



Bonita Oaks Ranch Property Owners Association
Nocona, TX
www.bonitaoakspoa.com

Annual Assessment Collection Procedures

Effective February 5, 2024

Annual assessments for Bonita Oaks Ranch Property Owners Association are due on the 1st of January of each year and considered late if not received by the 31st of January.

- Homeowners who wish to pay on a monthly schedule will notify the Board or their Management Company of that intent and pay 1/12 of the annual assessment each month.

As written in the CCRS, if the assessment is not received by the thirty-first (31st) day of the month, the owner shall bear late fees in the form of interest from the due date at the lesser of the rate of eighteen percent (18%) per annum or the maximum rate permitted by law.

Account statements/invoices are issued to all owners of record in December. Owners who do not receive a statement/invoice are responsible for contacting the Board or their Management Company before the first due date to request a replacement. The **owner is still responsible for the timely payment of their annual assessment regardless of receiving a statement/invoice. Each owner is required to keep the Board and/or their Management Company notified of a current mailing address.**

Insufficient Funds

Accounts presented with an insufficient fund payment will be assessed an additional fee of \$25.00, or the insufficient funds fee charged by the Association's bank, whichever is greater. Personal checks will not be accepted to satisfy an outstanding account balance when an insufficient funds check makes up a portion of the balance.

Delinquent Accounts

A homeowner with overdue assessments pending should immediately contact the Board or their Management company to negotiate an alternative payment plan that will bring them up to date. Under such a payment plan, Bonita Oaks Ranch POA must apply payments received from a homeowner to the outstanding balance in the following order:

1. Delinquent assessments
2. Current assessment
3. Attorney's fees or third-party collection costs incurred by the association in connection with assessments or any other charge that could provide the basis for foreclosure
4. Other attorney's fees incurred by the association
5. Fines assessed by the association
6. Other amounts owed to the association

Collection Process for Delinquent Payments

Unless a payment plan to resolve outstanding amounts is in place, or if that plan fails, the following steps will be taken. The delinquency periods are based on the due date per the CCRs. Annual Assessments are due on the 1st of January of each year. Violation assessments are due within 10 days from receipt of the assessment or as otherwise stated in the notice of the assessment, 10 days being the least amount of time.

30 Days Delinquent

The Board or their Management Company will send a statement to the property owner for the delinquent assessment by email, which may include the late fee.

60 Days Delinquent

The Board or their Management Company will send the "First Notice Letter" and statement of account by first class mail or email, notifying the property owner of collection costs, late fees, legal fees, and potential legal action if the account is not current within 30 days.

90 Days Delinquent

The Board or their Management Company shall send a second and "Final Notice Letter" and statement of account notifying the property owner that their account may be referred to the Association's attorney whereby a Notice of Lien may be initiated should the account not be "current" within thirty (30) days of receipt of the notice. The property owner will be notified of the collection costs, legal fees, and potential legal action if the account is not current within thirty (30) days. The notice will be sent via certified mail, with a return receipt requested, to the property owner's last known mailing address, as reflected in the records maintained by the POA.

120 Days Delinquent

The Board or the Management Company will place a final "courtesy call" to the property owner (if a phone number is available) to resolve the delinquent account before referral to the Association's attorney. Approval of this collection procedure by the board gives their Management Company authorization to refer delinquent accounts to the Association's attorney for collection as they deem necessary.

180 Days Delinquent

If the assessments have not been paid in full, or the property owner has not made payment arrangements, the delinquent account will be referred to the Association's attorney whereby a Notice of Lien may be filed against the property after the 90th day after the second delinquency notice was sent.

A lien is a legal document filed by the Association, that is attached to the property deed that is on file at the Montague County Clerk's Office, which acknowledges that legal debt obligations are in arrears on the property.

The property owner's account may be assessed a legal/collection fee based on the Association's attorney expense (usually at least \$325). At the time the Notice of Lien is filed, the Association's attorney shall send a demand for payment asking for full payment within thirty (30) days of the receipt of the notice; otherwise, a lawsuit for foreclosure may be initiated.

210 Days Delinquent

If the property owner's account has not been paid in full, or payment arrangements established, a Board Resolution may be drawn up by the Association's attorney and presented to the Board of Directors for approval to file a lawsuit for foreclosure. The homeowner will be responsible for additional legal fees incurred after the initial Notice of Lien is filed by the Association's attorney.

General Information

Every property owner becomes a member of the Association when they buy their property and/or home. Buyers are informed of the requirement to pay the regular assessment (dues) and given access to documents detailing association rules and financial status. All owners agree to abide by these as part of their property purchase.

Payment arrangements can be made by contacting the Board or their Management Company. The Management Company, at the direction of the Board of Directors and on behalf of the Association may elect to pursue any available method of collection allowable under the Texas law, which may include but not be limited to the filing of a lawsuit for collection/foreclosure against the property owner.

Certain property owners may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 et seq.), if the owner is serving on active military duty.

The Association's intent is ALWAYS to resolve any violations, fines, or delinquent payments in the most expedient and neighborly way possible while still fulfilling its fiduciary responsibility.