



STATE OF TEXAS §

COUNTY OF WILLIAMSON §

AMENDMENT TO RULES AND REGULATIONS**LEGENDS VILLAGE HOMEOWNERS ASSOCIATION, INC.,**
a Texas nonprofit corporation

Document reference. Reference is hereby made to that certain Legends Village Master Declaration of Covenants, Conditions and Restrictions, filed as Document No. 2006082534 in the Official Public Records of Williamson County, Texas (together with all amendments and supplements, the "Declaration").

Reference is further made to those previously-adopted Rules and Regulations filed as Document No. 2011086746 of the Official Public Records of Travis County, Texas.

The Declaration provides that persons owning lots subject to the Declaration are automatically made members of Legends Village Homeowners Association, Inc., a Texas nonprofit corporation (the "Association");

The Association, acting through its board of directors (the "Board"), is authorized to adopt and amend rules governing the affairs of the Association, pursuant to Declaration Section 5.4(A) and Bylaws Section 4.17(a);

The Board has voted to adopt additional Rules as provided herein.

APPROVED and ADOPTED the 16 day of November, 2012.

LEGENDS VILLAGE HOMEOWNERS ASSOCIATION, INC.,**A Texas nonprofit corporation**

Acting by and through its Board of Directors

NAME: Roger Arriaga
TITLE: President
DATE: 11/16/12

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This instrument was acknowledged before me on the 16th day of November, 2012, by Roger Arriaga in the capacity stated above.



Michelle Lackey
Notary Public, State of Texas

Section XII is hereby added to read as follows:

Section XII. Fines, self help, collection action

Summary of Collection Process

1. Assessments due within 30 days of due date (or invoice date if no due date stated)
2. Interest at 18% charged as of date of delinquency
3. Late fee assessed in an amount determined by the board
4. Courtesy notice sent via email or mail, giving 30 days to pay
5. Certified mail notice sent providing final warning/notice as required by statute
6. Account turned over to attorney for formal collection action

The Board may vary from this policy on a case by case basis, including shortening or lengthening time periods for payment or eliminating or providing additional courtesy notices, provided that all statutory notice requirements are met.

Summary of Non-Monetary Violation Enforcement Process for Fining and Similar Actions

1. Courtesy letter
2. Certified mail notice letter (statutory notice letter)
3. Damage assessments as appropriate; fines levied as appropriate per fining schedule

The Board may vary from this policy on a case by case basis, including increasing or decreasing fines, sending additional, or omitting, courtesy notices, and other such variations, provided that all statutory notice requirements are met.

Summary of Non-Monetary Violation Enforcement Process for Self-Help

1. Written warning notice, at least 24 hours prior to self-help action
2. Self-help action (force mow, or other similar cure of a Lot violation); costs assessed to owners' account

Collection policy (monetary violations):

1. **Purpose.** The Board desires to adopt a standardized Assessment Collection and Enforcement Policy to set forth its determinations on such issues.
2. **Scope.** This policy applies to all "Members" of the Association, said Members having a contractual obligation to pay assessments and other charges to the Association under the governing documents of the Association.
3. **The Policy.**
 - a. **Introduction.** The Association's primary source of income is Member-paid Assessments, and without such income the Association cannot provide and maintain the facilities and services that are critical to the quality of life of Association residents and the protection of property values. The Association has experienced, and expects to continue to experience, situations in which Members are delinquent in their obligation to pay Assessments or Members are otherwise in violation of the governing documents. Therefore the Board has adopted, and by these presents does hereby adopt, the Assessment Collection and Enforcement Policy set forth below.

Per the Declaration the Association may collect, and has a lien for all amounts due, including assessments, fees, interests, costs, and attorney's fees. The Association further has a lien for all costs of self-help remedies (Declaration §5.4(E)).

- b. Due Dates. All Assessments and other amounts due are due within 30 days of the due date, or if none given, within 30 days of the date the related invoice, ledger, or other notice is sent to the Member.
 - c. NSF Fees. Checks, ACH payments, or other type of payment returned for insufficient funds, dishonored automatic bank drafts, or other similar item will result in the assessment of a fee determined by the Board from time to time, in the minimum amount of \$30. Late fees shall also be assessed as appropriate.
4. Delinquency/Collection. Any Assessment or other amount due not paid within 30 days of its due date (or if none given, within 30 days of the date the related invoice, ledger, or other notice is sent to the Member) shall be deemed Delinquent. Delinquencies shall be handled as follows:
- a. Interest, Late Fees, Collection Costs. Delinquencies may be charged interest on the sum owing at the rate of 18% per annum, until paid in full. In addition to interest a late fee in an amount as determined from time to time by the Board may be assessed. The owner is responsible for all costs of collection including attorneys fees.
 - b. Courtesy Notice of Delinquency. Once an Assessment or other amount due becomes Delinquent, the Association, acting through its Board, managing agent, or some other Board designee, will email or mail a written notice to the related Member reminding him or her of the amount owed and requiring that it be paid immediately – no later than 30 days after the date of the letter.
 - c. Final Letter After Courtesy Notice. If payment in full or other mutually-satisfactory payment arrangements are not made promptly in response to the courtesy notice, the Association, acting through its managing agent, shall send notice via certified mail, return receipt requested and otherwise complying with the requirements of Texas Property Code §209.0064 (including giving the owner a final 30 days to cure the delinquency prior to the account being turned over to an attorney.)
 - d. Formal Collection Action. After the expiration of the 30-day cure period provided by law (§209.0064, Texas Property Code), the account shall be turned over to the Association's attorney to initiate formal collection action. Unless otherwise determined by the Board, all attorney collection action is pre-authorized, including but not limited to sending a 30-day demand letter, filing of a Notice of Lien or similar instrument in the Official Public Records, and initiating and carrying out a foreclosure of the Association's lien against the Lot, all in accordance with state-law notice and procedural requirements.

The Board of Directors of the Association is charged with the duty of overseeing the administration of the Association, including but not limited to the collection of assessments and other charges from the members. The timely collection of assessments is critical to ensuring that the Association can remain fully-funded and capable of fulfilling its duties to the members, and as such the Board desires that delinquent assessments be collected with a minimum of delay. This standardized collection policy is in the best interest of ensuring that collection procedures are applied consistently.

- e. Authority to Vary from Policy. In handling Delinquent amounts due, the Board of Directors retains the authority to vary from this Assessment Collection Policy as may be appropriate given the particular facts and circumstance involved, so long as the related action is in compliance with the Declaration and State law. Variances from policy may include adding additional courtesy letters, or omitting a courtesy letter, provided that at minimum all notice requirements of state law are met.
- f. Payment plans. Payment plans shall be offered as described in the Association's payment plan rule.
- g. Managing agent authorization. If Association has engaged the services of a management company for the Association, to perform day-to-day administrative tasks on behalf of the Association, the management company is granted authority to carry out this policy including to communicate with legal counsel retained by the Association and to authorize collection work by such legal counsel on behalf of the Association, without further vote or action of the Board. This authority notwithstanding, the management company representative shall communicate with the Board and/or certain designated

hearing date. The Board may impose rules of conduct and limit the amount of time allotted to a Member to present his or her information to the Board at any such hearing. The Board may either make its decision at the hearing, or take any matter discussed at the hearing under advisement and communicate its decision at a later date.

- f. Force mows and other self-help enforcement action. Notwithstanding other language herein, the management company, Association attorney, or other authorized agent of the Association is granted authority to carry out force mow or self-help remedies on behalf of the Association, in accordance with any procedure described in the Declaration or other governing documents. (Declaration §5.4(E)). Per Declaration §5.4(E), the association may, without notice in case of an emergency, and after 24 hours written notice (sent via mail, email, or hand-delivery) enter upon any Lot and cure any violation of the declaration (including design guidelines), bylaws, or rules. All expenses incurred in connection with any such action are a personal obligation of the Lot owner and a lien on the Lot.
- g. Authority of agents. The management company, Association attorney, or other authorized agent of the Association is granted authority to carry out this standard enforcement and fining procedure absent express direction otherwise from the Board, without further vote or action of the Board. This authority notwithstanding, the management company or Association attorney shall communicate with the Board and/or certain designated officers or agents on a routine basis with regard to enforcement actions, and the Board reserves the right to establish further policies with regard to enforcement efforts generally and to make decisions about particular enforcement actions on a case-by-case basis if and when it deems appropriate.

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After recording, please return to:

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