

EXHIBIT A

Effective January 1, 2024

HB 614 Change to Chapter 209 of the Texas Property Code

Enforcement policy regarding the levying of fines by the association must include:

- 1) General Category of restrictive covenants for which the association may assess fines.
- 2) A schedule of fines for each category of violation
- 3) Information regarding hearings described by Property Code Sec. 209.007

Cotton Crossing Owners Association Delinquency Process

Cotton Crossing Owners Association utilizes the following delinquency processing schedule and fee structure:

<u>What</u>	<u>When</u>	<u>Cost</u>
Step 1: Reminder Notice*	30 days	\$10
Step 2: Demand Letter	60 days	\$50
Step 3: Final Notice	90 days	\$100
Step 4: Intent to Lien	120 days	\$200
Step 5: Lien Filing	150 days	\$250
Step 6: Standing Status*	180 days	\$10
Step 7: Intent to Foreclose**	over \$1000	\$375
Step 8: Forward to 3 rd Party Collection	BOD Approval	\$150

Addition Notes:

*All fees charged to the association and subsequently assessed against the delinquent homeowner's account at the time of service.

Fees are inclusive of all processing, postage, and otherwise previously itemized reimbursable materials/labor costs.

* Step 6 (Standing Status) represents balances that have not reached the \$1000 threshold to progress to Step 7. While a delinquent owner is in a Standing Status, they will receive \$10 per mo. late statement.

** Step 7 includes the intent to Foreclose correspondence as well as a confidential Delinquency Analysis Package prepared by independent counsel to help determine the viability of further collection efforts.

Step 8 – Should the Board of Directors decide to pursue legal collections/foreclosure with a 3rd party collection agency, a one-time fee of \$150 account preparation fee to deliver all necessary information to that chosen firm. Additionally, there will be a \$25/ monthly administration fee charged to all delinquent accounts being actively worked by a 3rd party collection agency.

Effective September 1, 2023

HB 886 Change to Chapter 209 of the Texas Property Code: Assessment Lien Requirements

Before an assessment lien is recorded, an association must provide two notices of delinquency to the property owner and adhere to a waiting period. The first notice must be provided by first-class mail to the owner's last known mailing address or by email to the email address the owner has registered with the association. Then, no earlier than 30 days after the first notice is sent, the association must send a second notice by certified mail, return receipt requested, to the owner's last known mailing address. Finally, the association must wait 90 days after the date the second notice was sent before the assessment line may be filed in the official public records.

Change to Chapter 209 Texas Property Code

Effective September 1, 2023

Associations of 41 lots or more are now afforded the possibility of appointing board members and other previously disqualified individuals if any vacancies remain after the solicitation process. The notice must be provided at least 10 days before the association elects or appoints a person to serve on the architectural review authority and it must contain instructions for a person to notify the association of the person's interest in serving, including the date by which the person's notification must be received by the association. The solicitation procedures should be added to an association's governing documents. Boards and managers need to be aware of this solicitation requirement moving forward since, if a board member or otherwise disqualified individual serves and the solicitation process isn't followed, the association and the architectural review authority's decisions may be challenged by an owner.

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Any CCOA Homeowner interested in running for a Board position or committee membership should send an email or CCOA website message board notification to any Board Member, CCOA email, or the Chairman of the specific committee of interest. The message should include the date, candidates name, address, position of interest and personal statement. Candidates will receive notification of appointment no less than ten (10) days after submitting request (based on state law) to serve within CCOA management.