

ELDRIDGE ROAD TOWNHOMES ASSOCIATION, INC.

COLLECTION POLICY EFFECTIVE MAY 31ST, 2022

- **INTRODUCTION**

The Board of Directors ("Board") Eldridge Road Townhomes Association, Inc. ("Association") is charged with the responsibility of collecting assessments for owners of lots within the community as provided for in the Bylaws adopted by the Association and as authorized by the Declaration of Covenants, Conditions, and Restrictions dated April 6, 2022 and recorded in the Office of the County Clerk of Harris County, Texas, under Clerk's File No. RP-2022-421431 as may be amended and supplemented from time to time ("Declaration"). In an effort to assist the Board in the collection of the assessments, the Board has developed the following procedures for the billing and collecting of the assessments.

B. BILLING AND COLLECTION PROCEDURES

1. Invoice Coupon and Record Address.

On or before December 15 of each year, the Board shall cause to be mailed to each owner of a lot in the community for which payment of the annual assessment is due, an invoice coupon ("Invoice Coupon") setting forth the annual assessment amount. The Invoice Coupon shall be sent to the owner by regular U. S. First-Class Mail. The Invoice Coupon and any other correspondence, documents, or notices pertaining to the applicable lot shall be sent to the address which appears in the records of the Association for the owner, or to such other address as may be designated by the owner in writing to the Association. The fact that the Association or its management company may have received a personal check from an owner reflecting an address for the owner which is different from the owner's address as shown on the records of the Association is not sufficient notice of a change of address for the Association to change its records regarding such owner's address.

2. Assessment Due Date

All annual assessments shall be due and payable in advance on or before January 1. It is the responsibility of the owner to ensure and verify that payments are received by the Association on or before such date, and the Association will not be responsible for delay by mail or any other form of delivery. Non-receipt of an invoice shall in no way relieve the owner of the obligation to pay the amount due on January 1.

3. Delinquent Balances

If payment of the total assessment and any other charges which may be due is not received by the Association on or before January 1, the account shall be delinquent. If an owner defaults in paying the entire sum owing against the owner's property on or before January 31, the owner shall be charged interest at the rate of 9.6% per annum computed from January 1, regardless of whether any demand letter has been sent to the owner. Further, owners who remain delinquent after January 31 shall be subject to the following collection procedures.

- **Reminder Notice.** On or after February 1, the Association will send the owner a reminder letter ("Reminder Notice") by regular U. S. First-Class Mail showing that the account is delinquent and interest began accruing January 1. The Reminder Notice will direct the owner to make immediate payment of the delinquent balance and all interest owing thereon.
- **Final Notice.** The Association will send a 45-day notice letter ("Final Notice") to the owner by certified mail, return receipt requested, and by regular U. S. First-Class Mail, showing that the account is delinquent, and that interest is accruing. The Final Notice will advise the owner that if the account is not paid within 45 days of receipt of the Final Notice, the Association intends to turn the account over to an attorney for further handling, and the owner will thereafter be responsible for the attorneys' fees and costs incurred, and such fees and costs will be charged to the assessment account. The Final Notice will also inform the owner that pursuant to Chapter 209 of the Texas Property Code, the owner has the right to request a hearing before the Board. If the owner does not pay the delinquent balance in full or request a hearing within the 45-day period, the Association intends to thereafter pursue its remedies regarding the matter.
- **Notice of Lien.** To further evidence the Association's lien securing the unpaid assessments, the Association may, but is not required to, have their attorney prepare a notice of lien setting forth the amount of the delinquent assessment, the name of the owner of the property, and a description of the property (the "Notice of Lien"). The Notice of Lien may be filed in the real property records of Harris County Texas, and will constitute further evidence of the lien against an owner's property.
- **Remedies for Non-Payment.** If the delinquent balance is not paid in full or if a hearing is not requested in writing within 45 days of receipt of the Final Notice, the Association may suspend the owner's right to use the common area(s) as well as suspending any services provided by the Association to the owner or the owner's lot. Further, the Association will forward the delinquent account to its attorney for further handling. It is contemplated that the attorney will send one or more demand letters to the delinquent owner as deemed appropriate. If the owner does not satisfy the assessment delinquency pursuant to the attorney's demand letter(s), it is contemplated that the attorney will pursue any and all of the Association's legal remedies to obtain payment of the delinquent balance, including pursuing a suit against the owner personally and/or pursuing a foreclosure action against the applicable property.

- **ENFORCEMENT COSTS**

All costs incurred by the Association as a result of an owner's failure to pay assessments and other charges when due (including any attorneys' fees and costs incurred) will be charged against the owner's assessment account and shall be collectible in the same manner as a delinquent assessment.

- **DISCRETIONARY AUTHORITY**

The Board shall offer the owner a one payment plan according to the Association's Payment Plan Resolution. Payments shall be applied according to the Texas Property Code Section 2009.0063. The Association may require that the request for a Payment Agreement be in writing. All Payment Agreements must be in writing and signed by the owner. Any account that is with the attorney must be paid in full to stop the legal action. any accounts already in the attorney's office, the Payment Plan shall be made with the attorney, otherwise with the Associations manager.

- **PARTIAL PAYMENTS AND APPLICATION OF FUNDS**

Partial payments will not prevent the accrual of interest on the unpaid portion of the assessment. The owner will still be considered to be delinquent upon making partial payment.

- **BANKRUPTCY**

In the event a delinquent owner files bankruptcy, the Association reserves the right to file a proof of claim, pursue a motion to lift the automatic stay, or take any other action it deems appropriate to protect its interests in the pending bankruptcy action, including modifying any procedures hereunder as necessary or advisable. To the full extent permitted by the United States Bankruptcy Code, the Association shall be entitled to recover any and all attorneys' fees and costs incurred in protecting its interests, and such fees and costs shall be charged to the owner's assessment account.

- **RETURNED CHECKS**

At the election of the Association, an owner will be charged a reasonable fee for any check returned by the bank, which fee will be charged to the owner's assessment account. A notice of the returned check and the fee will be sent to the owner by the Association's management company. If two or more of an owner's checks are returned unpaid by the bank within anyone-year period, the Board may require that all of the owner's future payments for a period of two years be made by cashier's check or money order

• **OWNER'S AGENT OR REPRESENTATIVE**

If the owner expressly or impliedly indicates to the Association that the owner's interest in the property is being handled by an agent or representative, any notice from the Association to such agent or representative pursuant to the Collection Policy shall be deemed to be full and effective notice to the owner for all purposes.



Name:
Secretary of the Board of Directors of
Eldridge Road Townhomes Association, Inc.

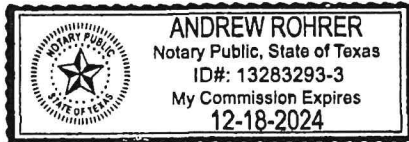
Dated this 5th day of August, 2022.

Before me, the undersigned authority, on this day personally appeared VINCENT DEPAOLO Secretary of Eldridge Road Townhomes Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that at least a majority of the Board of Directors approved this Policy and that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Board of Directors for Eldridge Road Townhomes Association, Inc.

Given under my hand and seal of office, this the 5 day of August, 2022.



Notary Public, State of Texas



1011 74-7777-11

RP-2022-421431
Pages 5
08/18/2022 08:28 AM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees \$30.00

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.



Tenesia Hudspeth
COUNTY CLERK
HARRIS COUNTY, TEXAS

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