

Collection Policy
(Amended July 20, 2012)

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF DENTON §

WHEREAS the Board of Directors of the Bakers Branch Estates Homeowners’ Association, Inc. . (the “Board”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants and Restrictions for Bakers Branch recorded under Denton County Clerk’s Index Number 2002-R0012423 in the Land Records of Denton County, Texas, and any and all supplements thereof and amendments thereto (referred to collectively as “Declaration”); and

WHEREAS, the Board of Directors (“Board”) of the Association desires to establish a policy for collections to provide clear and definitive guidance to property owners.

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

- A. Accounts delinquent at least 10 days will receive a reminder notice, charged a fee and the unpaid amount of the assessment **shall bear interest from and after the delinquency date until paid** at a rate equal to the lesser of (i) eighteen percent (18%) per annum or (ii) the maximum lawful rate.
- B. Accounts delinquent at least 40 days will receive a 2nd notice and be charged a \$15 fee.
- C. Accounts delinquent at least 70 days where the current balance owed is greater than \$150 will receive a certified demand letter and charged another \$15 fee.
- D. Accounts delinquent at least 100 days where the current balance owed is greater than \$400 will be processed for lien and charged fees, according to the Board’s discretion.
- E. Liened accounts where the balance owed is greater than \$2,000 may be processed for non-judicial foreclosure and charged all costs associated with pursuing the debt, at the Board’s discretion.

Accounts on an active association approved payment plan will be administered per the Payment Plan Policy.