

MALA ASSESSMENT COLLECTION RULES AND REGULATIONS

I. MALA recognizes two (2) different classes of property owners, A. Mandatory Annual Assessments and B. Voluntary Annual Assessments:

A. Mandatory Annual Assessments—Merifield Acres, Inc., Units MF 1, RP 6, 7A-D, 8A-E, 9A-C, 10, and 11 (July 20, 1976--March 1, 1991)—

1. For Unit MF 1, an older development, per exchange for accepting the Merifield Acres, Inc., covenants (November 20, 1977), the mandatory annual assessment is \$50.00, without a dwelling or with a dwelling.
2. For Unit RP 8A, per amendment of its Merifield Acres, Inc., covenants (June 15, 1989), there is a reduced assessment scale with a not more than ten (10%) percent increase per annum tied to increase in costs of operation and capped out at \$100.00 per lot without a dwelling, \$160.00 per lot with a dwelling (2008 was \$70.00/\$143.00).
3. The Merifield Acres, Inc., Units RP 6, 7A-D, 8B-E, 9A-C, 10, and 11 covenant 10. Assessments. (a) reads: “The annual assessment for each Lot shall be [now capped out at \$100.00]; provided [sic] however, that such assessment shall be increased to [now capped out at \$160.00] for any Lot which has a completed dwelling constructed thereon as of January 1 of the calendar year”. There are two assessment categories, a lot without a dwelling and a lot with a dwelling. A dwelling is a house having an occupancy permit. A lot with a dwelling that has received an occupancy permit will not be assessed as a lot with a dwelling until a full calendar year has passed. Example: A dwelling receiving an occupancy permit during May of 2008 will not be assessed as a lot with a dwelling until January 1, 2009. The lot will be assessed as a lot without a dwelling for the entire calendar year 2008.
4. Per court order (MALA vs. Girard and Girard, July 17, 2000), multiple lots are not to be combined for assessment purposes. (“The Court in reviewing the evidence finds that there is no basis in the covenants for the Association to combine such lots and although such actions may have been done previously in error, such prior action gives no rise to the Defendant’s claim that lots should be combined. . . “.)
5. Per court order (MALA vs. Cummings and Cummings, June 30, 1999), a non-perk lot without a dwelling is assessed the same as a lot without a dwelling. (“The Court in reviewing the covenants and restrictions finds that even though the Association did in the past choose not to assess non-perked lots, the covenants which govern the Association’s authority make no distinction, either expressed or implied, between perked and non-perked lots”.)
6. In the case of a Boundary Line Adjustment (BLA) between two adjacent lots (A and B) approved by the appropriate authority and as permitted by Covenant 1. The Lots. of the Merifield, Inc., covenants, each resulting lot shall be assessed as a lot with a dwelling or a lot as appropriate. For example, if Lot A is made larger as a result of the BLA to obtain a

drain field for the dwelling on A, then the owner of lot A shall be assessed for Lot A as a lot with a dwelling. If there is no dwelling on Lot B, which became smaller as a result of the BLA, then the owner of lot B shall be assessed for lot B as a lot. The basic rule is: lots cannot be consolidated or subdivided and the owner of each is responsible for payment of the assessment for his lot depending on what is on the lot (i.e., dwelling or not).

7. When a dwelling is sited such that the continuous footer/foundation crosses the line between two or more lots, each affected lot is thus encumbered by a dwelling, and each such lot shall be assessed as a lot with a dwelling. (As noted above, the covenants permit the property owner to adjust the boundary line between the lots, provided the appropriate authority approves the BLA.)

B. Voluntary Annual Assessments—Units PVT, RP 2 (lots 1-10), Lower Cedar Lane (LCL), Lots 19, 21 (on Merifield Drive), Holly Point (HPT), Maplewood Lane (MWL), Fielding Development Co., Inc. (RP 1, 3, 4, 5), and Holly Park (HPK) (March 14, 1957--December 4, 1963)--

1. For Units PVT, RP 2 (lots 1-10), LCL, Lots 19, 21 (on Merifield Drive), HPT, MWL, RP 1, 3, 4, 5, and HPK, the voluntary annual assessment is comparable to the mandatory annual assessment for Units RP 6, 7A-D, 8B-E, 9A-C, 10, and 11.

II. The annual assessment invoices shall be mailed to all property owners of the lots listed above, mandatory and voluntary, as soon as possible after January 1 of each year, including the due date for payment. Included with the mandatory annual assessment invoices **only** shall be the procedure to be followed by MALA in the event payment for the mandatory annual assessment is not received by the due date.

III. No sooner than ten (10) days after the due date, a late notice shall be sent to lot owners, mandatory and voluntary, who have not paid requesting payment within thirty (30) days. Included with the mandatory annual assessment late notices **only** will be MALA's cost incurred to pursue the delinquent payment.

IV. No sooner than thirty (30) days after the mailing in III, a notice of intent to pursue collection pursuant to the provisions of the Virginia Property Owners' Association Act shall be sent to any Merifield, Inc., lot owner who fails to make payment.

V. These rules and regulations and actions thereto shall be administered by the MALA Treasurer.

Previous Boards and Treasurers and the current President, Treasurer, and Governance Committee drafted these rules and regulations.

August 12, 2008