

Section COLLECTION AND PAYMENT PLAN POLICY - Sample Provision Excerpt (Public Preview)

Any reasonable fines assessed by the Association; and
(vi)
Any other reasonable amount owed to the Association.
If, at the time the Association receives a payment from an Owner, the Owner is in default under a payment plan entered into with the Association, the Association is not required to apply the payment in the order of priority specified by Paragraph

ISSUE #1

MARKUP #1 ->



MARKUP #1 · POTENTIAL ISSUE FOR REVIEW

BOARD & COUNSEL REVIEW

Sec. COLLECTION AND PAYMENT PLAN POLICY (p. 6): Potential Issue for Review: Fining or enforcement clause grants authority to levy fines or penalties without spelling out the statutory notice, cure, fine schedule, and hearing procedures under Tex. Prop. Code § 209.006, § 209.0061 & § 209.007 - look for this language in other governing documents (such as a standalone Fining/Enforcement Policy, Rules & Regulations, Bylaws, or amendments) that were not included in this review.

Statutory / Legal Reference: Tex. Prop. Code § 209.006, § 209.0061 & § 209.007

Statutory Comparison: Under Tex. Prop. Code § 209.006 and § 209.007, an association may not levy a fine or suspend an owner's right to use a common area unless it first gives written notice by certified mail describing the violation, providing a reasonable period to cure (if curable and not a repeat violation within 6 months), and stating that the owner may request a hearing before the Board on or before the 30th day...

CURRENT WORDING IN DOCUMENT:

Any reasonable fines assessed by the Association; and
(vi) Any other reasonable amount owed to the Association. If, at the time the Association receives a payment from an Owner, the Owner is in default under a payment plan entered into with the Association, the Association is not required to apply the payment in the order of priority specified by Paragraph...

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Look for the required notice, cure, fine schedule, and hearing language in other governing documents not included in this review. If not already set forth in another document, incorporate: Before the Association levies a fine, suspends an Owner's right to use a common area, or files suit other than to collect regular or special assessments or foreclose a lien, the Association shall give written...