

**Wellington at Preston Meadows Homeowners Association, Inc.**  
**ADMINISTRATIVE RESOLUTION**

**WHEREAS**, Article IV of the Homeowners Association Declaration for Wellington Meadows, Phase II (the “*Phase II Declaration*”) and the Declaration of Covenants, Conditions and Restrictions for Wellington at Preston Meadows, Phase A (the “*Phase A Declaration*”), both for the benefit of the Wellington at Preston Meadows Homeowners Association, Inc. (the “*Association*”), sets forth the Covenant for Maintenance Assessments and provides authority to the Board of Directors (the “*Board*”) of the Association for collecting those assessments; and

**WHEREAS**, Article IV, Section 8 of the Phase II Declaration and the Phase A Declaration establishes remedies of the Association when an Owner does not pay the assessment in a timely manner; and

**WHEREAS**, the Board of Directors for the Association intends to adopt a uniform and consistent collection policy to collect delinquent amounts in order to be able to operate the Association’s affairs in accordance with the requirements in the Phase II Declaration and the Phase A Declaration;

**NOW THEREFORE BE IT RESOLVED THAT** the policy for collecting delinquent assessments be as follows:

1. All annual assessments are due January 1<sup>st</sup> of each year.
2. Assessment payments will be considered delinquent if payment has not been received in the managing agent’s office by January 31<sup>st</sup>.
3. Any assessment not paid by January 31st shall bear interest from the due date at the rate of ten percent (10%) per annum.
4. When an account becomes sixty (60) days delinquent, it shall be referred to the Association’s attorney for an initial demand letter.
5. When an account becomes ninety (90) days delinquent, a Notice of Lien will be filed against the property.
6. If an account remains delinquent after the Notice of Lien has been filed, foreclosure proceedings may be instituted.
7. All costs relating to collection proceedings shall be charged to the delinquent account, and the account owner shall be required to pay all costs, expenses and attorney’s fees.
8. Monies received shall be applied to each lot owner’s account in the following order:

First	Attorney's Fees, Demand Letter Fees and Other Costs Related to Collection
Second	Fines (if any) and Miscellaneous Charges
Third	Interest Charges
Fourth	Delinquent Special Assessments
Fifth	Current Special Assessments
Sixth	Delinquent Regular Assessments
Seventh	Current Regular Assessments

9. In the event that a lot owner's account becomes delinquent, the owner's voting rights will be immediately suspended.
10. Waiver of interest charges can only be granted by the Board of Directors. Waiver of these charges shall not constitute a waiver of future assessments or interest.

**IT IS FURTHER RESOLVED**, that the foregoing Resolution is effective as of February 28, 2007, and shall serve to revoke any prior resolutions to the extent the terms contained therein are not consistent with the terms and provisions contained in this Resolution.

Signed for the Board of Directors:

\_\_\_\_\_  
 Kristina Davies, President

**STATE OF TEXAS**           §

**COUNTY OF COLLIN**    §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2007, by Kristina Davies, President of Wellington at Preston Meadows Homeowners Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument.

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 Notary Public in and for the State of Texas