



**Grayhawk Association of Homeowners, Inc.**

**COLLECTION AND PAYMENT APPLICATION POLICY**

**ASSESSMENT COLLECTION POLICY**

1. All assessments are due and payable on the first (1<sup>st</sup>) day of January and on the first (1<sup>st</sup>) day of July each calendar year, or as otherwise specified in any written or electronic notice of assessment from the HOA management company at the direction of the Board of Directors.
2. Any assessment not received within ten (10) days after the due date will be considered delinquent and shall bear interest from the due date at the highest non-usurious rate of interest allowed by Texas law or 18% annum, whichever is less. Interest will continue to accrue as long as the account is delinquent.
3. When an HOA assessment is thirty (30) days delinquent, an Association Demand Letter will be sent to the delinquent owner with details of potential legal action. A service charge for this letter will be added to the homeowner's account.
4. When an HOA assessment is ninety (90) days delinquent, the Association's legal counsel will send a formal Attorney Demand Letter. The legal fees for this service will be added to the homeowner's account.
5. When an HOA assessment is one-hundred twenty (120) days delinquent the Association's legal counsel will, with formal approval and at the direction of Board of Directors, file a Notice of Lien on the property listed on the delinquent account. The legal fees for this service will be added to the homeowner's account. The lien will be updated as necessary upon advice of legal counsel in accordance with Texas law, with any resulting charges being added to the homeowner's account.
6. When an HOA assessment is one-hundred eighty (180) days delinquent, the HOA's attorney will, with formal approval and at the direction of the Board of Directors, send a Mortgage Notification Letter to the mortgage lender holding the mortgage, notifying them of the state of the account and the next steps to be taken to collect the delinquent HOA assessment – which include, but are not limited to, foreclosure on the property. The legal fees for this service will be added to the homeowner's account.



7. When an HOA assessment is two-hundred forty (240) days delinquent and the account balance is greater than \$1,000.00, judicial or non-judicial foreclosure proceedings will commence, with formal approval and at the direction of the Board of Directors. The legal fees for this service and any other charges incurred will be added to the homeowner's account.
8. If the Association purchases an occupied property at a foreclosure sale, it may file an eviction action under Chapter 24 of the Texas Property Code to obtain possession of the property.

**PAYMENT APPLICATION POLICY**

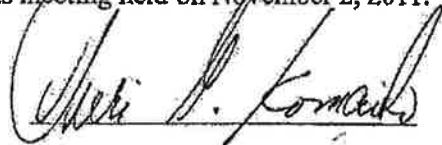
All payments received from or on behalf of owners will be applied in the following manner except as otherwise required by law:

1. Cost of Collection, including Attorney's Fees;
2. Association Demand Letter Fees;
3. Individual Assessments, including Violation Fines;
4. Special Individual Assessments;
5. Late Fees;
6. Interest;
7. Special Group Assessments;
8. Past Due Semi-Annual Assessments;
9. Current Semi-Annual Assessments

These policies will apply to all lot owners. These policies were approved by the Grayhawk Association of Homeowners, Inc. Board of Directors at its meeting held on November 2, 2011.



President



Secretary