

LT1-1-2012006225-1

2012 Collection Policy: Clearwater Cove P.O.A.

THIS POLICY IS EFFECTIVE ON THE DATE EXECUTED BELOW AND REPLACES ANY AND ALL PRIOR COLLECTION POLICIES

The following actions are performed to collect on delinquent accounts. The charges assessed to an owner's account for certain collection action noted below are subject to change without notice. Monthly late fees and/or late interest and handling fees are assessed to delinquent accounts according to the notification on the billing statement.

Check Here	Collection Step	Approx. Day of Delinquency Each Step is Taken	Notes
(✓)	Past due late statement	---	A statement is mailed monthly after assessing late fees and/or late interest and handling fees to an account.
(✓)	Initial collection letter	-- 30 to 45 --	This letter allows the owner thirty (30) days to pay or dispute their balance. It also informs them of future actions if payment is not received.
(No)	Intent to report delinquent account to credit bureau	- 60 to 75 -	This letter allows the owner ten (10) days to pay prior to reporting their delinquent account to the credit bureau. This letter also informs the owner of the fee that will be charged to their account if reported to the credit bureau.
(No)	Notification to owner of credit bureau reporting	- 70 to 85 -	This letter notifies the owner that their account has been charged \$64.95 and is being reported to the credit bureau. This letter also informs them of future actions and the related fees that will be charged to their account.
(No)	Order title search to determine legal owner & send notice	- 80 to 105 -	A title search is ordered and the owners account charged \$39.54. Upon receipt of the title search, a letter is mailed to the owner via regular and certified mail informing them of this action and the \$39.54 charge assessed to their account. This letter also informs them if payment is not received within ten (10) days an assessment lien will be filed with the county and the associated cost charged back to their account.
(No)	Notify owner of lien filing and file lien with the county	-- 95 to 125 --	If payment has not been received within ten (10) days a lien is prepared and the owners account charged \$151.55. A letter is mailed to the owner informing them of this action, that \$151.55 has been charged to their account and that the lien is being filed in the county record.
(✓)	Forward owners file to the Association Attorney for small claims suit and/or foreclosure	- 90 to 115 -	This action must be allowed in the association documents. A fee of \$25.00 will be charged to the owners account for preparing & forwarding the necessary documents to the association attorney.
()	Association is opting out of PMG Collection Program performed on delinquent accounts as follows		If the association opts out of the PMG Collection Program then the association will be invoiced for any work performed on delinquent accounts as set-forth in the Management Contract.

Payment Application - Any payment received by the Association from an owner whose account reflects an unpaid balance shall be applied to the outstanding balance in the following order.

First - Delinquent Assessments
 Second - Current Assessments
 Third - Attorney's Fees and expenses for which the Association has a Lien
 Fourth - Attorney's Fees and expenses for which the Association has a no Lien

Fifth - Fines
 Sixth - Late Fees, Late Interest, Collection Fees

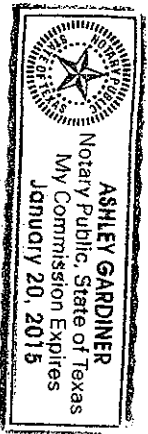
Signature: [Signature] Authorized Board Member
 Date: 1/15/12

M.D. Hartnett, Secretary

Printed Name
AFTER RECORDING PLEASE RETURN TO:
PRINCIPAL MANAGEMENT GROUP OF HOUSTON
11000 CORPORATE CENTRE DRIVE, SUITE 150
HOUSTON, TEXAS 77041

This instrument was acknowledged before me on this 15 day of January 2012, by M.D. Hartnett

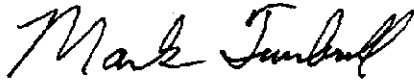
[Signature]
 Notary Public, State of Texas
 My Commission Expires: JAN 20 2015



LT2-2

FILED FOR RECORD

01/23/2012 1:53PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number
sequence on the date and at the time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

01/23/2012



County Clerk
Montgomery County, Texas