

Village of Oakmont Homeowners Association
Rules and Procedures for
Assessments and Collections

Prompt payment of assessments by all homeowners is critical to the financial health of the Village of Oakmont ("Village") and to the enhancement of property values of our homes. To this end, the Village of Oakmont Council ("Council") is obligated to enforce the homeowners' obligation to pay assessments in a timely fashion.

These Rules and Procedures for Assessments and Collections have been adopted by the Council to ensure a prompt and fair collection of all funds that are due from homeowners to the Oakmont Village HOA ("Association") and they shall remain in effect until such time as they may be changed, modified or amended by Council.

- 1. Homeowner's Payment Obligations:** Each homeowner is obligated to make prompt and full payment of all assessments, expenses, fees, fines, costs and charges which are payable under these Rules and Procedures and under prevailing law, together with all penalties, interest, costs of collection and attorneys' fees incurred by the Association in collecting the same with respect to homeowner's Village property or properties. *A partial payment of the total amount homeowner is advised that is due the Association, wherein the homeowner, for example, indicates in writing or otherwise that the payment is "in full payment of all amounts due" (or words of similar import), shall not be effective to discharge the unpaid portion.*
- 2. Village Council Obligations:** Council has the authority and obligation to assess, levy, collect and enforce all annual and special assessments from the homeowners of Oakmont Village in order to raise funds necessary to discharge Council's obligations and duties in the management, operation, and maintenance of Village homes and Village common areas, including monthly obligations to the Hershey's Mill Master Homeowners Association.
- 3. Lien for Assessments:** All assessments that are levied by Council, together with all fees, fines, late charges, costs, interest and expenses, including costs of collection and attorneys' fees, shall be a lien upon the property against which they are levied, and the personal obligation of the homeowner, from the time they are levied until the time they are paid in full.
- 4. Annual Assessments:** Council shall assess homeowners for Village expenses, stated in the annual budget, as an annual assessment, which is payable in four installments due on January 1, April 1, July 1 and October 1 or at such other times as Council shall determine. Council has the authority to change the budget period from its current January 1 to December 31 calendar year to a different twelve consecutive month basis – all to be known as a "fiscal year."
- 5. Failure to Fix Any Annual Assessment:** If Council shall fail to fix a new annual assessment for the upcoming fiscal year, then each homeowner shall continue to pay quarterly installments in the same amounts required in the immediately year's preceding annual assessment until such time as Council shall levy a new annual assessment. Credit shall be given to each homeowner for assessment amounts

paid based on the preceding year's assessment amount when calculating the amounts due for the balance of the fiscal year.

6. **Special Assessments:** In addition to annual assessments, Council may levy, at any time during the fiscal year, a special assessment or assessments as Council may deem necessary, including, but not limited to, the following:

A. Budgetary shortfalls in income or assessments; to pay for the balance of costs, expenses and/or fees arising from any line-item expenditure not adequately funded in the annual budget;

B. Unbudgeted Village common or common area expense;

C. Any repair, maintenance costs, damages, expenses, or fees, including attorneys' fees, arising from any work made necessary as a result of any act of nature, casualty, theft, vandalism or intentional act occurring in the Village.

D. Capital expenses such as, but not limited to, for the repair or replacement of roofs, gutters, siding, stucco, concrete, and asphalt.

E. Any other Village common expense incurred or required in the performance of Council's administrative, management and maintenance duties.

7. **Payment of Special Assessments:** Special assessments shall be made payable by homeowners in such manner and/or frequency as Council may decide, including, but not limited to, a lump sum payment, monthly payments or quarterly payments.

8. **Crediting of Payments:** Except as may be otherwise determined by Council, all payments made by homeowners, including payments made subsequent to the due dates established by Council, shall be credited in the following order: (a) late fees; (b) then interest; (c) then liened assessments in order of their original due dates; (d) then costs of collection, including court costs and attorneys' fees; (e) and then unpaid assessments. A "liened" assessment is an assessment that has been recorded in the Recorder of Deeds Office of Chester County, Pennsylvania.

9. **Late Fees and Interest:** A late fee of four (4%) percent shall be imposed on a homeowner's account if a payment of **any amount due** is not received within ten (10) days after its due date. Interest at the annual rate of eighteen (18%) percent shall be imposed on a homeowner's account once an outstanding balance is sixty (60) days overdue. Council shall have the sole authority to change the late fee and interest amounts or to waive any portion or all thereof on delinquent amounts due.

10. **Thirty Day Notice:** Upon any homeowner's account becoming thirty (30) days delinquent, the Village Property Manager shall provide written notice of such delinquency, in the form of a statement of account, by first-class mail addressed to the homeowner at his/her residence of record with the Village. The statement of account shall list all assessments, late fees, interest and other charges that are overdue and the total amount due. **The issuance of the statement of a delinquent account to homeowner shall be considered a demand for immediate payment of the total amount due.**

11. **Power to Collect Through Legal Proceedings:** The Village Association may bring an action at law to collect any or all delinquent assessments, liened assessments, fees, fines, charges, expenses and/or costs of collection, including attorneys' fees. The Association shall also have the power to collect its lien for delinquent assessments and other amounts owed the Association by homeowner by foreclosure or other appropriate legal proceedings.

12. **Arbitration:** At any time prior to the recovery of a judgment by the Association for delinquent assessments, liened assessments and other amounts due as hereinbefore listed, the Association and homeowner may agree, but are not required, to submit the matter to binding arbitration.

13. **Delinquent Collection Procedures:** In the event that homeowner fails to make prompt and full payment of all amounts owed under the statement of account issued under Item 10 hereof, the Association may proceed with one or more of the following collection methods, at the same time or consecutively, as Council may decide:

A. Upon written notice to homeowner, addressed to homeowner at his/her last address on record with the Association, by certified or registered mail, return receipt requested, the entire balance of any assessment payable in installments may be declared to be immediately due and payable in full, in addition to the amount due under the statement of account issued in Item 10 above; and/or

B. Institute legal proceedings as set forth in Item 11 above.

14. **Priority of Repairs:** In the interest of fairness to all Village homeowners, Council may prioritize the use of available Association funds for repairs of homes of those homeowners who are not delinquent over the repair of homes of those homeowners who are delinquent.

The above Rules and Procedures for Assessments and Collections were unanimously adopted at a meeting of Oakmont Village Council on August 23, 2021 and amended on May 26, 2022 attended by:

***Robert L. Milano, President,
James Burnham, Treasurer
Murdoth Biddle, Secretary.***

Murdoth Biddle
Murdoth Biddle, Secretary

Date: 05/26/22