CERTIFICATE FOR RECORDATION OF DEDICATORY INSTRUMENT OF CLEAR SPRINGS PLACE ASSOCIATION, INC.

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF COLLIN	§	

WHEREAS, Section 202.006 of the Texas Property Code requires that "A property owners' association shall file its dedicatory instruments in the real property records of each county in which the property to which the dedicatory instruments relate is located."; and

WHEREAS, Clear Springs Place Association, Inc., a Texas nonprofit corporation (the "Association") desires to comply with Section 202.006 by filing of record in the real property records of Collin County, Texas, the attached instrument; and

WHEREAS, the attached instrument constitutes a "dedicatory instrument" as defined by Section 202.001 of the Texas Property Code; and

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Clear Springs Place Association, Inc., Executed by Tamaron Corporation, a Texas Corporation, as Declarants, was recorded on or about September 23, 1985 at Book 2219, Page 53 in the Real Property Records of Collin County, Texas, including any amendments thereof, additions, annexations and supplements thereto and entitled "Declaration of Covenants, Conditions, and Restrictions of Clear Springs Place" (the "Declaration") subjected to the scheme of development therein certain land located in Collin County, Texas;

NOW THEREFORE, the undersigned authorized representative of the Association hereby executes this Certificate to effect the recording of the dedicatory instrument attached hereto on behalf of the Association.

[signature page follows]

EXECUTED this 2 day of December, 2017 2018

Clear Springs Place Association, Inc.

Lynn Hale

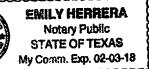
Duly Authorized Officer/Agent

STATE OF TEXAS

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COUNTY OF COLLIN

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This instrument was acknowledged before me on the day of December, 2017, by Lynn Hale authorized representative of Clear Springs Place Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

Notary Public in and for the State of Texas

After Recording, Return to: Manning & Meyers, Attorneys at Law 4340 N. Central Expressway, Suite 200 Dallas, TX 75206

Assessment Collection Policy

Clear Springs Place Association, Inc.

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF COLLIN	§	

We, the undersigned, being the directors of the Clear Springs Place Association, Inc., a Texas non-profit Association (the "Association"), pursuant to Section 209 of the Texas Property Code, do, by unanimous consent, take the following corporate action and adopt the following resolutions, which corporate action and resolutions shall have the same force and effect as a unanimous vote of all the directors of the Association at a duly called meeting of the Board of Directors of said Association:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Clear Springs Place Association, Inc., Executed by Tamaron Corporation, a Texas Corporation, as Declarants, was recorded on or about September 23, 1985 at Book 2219, Page 53 in the Real Property Records of Collin County, Texas, including any amendments thereof, additions, annexations and supplements thereto and entitled "Declaration of Covenants, Conditions, and Restrictions for Clear Springs Place Association, Inc." (the "Declaration") subjected to the scheme of development therein certain land located in Collin County, Texas;

WHEREAS, membership in the Clear Springs Place Association, Inc. is mandatory for all Owners of property in the Clear Springs Place Association and all Members of the Association are legally required to pay assessments. Clear Springs Place Association, Inc. (the "Association") has authority pursuant to Article IV of the Declaration of Covenants, Conditions, & Restrictions for Clear Springs Place Association, Inc. (the "Declaration") to levy assessments against Owners of Lots located within Clear Springs Place Association, Inc. (the "Development"); and

WHEREAS, the Association has authority pursuant to the Declaration to establish rules and regulations within the Association; and

WHEREAS, pursuant to Article IV, of the Declaration of Clear Springs Place Association, Inc., each owner covenants, and each owner, by acceptance of a deed therefore, whether it shall be expressed in such deed, is deemed to covenant and agrees to pay to the Association annual assessments or charges and special assessments. Such assessments, together with interest thereon, shall be a charge on the land and shall be secured by a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of the property at the time when the assessment fell due.

WHEREAS, pursuant to Article VI, Section 6.1 of the Bylaws of Clear Springs Place Association, Inc., the Board of Directors of the Association shall be responsible for the affairs of the Association. The business and property of the Association shall be managed and controlled by the Board of Directors and shall be subject to the restrictions imposed by law, by the Articles of Incorporation of the Association, by the Bylaws and by the Declaration. The Board of Directors may exercise all powers of the Association.

WHEREAS, the Clear Springs Place Association, Inc. Board of Directors is authorized by the Declaration to charge late fees and interest and to be reimbursed for the costs of collection. The Board of Directors has engaged a Management Company to manage the collections of Clear Springs Place Homeowners Association Member assessments. In addition, the Board of Directors has engaged a Law Firm to direct and oversee the collection of assessments on accounts that are past due. The Board of Directors finds there is a need to establish a policy for the collection of assessments and application of payments that remain unpaid beyond the prescribed due dates in order to encourage Owners to promptly pay their assessments.

NOW, THEREFORE, IT IS RESOLVED, that the following policies, rules, procedures and practices are established for the collection of assessments owing and to become owing by Owners in the Association and for the application of payments made by Owners and the same are to be known as the "Assessment Collection Policy" for the Association:

- Policy Objectives. The collection of assessments owed by Owners and the application of their payments pursuant to the Declaration and this Assessment Collection Policy will be governed by the following objectives:
 - a. The Association will diligently pursue collection of all assessments, including Regular Assessments, Special Assessments, Deficiency Assessments and Individual Assessments (hereinafter the four types of Assessments are sometimes referred to as "assessments") within the community.
 - b. At each step within 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.
- 2. Ownership Interests. Pursuant to Article IV of the Declaration, the person who is the Owner of a Lot as of the date an assessment becomes due is personally liable for the payment of that assessment. Further, the personal liability for unpaid assessments passes to the successors in title to a Lot. As used herein, the term "Delinquent Owner" refers to that person who held title to a Lot on the date an assessment became due. As used herein, the term "Current Owner" refers to that person who then holds 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 in question.

- 3. <u>Due Dates</u>. The due date for any Assessment shall be set by the Board of Directors in accordance with Article IV of the Declaration. Assessment shall be set by the Board in the notice of assessment to the Owners. The due date for any assessments shall be collectively referred to in this Assessment Collection Policy as the "Due Date". Any Regular Annual Assessment that is not received by the Association on the Due Date is delinquent (the "Delinquency Date").
- 4. Payment Plan. An Owner may request to enter into a Payment Plan to pay delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties, with the exception of reasonable costs associated with administering the payment plan and interest. Such payment plan request must be made in writing and may be transmitted via email or first class mail to the Association's Managing Agent or to the Association's Attorney. An owner may propose a payment plan to the Board, but the Board will be under no obligation to accept the owner's plan as proposed and in its discretion may offer a different payment term with a minimum term of 2 months and a maximum of 12 months. The Association shall not be required to allow an owner to enter into more than one payment plan per year. Once a letter has been sent to an owner pursuant to Texas Property Code Section 209.0064(b)(3), the Association is not required to allow an owner to enter into a payment plan, but may do so at its own discretion.
- Courtesy Letter. If an assessment has not been paid within ten (10) days following the Due Date, the Association may send to the Owner a Courtesy Letter (referred to as the "Courtesy Letter") notifying the owner that the assessment is late.
- 6. <u>Late Notice</u>. If an assessment has not been paid within the thirty (30) days following the Due Date, the Association may send to the Owner a default notice (referred to as the "Late Notice") making formal demand for payment of all outstanding amounts. The Default Letter will be sent via First Class United States Mail and will, at a minimum, include the following information:
 - a. The unpaid assessments, interest, late charges, collection cost and the handling charges claimed to be owing.
 - b. A statement that if either (i) the delinquency is not cured in full within thirty (30) days of the date of the Owner's receipt of the Late Notice or (ii) the Owner does not dispute in writing the amount set forth in the Late Notice within thirty days of the Owner's receipt of the Late Notice, the delinquency will be assumed to be valid and will be referred to the legal counsel for the Association for further collection action including the possibility of seeking foreclosure of the assessment lien, and that once such referral has occurred all attorney's fees and related costs incurred will be charged to the Owner of the Lot.
- 7. <u>Demand Letter</u>. If an assessment has not been paid within the sixty (60) days following the Due Date, the Association will send to the Owner a default notice (referred to as the "Demand Letter") making formal demand for payment of all outstanding amounts. The Demand Letter

will be sent via Certified Mail, Return Receipt Requested, and via First Class United States mail and will, at a minimum, include the following information:

- a. The letter shall specify each delinquent amount and the total amount owing, including the amount of any unpaid assessments, interest, late charges, collection costs, and handling charges owed.
- b. The letter shall lay out the options available to the owner for payment, including the availability of a payment plan.
- c. The letter shall provide a thirty day period before further collection action is taken.
- d. The letter shall include a statement that if either (i) the delinquency is not cured in full within thirty (30) days of the date of the owner's receipt of the Late Notice or (ii) the owner does not dispute in writing the amount set forth in the Late Notice within thirty days of the owner's receipt of the Late Notice, the delinquency will be assumed to be valid and will be referred to the Association's legal counsel for further collection action including the possibility of seeking foreclosure of the assessment lien, and that once such referral has occurred all attorney's fees and related costs incurred will be charged to the owner of the lot.

8. Late Fees & Administrative Fees.

- a. <u>Late Fees</u>- In the event any assessment, or portion thereof, is not paid in full and received by the Association on or before thirty (30) days from the due date, the Association's managing agent shall be entitled to charge the owner a late fee of \$15.00 and for each thirty (30) day period thereafter until the amount owing is paid in full. Such late fees, as and when accrued hereunder, will become part of the assessment upon which it has accrued and, as such, will be subject to recovery in the manner provided herein and in the Declaration for assessments.
- b. <u>Administrative Fees</u>- In the event any assessment, or portion thereof, is not paid in full and received by the Association on or before thirty (30) days from the due date, the Association's managing agent shall be entitled to charge the owner an administrative fee of \$10.00 and for each thirty (30) day period thereafter until the amount owing is paid in full. Such administrative fee, as and when accrued hereunder, will become part of the assessment upon which it has accrued and, as such, will be subject to recovery in the manner provided herein and in the Declaration for assessments.
 - 9. <u>Interest</u>- In the event any assessment, or any portion thereof, is not paid in full and received by the Association on or before thirty (30) days after the Due Date, interest on the principal amount due may be assessed against the Owner, the rate of said interest to be six percent (6%) per annum, but not in excess of the maximum rate allowed by applicable law, and shall accrue from the Delinquency Date until paid. Such interest, as and when accrued hereunder, will become part of the assessment upon which it has accrued and, as such, will be subject to recovery in the manner provided herein and in the Declaration for assessments.

- 10. <u>Handling Charges and Return Check Fees</u>. In order to recoup for the Association the cost incurred as a result of the additional administrative expenses associated with collecting delinquent assessments, collection of the following fees and charges are part of the Assessment Collection Policy:
 - a. Any handling charges, administrative fees, postage or other expenses incurred by the Association in connection with the collection of any assessment or related amount owing beyond the Delinquency Date for such assessment will become due and owing by the Delinquent Owner.
 - b. A charge of \$35.00 per item will become due and payable for any check tendered to the Association which is dishonored by the drawee of such check, the charge being in addition to any other fee or charge which the Association is entitled to recover from an Owner in connection with collection of assessments owing with respect to such Owners Lot.
 - c. Any fee or charge becoming due and payable pursuant to this Paragraph will be added to the amount then outstanding and is collectible to the same extent and in the same manner as the assessment, the delinquency of which gave rise to the incurrence of such charge, fee or expense.
- 11. <u>Priority of Payments</u>- All monies received by the Association will be applied to amounts outstanding in accordance with Texas Property Code Section 209.0063. If at the time a payment is received an owner is in default under a Payment Plan, the guidelines under Section 209.0063 do not apply and the payment may be applied in any order, however, a fine may not be given priority over any other amount due and owing.
- 12. Ownership Records. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of a Lot for which assessments are due and will be sent to the mailing address of the property as reflected by the records of the Association. Any notice or communication directed to a person at an address reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both.
- 13. Notification of Owner's Representative. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as 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 pursuant to this Assessment Collection Policy will be deemed full and effective for all purposes if given to such representative or agent.

- 14. <u>Referral to Legal Counsel</u>. If an Owner remains delinquent in the payment of assessment and related costs for more than thirty (30) days after the sending of the Demand Letter (as provided for above), Management, on behalf of the Board, or the Board may, as soon as possible thereafter, refer the delinquency to the legal counsel for the Association for the legal action as required by this Assessment Collection Policy. Any attorney's fees and related charges incurred by virtue of legal action taken will become part of the assessment obligation and may be collected as such as provided herein and in the Declaration. All delinquent accounts with a balance over \$300.00 will be sent to the Attorney's office for collections.
- 15. <u>Legal Action</u>. Legal counsel for the Association will take the following actions with regard to delinquencies referred to it upon legal counsel's receipt of a written request by Management and/or the Board to take a specific collection:
 - a. <u>Title Search</u>. Counsel will conduct a search of the land records to verify current Ownership of the Lot on which the delinquency exists. If the title search indicates that the Current Owner is other than the Delinquent Owner, counsel will communicate that fact to the Association. A determination will then be made by the Board whether to pursue collection of the unpaid assessments from the Delinquent Owner or the Current Owner or both. Based on that determination, the Board and/or Management will direct counsel to proceed according to this Assessment Collection Policy. Where the title search confirms that the Current Owner is the Delinquent Owner, the Association, Management and counsel will likewise proceed according to this Assessment Collection Policy.
 - b. Attorney Demand Letter. As the initial correspondence to a Delinquent Owner, counsel will send a demand letter (the "Attorney Demand Letter") to the Owner providing notice of the total as all outstanding assessments and related charges. This notice shall be sent via Certified Mail, Return Receipt Requested. If the amount owing is disputed by the Owner within thirty (30) days of Owner's receipt of the Attorney Demand Letter, Management and/or Legal Counsel will provide verification of the amounts claimed to be owing in accordance with this Policy.
 - c. Notice of Lien. Should the Owner not enter a payment plan or pay the amount in full within 30 days of the Attorney Demand Letter, counsel will cause to be prepared, executed by a Board Member or Attorney of the Association, and recorded in the Real Property Records of Collin County, a written notice of lien (referred to as the "Notice of Lien") setting forth therein the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot covered by the lien. A copy of the Notice of Lien will be sent to the Owner contemporaneously with the filling of same with the County Clerk's office, together with a demand for payment in full

of all amounts then outstanding, within thirty (30) days of the date of the transmittal to the Owner of the Notice of Lien.

- d. <u>Pre-Foreclosure Demand Letter</u>. Should the Owner not enter a payment plan or pay the amount in full within 30 days of the Notice of Lien, counsel will send a Pre-Foreclosure Demand Letter (the "Pre-Foreclosure Letter") to the Owner providing notice of the total of all outstanding assessments and related charges, including the charges for the attorney's fees and cost incurred for counsel's services.
- e. <u>Foreclosure</u>. When the Board has directed that the collection action to be taken is foreclosure of the assessment lien, the continued delinquency of unpaid assessments owing will be reported to the Board and Management and both shall direct counsel to initiate foreclosure of the property. In any foreclosure proceedings, the Owner shall be required to pay the cost and expense of such proceedings, including reasonable attorney's fees, interest and late fees owing. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. The Association may institute a personal judgment suit against the former Owner for any deficiency resulting from the Association's foreclosure of its assessment lien.
- 16. <u>Verification of Indebtedness</u>. Where an Owner timely requests verification of the indebtedness, Management or the Attorney for the Association will, upon notification of the Owner's request, supply such verification before any further collection action is taken with respect to such Owner. The cost to reply to requests for Verification shall accrue as a charge upon the Owner's account and must be payable by the Owner.
- 17. <u>Compromise of Assessment Obligation</u>. In order 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 interest, late fee, handling charge, collection cost, legal fee or any other applicable charge. The Association may, at its option, notify the Internal Revenue Service of the waiver or forgiveness of any assessment obligation.
- 18. <u>Community Amenities</u>. Owners with any delinquent balances greater than 30 days are subject to have their access to the pool or any other community amenities removed.

IT IS FURTHER RESOLVED that this Assessment Collection Policy replaces and supersedes in all respects all prior rules, policies and resolutions with respect to the collection of assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of the same and has not been modified, rescinded or revoked.

EXECUTED this Wday of December, 2017

Clear Spring\$ Place Association Inc.

Lynn Hale,

Duly Authorized Officer/Agent

STATE OF TEXAS

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COUNTY OF COLLIN

EMILY HERRERA Notary Public STATE OF TEXAS My Comm. Exp. 02-03-18

Junuam 2014

This instrument was acknowledged before me on the day of Becember; 2017, by Lynn Hale authorized representative of Clear Springs Place Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

Notary Publique and for the State of Texas



Filed and Recorded Official Public Records Stacey Kemp, County Clerk Collin County, TEXAS 01/30/2018 12:16:18 PM \$62.00 SCAPELA 20180130000119300