

Royal Oak Maintenance Association

POLICY RESOLUTION NUMBER 2 (revised August, 2016)

COLLECTION OF DELINQUENT ASSESSMENTS

WHEREAS, Article IX Section 9.1 Establishment, of the Declaration of Covenants, Conditions, Restrictions and Easements for Royal Oak Estates (the "Declaration") makes and 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 (the "Board") 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. The annual dues assessed for the general maintenance of the Association will be due not later than January 31st of the calendar and fiscal year. An invoice for those dues will be mailed during the month of December for the dues for the coming year. Those dues will be deemed past due if not received on or before January 31st of the coming year; **however**, no penalty will be assessed if payment is received prior to the end of the annual February HOA membership meeting.
2. Returned checks will incur a \$35.00 fee in addition to the dues amounts.
3. All dues unpaid as of January 31st will be considered delinquent and subject to a one-time per year late charge of \$25.00 in addition to accruing interest at the rate of 1½% per month (18% per annum). Interest will continue to accrue monthly so long as the account remains unpaid.
4. Accelerated collection efforts will continue throughout the period the account remains unpaid and when deemed appropriate by the Board of Trustees, a Notice of Delinquency will be filed with the Wood County Recorder's office to be followed by the filing of an actual lien on the property. These legal activities will involve additional costs to the lot owner in the form of attorneys' fees and court costs.
5. The above described collection procedure will also pertain to any special assessment that has been approved by the Board of Trustees, the majority of the general membership or both.

ATTEST:

2/27/17

Date



President of Association