

**PROMONTORY POINTE HOMEOWNERS ASSOCIATION (PPHOA)
DELINQUENT ASSESSMENT POLICY**

Updated July 2010

The following is the PPHOA policy for handling homeowner accounts which are delinquent with regard to payment of annual assessments. As outlined in the HOA bylaws, PPHOA is a mandatory HOA, so all homeowners are required to pay the annual assessment.

1. Annual assessment billings will be mailed to homeowners by December 15th of each year. The due date of the annual billing is January 1st of each year. **Homeowners have until January 31st** to pay their annual assessment in full, or may take advantage of the split payment option by paying at least one half of their annual assessment by January 31st. Interest is charged to the remaining balance with the split payment option as required by the HOA bylaws. **Homeowners using the split payment option have until June 30th to pay the remaining balance including interest.** There will be no payment plans allowed except in the most extreme cases, which must be approved on an individual basis by the HOA Board of Directors.

Instructions for the various forms of payment available are on your annual assessment statement. For any questions regarding the payment process or options please call First Service, and talk with our current manager or the accounting department at First Service Management at 829-7202.

2. Homeowners who have not paid at least the first half of the annual assessment by January 31st are then considered in arrears and "Not In Good Standing" as an HOA member. They shall then be ineligible for HOA benefits and privileges such as gate remotes, pool/recreation key cards, reservation of the Recreation Center pavilion, etc., until all account balances, fees, penalties, interest, and attorney costs are paid in full. Any pool/recreation key cards and/or gate remotes in the possession of the delinquent homeowner shall be deactivated. In addition, cumulative interest is charged from January 31st until the account is paid in full. The interest is required by the HOA bylaws.

3. If the amount due is not paid by February 28th, the account will then be turned over to the Association's attorney for further collections actions. During this time, the homeowner is charged late fees and attorneys fees which are to be paid by the homeowner in addition to the annual assessment and interest.

4. The attorney's office will send a letter notifying the delinquent homeowner that their account has been referred to them for collections, will warn of a lien to be placed on their property, that they must pay the amount due plus any attorney fees and other associated costs, and will offer the option of requesting a payment plan.

5. After a lien is filed, if the homeowner has still not made efforts to pay what is owed or established a payment plan, the homeowner is warned that the Association may foreclose on the property as allowed by Texas law. If foreclosure occurs, the homeowner has a 180 day redemption period as allowed by law to pay what is owed whether in full or through an approved payment plan. If this period expires and the homeowner has still not made reasonable efforts to pay what is owed, then the Association becomes the new legal owner of the property and may rent or sell the home.