

NOTICE  
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**FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC.**  
**COLLECTION POLICY AND PAYMENT PLAN GUIDELINES**

STATE OF TEXAS                   §  
  §  
COUNTY OF HARRIS               §

WHEREAS, the property encumbered by this Collection Policy and Payment Plan Guidelines (the "Policy") is the property subject to the jurisdiction of the Fleetwood Property Owners Association, Inc. (the "Association"), which has been described in detail in the Management Certificate, recorded under Harris County Clerk's File No. 20100158985, which description and all related recorded documents is incorporated herein by reference, as same has been or may be amended from time to time, and any other property which has been or may be annexed thereto and made subject to the authority of the Association; and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the "Board") of the Association hereby adopts this Policy for the purposes of establishing a uniform and systematic procedure to collect assessments and other charges of the Association and identify the guidelines under which property owners may request an alternative payment schedule for certain assessments; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish this Policy.

NOW, THEREFORE, BE IT RESOLVED THAT the Board does hereby adopt this Collection Policy and Payment Plan Guidelines, which shall run with the land and be binding on all property owners and lots within the subdivision. This Policy shall replace any previously recorded or implemented guidelines that address the subjects contained herein.

**I.       COLLECTION POLICY**

1.       ASSESSMENTS

The Board has the duty of establishing and adopting an annual budget, in advance of each fiscal year of the Association covering the estimated costs of operation of the Association during the forthcoming year. The "Annual Maintenance Charge" and is created under the recorded Deed Restrictions for each Section within Fleetwood. Additionally, by Amendment to the Deed Restrictions and also recorded for each Section within Fleetwood, there may be levied against each lot, with the appropriate approval of the Board together with the requisite approval of the property owners, what is known as a "Special Assessment". The Annual Maintenance Charge and any Special Assessment are collectively referred to hereinafter as the "Assessments".

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2. NOTICE

The Board shall fix the amount of the Annual Assessment against each lot for the following year and shall, at that time, prepare a roster of the lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any property owner. The Board shall do likewise for any Special Assessment once approved by the Board and the requisite number of property owners. Upon completion of a roster, written notice of the Annual Assessment or Special Assessment shall be sent to every property owner subject to the Assessments. A property owner may not escape liability or be entitled to a deferral of interest, fines or collection costs with regard to delinquent Assessments on the basis of such property owner's failure to receive notice, if such notice was sent via regular mail to the most recent address of the property owner according to the records of Association. Each property owner shall have the obligation to notify the Association in writing of any change in address which shall become effective five days after written notice has been received.

3. DUE DATE

The Annual Assessment is due, in advance, on or before January 1<sup>st</sup> of each year. Any Annual Assessment not paid on or before January 1st shall be delinquent. A Special Assessment shall be due and payable as approved in the Special Assessment. Assessments disputed by a property owner are considered delinquent until such time as they are paid in full.

Payments of Assessments received after the due date are considered delinquent.

4. INTEREST

If any Assessments are not paid, in full, on or before their respective due date, the Assessments shall bear interest from the due date at the rate set forth in the recorded Deed Restrictions, or under the provisions of the Special Assessment, until paid in full.

5. DELINQUENCY NOTIFICATION

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

- a. PAST DUE NOTICE: In the event that Assessments remain unpaid thirty (30) days past their due date, a "Past Due Notice" may be sent via regular mail to each property owner with a delinquent account balance setting forth all Assessments, interest, fees and other amounts due. The Past Due Notice will contain a statement that the entire remaining unpaid balance of past due Assessments is due and that the property owner is entitled to a Payment Plan as set forth in Section II of this Policy. **In the event a property owner chooses to enter a Payment Plan, a monthly charge may be added to each delinquent property owner's account balance for administrative costs related to the Payment Plan and such additional administrative costs will continue until the entire past due balance is paid in full.**
- b. FINAL NOTICE: In the event Assessments are not paid in full when due or there is a default under an agreed Payment Plan, where a past due Assessments account balance

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remains unpaid thirty (30) days or later from the original or agreed due date, a "Final Notice" may be sent via Certified Mail, Return Receipt Requested, postage prepaid, to each delinquent property owner. The Final Notice will set forth the following information and the result of failure to pay, including an explanation of:

1. AMOUNTS DUE: All delinquent Assessments, interest, fees and other amounts due;
2. HEARING: Property owners may be given notice and opportunity for a hearing before the Board. A hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days from the property owner's receipt of the Final Notice.

If a hearing is requested within thirty (30) days from receipt of the Final Notice, further collection procedures will be suspended until the hearing process is completed. The Board shall set a hearing date not later than thirty (30) days after receipt of a property owner's request for a hearing. Either party may request a postponement, in writing, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by the written agreement of both parties. Further collection steps will be determined by the action of the Board; and

3. MILITARY NOTICE: If the property owner is serving on active military duty, the property owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act.
- c. NOTICE OF TURNOVER TO COLLECTION AGENT/ATTORNEY: A delinquent account may be sent to a collection agent and/or the Association's attorney for collection and any fees and expenses incurred by the Association will be charged and added to the delinquent property owner's account. A property owner may not be charged fees of a collection agent (as same is defined in Property Code §209.0064) or legal counsel unless the Association first provides written notice to the property owner by Certified Mail, Return Receipt Requested, that:
  1. Specifies each delinquent amount and the total amount of the payment required to make the account current;
  2. Describes the options the property owner has to avoid having the account turned over to a collection agent or legal counsel, including information regarding availability of a payment plan through the Association; and
  3. Provides a period of at least thirty (30) days for the property owner to cure the delinquency before further collection action is taken.

6. REFERRAL OF ACCOUNT TO ASSOCIATION'S ATTORNEY

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 lawsuit against the delinquent property owner for a money judgment, instituting foreclosure action against the Fleetwood property; and

filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

7. BANKRUPTCIES

Upon receipt of any notice of a bankruptcy of a property owner, the account may be turned over to the Association's attorney so that the Association's interests are protected.

8. REQUIRED ACTION

Nothing contained herein, not otherwise required by the recorded Deed Restrictions or by law, 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 and use its best judgment as it deems reasonable.

9. PAYMENTS RETURNED NON-SUFFICIENT FUNDS

A property owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge assessed will be the customary amount then being charged by the Association.

**II. PAYMENT PLAN**

The Association hereby establishes a Payment Plan schedule by which a property owner may make partial payments to the Association for delinquent Assessments, or any other amount owed to the Association, without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. The Payment Plan schedule is as follows:

- a. The term for the Payment Plan shall be as approved by the Board, on a case-by-case basis, provided that the Board may not require a payment term of less than three (3) months nor permit a payment term exceeding eighteen (18) months;
- b. A Payment Plan shall require an initial payment established at the discretion of the Board to be paid at the inception of the Payment Plan, with the remainder of the delinquent amount being due and payable in equal payments due on a fixed day of each month for the number of months set forth in the Payment Plan;
- c. Failure to pay the initial payment established by the Board for the Payment Plan shall be considered a default of the Payment Plan;
- d. The Association is not required to provide a new Payment Plan during the two (2) years following a property owner's default under a previous Payment Plan; and
- e. If a property owner requests a Payment Plan that will extend into the next Annual Assessment cycle, the property owner will be required to pay future Assessments by the due date in addition to the payments specified in the Payment Plan. Failure to pay future Assessments by their due date will be considered a default of the Payment Plan.

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### III. APPLICATION OF PAYMENTS

- A. Except as provided in Subsection B, below, a payment received by the Association shall be applied in the following order of priority:
1. Any delinquent Assessments, being applied first to a delinquent Annual Assessment and then to a delinquent Special Assessment;
  2. Any current Assessments, being applied first to an Annual Assessment and then to a Special Assessment;
  3. Attorney's fees or third party collection costs incurred by the Association associated solely with Assessments or other charge that can be the basis of a foreclosure of the property;
  4. Attorney's fees not subject to "3" above;
  5. Fines;
  6. Any other amounts owed to the Association, including interest.
- B. If/when a property owner defaults on a Payment Plan, any remaining delinquent amount will become due, in full, and the Association may begin further collection action as set out above in Article I, Section 5, above. Any payment(s) received by the Association after such default of a Payment Plan shall be applied in the following order of priority:
1. Costs;
  2. Attorney fees;
  3. Interest;
  4. Late fees;
  5. Delinquent Assessments;
  6. Current Assessments; and
  7. Fines

As to each category identified in this Subsection B, payment shall be applied to the oldest charge first. The acceptance of a partial payment on a property owner's account does NOT constitute a waiver of the Association's right to collect the full outstanding balance due on said property owner's account.

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**CERTIFICATION**

I hereby certify that, as Vice President of the Fleetwood Property Owners Association, Inc., this Collection Policy and Payment Plan Guidelines was approved on December 18, 2012, at a duly called meeting of the Board of Directors at which a quorum was present.

DATED, December 27, 2012.

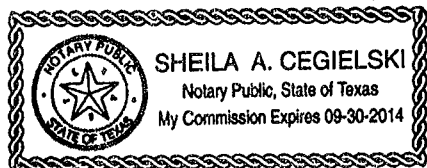
  
STEPHANIE QUADE, Vice President

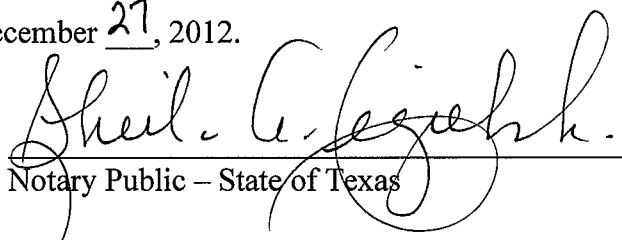
STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS    §

BEFORE ME, on this day personally appeared STEPHANIE QUADE, the Vice President of the Fleetwood Property Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that she executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

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Given under my hand and seal on December 27, 2012.



  
Notary Public – State of Texas

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12/27/2012 09:51:05 AM  
e-Filed & e-Recorded in the  
Official Public Records of  
HARRIS COUNTY  
STAN STANART  
COUNTY CLERK  
Fees 36.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.

THE STATE OF TEXAS  
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.



*Stan Stanart*

COUNTY CLERK  
HARRIS COUNTY, TEXAS