



## COVES PHASE II

PROPERTY OWNERS ASSOCIATION

[www.covestwo.com](http://www.covestwo.com) – [covestwo@gmail.com](mailto:covestwo@gmail.com)

FILE NUMBER RES 20-010

### REGULAR ASSESSMENT FOR 2021

**WHEREAS**, pursuant to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COVES II, A SUBDIVISION TO THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ARKANSAS Section 3. Assessments. Part (a) Liens. states “Each Owner, except for Declarant, of any Lot, by the acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay the Association”; and

**WHEREAS**, pursuant to said Part (a) Liens, Subpart (i) states “Regular assessments or charges for maintenance, taxes and insurance on Common Properties as herein set forth and as established by the Association”; and

**WHEREAS**, pursuant to said Part (a) Liens, Subpart (ii) states “Special assessments for capital or other improvements or acquisitions, which assessments are to be established and collected as hereinafter provided”; and

**WHEREAS**, pursuant to said Part (a) Liens, Subpart (iii) states “Special individual assessments which may be levied against individual Lot Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner, his family, guests, or invitees and not caused by ordinary wear and tear”; and

**WHAEREAS**, pursuant to said Part (a) Liens, Subpart (iv) states “Individual assessments and fines levied against individual Lot Owners for violation of rules and regulations pertaining to the Association and/or Common Properties”; and

**WHAEREAS**, pursuant to said Section 3. Assessments. Part (iv) states “The annual and special assessments, together with interest, costs and reasonable attorney’s fees required to collect the same, if any, shall be a continuing lien against the Lot owned by the party failing to make the payment as due. Assessments shall be made pursuant to the Bylaws of the Association”; and

**WHAEREAS**, pursuant to said Section 3. Assessments. (b) Purpose states “The assessments levied by the Board on behalf of the Association shall be used to promote and maintain the health, safety and welfare of the Members of the Association and in particular for the maintaining, improving and preserving in a good state of repair the entrances to the Subdivision and such other common areas which are maintained by the Association, whether owned by the Association or by Lot Owner and maintained by the Association. The assessments shall also serve the purpose of proportionately



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maintaining and servicing the Detention Pond located on Lot 7 of the Holland Crossing West Commercial Subdivision which shall serve the Coves II Subdivision"; and

**WHEREAS**, pursuant to the Bylaws of the Association, Article IX Covenant for Maintenance and Other Assessments, Section 9.5 Regular Assessments. The annual assessment per Lot shall be \$250.00 for the year 2016. Thereafter, the assessment rate shall be set by a vote of the Board of Directors of the Association. The Board shall give notice to all Members at least thirty (30) days in advance of the date all regular or special assessments are due. All regular assessments shall be collected in advance and shall be due on or before January 1 for the year it is due or whatever other date as amended by the Board. The Board of Directors may not increase the annual assessments by more than twenty-five percent (25%) over the previous year's assessment without the approval of a majority of the Lot Owners to raise their assessments; and

**WHEREAS**, the Regular Assessment for 2020 was \$150.00; and

**WHEREAS**, no Special Assessments for capital or other improvements or acquisitions, which assessments are to be established and collected hereinafter provided were approved by the Board of Directors to merit such a request; and

**WHEREAS**, Individual assessments and fines levied against individual Lot Owners for violation of rules and regulations may be necessary may require an interest to be collected to verify payment of future dues; and

**WHEREAS**, some owners have failed to pay dues as required within the covenants.

NOW THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS:

Section 1: The Dues of the Association shall be set at \$150.00. Owners shall be notified by the Treasurer by invoice, which shall also include any previous assessments, fees, fines, or interest owed, with a due date 33 days beyond the date said invoice should be mailed. Invoices shall be mailed out no later than the last day of January.

Section 2: The Treasurer shall not include any fees for unapproved Special Assessments.

Section 3: The Treasurer shall be authorized to include a Late Charge in the amount of \$25.00 per month late fees, up to \$500, for any owner that fails to pay past or current Regular assessments, Special assessments, or Special individual assessments to be included on this invoice.



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Section 4: The Treasurer shall be authorized to place a lien on any property with total dues at or exceeding \$500 only after the due date has lapsed. The Treasurer requires a signature from the President and the Secretary prior to filing said lien.

Section 5: A Signed Copy of this resolution shall be included with the invoice. With the following:

**“DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE COVES II, A SUBDIVISION TO THE CITY OF FAYETTEVILLE, WASHINGTON COUNTY, ARKANSAS** Part 3. Assessments. (f) Effect of Nonpayment. If any assessment or fine or any part thereof is not paid on the dates when due, then the unpaid amount of such assessment shall be considered delinquent and shall, together with any late charge and interest thereon at the maximum rate allowed under applicable law, and costs of collection thereof, thereupon becoming a continuing debt secured by a self-executing lien on the Lot of the non-paying Owner which shall bind such Lot in the hands of the Owner and Owner's heirs, executors, administrators, devisees, personal representatives, successors and assigns. The Board shall have the right to reject partial payments of an unpaid assessment and demand the full payment thereof. The lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for any assessment provided herein by non-use of the Common Properties or abandonment of the Lot or House.”

Section 6: All funds for any payment shall be deposited in full into the Coves II Arvest Bank Account within 5 business days of receipt of payment.

Section 7: The Board authorizes the President to select a Committee of 3 Directors to review applications that may be submitted through an online form using the [www.covestwo.com](http://www.covestwo.com) website. The Board authorizes the Committee to grant Annual Dues Relief in the amount of the Annual Dues of the Association as defined in Section 1 of this resolution.

Section 8: The Board authorizes Owners that have delinquent POA dues from previous annual dues a period of 90 days as a grace period to arrange payments without additional late charges, which shall be paid in full within 90 days, in good faith.

APPROVED:

Kristifier Paxton, President

ATTEST:

Denise Corbin, Secretary