

CERTIFICATE OF AUTHORIZATION
of
LONDONDERRY HOMEOWNER'S COMMUNITY ASSOCIATION, INC.

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The undersigned, a director of Londonderry Homeowner's Community Association, Inc. ("Association"), does hereby certify that, at a regular meeting of the Association's Board of Directors ("Board") duly called and held with at least a quorum of the Board members being present and remaining throughout, the attached "Amended and Restated Collection Policy for Delinquent Accounts and Alternative Payment Schedule for Londonderry Homeowner's Community Association, Inc." was adopted and approved, and same supersedes and replaces all collection policies for delinquent accounts previously adopted by the Board which directly controvert the new policies.

I hereby certify that the foregoing resolution was approved as set forth above and now appears in the books and records of the Association.

TO CERTIFY which witness my hand this ___ day of _____, 20__.

By: _____
LONDONDERRY HOMEOWNER'S COMMUNITY ASSOCIATION, INC.

(print name)

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on ___ day of _____, 20__, by _____, a director of Londonderry Homeowner's Community Association, Inc. on behalf of the Association.

Notary Public in and for the State of Texas

After Recording Return To:
North Law, P.C.
1010 Lamar, Ste. 1500
Houston, TX 77002

**AMENDED AND RESTATED COLLECTION POLICY FOR DELINQUENT ACCOUNTS
AND ALTERNATIVE PAYMENT SCHEDULE FOR
LONDONDERRY HOMEOWNER’S COMMUNITY ASSOCIATION, INC.**

I. INTRODUCTION

The Board of Directors (“Board”) of Londonderry Homeowner’s Community Association, Inc. (“Association”) is charged with the responsibility of collecting the annual assessments (“Annual Assessment(s)”) from owners of lots under the jurisdiction of the Association as provided for in the governing documents of the Association including, but not limited to, the following:

Declaration of Covenants, Conditions and Restrictions for Londonderry, Section One, recorded on October 15, 1976, under County Clerk File Code No. E923575, according to the map or plat thereof recorded under Film Code No. 151-04-0894, et seq., in the Map Records of Harris County, Texas

Declaration of Covenants, Conditions and Restrictions for Londonderry, Section One, Block One, Lots 24 through 31, recorded on August 18, 1982, under County Clerk File Code No. H578230, according to the map or plat thereof recorded under Film Code No. 022-92-1204 et seq., in the Map Records of Harris County, Texas

Declaration of Covenants, Conditions and Restrictions for Londonderry, Section Two, recorded on January 29, 1982, under County Clerk File Code No. H310566, according to the map or plat thereof recorded under Film Code No. 005-97-2275 et seq., in the Map Records of Harris County, Texas

Declaration of Covenants, Conditions and Restrictions for Londonderry, Section Three, recorded on February 18, 2000, under County Clerk File Code No. U232738, according to the map or plat thereof recorded under Film Code No. 530-73-2609 et seq., in the Map Records of Harris County, Texas

The Board has previously adopted and followed a collection policy for delinquent accounts which the Board hereby amends and restates by virtue of this “Amended and Restated Collection Policy for Delinquent Accounts and Alternative Payment Schedule for Londonderry Homeowner’s Community Association, Inc.”.

II. BILLING AND COLLECTION PROCEDURES

- 2.1. Initial Invoice and Record Address.** On or before December 15th of each year, the Board shall cause to be mailed to each owner of a lot under the jurisdiction of the Association and for which payment of the Annual Assessment is due, an Annual Assessment Invoice (“Initial Invoice”) setting forth the Annual Assessment amount as well as other amounts, if any, owed to the Association. The Initial Invoice 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. Owners who desire to change their mailing address must request the change in writing. Failure of a lot owner to receive the Initial Invoice does not nullify the lot owner’s responsibility to pay the Annual Assessment or any other amounts due and owing, and it is the owner’s responsibility to make sure that the Association has the owner’s current mailing address.
- 2.2. Annual Assessment Due Date.** All Annual Assessments shall be due and payable in advance on or before January 15th with a grace period of 30 days. It is the responsibility of each 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 Initial Invoice shall in no way relieve the owner of the obligation to pay the amount due by February 15th.
- 2.3. Delinquent Balances.** If payment of the total amount set forth on the Initial Invoice is not received by the Association on or before February 15th, the account shall be delinquent. If an owner defaults in paying the entire sum owed on or before February 15th, the owner’s account will be charged interest at the per annum rate set forth in the Declaration, regardless of whether a demand letter has been sent to the owner.
- 2.4. Collection Procedures.** Owners who remain delinquent after February 15th shall be subject to the following collection procedures.
- 2.4.1. Delinquency Notice.** On or after February 15th, the Association will send the owner a Delinquency Notice (“Delinquency Notice”) by regular and/or certified mail notifying the owner that the account is delinquent. The Delinquency Notice will specify each delinquent amount as well as the total payment required to make the account current, will describe the options an owner has to avoid having the account turned over to a collection agent including information regarding the availability of a payment plan through the Association, and will provide a period of 30 days within which the owner may cure the delinquency before further collection action is taken.

2.4.2. Alternative Payment Schedule Guidelines. An owner may make, and the Association will accept, prepayments made toward future Annual Assessments. Owners may make monthly, or periodic, payments to the Association in the year prior to the Annual Assessment coming due in an effort to prepay the upcoming obligation. In addition, an owner may, upon receipt of the Initial Invoice, make partial periodic payments to the Association from the date of their receipt of the Initial Invoice until February 15th. On and after February 15th, the Association will not accept from an owner, or their representative, a partial payment which does not discharge the entire debt to the Association unless it is tendered in connection with a written payment plan (as described below) entered into between the owner and the Association.

Once an account becomes delinquent (on and after February 15th), the Association will offer to the owner, by and through the “Delinquency Notice”, a payment plan to discharge the entire amount owed to the Association, including administrative costs, over a term of three (3) months (the “Payment Plan”). Under the terms of the Payment Plan, an owner will be allowed an opportunity to pay the entire debt owed to the Association in 3 monthly payments (3 month term) without incurring additional monetary penalties other than the interest charged delinquent accounts under the terms of the governing documents as well as the costs necessary to offer and administer the Payment Plan. Under the terms of the Delinquency Notice mailed, an owner will have 30 days (“30 Day Cure Period”) to pay the entire debt owed or to enter into the Payment Plan outlined above. To enter into a Payment Plan with the Association, the owner, before the expiration of the 30 Day Cure Period, must do the following:

1. Enter into a written Payment Plan with the Association setting forth an owner’s agreement to discharge the entire debt within 3 months including the interest which accrues during the term of the payment plan.
2. At the time of the execution of the Payment Plan, tender to the Association a first payment equal to one-third (1/3rd) of the entire debt owed.
3. At the time of the execution of the Payment Plan, tender a payment equal to the costs incurred in connection with administering the Payment Plan.

2.4.2.1 Address for Request/Acceptance of Payment Plan. An owner may accept the Association’s offer of a Payment Plan, or may proactively request one, by writing the Association at the following address:

Londonderry Homeowner’s Community Association, Inc.
8331 London Way Dr
Spring, Texas 77389
treasurer@LondonderryHomeowners.com

2.4.3. Final Notice. Following the expiration of the 30 Day Cure Period, the Association will send a Final Annual Assessment Notice (“Final Notice”) to owners who, during the 30 Day Cure Period, have failed to discharge the total debt owed to the Association and/or have failed to enter into a written Payment Plan with the Association. A late fee of \$25.00 will also be levied against each owner’s account which remains delinquent (and without a Payment Plan) following the 30 Day Cure Period. The Final Notice shall be sent by certified mail and will advise the owner that, if the account is not paid within 30 days of the date 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 reasonable fees and costs incurred, and such fees and costs will be charged to the owners assessment account.

2.4.4. Remedies for Non-Payment. If the delinquent balance is not paid in full within 30 days of the date of Final Notice, the Association may, if applicable, suspend the owner’s right to use the recreational facilities. Further, the Association may forward the delinquent account to its attorney for further handling. It is contemplated that the attorney will send one (1) 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), the attorney shall contact the Board, or its designated representative, for approval to proceed with the Association’s legal remedies. Upon receiving approval from the Board, or its designated representative, 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 judicial foreclosure action against the delinquent owner’s property.

III. ENFORCEMENT COSTS

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

IV. PAYMENT PLAN DEFAULT

If the owner defaults under a Payment Plan: (i) all delinquent amounts due under the Payment Plan shall automatically be accelerated and become due and payable to the Association; (ii) thereafter, for a period of two years from the date of the owner’s default, the Association will not be required to enter into another Payment Plan with the Owner; (iii) a late fee of \$25.00 may be levied against the account; and (iv) the Owner’s right to use the recreational amenities will automatically be suspended if proper notice has previously been given or, if proper notice has not been previously given, will be

automatically suspended after proper notice has been sent. Further, the account will be turned over to the attorney without any further notice to the owner.

V. PARTIAL PAYMENTS AND APPLICATIONS OF FUNDS

On or after February 15th, the Association will not accept from an owner, or their representative, any partial payment which does not discharge the entire debt owed to the Association unless it is tendered in connection with a written Payment Plan, as described in the Alternative Payment Schedule Guidelines set forth within this document. Partial payments will not prevent the accrual of interest on the unpaid portion of the Debt owed to the Association. Unless an owner is in default of a Payment Plan entered into with the Association, a payment received by the Association will be applied in the following order of priority: delinquent assessments, current assessments, attorney's fees and other costs and fees secured by the Association's assessment lien, other attorney's fees, fines, and, finally, any other amount. If an owner is in default of a Payment Plan when a payment is received, the Association, if it chooses to accept the payment, may apply the owner's payment in any manner that it chooses, except that fines will not be given priority over any other amount owed.

VI. 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.

VII. RETURNED PAYMENTS

At the election of the Association, an owner will be charged a reasonable fee for any payment returned by a bank, and the fee will be charged to the owner's Assessment account. A notice of the returned payment and the accompanying fee will be sent to the owner by the Association or its agents. If an owner's payment is returned unpaid (for any reason) by a bank, an owner will be considered in default of their obligation to the Association, and the Board, in addition to pursuing all legal remedies available to it, may require that all of the owner's future payments be made by cashier's check or money order until the owner's delinquent account is paid in full.

VIII. LIENS

Lot owners with delinquent balances on their Assessment accounts will be subject to a lien being placed on the subject property until the account is paid in full, including any costs of collection, attorney's fees, fines, and/or interest. Please note that there is both a fee to file a lien and also a fee to

release the lien following the lot owner's discharge of all indebtedness on their account, and such charges will be the responsibility of the lot owner to pay.

IX. VIOLATION OF THE DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS (DCCRs)

If the owner violates the use restrictions or any other restrictive covenants under the Declaration of Covenants, Conditions and Restrictions ("DCCRs"), then upon proper notice and an opportunity to cure the violation and/or request a hearing before the Board of Directors, the owner will be responsible for payment of any/all fines and attorney's fees that accrue and such amounts are payable upon demand. Upon the expiration of 60 days following the notice of amounts owed being sent to the owner, such amounts will be considered past due and subject to a \$25.00 late fee.

Lot owners may also request a payment plan for amounts relating to violations of the DCCRs if such a request is made in writing within the 60-day time period following the imposition of any fine and/or legal fee. Payment plans amounts will be payable in lump-sum fashion or by installments not to exceed six (6) months' duration at the Board's sole discretion, with such plans calculated to discharge the entire balance owed by December 15th of the effective year of the payment plan (to reduce carryover of any balances into the next year's assessment cycle). All payments received will be applied as follows:

1. Delinquent assessments
2. Current assessments
3. Attorney's fees
4. Fines
5. Any other amounts owed

Any returned payments will be handled pursuant to this Policy and will result in a default of the payment plan as well as imposition of additional late fees, collection costs and attorney's fees as applicable.

X. 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 representative pursuant to this Collection Policy shall be deemed to be full and effective notice to the owner for all purposes.