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RULES, REGULATIONS AND POLCIES REGARDING COLLECTIONS AND FINES FOR

WILLOW FOREST HOMES ASSOCIATION, INC.

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Attached hereto are the Rules, Regulations and Policies regarding Collections and Fines, applicable to all properties located within **Willow Forest Homes Association, Inc.**, a subdivision in Harris County, Texas. The same was adopted by the Board of Directors of Willow Forest Homes Association, at a meeting held on **Servery 26**, 2017.

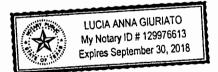
Willow Forest Homes Association, Inc.

Dennis McQueen, Attorney / Agent

STATE OF TEXAS

COUNTY OF HARRIS

Acknowledged before me on March 30, 2017, by Dennis McQueen, the attorney and agent for whom Forest Homes Arsocration. The.



Notary Public - State of Texas

WILLOW FOREST HOMES ASSOCIATION, INC.

RULES, REGULATIONS AND POLICIES REGARDING COLLECTION OF MAINTENANCE ASSESSMENTS, AND IMPOSITION OF FINES FOR VIOLATIONS OF DECLARATION

Whereas, Willow Forest Homes Association, Inc. ("the Association") has the jurisdiction, power, authority and responsibility to govern and manage Willow Forest Section One, a subdivision in Harris County, Texas, pursuant to the Declaration of Covenants, Conditions and Restrictions for Willow Forest Section One, recorded on January 27, 1975 under Harris County Clerk's file number E377676 (the Declaration"), and including any amendments thereto;

Whereas, Willow Forest Homes Association, Inc. ("the Association") has the jurisdiction, power, authority and responsibility to govern and manage Willow Forest Section Two, a subdivision in Harris County, Texas, pursuant to the Declaration of Covenants, Conditions and Restrictions for Willow Forest Section Two, recorded on July 14, 1983 under Harris County Clerk's file number J043866 (the Declaration"), and including any amendments thereto;

Therefore, the Association, by and through its Board of Directors, hereby adopts the following rules, regulations and policies regarding collection of Maintenance Assessments, and imposition of fines for violations of the Declaration.

<u>Definitions</u>: Unless otherwise stated, the definitions set forth in the Declaration shall be applicable hereto.

The term "Subdivision" shall collectively refer to (1) Willow Forest Section One, (2) Willow Forest Section Two, and (3) any other property which is annexed by the Association pursuant to the Declaration.

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COLLECTION OF MAINTENANCE ASSESSMENTS

- 1. As provided by the Declaration, annual Maintenance Assessments are due in full by February 1st of each year.
- 2. Any Maintenance Assessment which remains unpaid on March 1st of each year shall be subject to a late charge of \$25.00 per month; such late charge to be imposed on the 1st day of each month until all outstanding Maintenance Assessments, late charges, administrative fees, attorney fees, other costs of collection, have been paid in full.
- 3. All payments received from an Owner shall be applied against the Owner's account in the following order: (a) Maintenance Assessments; (b) administrative fees; (c) late charges; (d) attorney fees and costs of collection; and (e) fines.
- 4. If there is a balance due on an annual Maintenance Assessment after March 1st of any year, the managing agent may at any time send a notice advising the Owner that the Maintenance Assessment is late, and that the Maintenance Assessment, late charge, and an administrative fee charged by the managing agent must be paid in full within 30 days. In such event, the managing agent will inform the Owner of the Owner's right to dispute before the Board the amount shown to be due, if a written request to do so is received within 30 days of receipt of the letter. The letter will also inform the Owner that after 30 days, if the account balance remains unpaid, the Owner's account is subject to being turned over to the Association's attorney to begin formal collection activities.
- 5. Any Maintenance Assessment remaining unpaid for 90 days, or any account accruing five hundred dollars (\$500.00) or more in Maintenance Assessments, administrative fees and late charges, will be turned over to the Association's attorney for collection.
- 6. All administrative fees, attorney fees, court costs, and other related charges of collection incurred by either the management company or the Association's attorney will be charged to the delinquent Owner's account. All such charges will be added to the amount of the Maintenance Assessments and collected as if they were Maintenance Assessments.
- Once turned over to the Association's attorney, the attorney will be authorized to send a demand letter demanding payment within 30 days of the date of such letter of the account balance, plus the attorney fees for such demand letter.
- 8. If the Owner does not pay the account balance (including the attorney fees for the initial demand) in full within the time required by the initial attorney demand letter, the attorney is authorized to (a) file a lien and send a notice of lien to the Owner, or (b) send a second demand letter demanding payment in full of the account balance. In either case, the Owner will be liable for the account balance and the attorney's fees in connection with the notice of lien or second demand letter, and the same must be paid in full within 30 days of the date of the notice of lien or second demand letter.
- 9. If the account balance, including all attorney fees, is not paid in full in accordance with the above demands/notices, the attorney is authorized to file a lawsuit seeking all amounts then due, in addition to all Maintenance Assessments, administrative fees, late charges, attorney fees, and court costs which come due during the pendency of the

- lawsuit, and to also seek an Order allowing the foreclosure of the Association's lien against Owner's property.
- 10. If a judgment is taken against the Owner which provides for foreclosure of the Association's lien against the Owner's property, and arrangements are not made by the Owner to pay the judgment in full by the foreclosure date set forth in the foreclosure notice, the property may be foreclosed and sold at foreclosure sale. The Association may bid at such sale by and through its attorney.
- 11. If the Association is the high bidder at any foreclosure sale, and an Owner or his tenant continues to occupy the property, the Association's attorney may file a forcible detainer action seeking possession of the property.
- 12. At all times during the collection process, the Association's attorney is authorized to enter into payment arrangements with Owners, as provided by the Association's payment plan policy or as otherwise approved by the Association, in an attempt to collect the monies owed to the Association, and the attorney may charge a reasonable fee for an agreement reflecting the payment arrangement.
- 13. In the absence of payment in full of an Owner's account or an agreed upon payment plan, the Association's attorney is authorized to complete the entire collection process without necessity of further instruction or authorization.
- 14. An Owner's failure to pay Maintenance Assessments and other monies required herein will result in the Owner's loss of membership privileges as outlined in the Declaration, including, but not limited to, the loss of use of Subdivision amenities.

FINES FOR VIOLATIONS OF THE DECLARATION

Fines may be imposed against any Owner for any violation, whether by the Owner of the property or any tenants thereof, of the Declaration, By-Laws, or the Rules, Regulations and Policies approved by the Association. The procedures regarding fines will be as follows:

Notice of Violation. Should the Association determine that an Owner is in violation of the Declaration, then the Association, or its managing agent, shall provide to the Owner a notice of such violation, which shall describe the violation, and shall notify the Owner of his right to request a meeting with the Board, in writing, within thirty (30) days of the date of the notice of violation.

First Notice of Fine - \$50.00. If the violation is not cured or the Owner has not requested a meeting with the Board within thirty (30) days of the date of the notice of violation, then the Association may impose a fine of \$50.00 on the Owner, and the Association or its managing agent shall give notice of the fine to the Owner, which shall describe the violation, demand payment of the fine, and notify the Owner of his right to request a meeting with the Board, in writing, within thirty (30) days of the date of the notice of fine. If the violation is not cured within the thirty (30) day period after the date of the Notice of Fine, then, at the Board's discretion, the matter may be turned over to the Association's attorney for taking legal action to force the Owner to cure the violation, without further notice to the Owner.

Second Notice of Fine - \$150.00. If the violation is not cured or the Owner has not requested a meeting with the Board within thirty (30) days of the date of the first notice of fine, then the Association may impose a fine of \$150.00 on the Owner, and the Association or its managing agent shall give notice of the fine to the Owner, which shall describe the violation and demand payment of the fine, failing which, the matter may be turned over to the Association's attorney for taking legal action to force the Owner to cure the violation.

<u>Legal Action</u>. If the violation is not cured within thirty (30) days of the date of the second notice of fine, the Association may refer the matter to the Association's attorney for taking legal action to force the Owner to cure the violation. All fines, penalties, attorney fees, court costs, and other monies awarded by the Court in such legal action will be added to the Owner's account balance and shall be due and payable to the Association.

<u>Exceptions to Fines Schedule</u>: The following provisions will prevail over the foregoing provisions, except that the Owner will have the right to request a hearing with the Board, by giving notice in writing within thirty (30) days of the notice of violation or the notice of fine:

- Force mows:
 - Notice of Violation with fifteen (15) days to cure, or the Association will "force mow".
 - If not cured within fifteen (15) days of the notice of violation, a fine of \$50.00 will be assessed against the Owner, in addition to a minimum mowing charge of \$75.00.
- 2) Oversized vehicles (including, but not limited to dump trucks, 18 wheelers, bob-tails, trailers, commercial vehicles and maintenance of said vehicles) and inoperable, unlicensed or "junk" vehicles as defined by the Declaration:
 - Notice of Violation requesting immediate removal of the vehicle.

- If said vehicle is seen parked within the confines of the subdivision more than five (5) days after the date of the notice of violation, a \$50.00 fine will be assessed against the Owner, and the matter may be referred to the Association's attorney for taking legal action.
- 3) Livestock and / or Health related issues such as:
 - a) Fowl, pigs, goats, cattle etc.
 - b) Excessive trash, garbage and litter
 - Notice of Violation requesting immediate compliance with the Declaration.
 - If the violation is not cured within five (5) days after the date of the notice of violation, a \$50.00 fine will be assessed against the Owner, and the matter may be referred to the Association's attorney for taking legal action.
- 4) Vandalism/Damage to Common Elements.
 - In addition to notifying law enforcement authorities, the Owner who is responsible for the vandalism/damage (or the Owner whose children are responsible for the vandalism/damage) will be liable for an automatic \$100.00 fine which will be assessed against the Owner's account, and the Owner will be liable to the Association for all repair costs.
 - If the fine and cost of repairs are not paid by the responsible Owner within thirty (30) days of the date the notice of fine and costs of repairs has been sent to the responsible Owner, the matter will be referred to the Association's attorney for taking legal action against the responsible Owner.
- 5) Architectural Control Committee Approval:
 - If an Owner fails to secure any Architectural Control Committee approval which is required by the Declaration or any other Association documents prior to making any modifications to the Owner's property, a \$75.00 fine will be assessed and the matter will be referred to an attorney for taking legal action against the non-complying Owner.

<u>Appeal Process</u>: Owners who have received notices of violations and/or notices of fines may appeal the same, as follows:

- A. All Appeal of Violation Request forms shall be in writing and mailed to the Board in care of the managing agent.
- B. All Appeal of Violation Request forms shall be postmarked within thirty (30) days of the mailing date of the notice of violation or notice of fine.
- C. In the event that a timely request for a hearing is received, any fine(s) will be held in abeyance pending the outcome of the hearing.
- D. A panel of one (1) Board Director and two (2) Property Owners randomly selected for each hearing will convene the Hearing. The Hearing will be held at a time and place selected by the Board of Directors. At least fourteen (14) days notice will be given to all parties.
- E. The Owner is charged with the responsibility of presenting to the panel for consideration all pertinent information to support any evidence of extenuating circumstances.

- F. A majority vote of the panel will decide the outcome of the Hearing.
- G. All hearing procedures are intended to comply with the law of the land or any statute thereof and changes in the process and procedures will be made as necessary to satisfy this intent. An Owner will have the right to have any decision of the hearing panel reviewed by the full Board of Directors and in such cases; the decision of the full Board shall be considered the final decision.
- H. Should an Owner initiate an appeal, but fail to appear at the Hearing in a timely manner, the Owner will be deemed to be non-responsive, and the appeal shall be denied.
- I. Upon denial of the appeal, whether by vote of the panel or the full Board, or failure of the Owner to appear at the Hearing, all fines will be reinstated and charged to the Owner's account. In addition, if the violation has not been cured, the matter may be turned over to the Association's attorney for taking legal action.

The foregoing Rules, Regulations and Policies regarding Collection of Maintenance Assessments, and Imposition of Fines for Violations of Declaration, were adopted and approved by a majority vote of the Board of Directors of Willow Forest at a meeting held on the date set out below.

Date: <u>January 26</u>, 2017.

ATTEST:

By:

Secretary, Dorothea Terry

Willow Forest Homes Association

After recording, return to:

Debra Kerr JDH Association Management Co. P.O. Box 96046 Houston, Texas 77213

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

FILED FOR RECORD

8:00:00 AM

Thursday, April 6, 2017

Stan Stanart

COUNTY CLERK, HARRIS COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

THE STATE OF TEXAS COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED; in the Official Public Records of Real Property of Harris County Texas

Thursday, April 6, 2017

OF HARRIS COUNTY

COUNTY CLERK HARRIS COUNTY, TEXAS