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BECKFORD PLACE HOMEOWNERS ASSOCIATION, INC.

ASSESSMENT COLLECTION POLICY

This Assessment Collection Policy ("Collection Policy") supersedes any policy regarding collection of Assessments and other amounts owed to the Association that may have previously been in effect. This Collection Policy will be effective when recorded in the Real Property Records of Harris County, Texas.

1. Definitions. Any capitalized term in this Collection Policy that is not defined in this Collection Policy will have the meaning set forth in, as applicable, (a) the Declaration of Restrictive Covenants for BECKFORD PLACE (as amended or restated from time to time), and (b) the Bylaws of BECKFORD PLACE HOMEOWNERS ASSOCIATION, INC, a Texas non-profit corporation (as amended or restated from time to time).

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2. Policy Objectives. The collection of Assessments owed by Owners and the application of their payments under the Declaration, the Bylaws, and this Collection Policy will be governed by the following objectives:

(a) The Association will pursue collection of all Assessments in the most expedient and cost-effective manner possible, subject to the provisions of the Declaration, the Bylaws, and this Collection Policy. The Association may delegate to the Manager or the Association's legal counsel, or both, those duties determined by the Board of Directors ("Board"), in its absolute discretion, to be necessary to accomplish these objectives.

(b) At each step in the collection process, the Board will analyze the facts and circumstances then known concerning a given delinquency to direct collection efforts toward the most expedient course of action.

(c) All payments 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 or instructions on checks, and the date the obligations arose:

- (1) Delinquent Assessments;
- (2) Current Assessments;
- (3) collection costs and attorney fees associated solely with Assessments or any other charges that could provide the basis for foreclosure;
- (4) all other collection costs and attorney fees;
- (5) fines;
- (6) reimbursable expenses; and
- (7) late fees and interest.

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Notwithstanding the foregoing, if, at the time the Association receives a payment from an Owner, the Owner is in default under any alternative payment plan entered into with the Association with respect to delinquent Assessments, all payments received by the Association may be applied to amounts owed by the Owner in the order and manner the Association deems appropriate, regardless of any contrary instructions from the Owner or anyone else; however, a fine assessed by the Association may not be given priority over any other amount owed by the Owner.

3. Ownership Interests. The Person who is the Owner of a Lot as of the date Assessments become due is personally liable for the payment of the Assessments. As used in this Collection Policy, the term "Delinquent Owner" refers to the Person who held record title to a Lot on the date Assessments became due. As used in this Collection Policy, the term "Current Owner" refers to the Person who then holds record title to a Lot. Unless expressly denoted otherwise, the "Owner" of a Lot refers to the Delinquent Owner or the Current Owner, or both, as may be appropriate under the circumstances.

4. Due Date; Delinquency Date. All Assessments are due and payable to the Association as and when stated in the Declaration. When an invoice is placed into the care and custody of the United States Postal Service, the invoice will be deemed to have been delivered as of the third (3rd) calendar day following the date of the postmark of the invoice. Each due date for Assessments is collectively referred to in this Collection Policy as a "Due Date." Any Assessments that are not paid in full within thirty (30) days after the Due Date are delinquent ("Delinquency Date") and will be assessed late fees, handling charges, and interest as provided in Sections 7 and 8.

5. Late Notice. If Assessments have not been paid by the Delinquency Date, the Association will send a second invoice (referred to as the "Late Notice"), which will include the unpaid Assessments, collection fees, late fees, and interest charges claimed to be due. The Late Notice will be sent via first-class U.S. mail.

6. Default Letter. If Assessments have not been paid within sixty (60) days following the Due Date, the Association will send a notice (referred to as the "Default Letter") to the Owner, via certified mail, return receipt requested, and via first-class U.S. mail. The Default Letter must do the following:

(a) specify in detail all unpaid Assessments, interest, late fees, collection costs, and handling charges claimed to be due, and the total amount required to bring the Owner's account current;

(b) describe the options the Owner has to avoid having the account turned over to a collection agent, including information about availability of a payment plan through the Association; and

(c) provide a period of at least thirty (30) days for the Owner to cure the delinquency before further collection action is taken.

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7. **Interest; Late Fee.** If any Assessments are not paid in full on or before the Delinquency Date, interest on the principal amount due may be assessed against the Owner at the rate of ten percent (10%) per year or the maximum rate permitted by applicable law, whichever is less, and will accrue from the Due Date until paid. This interest, as and when it accrues, will become part of the Assessments on which it has accrued and will be subject to recovery in the manner provided in this Collection Policy for Assessments.

If any Assessments are not paid in full on or before the Delinquency Date, a late fee of \$125.00 or thirty percent (30%) of the amount due, whichever is greater, will be assessed against the Owner and his or her Lot. The Board may, from time to time, without the necessity of seeking Owner approval or amending this Collection Policy, decrease the amount or waive payment of the late fee; however, the waiver of any late fee will not constitute a waiver of the Board's right to collect any future Assessments or late fees. The late fee, as and when levied, will become part of the Assessments on which it has been levied and will be subject to recovery in the manner provided in this Collection Policy for Assessments.

8. **Handling Charges and Returned-Check Fees.** To recoup the additional administrative expenses incurred by the Association for collecting delinquent Assessments, the collection of the following fees and charges is part of this Collection Policy:

(a) any handling charges, administrative fees, postage, or other expenses incurred by the Association in the collection of any Assessments owed beyond the Delinquency Date; and

(b) a charge of \$25.00 per item for any check tendered to the Association that is dishonored by the drawee of the check, such charge being in addition to any other fee or charge the Association is entitled to recover from an Owner in connection with collection of Assessments owed with respect to the Owner's Lot.

Any fee or charge becoming due and payable under this Section will be added to the amount then outstanding and is collectible to the same extent and in the same manner as the Assessments the delinquency of which gave rise to the incurrence of the charge, fee, or expense.

9. **Acceleration.** If an Owner defaults in paying any Assessments that are payable in installments, the Board may accelerate the remaining installments on ten (10) days' written notice to the defaulting Owner. The entire unpaid balance of the Assessments becomes due on the date stated in the notice. Following acceleration of any Assessments payable in installments, the Association has no duty to reinstate the installment program upon payment by the Owner of the amount that has been accelerated.

10. **Ownership Records.** All collection notices and communications will be directed to the Persons shown on the Association's records as being the Owner of a Lot for which Assessments are due, and will be sent to the Owner's most recent address as reflected on the Association's records. Any notice or communication directed to a Person at an address that is reflected in the Association's records as being the Owner and address for a given Lot will be

valid and effective for all purposes under the Declaration, the Bylaws, and this Collection Policy until there is actual receipt by the Manager at its corporate office of written notice from the Owner of any change in the identity or status of the Owner or its address or both.

11. Notification of Owner's Representative. When the interests of an Owner in a Lot have been handled by a representative or agent of the Owner or when an Owner has otherwise acted to put the Association on notice that its interests in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association under this Collection Policy will be deemed valid and effective for all purposes if given to the representative or agent.

12. Referral to Legal Counsel. If an Owner remains delinquent in the payment of Assessments and related fees, charges, or costs for more than thirty (30) days after the Default Letter has been sent, the Manager, on behalf of the Board, or the Board itself may, as soon as possible, refer the delinquency to legal counsel for the Association for legal action as required by this Collection Policy. Any attorney fees and related charges incurred by virtue of legal action taken will become part of the Assessment obligation and may be collected as provided in this Collection Policy.

13. Legal Action. Upon receipt of written request by the Manager or the Board to take specific collection action, legal counsel for the Association will take the following actions with regard to delinquencies referred to it:

(a) **Notice Letter.** As the initial correspondence to a Delinquent Owner, counsel will send a notice letter ("Notice Letter") to the Owner, via certified mail, return receipt requested, and via first-class U.S. mail, and state the outstanding amount of Assessments and related fees, charges, and costs, including the charges for attorney fees and costs incurred for counsel's services. The Notice Letter will offer the Owner an opportunity to pay or dispute the validity of the amounts due, in writing, within thirty (30) days of the Owner's receipt of the Notice Letter.

(b) **Title Search.** If a Delinquent Owner does not pay the amounts included in the initial Notice Letter sent by counsel, counsel will, upon direction from the Manager or the Board, order a search of the land records to verify current ownership of the Lot on which the delinquency exists.

(c) **Notice of Lien.** When the Board has determined that foreclosure of the Association's assessment lien is to be pursued, if an Owner does not pay in full all amounts indicated by the Notice Letter by the date specified, counsel, upon request by the Manager or the Board, will prepare and record in the Real Property Records of Harris County, Texas, a written notice of lien ("Notice of Lien") setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by the lien, and a description of the Lot covered by the lien. At the same time the Notice of Lien is filed with the County Clerk's office, a copy of the Notice of Lien will be sent to the Owner with a demand that all outstanding amounts be paid in full within thirty (30) days.

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(d) **Judicial Foreclosure/Personal Judgment.** If all outstanding amounts have not been paid in full within the time period given in the demand letter accompanying the Notice of Lien, the continued delinquency of Assessments due will be reported to the Board by the Manager. As soon as practical, the Board or the Manager may direct counsel to initiate legal proceedings in a court of competent jurisdiction seeking one or both of the following remedies:

(1) Foreclosure of the assessment lien under the rules adopted by the Texas Supreme Court for expedited foreclosure proceedings; however, the Association's assessment lien may not be foreclosed until the Association has (i) provided written notice of the total amount of the delinquency giving rise to the foreclosure to all lienholders of record (evidenced by a deed of trust) whose liens are inferior or subordinate to the Association's assessment lien, and (ii) provided each lienholder an opportunity to cure the delinquency before the sixty-first (61st) day after the lienholder receives the notice. The notice to lienholders must be sent by certified mail, return receipt requested, to the address for the lienholder shown in the deed of trust burdening the Lot(s) subject to the Association's assessment lien.

(2) Recovery of a personal judgment against the Current Owner and, where different, from the Delinquent Owner or from the Current Owner only, for all amounts arising from the unpaid Assessments and their collection, including all attorney fees and costs.

14. Possession Following Foreclosure. If the Association purchases a Lot at public auction, the Owner or other occupant of the Lot will be deemed a tenant at sufferance and the Board may immediately institute actions to recover possession of the Lot.

15. Compromise of Assessment Obligations. To expedite the handling of collection of delinquent Assessments owed to the Association, the Board may, at any time, compromise or waive the payment of any Assessments, interest, late fees, handling charges, collection costs, legal fees, or any other applicable charges. The Association may, at its option, notify the Internal Revenue Service of the waiver or forgiveness of any Assessment obligation.

16. Credit Bureaus. The Association may notify any credit bureau of an Owner's delinquency. The Association will notify the Owner that it has filed such a report and will comply with any local, state, or federal Laws in connection with the filing of the report.

17. Collection Agency. The Board may employ or assign any past-due account to one or more collection agencies.

18. Notification of Mortgage Lender. The Association may notify an Owner's Mortgagee of any default in the timely satisfaction of Assessment obligations.

19. 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.

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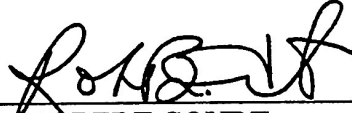
20. Partial and Conditioned Payment. Except in accordance with an approved payment plan entered into with the Association, the Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary 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. 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 or the Association's right to apply payments under any rights granted in this Collection Policy.

21. Notice of Payment. If the Association receives full payment of the delinquency after recording the Notice of Lien, the Association will cause a release of the Notice of Lien to be publicly recorded, a copy of which will be sent to the Owner; however, the Owner must prepay the Association the cost of preparing and recording the release.

22. 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.

23. Statements of Unpaid Assessments. The Board may impose a reasonable fee, which may not exceed \$50.00, on any Owner if the Owner or a prospective purchaser or Mortgagee of the Owner requests the Association to issue a certificate of the current status of the Owner's payment of Assessments.

BECKFORD PLACE HOMEOWNERS
ASSOCIATION, INC., a Texas non-profit
corporation

By: 
Name: ROBERT COURT
Title: Association Manager

AFTER RECORDING PLEASE RETURN TO:

Beckford Place Homeowners Association
Attention: Robert Court
P.O. Box 720032
Houston, Texas 77272

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STATE OF TEXAS

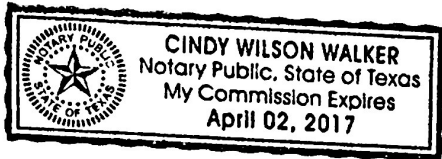
COUNTY OF HARRIS

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BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared ROBERT COURT, Association Manager of BECKFORD PLACE HOMEOWNERS ASSOCIATION, INC., known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that it was the act of BECKFORD PLACE HOMEOWNERS ASSOCIATION, INC, a Texas non-profit corporation, and that he executed it as the act of the corporation for the purposes and consideration expressed in it, and in the capacity stated in it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 15th day of October, 2015.

Cindy Wilson Walker
Notary Public - State of Texas



RP 096-12-0769

RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

RP 096-12-0770

FILED FOR RECORD
8:00 AM

NOV -4 2015

Stan Stewart
County Clerk, Harris County, Texas

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.

NOV -4 2015



Stan Stewart
COUNTY CLERK
HARRIS COUNTY, TEXAS