

**The Village at High Meadow Community
Association, Inc.
Annual Assessment Collection Policy**

I. OBJECTIVE

Establish a uniform and systematic procedure to collect annual assessments (also known as annual HOA fees) levied by The Village at High Meadow Community Association, Inc. (the "Association"), as outlined in The Village at High Meadow Community Association, Inc. Restrictive Covenants and Bylaws. This Policy will also provide the guidelines under which Owners may request an alternative Payment Plan.

II. POLICY

Each Owner, by acceptance of a Deed to a lot, hereby expressly vests in the Association or its agent, the right and power to bring all actions against such Owner personally for the collection of such assessments as a debt and to enforce the Association's Lien for assessments by all methods available for the enforcement of such liens, including non-judicial foreclosure, and each Owner expressly grants the Association a power of sale in connection with the non-judicial foreclosure of the Lien.

No Owner may wave or otherwise escape liability for assessments by non-use of the Common Area or abandonment of the Owner's lot.

1. Notice

- a. The Board of Directors for the Association (the "Board") shall establish the amount of the annual assessment levied against each lot for the following calendar year based on the annual budget adopted in advance for that year covering the estimated costs to operate the Association.
- b. Written notice of the assessment amount and due date shall be sent via regular mail to the Owner's last known mailing address prior to the due date. An Owner may not escape liability or be entitled to a deferral of interest, fines or collection costs with regard to delinquent assessments based on Owner's failure to receive written notice. Each Owner shall have the obligation to notify the Association in writing of any change in address.

2. Due Date

- a. All assessments are due and payable on the first day of January on an annual basis.
- b. Assessments not paid when due shall be delinquent. The Association will afford the delinquent Owner an opportunity to enter into a Payment Plan as set forth in Section III of this Policy.

3. Interest

- a. Assessments not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at a rate of eighteen percent (18%) per annum until the assessment is paid in full.

4. Delinquency Notification(s)

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

- a. **Past Due Notice:** If the assessment remains unpaid after the due date and the Owner has not entered into a Payment Plan as outlined in Section III of this Policy, a Past Due Notice may be sent via regular mail to the Owner detailing the Owner's assessment account balance including interest and any late fees that may be

charged by the Association.

The Past Due Notice will contain a statement that the Association will afford the Owner an opportunity to enter into a Payment Plan as set forth in Section III of this Policy.

A Past Due Notice may be sent via regular mail if the Owner defaults on a Payment Plan entered into prior to a Past Due Notice.

- b. Final Notice:** If the assessment account balance remains unpaid after the Past Due Notice and the Owner has not entered into a Payment Plan as outlined in Section III of this Policy, a Final Notice may be sent via certified mail to the Owner and include an explanation of the following:

- 1) **Amounts Due:** All delinquent assessment amounts including interest, any late fees that may be charged by the Association and certified notice costs;
- 2) **Period to Cure:** The Association will afford the Owner forty-five (45) days to cure their delinquencies after a Final Notice is sent before sending the Owner's account to the Association's attorney for collection;
- 3) **Payment Plan:** The Final Notice will contain a statement that the Association will afford the Owner an opportunity to enter into a Payment Plan as set forth in Section III of this Policy;
- 4) **Hearing:** Owners shall have the opportunity for a hearing before the Board provided a written request for a hearing is received by the Association or its agent within thirty (30) days from the date the Final Notice was sent. If a request for hearing is received within this time period, collection procedures shall be suspended until the hearing process is completed. The Board shall set a hearing date within thirty (30) days after receipt of the 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;
- 5) **Common Area Rights Suspension:** If a hearing is not requested within thirty (30) days from the date the Final Notice is sent, the Owner's use of recreational facilities and common properties may be suspended; and
- 6) **Military Notice:** If the Owner is serving on active duty, the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemember's Civil Relief Act.

A Final Notice may be sent via certified mail if the Owner defaults on a Payment Plan entered into prior to a Final Notice.

5. Referral of Account to Association's Attorney

- a. Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary, in consultation with the Board, including but not limited to: sending demand letters, filing a lien, filing a lawsuit against the delinquent Owner for money judgement, instituting an expedited foreclosure action, and filing necessary claims, objections and motions in bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.
- b. As a prerequisite to foreclosure of the Association's lien, the Association's attorney shall send notification via certified mail or by any other method to the holder of the lien of record on the Owner's property whose lien is inferior or subordinate to the Association's lien as evidenced by deed of trust. Said notice will

provide such lien holder with the total amount of the delinquency giving rise to the foreclosure and an opportunity to cure before the sixty-first (61st) day after the day the notice is sent.

- c. In the event the Association has determined to foreclose its lien provided in Subdivision Restrictive Covenants, and to exercise the power of sale thereby granted, such foreclosure shall be accomplished pursuant to the requirements of Sections 209.0091 and 209.0092 of the Texas Property Code.
- d. All legal fees incurred by the Association to pursue collection of the assessment will be charged back to the Owner's account; the Owner will be required to reimburse the Association for all costs, including legal fees, incurred.

6. Bankruptcies

Upon receipt of any notice of bankruptcy of an Owner, the account may be turned over to the Association's attorney so that the Association's interests may be protected.

7. Required Action

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

8. Payments Returned Non-Sufficient Funds

An Owner will be assessed a service charge for any check that is returned or Automatically Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order (hereinafter "Unpaid Amounts"). The amounts of the service charge assessed by the Association will be the amount charged by the financial institution related to any such Unpaid Amounts plus any administrative costs incurred by the Association as a result of such Unpaid Amounts.

III. PAYMENT PLAN

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 the Association without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. Any late fees imposed prior to the request for a Payment Plan may be made part of such Payment Plan at the discretion of the Board. The Payment Plan schedule is as follows:

- 1. The term for the Payment Plan shall be determined at the discretion of the Board but shall be no less than three (3) months;
- 2. A Payment Plan shall require equal monthly payments based on the number of months for such Payment Plan with each payment due on the first day of each month;
- 3. Failure to pay a monthly payment of the Payment Plan shall be considered a default of the Payment Plan;
- 4. If the Owner requests a Payment Plan that will extend into the next assessment cycle, the Owner will be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan;
- 5. The Association is not required to enter into a Payment Plan with the Owner who failed to honor the terms of a previous Payment Plan during the two (2) years following the Owner's default under a previous Payment Plan;

6. The Association is not required to offer a Payment Plan to an Owner after the forty-five (45) day period to cure in the Final Notice has expired; and
7. The Association is not required to allow an Owner to enter into a Payment Plan more than once in a 12-month period.

IV. APPLICATION OF PAYMENTS

1. Except as provided in subsection 2 immediately below, a payment received by Owner will be applied in the following order of priority:
 - a. Any delinquent assessment;
 - b. Any current assessment;
 - c. Attorney's fees or debt collection agency costs incurred by the Association associated solely with assessments or other charge that may be the basis of foreclosure;
 - d. Attorney's fees not subject to c above;
 - e. Fines; and
 - f. Any other amount owed to the Association.
2. If/when an Owner defaults on a Payment Plan, the remaining delinquent amount will become due in full and the Association may begin 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:
 - a. Costs;
 - b. Attorney fees;
 - c. Interest;
 - d. Late fees;
 - e. Delinquent assessments;
 - f. Current assessments; and
 - g. Fines

As to each category identified in the subsection 2, payment will be applied to the most-aged charge first. The acceptance of a partial payment on an Owner's account does not constitute a waiver of the Association's rights to collect the full outstanding balance due on the Owner's account.


This Policy is effective upon recordation in the Public Records of Montgomery County, Texas. Except as affected by this Policy, all other provisions contained in the Restrictive Covenants or any other dedicatory instruments of the Association shall

remain in full force and effect.

CERTIFICATION

I, the undersigned, being the President of The Village at High Meadow Community Association, Inc. hereby certify that the foregoing Policy was adopted by at least a majority of the Board of Directors at a properly noticed, open Board meeting, at which a quorum of the Board was present.

Approved and adopted by the Board of Directors on the 18 day of Dec 2024.

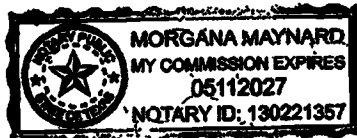

_____, President of The Village at
High Meadow Community Association, Inc.

STATE OF TEXAS §
 §
COUNTY OF §

Montgomery

Before me, the undersigned authority, on this day personally appeared J. Curtino, President of The Village at High Meadow Community Association, Inc., a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 19 day of December 2024.





Notary Public, State of Texas

AFTER RECORDING, RETURN TO:

E-FILED FOR RECORD

01/14/2025 10:20AM



L. Brandon Steinmann

County Clerk,
Montgomery County, Texas

STATE OF TEXAS,
COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number
sequence on the date and time stamped herein
by me and was duly e-RECORDED in the Official Public
Records of Montgomery County, Texas.

01/14/2025



L. Brandon Steinmann

County Clerk,
Montgomery County, Texas