

AFTER RECORDING PLEASE RETURN TO:

Adam Pugh

CAGLE PUGH, LTD. LLP

4301 Westbank Dr., Bldg. A., Ste. 150

Austin, Texas 78746

**HV OF MEDINA OWNERS ASSOCIATION
COLLECTION POLICY**

[A Residential Subdivision Located in Medina County, Texas]

Cross Reference to that certain Subdivision Restrictions, for Sections A, D, E, F and G, recorded as Document No. 137168 and Amended and Restated Subdivision Restrictions, for Section C, recorded as Document No. 2009007947, Official Public Records of Medina County, Texas.

**HV OF MEDINA OWNERS ASSOCIATION
COLLECTION POLICY**

WHEREAS, HV of Medina Owners Association, (the "**Association**") is vested with the authority to levy charges against the owners of lots in that certain platted subdivision in Medina County, Texas, collectively known as "Holiday Village," as further described in that certain Subdivision Restrictions, for Sections A, D, E, F and G, recorded as Document No. 137168 and Amended and Restated Subdivision Restrictions, for Section C, recorded as Document No. 2009007947, Official Public Records of Medina County, Texas (the "**Declaration**") as amended from time to time.

WHEREAS, the Declaration empowers the Association to enforce the covenants, conditions and restrictions contained in the Declaration, including the obligation of owners of property subject to the HV of Medina Declaration ("**Owners**") to pay certain charges levied by the Association for purposed provided for in the Declaration.

WHEREAS, the undersigned, Ruth Moore, as the duly elected, qualified and acting Secretary of the Association, hereby certifies on behalf of the Association that the policy set forth below was adopted by the Association's Board of Directors (the "**Board**") at a meeting on the 11 day of January 2023 pm

BE IT RESOLVED, the Board hereby adopts this Collection Policy to establish equitable policies and procedures for the collection of charges levied pursuant to the Declaration. Words and phrases used in this policy have the same meanings given to them by the Declaration.

SECTION 1. DELINQUENCY

- 1-A. Due Date. An Owner will timely and fully pay any and all charges by the due date set by the Association. Monthly dues are due on the first (1st) day of each month, and payable on or in advance of the due date.
- 1-B. Delinquent. Any charge, or monthly installment payment thereof, that is not fully paid by the 15th day of each month, is delinquent (money has to be received by property manager on or before the fifteenth day of the month otherwise it is delinquent). Any other charges, separate from the monthly dues, are due on or before the due date, otherwise it is considered delinquent until fully paid. When the account of an Owner becomes delinquent, it shall remain delinquent until paid in full. It is the responsibility of each owner to ensure the property manager receives payment in a timely manner (on or before the due date).

SECTION 2. PAYMENTS

- 2-A. Application of Payments. Any payment received by the Association will 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) any delinquent charge;
- (2) any current charge;
- (3) any attorney's fees or third-party collection costs incurred by the Association associated solely with collection of charges authorized by the HV of Medina Declaration or any other charge that could provide the basis for foreclosure;
- (4) any attorney's fees incurred by the Association that are not associated solely with the collection of charges authorized by the HV of Medina Declaration or that could provide the basis for foreclosure;
- (5) any other amount owed to the Association.

2-B. Form of Payment. The Association may require that payment of delinquent charges be made only in the form of cash, cashier's check, or certified funds.

2-C. 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 charges does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

2-D. Notice of Payment. If the Association receives full payment of the delinquency after recording a notice of lien, the Association or the Association's attorney 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.

SECTION 3. COLLECTION PROCEDURES

- 3-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 managing agent, an attorney, or a debt collector.
- 3-B. Initial Delinquency Notices. Monthly dues are due and payable, in advance, on the 1st of each month. Accounts become past due on the fifteenth (15th) day of each month and a "courtesy" reminder notice (the "**Collection Letter #1**") will be sent to the owner via first class mail or email. The Association's delinquency-related correspondence shall state that if full payment is not timely received within thirty (30) days from the date of the initial notice, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.
- 3-D. Second Notice of Delinquency. On the second month following the date an account becomes past due from the first collection letter sent, a 45-Day Demand Letter (the "**Collection Letter with Demand #2**") will be sent to the owner via certified mail, which will include an 18% interest per annum on outstanding dues.
- 3-E. Further Action. If an account continues past due for the third (3rd) month following the reminder notices provided in Collection Letters #1 and Collection Letter with Demand #2 from the Association or its property manager company, then the account may be referred to an attorney for collection, as approved by the Board of Directors. Attorney collection includes an additional demand letter to pay in 45 days or a lien will be filed no earlier than 90-days after the Collection Letter with Demand #2 is sent and foreclosure is possible provided for in Section 3-H below.
- 3-F. Notification of Mortgage Lender. The Association may notify an Owner's mortgage lender of the Owner's default in the obligation to maintenance charges.
- 3-G. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services after the Association has given such Owner written notice of its intent to do so pursuant to Section 209.006 of the Texas Property Code.
- 3-H. Collection by Attorney. If the Association has not received full payment of a delinquent account balance or the Owner has not entered into a payment plan agreement for the payment of the full account balance within forty-five (45) days from the date of the second notice of delinquency, the Association may refer the delinquent account to its attorney for collection. In such event, the Association's attorney may provide the following notices and take the following actions as directed by Association, acting through its Board:
- (1) Initial Notice of Delinquency and Demand for Payment. Preparation of the Initial Notice of Delinquency and Demand for Payment Letter. If the account is not paid in full or a payment plan is not entered into within 45 days, then;

- (2) Second Demand for Payment and Notice of Assessment Lien. Preparation of the Second Demand for Payment and Notice of Assessment Lien. If the Account is not paid within thirty (30) days, then;
 - (3) Final Demand for Payment and Notice of Intent to Foreclose Letter. Preparation of the Final Demand for Payment and Notice of Intent to Foreclose Letter (as to Section C Lots only). If the account is not paid in full or a payment plan is not entered into within 30 days, then;
 - (4) Notice of Delinquency and Right to Cure to Junior Deed of Trust Lienholder. If applicable, preparation of Notice of Delinquency and Right to Cure Letter to any applicable holders of Deed of Trust Liens that are inferior to the Association's lien. If the account is not paid in full within 60 days, then;
 - (5) Foreclosure of Lien. Upon written approval by the Board, commencement of foreclosure process (as to Section C Lots only).
- 3-I. Payment Plan. The Association's attorney is authorized to enter into a payment plan with the Owner so long as the Association is in agreement with the attorney devised payment plan.
 - 3-J. Notice of Lien. The Association's attorney may cause a notice of the Association's assessment lien against the Owner's property to be publicly recorded. In such event, a copy of the notice will be sent to the defaulting Owner and may be sent to his mortgage holder.
 - 3-K. Foreclosure of Lien – Judicially. The Association may file suit against the Owner for judicial foreclosure of the Association's lien (as to Section C Lots only). This action may be combined with a claim of personal liability against the Owner for recovery of a money judgment.
 - 3-L. Suit for Owner's Personal Liability. Whether or not the Association forecloses on the Association's lien, the Association may file suit for a personal judgment against the defaulting Owner and may execute on the judgment.

SECTION 4. GENERAL PROVISIONS

- 4-A. Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association will exercise their independent, collective, and respective judgment in applying this Policy.
- 4-B. Other Rights. This Policy is in addition to and does not detract from the rights of the Association to collect maintenance charges under the Declaration and the laws of the State of Texas.

- 4-C. Limitations of Interest. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Declaration 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 interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid maintenance charges, or reimbursed to the Owner if those maintenance charges are paid in full.
- 4-D. Notices. Unless the Declaration, applicable law, or this Policy provide otherwise, any notice or other 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's records, or on personal delivery to the Owner, If the Association's records show that a Lot is owned by two (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 given on actual receipt by the Association's president, secretary, managing agent, or attorney.
- 4-E. Amendment of Policy. This Policy may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment or revocation of this Policy in the Official Public Records of Medina County, Texas and published on the Association's website.

The foregoing Policy was approved by majority vote of the members of the Board of the Association at a duly-called meeting of the Board conducted on the 11 day of January, 2023, as certified by the signature of the Secretary of the Association below. *AK*

[Signature Page Follows]

SECRETARY'S CERTIFICATE

Executed this 18 day of January, 2025. *pm*

IN WITNESS WHEREOF, the undersigned has executed this Certificate as Secretary on behalf of the HV of Medina Owners Association, to be effective upon the recording of this document in the Official Public Records of Medina County, Texas.

HV OF MEDINA OWNERS ASSOCIATION

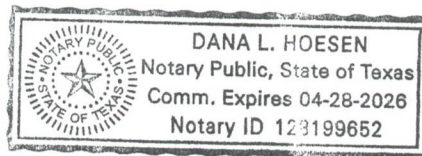
By: *Ruth Moore*
Title: Secretary

STATE OF TEXAS §
COUNTY OF MEDINA §

Before me, the undersigned notary public, on this day personally appeared *Ruth Moore*, Secretary of HV of Medina Owners Association, known to me or proved to me by presentation to me of a governmentally-issued identification card to be who one of the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed it for the purposes and consideration expressed in it.

Given under my hand and seal of office the 18 day of January, 2025. *pm*

Dana Hoesen
Notary Public, State of Texas





VG-32-2024-2024000519

Medina County
Gina Champion
Medina County Clerk

Instrument Number: 2024000519

Real Property Recordings

Recorded On: January 22, 2024 01:07 PM

Number of Pages: 8

" Examined and Charged as Follows: "

Total Recording: \$49.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

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.

File Information:

Document Number: 2024000519
Receipt Number: 20240122000035
Recorded Date/Time: January 22, 2024 01:07 PM
User: Jaylen P
Station: cccash2

Record and Return To:

HV OF MEDINA OWNERS ASSOCIATION



STATE OF TEXAS
Medina County

I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Medina County, Texas

Gina Champion
Medina County Clerk
Medina County, TX