner(s) by regular mail, the Corporation may also send, but shall not be required to send, an additional copy of that letter or notice by Certified Mail, or other Postal Service "Delivery Tracking" service.

9. LIENS. The Corporation may record a notice of lien against the property of any delinquent owner under the terms and provisions of the Declaration, articles of incorporation, bylaws or statute. A copy of the notice of lien shall be mailed to the owner(s) and to the mortgage lender with a request that the lender send a letter to the delinquent owner(s) advising the owner(s) of the lender's option to accelerate the mortgage debt.

10. REFERRING DELINQUENT ACCOUNTS TO A REPRESENTATIVE. The Corporation may, but is not required to, appoint an officer, full time employee or property manager of the Corporation to represent the Community and refer delinquent accounts to the representative for collection in a lawsuit for "Debt" in Justice of the Peace Court without a lawyer, following Justice of the Peace Court Rules. Upon referral to the representative, the representative shall take the appropriate action to collect the accounts referred.

11. REFERRING DELINQUENT ACCOUNTS TO ATTORNEYS. The Corporation may, but is not required to, refer delinquent accounts to an attorney for collection. Upon referral to the attorney, the attorney shall take all appropriate action to collect the accounts referred.

12. REFERRING DELINQUENT ACCOUNTS TO COLLECTION AGENCIES. The Corporation may, but is not required to, refer delinquent accounts to one or more collection agencies for collection. Upon referral to a collection agency, the collection agency shall take all appropriate action to collect the accounts referred.

13. IN GRANTING A WAIVER OF POLICY. The Corporation may grant a waiver of any provision of this Collection Policy if the owner petitions in writing requesting relief from The Collection Policy and the reasons therefore. The relief granted an owner, if any, shall be appropriately documented by the Corporation with the name of the person or persons representing the Corporation granting the relief and the conditions of the relief. In addition, the Corporation is authorized to extend the time for filing lawsuits and liens, or to otherwise modify

the procedures contained in this Policy, as the Corporation shall determine appropriate under the circumstances.

The written petition must be sent to:

Brenford Station II

c/o Premier Property and Pool Management

34634 Bay Crossing Blvd. Suite 4

Lewes, DE 19958

14. NOTIFICATION TO HOMEOWNERS. The Corporation shall notify all owners of this resolution and the charges contained within this Collection Policy prior to the effective date of this Policy.

15. ONGOING EVALUATION. Nothing in this resolution shall require the Corporation to take specific actions other than to notify Homeowners of the adoption of these policies and procedures. The Corporation has the option and right to continue to evaluate each delinquency on a case by case basis.

16. EFFECTVE DATE. The effective date of this Collection Policy Resolution shall be JANUARY 1st, 2019.

Duly adopted at a meeting of the Executive Board on October 20, 2018
Date

Michael Reed, Sr. – President

Steve Slocum, Vice-President

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