

Glen Forest Homeowners Association

COLLECTION POLICY AND PAYMENT PLAN GUIDELINES

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Glen Forest Board of Directors (the "Board") of the Association hereby adopts these Guidelines for the purposes of establishing a uniform and systematic procedure to collect Assessments (as defined herein) and other charges of the Association and identify the guidelines under which Owners may request an alternative payment schedules for certain Assessments; AND WHEREAS, the Board has determined that it is in the best interest of the Association to establish these Guidelines. NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Collection Policy and Payment Plan Guidelines, which shall run with the land and be binding on all Owners and lots within the subdivision on February 15, 2014.

COLLECTION POLICY

I. NOTICE

A. Regular Annual Assessment

Per the terms of the Declarations, the Association has the authority to set, determine, assess, and collect the Regular Annual Assessment ("Annual Assessment"), and the authority to exercise remedies for the nonpayment thereof.

B. Special Assessment

Per the terms of the Declarations, the Association may levy a Special Assessment when the Annual Assessment assessed for any period is insufficient to provide for the continued operation and maintenance of the subdivision or any other purposes contemplated by the Declarations.

2. DUE DATE

A. Annual Assessment

The Annual Assessment shall be due annually on the fifteenth (15th) day of April.

B. Special Assessment

Any Special Assessment shall be payable in the manner determined by the Board.

C. Delinquency

If any Assessment or other sum due the Association is not paid in full and received by the Association by 5:00 p.m. on the date when due, then such assessment shall be considered delinquent. Payments received after the due date are considered delinquent and upon the Association's

receipt of a written request from Owner, the entire amount due may be transferred to a Payment Plan as set forth in Section II of these Guidelines.

D. Disputed Charges

Charges disputed by an Owner shall be verified by the Association and are considered delinquent until such time as they are paid in full.

3. DELINQUENCY NOTIFICATION

The Association may cause to be sent the following notification(s) to delinquent Owners:

A. **Past Due Notice:**

In the event that an Assessment account balance remains unpaid thirty (30) days from the due date, a Past Due Notice may be sent via regular mail to each Owner with a delinquent account setting forth all Assessments, including ten percent (10%) per annum as stated in Article XI Section 3 of the Bylaws and other amounts due. The Past Due Notice will contain a statement that the Owner has the option to transfer the entire amount due to a Payment Plan as set forth in Section II of these Guidelines. A charge may be added to each delinquent Owner's account balance for administrative and postage costs related to the Payment Plan.

B. **FINAL NOTICE:**

In the event the entire Assessment account balance, including any interest, is not paid in full by the date specified in the Past Due Notice, or there is a default on the Payment Plan, a Final Notice may be sent via certified mail, return receipt requested and regular mail to each delinquent Owner. A charge of ten dollars (\$10.00) will be added to each Owner's delinquent Assessment account for the administrative and postage costs related to the Final Notice. The Final Notice will set forth the following information and results of failure to pay, including an explanation of:

1. **AMOUNTS DUE:**

All delinquent Assessments, interest and other amounts due and the total amount of the payment required to make the account current.

2. **OPTIONS:**

The options the Owner has to avoid a lien being filed with the Tarrant County Clerk including information regarding availability of a payment plan through the Association.

3. **PERIOD TO CURE:**

A period of at least thirty (30) days for the Owner to cure the delinquency before further collection action is taken.

4. **HEARING:**

Owners shall be given notice and opportunity for a hearing before the Board. A hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days from the Owner's receipt of the Final Notice. If a hearing is requested within thirty (30) days from receipt of the Final Notice, further collection procedures are suspended until the hearing process is completed. The Board shall set a hearing date not later than thirty (30) days after receipt of Owner's request for a hearing. Either party may request a postponement, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of both parties. Further collection steps will be determined by the action of the Association.

5. **FILING OF LIEN WITH TARRANT COUNTY CLERK:**

If a hearing is not requested within thirty (30) days from receipt of the Final Notice, member privileges will be suspended and a lien will be filed with the Tarrant County Clerk as specified in Article XI, Section 4 of the Bylaws.

6. REQUIRED ACTION

Nothing contained herein, not otherwise required by the Declarations or by Texas or federal law, shall require the Association to take any of the specific actions contained herein. The Board of the Association shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as in its best judgment deems reasonable.

PAYMENT PLAN

1. PAYMENT PLAN SCHEDULE

The Association hereby establishes a Payment Plan schedule by which an Owner may make partial payments to the Association for delinquent Assessments, or any other amount owed to the Association without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. The Payment Plan Schedule is as follows:

follows:

- A. The term for the Payment Plan is three (3) months;
- B. A Payment Plan shall require one -third (1/3) of the delinquent amount to be paid at the inception of the Payment Plan, with the balance being due and payable in two (2) equal payments due on the first day of each month thereafter;
- C. Failure to pay the initial payment of one-third (1/3) of the delinquent amount shall be considered a default of the Payment Plan;
- D. An Owner, upon written request, may request a longer period of time; and
- E. The Association is not required to honor the terms of a previous Payment Plan during the two (2) years following an Owner's default under a previous Payment Plan.

2. APPLICATION OF PAYMENTS

A. Except as provided in subsection (b) immediately below, a payment received by the Association shall be applied in the following order of priority:

- 1. Any delinquent Special Assessment;
 - 2. Any delinquent Annual Assessment;
 - 3. Any current Special Assessment;
 - 4. Any current Annual Assessment;
 - 5. Any other amount owed to the Association.
- B. If/when an Owner defaults on a Payment Plan, the remaining delinquent amount will become due in full and the Association may begin further collection action as set out above. Any payment(s) received by the Association after such default of a Payment Plan shall be applied in the following order of priority:
- 1. Costs
 - 2. Interest;
 - 3. Any delinquent Special Assessment;
 - 4. Any delinquent Annual Assessment;
 - 5. Any current Special Assessment;
 - 5. Any current Annual Assessment;
 - 5. Any other amount owed to the Association

3. PAYMENTS RETURNED NON-SUFFICIENT FUNDS

An Owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge assessed will be the customary amount charged.