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HV of Fork Owners Association

Policy 2020-07-01

HV of Fork Owners Association Collections Policy

HV of Fork Home Owners Association is subject to the Declaration of Covenants, Conditions and Restrictions for Holiday Villages of Fork Subdivision recorded in the Official Public Records of Wood County, Texas, and any amendments or supplements thereto. The operation of the Community is vested HV of Fork Owners Association, Inc., a Texas non-profit corporation (the "Association"), acting through its board of directors (the "Board"). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, Certificate, Bylaws, and any policies and rules and regulations promulgated by the Association pursuant to the Declaration, as adopted and amended from time to time (collectively, the "Restrictions"), including the obligation of Owners to pay assessments pursuant to the terms and provisions of the Declaration.

The Board hereby adopts this Assessment Collection Policy to establish equitable policies and procedures for the collection of assessments levied pursuant to the Restrictions. Terms used in this policy, but not defined, shall have the meaning subscribed to such term in the Restrictions.

Section 1. DELINQUENCIES, LATE CHARGES & INTEREST

1-A. Due Date. An Owner will timely and fully pay assessments. Monthly assessments levied pursuant to Section 12 of the Declaration (the "Monthly Assessment") are assessed monthly and are due and payable on the first calendar day of the month or in such other manner as the Board may designate in its sole and absolute discretion.

1-B. Delinquent. Any assessment that is not fully paid when due is delinquent. When the account of an Owner becomes delinquent, it remains delinquent until paid in full — including collection costs, interest and late fees.

1-C. Late Fees & Interest. If the Association does not receive full payment of an assessment by 5:00

p.m. on the 15th of the month the Association may levy a late fee of \$12.50 per month and/or interest at the Designated Interest Rate until paid in full.

This policy supersedes all collection policies prior 7-18-2021

1-D. Liability for Collection Costs. The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, and other reasonable costs and attorney's fees incurred by the Association in collecting the delinquency.

1-E. Insufficient Funds. The Association may levy a charge of \$45.00 for any check returned to the Association marked "not sufficient funds" or the equivalent.

1-F. Waiver. Properly levied collection costs, late fees, and interest may only be waived by a majority of the Board.

Section 2. INSTALLMENTS & ACCELERATION

Assessments in arrears prior to January 1 2019 are due and payable immediately. Any aged accounts may be negotiated by the operations manager, the finance office, the Board or the Associations attorney ,and may be scheduled for a payment plan provided that the debtor is current on all dues from January 1, 2019 to date. Some aged date may be negotiated according to internal policies of the Board. All repayment plans shall be detailed in writing and signed by delinquent owner. If an Owner defaults in the payment of any installment, the Association **may** declare the entire assessment in default and accelerate the due date on all remaining installments of the assessment. Assessment, payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

Section 3. PAYMENTS

3-A. Application of Payments. After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, any payment received by the Association shall be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose:

(1) Delinquent assessments	(4) Other attorney's fees
(2) Current assessments	(5) Fines
(3) Attorney fees and costs associated with delinquent assessments	(6) Any other amount

3-B. Payment Plans shall be administered pursuant to the Payment Plan Guidelines and Application of Payments Schedule Policy shall apply only to amounts not included in the payment plan.

3-C. Form of Payment. The Association may require that payment of delinquent assessments be made only in the form of cash, cashier's check, or certified funds or ACH, extended payment plans of delinquent funds may require ACH. Any payment by credit or debit card may result in a transaction fee.

3-D. Partial and Conditioned Payment. The Association may refuse to accept partial payment [i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

3-E. Notice of Payment. If the Association receives full payment of the delinquency after Recording a notice of lien, the Association will cause a release of notice of lien to be publicly Recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and Recording the release.

3-F. Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

Section 4. LIABILITY FOR COLLECTION COSTS

Collection Costs The defaulting Owner may be liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency.

Section 5. COLLECTION PROCEDURES

5-A. Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's finance office, an attorney, or a debt collector.

5-B. Delinquency Notices If the Association has not received full payment of an assessment by the due date, the Association may send written notice of nonpayment to the defaulting Owner, by certified mail, stating: (a) the amount delinquent and the total amount of the payment required to make the

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account current, (b) the options the Owner has to avoid having the account turned over to a collection agent, as such term is defined in Texas Property Code Section 209.0064, including information regarding availability of a payment plan through the Association, and (c) that the Owner has thirty (30) days for the Owner to cure the delinquency before further collection action is taken (the "Delinquency Cure Period"). The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

5-C. Verification of Owner Information. The Association may obtain a title report to determine the names of the Owners and the identity of other lien-holders, including the mortgage company.

5-D. Collection Agency. The Board may employ or assign the debt to one or more collection agencies.

5-E. Notification of Mortgage Lender. The Association may notify the mortgage lender of the default obligations.

5-F. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services.

5-G. Collection by Attorney. If the Owner's account remains delinquent for a period of ninety (90) days, the Board of the Association may refer the delinquent account to the Association's attorney for collection or may proceed with default proceedings through courts "pro se". In any event an account is referred to the courts the Owner will be liable to the Association for its legal fees and expenses. Upon referral of a delinquent account to the Association's attorney, or proceeding pro se the Association will provide the following notices and take the following actions unless otherwise directed by the Board:

Initial Notice: Preparation of the Initial Notice of Demand for Payment Letter. If the account is not paid in full within 30 days (unless such notice has previously been provided by the Association), then

Lien Notice: Preparation of the Lien Notice and Demand for Payment Letter and Record a Notice of Unpaid Assessment Lien. If the account is not paid in full within 30 days, then

Final Notice: Preparation of the Final Notice of Demand for Payment Letter and Intent to Foreclose and Notice of Intent to Foreclose to Lender. If the account is not paid in full within 30 days, then

Foreclosure of Lien: Only upon specific approval by a majority of the Board.

5-H. Notice of Lien. The Association's may cause a notice of the Association's assessment lien against the Owner's home to be publicly Recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may also be sent to the Owner's mortgagee.

5-I. Cancellation of Debt. If the Board deems the debt to be uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

5-J. Suspension of Use of Certain Facilities or Services. The Board may suspend the use of the Common Area amenities by an Owner, or his or her tenant, whose account with the Association is delinquent for at least thirty (30) days.

This policy supersedes all collection policies prior 7-18-2021

Section 6. GENERAL PROVISIONS6-A Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this policy.

6-B. Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect assessments under the Restrictions and the laws of the State of Texas.

6-C Limitations of Intrest. The Association and its officers, directors, property managers, finance department, and attorneys intend to conform strictly to the applicable usury laws of the State of texas. Notwithstanding anything to the contrary in the Restrictions or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as intrest, a sum greater than the maximum amount allowed by law.

6-D Unless the Restrictions, applicable la, or this policy provide otherwise, any notice or written communication given to an Owner pursuant to this policy will be deemed delivered to the Owner upon depositing same with the U>S> Postal Service addressed to the owner at the most recent address shown on the Association records, or personal delivery to the Owner. If the Association records show that an Owners property is owned by 2 or more persons, notice to one co-owner is deemed notice to all co-owners. Similarly, notice to one resident is deemed notice to all residents. Written communications to the Association, pursuant to this policy, will be deemed received upon receipt by the President, operations manager or finance office.

6-E Amendment of Policy. This policy may be amended from time time by the Board.

Approved by Board of Directors the 18th day of July 2020.

Policy 2021-07-01

Addendum to collections policy currently in place.

The Board has established that the Finance office should file a maximum of 10 liens with the court per month. This is not to require 10 filings but to allow for up to 10 filings per month. This addendum does not change that policy.

This addendum does establish that any property owner account that reaches or exceeds \$750.00 in arrears shall be eligible for filing a lien on if the owner is not making a good faith effort to pay on the overdue balance. All cases shall include recovery of fees and processing charges.

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This policy also reflects that all filings that have been set for a docket with the shall be posted openly at the clubhouse as public information.

Approved by the Board of Directors this 17th day of July 2021 at a regularly scheduled meeting.

[Handwritten Signature]
President HV of Fork Owners Association

State of Texas
County of WOOD

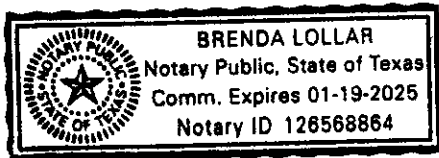
Before me, BRENDA LOLLAR, on this day personally appeared:

DAN HOUSTON
PRESIDENT

HV of Fork Owners Assoc., known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed. Given under my hand and seal of office this 22nd day of July, 2021

[Handwritten Signature]

Notary Public's Signature



THE STATE OF TEXAS
COUNTY OF WOOD

I hereby certify that this instrument was FILED on the
date and the time stamped hereon by me and was duly
RECORDED in the OPR Records of Wood County, Texas.

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Kelley Price

Kelley Price, County Clerk
Wood County, Texas