

Land's End Homeowner Association

POLICY RESOLUTION NUMBER 6

COLLECTING DELINQUENT ASSESSMENTS

WHEREAS, Article IX Section 9.1 Establishment, of the Declaration of Covenants, Conditions, Restrictions and Easements for Land's End at Lake Fork (the "Declaration") makes an Owner personally liable for payment of all assessments, and assessments shall be a charge and continuing lien upon each lot; and that Annual Assessments are due and payable within 30 days of the beginning of each fiscal year; and

WHEREAS, Article IX Section 9.9 Delinquent Assessments, of the Declaration provides for the collection of late fees and interest against assessments not paid by the due date; and

WHEREAS, Article IX Section 9.10 Collection, of the Declaration authorizes foreclosure to collect delinquent assessments; and

WHEREAS, Title XI Chapter 209.008 Attorney Fees, of the Texas Property Code authorizes the Association to collect reimbursement for attorney fees and other collection costs; and

WHEREAS, the Board of Directors desires to adopt a disciplined and structured collection process;

NOW THEREFORE BE IT RESOLVED THAT the following process will apply to the collection of all assessments levied by the Association:

1. An invoice will be mailed approximately 30 days prior to any assessment due date.
2. Annual Assessments are due January 1, all others upon the specified due date. Assessments are considered delinquent 30 days after the due date. Returned checks will incur a \$25 fee.
3. Upon becoming delinquent, assessments will incur a late charge equal to 10% of the assessment and will accrue interest charges of 1 ½% per month from the due date. A second notice will be mailed to include the late charge and interest and allow 30 days to pay in full and avoid a *Delinquency Notice* being filed against the Owner's lot.
4. If payment has not been received 30 days from the second notice, a *Notice of Delinquency* will be filed in the Wood County Property Records against the lot on which the assessment is past due. The delinquent Owner will be notified via certified mail with return receipt of the filing, the new amount due including the assessment, late charges, interest and filing fees, and that the Owner has 30 days to either (a) pay the full amount due and avoid legal action to foreclose, including the charge for attorney fees and other costs, or (b) request in writing a hearing before the Board to discuss and verify the facts and resolve the matter in issue.
5. If a hearing before the Board has not been requested within the prescribed time, or at a hearing the assessment is deemed valid, the Owner must immediately pay all amounts currently due the Association. If full payment has not been received for all amounts due by the 10th day after the above described hearing was held or the time to request a hearing expired, the Association will file a suit at law for a money judgment to collect delinquent amounts, reimbursement for all costs associated with collection action and attorney fees, and may seek the appointment of a receiver and/or judicial foreclosure.

BE IT FURTHER RESOLVED THAT all assessments currently delinquent must be paid in full not later than June 1, 2002, otherwise, a *Notice of Delinquency* will be filed against any lot in arrears. Failure to pay all amounts due by the 30th day following the filing of the *Notice* will result in a suit to collect and foreclose on the lien established in the Declaration.

ATTEST:

June 24, 2002

(Date)

President of the Association

Land's End Homeowner Association

Sample of Billings

First Bill (December 1)

- *Due on January 1, late after January 30.*

2003 Dues	Annual Assessment	\$150.00
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Second Bill (February 1)

- *Your account is now 30 days past due and considered delinquent.*
- *Pay in full to avoid legal filing and additional charges.*

2003 Dues	Annual Assessment	\$150.00
Late Charge	10% of Assessment	15.00
Interest	One month @ 1.5% per month	2.25
Extra document charge	Preparation and mailing	5.50
Amount Due	Total charges	\$172.75

Third Bill (March 1) **Certified Mail with return receipt**

- *Your account is now 60 days past due and delinquent.*
- *A "Notice of Delinquency" has been filed with Wood County Property Records*
- *You have 30 days to pay in full and avoid legal action to foreclose*
- *All costs will be additional assessments against your lot, including attorney fees.*
- *You have 30 days to request a hearing before the Board of Directors if you wish to dispute these charges.*

Previous Balance	2003 dues + late fee & interest	\$172.75
Interest	One month @ 1.5%	2.59
Filing fee	Wood Cnty property records	18.00
Extra document charge	Preparation and mailing	20.00
Amount Due	Total charges	\$213.34

Note: The CCRs already contain a valid lien on your property. The "Notice of Delinquency" is now part of the public records for your lot and will appear in a title search. Foreclosure of the lien is the court ordered sale of your property.