

**COLLECTION POLICY OF
MONTGOMERY VILLAGE FOUNDATION, INC.
FOR HOMES CORPORATIONS**

Purpose: This policy will be followed when collecting all debts owed to the Montgomery Village Foundation, including but not limited to assessments, the capital contribution fee, architectural review fees, and returned checks.

Due Dates: Homeowners may choose to pay their assessment either annually or quarterly (four times per year).

- An annual assessment payment is due in full on January 1 of each year. If payment in full is not received by the last day of January, the homeowner's account will be established on a quarterly payment plan.
- Installments for quarterly assessment payments are due on the first day of January, April, July, and October.

Payment coupons are mailed to property owners each December. Property owners who do not receive coupons via regular mail by December 31 should call MVF at 301-948-0110 to request replacement coupons. **Failure to receive a coupon booklet does not relieve a homeowner of the obligation to pay the required assessment when due.**

Methods of Payment:

- **Cash** payments must be made at the MVF office, 10120 Apple Ridge Road. Office hours are Monday through Friday, 8:30AM -5:00PM.
- **Checks** payable to MVF should be mailed with a coupon to **PO Box 67900, Phoenix, AZ 85082-7900**. Checks **MUST** be mailed early enough to arrive on or before the due date.
- **Visa, MasterCard, Discover and American Express** payments may be made online at www.montgomeryvillage.com or www.mutualofomahabank.com. A credit card processing fee will apply.
- **Direct Debit payments** will be automatically processed if a resident is currently set up for the MVF direct debit program.
- **Only** cash, credit card, certified check, or money orders will be accepted as payment for all returned payments.
- **Other Charges:** If a check, ACH transfer, credit card charge or online billpay is refused, returned for insufficient funds or payment is stopped, a \$35.00 charge will be assessed to the homeowner's account.

Payments that are being made on an account in bankruptcy, under judgment, or to stop or satisfy a lawsuit, must be made at the MVF office.

Delinquent Accounts, Cost of Collections and Fees:

Any assessment that has not been paid by the last day of the first month of the quarter is considered delinquent. A statement with coupon will be sent to property owners during the first week of the second month of the quarter which will include a \$25.00 cost of collections fee.

Acceleration Related to Lawsuits or Liens: If the quarterly payment is not received by the last day of the first month of the quarter, the entire balance of the annual assessment becomes due and payable immediately.

Activity Cards and Validation Stickers: If an assessment account is not a zero balance as of April 30 in any year, beginning May 1 payment of any prior balance as well as the full assessment amount through the end of the current fiscal year must be received as a condition for issuance of an activity card or validation sticker.

Interest on Delinquent Accounts: Interest will accrue at a rate of 6% per annum on the delinquent account.

Notices provided by MVF:

- **Coupons** – mailed each December.
- **Statement With Coupon** – Will be sent to homeowners whose quarterly payments are delinquent at the end of the first month of a quarter.
- **Delinquent Letter** – Will be sent to homeowners whose quarterly payments are unpaid at the end of the second month of a quarter. This notice will inform the homeowner that:
 - Interest at 6% per annum is being applied to the delinquent account.
 - If a lawsuit is filed the entire annual assessment is accelerated and becomes due and payable immediately.

Failure to receive any or all of these notices does not relieve a homeowner of the obligation to pay the required assessment and any related cost of collections.

Collection Fees: If a lawsuit or lien is filed, the homeowner will be assessed fees based on MVF's collection procedures. These fees include, but are not limited to, lawsuit preparation and filing, lien preparation and filing, court filing fees, attorney fees, process server fees and recording fees. The amount of these fees is determined at the time of the action and is based on the fee charged by the entity providing the service.

The aforementioned fees and related cost of collections fees and interest shall be posted to the homeowner's account and collected in the same manner as assessments and will appear on the past due statement mailed to the homeowner.

Waivers: Requests to waive cost of collections fees must be made in writing to the Assessments and Collections Administrator and must state specific circumstances as to why a waiver should be considered.

Communications: Any communication concerning disputed debts, including checks or money orders tendered, must be sent to MVF, 10120 Apple Ridge Road, Montgomery Village, MD 20886-1000 Attention: Collections Department.

Approved by MVF Board of Directors – May 23, 2002.

Revised and Approved by MVF Board of Directors – October 23, 2003

Revised and Approved by MVF Board of Directors – October 28, 2004

Revised and Approved by MVF Board of Directors – March 24, 2005

Revised and Approved by MVF Board of Directors – September 27, 2007

Revised and Approved by MVF Board of Directors – October 23, 2008

Revised with new address, November 2010

Revised and Approved by MVF Board of Directors – June 28, 2012

Revised in accordance with CAB's ability to accept online Visa Payments – September 18, 2012

Approved by the MVF Board of Directors – October 2, 2014