

VICTORIAN VILLAGE TOWNHOUSE CORPORATION

ASSESSMENT COLLECTION POLICY Revised 2022

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the VICTORIAN VILLAGE TOWNHOUSE CORPORATION (the "Association") was incorporated in the STATE OF TEXAS; and

WHEREAS, the Association is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration for the VICTORIAN VILLAGE TOWNHOUSE CORPORATION (hereafter collectively referred to as the "Declaration"); and

WHEREAS, the Declaration and Chapter 204 of the Texas Property Code empower the Association to levy assessments and to use certain powers of enforcement and collection and further obligates property owners to pay such levies and related charges and costs; and

WHEREAS, some owners have failed to timely meet their payment obligations; and

WHEREAS, the Board of Directors of the Association (the "Board") desires to establish a policy for assessment collection and to provide clear and definitive guidance to the members of the Association;

NOW, THEREFORE, the Board has duly adopted the following *Assessment Collection Policy*.

1. All maintenance fee assessments, community service fee assessments, hazard premium payments and water/sewer assessments are due on the first (1st) day of each month.
2. The common area hazard insurance policy expires annually on last day of June. The Association will notify all owners July 1st of the new rate to be paid in twelve monthly payments. The first revised payment is due after thirty (30) days' notice on August 1st. Equal premium payments for this assessment are due on the first day of each month. An annual adjustment to the premium rate will be considered and set by the Association no later than November 30th of each year. Notification of the monthly premium rate adjustment will be given to all Owners thirty days prior to January 1st of the upcoming year, when the new adjusted monthly rate will be due.
3. All assessments are due in full, and payments are accepted in the following forms: ACH debit or credit card payment via genesiscommunity.com website, personal check, cashier's check, or money order. Cash is not accepted.
4. Unless otherwise agreed upon, the Association may reject all partial payments. Any partial payment that is accepted, whether agreed upon in an approved payment plan or otherwise, shall be applied toward the delinquent account in the following order:
 - 1) delinquent assessments,
 - 2) current assessments,
 - 3) attorneys' fees and collection costs associated with a delinquent account,
 - 4) attorneys' fees other than those associated with a delinquent account,
 - 5) fines; and
 - 6) any other amount owed to the Association.

Nonsufficient Funds

5. A processing fee of at least \$35.00 shall be added to an account for each payment returned by a financial institution due to insufficient funds (NSF). The Association may require payment in the form of a cashier's check or money order to replace an NSF check and may immediately require all future payments to be paid by similar method.

Late charge

6. Any assessment which is not paid when due shall be deemed delinquent. Any account with an unpaid assessment after the sixteenth (16th) of the month shall incur a late charge in the amount of \$15.00.

Unpaid Balance Interest

7. Any account with an unpaid assessment after thirty (30) days shall begin accruing monthly interest on the unpaid balance at the rate of six percent (6%) per annum.

Collection Letter

8. If any assessment remains unpaid thirty-five (35) days after the due date, the Managing Agent is authorized to send the Owner a Collection Letter and or Utility Collection Letter in the case of water bills, monthly until the account balance is less than \$50.00 for all assessments. Each Collection Letter shall specify the total amount then owed, as well as a breakdown of all charges. The Collection Letter shall apprise the Owner that they may enter into an approved payment plan in accordance with Section 209.0062 of the Texas Property Code ("Section 209.0062"). A processing fee of \$5.00 shall be added to the delinquent account for each Collection Letter mailed.

Certified Collection Letter

9. If any assessment remains unpaid sixty-five (65) days after the due date and the account balance is over \$500.00, the Managing Agent is authorized to send the Owner a Certified Collection Letter, and or Certified Utility Collection Letter in the case of water bills, which shall specify the total amount then owed, as well as a breakdown of all charges. The Certified Collection Letter shall apprise the Owner that collection of the account will be turned over to the Association's attorney unless payment in full is received within forty-five (45) days of the date of the letter or the Owner enters into an approved payment plan in accordance with Section 209-0062. A processing fee of \$15.00, plus the cost of postage shall be added to the delinquent account for each Certified Collection Letter mailed.

Legal Action

10. If any maintenance fee assessment remains unpaid forty-five (45) days after mailing the Certified Collection Letter and the account balance is over \$500.00, the Managing Agent is authorized to instruct the Association's attorney to proceed with steps necessary to effect enforcement of the Association's lien to satisfy the assessments due, including judicial or non-judicial foreclosure and or other collection actions as may be permitted by law.

Payment Plan Option

11. An Owner may enter into an approved payment plan in accordance with Section 209.0062. A one-time processing fee of \$60.00 shall be added to the delinquent account for the cost associated with setting up the payment plan. For the term of the payment plan, a monthly processing fee of at least \$15.00 shall be added to the delinquent account to defer the costs associated with monitoring and administering the payment plan. Once a payment plan has been established, an owner may make partial payments towards a delinquent account as agreed.
12. The Association shall not be required to enter into a payment plan with an Owner who failed to honor the terms of previous payment plan during the two (2) years following the Owner's default under the previous payment plan. The Association is not required to offer a payment agreement for any amount that extends more than eighteen (18) months from the date of the Owner's request for a payment plan.
13. All costs and fees incurred by, charged to, or paid by the Association for processing a delinquent account, including attorney fees and/or court costs, shall be added to the delinquent account and paid by the Owner.