

WARMINSTER HEIGHTS HOME OWNERSHIP ASSOCIATION, INC.

RESOLUTION 2023-01

POLICY GOVERNING LATE AND CHRONICALLY LATE PAYMENTS

WHEREAS, Warminster Heights Home Ownership Association, Inc. ("Corporation") is a Pennsylvania not-for-profit corporation organized to provide safe and affordable cooperative housing;

WHEREAS, the Association, by its duly elected Board of Directors ("Board"), is authorized by its Articles, By-Laws, the Pennsylvania Nonprofit Corporation Law, 15 Pa.C.S.A. §5101 *et. seq.* and the Pennsylvania Real Estate Cooperative Act, 68 Pa.C.S.A. §4201 *et. seq.* to, *inter alia*, terminate propriety leases and the rights incident thereto. Specifically, the By-Laws, at Article V, Section 2 titled "Powers and Duties" provides:

The Board of Directors shall have all the powers and duties necessary for the administration of the Corporation and may do all such acts and things as are not by law or by these By-laws directed to be exercised and done by the members. The powers of the Board of Directors shall include but not be limited:

* * *

- (e) *To terminate membership and occupancy rights for cause; and*
- (f) *To promulgate such rules and regulations pertaining to use and occupancy of the premises as may be deemed proper which are consistent with these By-Laws and the Certificate of Incorporation.*

WHEREAS, the Board previously adopted policies governing late payments and chronically late payments, copies of which are attached hereto at Exhibit "A" ("Existing Payment Policies");

WHEREAS, late payments and chronically late payments constitute an event of default pursuant to the terms of each Member's Occupancy Agreement, increase the burden upon management, deprive the Corporation of the operating revenues upon which it depends and are contrary to cooperative principals of ownership;

NOW THEREFORE, be it **RESOLVED** the Existing Payment Policies are **RATIFIED** and **AMENDED** as follows:

1. The foregoing "Whereas Clauses" are not mere recitals, but are a part of this Resolution as if each of the Whereas Clauses was set forth here at length.
2. To the extent the Existing Payment Policies are not inconsistent with the terms of this Resolution, they are ratified, affirmed and incorporated into this Resolution as if set forth

here at length. To the extent of any conflict between the Existing Payment Policies and this Resolution, this Resolution shall control.

3. All charges including, but not limited to, carrying charges, late fees, and maintenance charges ("Payments") are due on the first (1st) day of each month.

4. Payments received on or before the tenth (10th) day of the month will be accepted and processed without penalty ("Grace Period"). If the last day of the Grace Period falls on a Saturday, Sunday or legal holiday, the payment must be made prior to the close of business on the last business day before the Grace Period ends.

5. If a Payment is not made before the end of the Grace Period, a \$50.00 late fee will be assessed and become immediately payable.

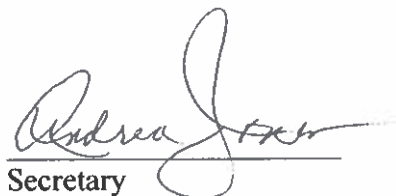
6. If a check is not paid by the financial institution against which it is drawn, a \$40.00 non-sufficient funds fee will be assessed (in addition to the late fee).

7. **MEMBERSHIP IN THE CORPORATION WILL BE TERMINATED IF ANY MEMBER PAYS LATE MORE THAN THREE (3) TIMES IN ANY PERIOD OF TWELVE (12) CONSECUTIVE MONTHS ("HABITUALLY LATE"). ANY MEMBER THAT IS HABITUALLY LATE WILL RECEIVE A NOTICE TO QUIT/VACATE THEIR COOPERATIVE UNIT IN ACCORDANCE WITH THE OCCUPANCY AGREEMENT AND APPLICABLE LAW. IF THE MEMBER FAILS OR REFUSES TO VACATE WITHIN THE TIME PERIOD SPECIFIED IN THE NOTICE TO QUIT, LEGAL ACTION WILL BE INSTITUTED BY THE CORPORATION TO RECOVER POSSESSION OF THE MEMBER'S COOPERATIVE UNIT.**

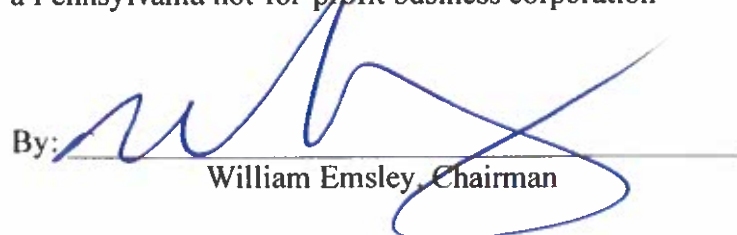
8. The Managing Director shall mail, by first class mail, postage pre-paid, a copy of this Policy to all members of the Corporation and shall publish the Policy to the Corporation's website at <https://warminster-heights.org/>. Delivery shall be considered complete upon mailing so long as the envelope is properly addressed and the mailing is not returned to the Corporation by the United States Postal Service.

BE IT SO RESOLVED, this 11TH day of APRIL 2023, effective in thirty (30) days.

ATTEST:


Secretary

Warminster Heights Home Ownership Association, Inc.,
a Pennsylvania not-for-profit business corporation

By: 
William Emsley, Chairman



Warminster Heights
Home Ownership
Association, Inc.

**W.H.H.O.A. POLICY
CHRONIC LATENESS
APPROVED AUGUST 1996**

**THE MANAGEMENT OFFICE HAS BEEN INSTRUCTED BY THE
W.H.H.O.A. BOARD OF DIRECTORS OF THE FOLLOWING
POLICY FOR CHRONIC LATENESS:**

- 1. ANY MEMBER WHO HAS BEEN LATE WITH PAYMENT
FOUR (4) TIMES IN ANY CALENDAR YEAR WILL
HAVE LEGAL PROCEEDINGS FILED.**
- 2. EACH CALENDAR YEAR BEGINS WITH THE FIRST
(1ST) LATE PAYMENT.**

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75 Downey Drive • Warminster, PA 18974 - 3937 • (215) 672-0610 • Fax (215) 672-2431

RESOLUTION 2023-01
Exhibit "A"

POLICY ON PAYMENT AND CHRONIC LATENESS

WHHOA PAYMENT AND CHRONIC LATENESS POLICY

All charges to residents such as carrying charges, late fees and maintenance charges are due on the first of each month. Our present payments policy permits residents a 10-day "grace period" without penalty. Payments must be properly mailed or carried into the Management Office prior to the 11th of each month to avoid a late fee. If the 10th falls on a Saturday, Sunday or holiday; payment must be made by the last working day. For instance, if the 10th falls on a Saturday or Sunday; payment is due that Friday. Payments may not be slid under the door.

If full payment is not received by close of business on the 18th, court proceedings will be instituted on the 19th of each month. Court costs must be paid by the resident.

All checks returned by the bank necessitate the following charges to your account: \$40.00 non-sufficient funds and \$50.00 late charge.

Payment Agreements are offered to residents for disruption of income only; for one month only. Arrangements must be made no later than the 5th of any month. If you have recently become unemployed, are on disability, or are on Social Security and need a payment agreement (for one month only); please come to the Management Office before the 5th of the month.

If your account is in legal status you must pay by money order.

Residents who do not pay all charges by the 10th of the month, and who have not completed a payment agreement by the 5th will be assessed a \$50.00 late fee. If you have been late four (4) times in a year you will be charged \$75.00 the fourth time and \$100.00 for five or more times in a year.

Individuals with a payment agreement have until the payment date specified in the agreement to satisfy their obligation in full. If not, a \$50.00 late fee will be assessed. You are required to have half paid by the 10th of the month.

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