

Pine Hollow Homeowners Association Policy

Title: Delinquent Association Dues

Revision: 2

Purpose:

The Board recognizes the importance of collecting the annual Association dues that promote the health, safety, welfare and recreation of the Members. The purpose of this policy is to ensure that Association dues are collected in a timely manner.

Policy:

The Board of Trustees will establish association dues each year. An assessment invoice shall be mailed to each Member in either November or early December stating the amount due. It is the responsibility of the homeowner/property owner to notify either the Management Company or a Trustee if an assessment invoice is not received by the Member by December 31st.

Payment deadline of the annual Association dues is expected on or before December 31st. A 30-day grace period (until January 31st) is automatically granted to all Members. During this grace period late fees and interest will be waived. However, starting on February 1st, late fees and interest on the unpaid balance will begin to accrue. Any member who is delinquent on February 1st shall be charged an additional \$25.00 late fee per the Pine Hollow DCR document, Article VI Section 9.

The Management Company may send three letters (approximately every 30-days following the grace period) notifying the homeowner/property owner that the Association Dues are delinquent. It shall not be required that the first and second letters be sent certified return receipt mail but the Management Company shall have the option to do so if necessary. A final letter shall be sent certified return receipt mail. By April 1st, the homeowner/property owner shall have been sent all three delinquency notices. The homeowner/property owner shall be responsible for all postage costs associated with the delinquent notices that are sent.

Those homeowner/property owners who have not paid their annual assessments by May 1st shall have their information forwarded to the Association Attorney so that a demand letter can be sent. The homeowner/property owner shall also become responsible for all legal fees associated with delinquent assessments as well as any other outstanding balance. In the event that the dues are still delinquent after the demand letter, the attorney shall be authorized to file suit against those homeowners whose balance is over \$100 and 90 days overdue. Suit may be filed by July 1st on all delinquent amounts greater than or equal to one (1) year's assessments unless an exception is justified (including establishing and maintaining a timely payment plan).

Delinquent amounts under \$100 shall be added to the next assessment billing cycle. The homeowner/property owner must pay all delinquent amounts, interest, fees, and postage costs during this billing cycle to bring the account current.

Prior to suit, homeowners/property owners can request a payment plan that is arranged through either the Board or the Management Company. If a homeowner has established a payment plan and is current with payments, interest will stop accruing after acceptance of the final payment plan and a lawsuit will not be filed against the Member. Payment plans can vary pending on the homeowners' situation. All payment plans established by the Board or the Management Company shall be paid in full by October 1 for that assessment year. If at any time during the payment plan period payments lapse, interest will start accruing and a suit will be filed once the balance due is greater than or equal to one (1) year's assessments and 90 days delinquent. After suit, homeowners/property owners may only request a payment plan through the Attorney's office.

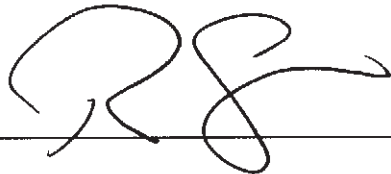
**PRESIDENT'S
AND
SECRETARY'S**

CERTIFICATION: The undersigned, respectively being the President of the Pine Hollow Homeowners Association, a Texas nonprofit corporation, certifies that the foregoing policy was approved and adopted by the Board of Directors of the *Association*, at a duly called and held meeting of the Board of Directors of the *Association* on this

5 day of May (month), 2010
and in witness thereof, the undersigned has subscribed his/her name.

PINE HOLLOW HOMEOWNERS ASSOCIATION
a Texas non-profit corporation,

By:



_____, President

Attested:

Nancy Egan, Secretary