

**CROWN OAKS PROPERTY OWNERS' ASSOCIATION  
ASSESSMENT COLLECTION POLICY AND PAYMENT PLAN POLICY**

STATE OF TEXAS

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COUNTY OF MONTGOMERY

WHEREAS, Crown Oaks Property Owners Association, a Texas nonprofit corporation (the "Association"), is the governing entity for Crown Oaks, Sections 1-4, additions in Montgomery County, Texas, according to the maps or plats thereof, recorded in the Map Records of Montgomery County, Texas, under Cabinet L, Sheets 181-184; Cabinet Q, Sheets 39- 40; Cabinet S, Sheets 30-35; and Cabinet T, Sheets 51-55; respectively, along with any amendments, supplements and replats thereto (the "Subdivision"); and

WHEREAS, each Section of the Subdivision is subject to a Declaration of Covenants, Conditions, and Restrictions, recorded in the Real Property Records of Montgomery County, Texas, under Clerk's File Nos. 99105361, 2001-049679, 2002-053576, and 2003-030483, respectively, along with any amendments and supplements thereto (collectively, the "Declaration"); and

WHEREAS, the Declaration obligates the Association, through its Board of Directors, to establish, levy and collect annual assessments, and other charges ("Assessments") from each owner as defined in the Declaration ("Owner"); and

WHEREAS, Article VI of the Declaration authorizes the Association to charge interest, attorney's fees and collection costs, as a result of an Owner's failure to timely pay assessments; and

WHEREAS, Section 204.010 (a)(13) of the Texas Property Code authorizes the Association, through its Board of Directors to adopt and amend rules regulating the collection of delinquent assessments; and

WHEREAS, Section 209.0062 of the Texas Property Code requires that the Association adopt alternative payment schedule guidelines; and

WHEREAS, the Association desires to adopt a collection policy, to provide uniform procedures for the collection of assessments and the levying of penalties for non-payment of assessments, and to replace and supersede any previously recorded collection policy and payment plan policy, in their entirety; and

WHEREAS, this Dedicatory Instrument represents Restrictive Covenants as those terms are defined by Texas Property Code §202.001, et. seq, and the Association shall have and may exercise discretionary authority with respect to these Restrictive Covenants;

NOW THEREFORE, in accordance with the foregoing and as evidenced by the Certification hereto, the Association hereby adopts, establishes, and imposes on the

Subdivision, the following Assessment Collection Policy and Payment Plan Policy to supersede and replace previously recorded Assessment Collection Policy and Payment Plan Policy, as follows:

## **ASSESSMENT COLLECTION POLICY**

- 1) Assessments and other amounts due to the Association which become delinquent shall be subject to interest, and reasonable costs of collection, including administrative fees, attorney fees and expenses as permitted by law.
- 2) The annual assessment includes the annual Maintenance Charge (as defined in the Declaration) and any additional monies previously owed the Association, and becomes delinquent if not paid on or before January 31 of the current year.
- 3) Each assessment that becomes delinquent shall be subject to interest at a rate not to exceed 18% per annum. The Owner will also be charged back the cost of any check or payment that is returned as Non-Sufficient Funds (NSF).
- 4) If the Owner becomes delinquent in the payment of one or more assessments, the Association shall send the Owner a "Notice of Delinquency", the "209 Notice", via Certified Return Receipt Requested mail. The 209 Notice, per Section 209.0064(b) of the Texas Property Code, provides a 45-day period for cure, itemizes the delinquent amount(s) owed, and advises the availability of a payment plan (subject to Item (9) of the Payment Plan Policy); and, that failure to pay the delinquent balance in full or enter into an approved payment plan within the 45-day cure period will result in the Owner's account being transferred to the Association attorney for collection.
- 5) If an Owner's account is transferred to the Association attorney for collection, and the Owner fails to make full payment or enter into and successfully complete an approved Payment Plan, the Association will proceed with filing an action against the Owner seeking a judgment for all amounts due the Association and/or a judicial order for foreclosure of its assessment lien.

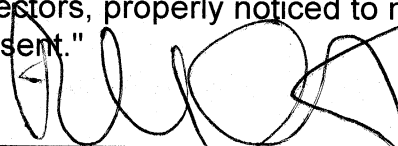
## **PAYMENT PLAN POLICY**

- 1) All Owners will be automatically approved for a Payment Plan, if requested prior to January 31<sup>st</sup> of the current year, subject to Texas law and the conditions listed in Item (9) below. The Plan requires a twenty-five percent (25%) down payment, with the balance paid off in not more than six (6) consecutive monthly installments.
- 2) An Owner shall be entitled to an approved Payment Plan during the 45-day cure period provided by Section 209.0064 of the Texas Property Code, subject to the conditions listed in Item (9) below.

- 3) The Association may choose to provide a Payment Plan at any other time thereafter at the sole option of the Association. All Payment Plans require a down payment and regular consecutive monthly payments.
- 4) All Payment Plan must include sequential monthly payments. The total of all proposed payments under the Payment Plan must equal the current balance plus the Payment Plan administrative costs and legal fees, if any, plus accrued interest. No Payment Plan may require fewer than three (3) consecutive monthly payments.
- 5) All Payment Plans must be in writing on a form provided by the Association, or a form otherwise approved by the Association.
- 6) If an Owner defaults on the Payment Plan, the Payment Plan is terminated, any remaining unpaid balance will become immediately due and additional costs and interest charges will start to accrue. Default of a Payment Plan includes:
  - a) failing to timely return a signed Payment Plan form with the down payment;
  - b) missing or making a late payment due in a calendar month (including NSF checks); or
  - c) failing to pay future assessments by their due date if the Payment Plan extends into the next assessment period.
- 7) The Association is not required to enter into a Payment Plan with an Owner who failed to honor the terms of a previous Payment Plan during the two (2) years following the Owner's default under the Previous Payment Plan. The Association is not required to make a Payment Plan available to an Owner after the period for cure described in Sec. 209.0064 (b) (3) of the Texas Property Code expires. The Association is not obligated to provide an Owner with more than one Payment Plan within any 12-month period.
- 8) The Association may only charge interest throughout the Payment Plan and the reasonable costs of administering the Payment Plan, while an Owner is current on their Payment Plan.
- 9) In the event the Owner defaults in their payment plan and such plan is terminated then payments received by the Association while an Owner is in default, may first be applied to non-lienable charges, then legal fees, interest, and then assessment amounts, until the Owner has paid off the entire delinquency following the default under their Payment Plan.
- 10) In the event an Owner has been referred to the Association's attorney for collections, the Payment Plan Policy provisions herein are deemed to be for the sole benefit and convenience of the Association, and shall not represent in any way, any entitlement to the Owner; all attorney's fees and costs associated with collections shall be included in any payment plan arrangement with the attorney, and no payment plan arrangement shall be completed until all attorney's fees and expenses associated with collection are paid by the Owner.

**CERTIFICATION**

"I, the undersigned, being the President of Crown Oaks Property Owners' Association, hereby certify that the foregoing Resolution was adopted by at least a majority of the Association Board of Directors at an open meeting of the Board of Directors, properly noticed to members, at which a quorum of the Board was present."

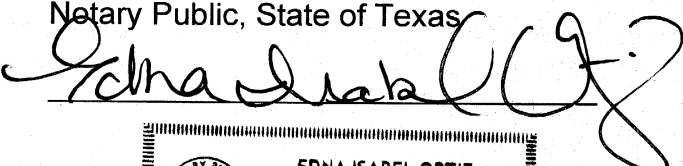
By  \_\_\_\_\_, President  
Richard Schissler III

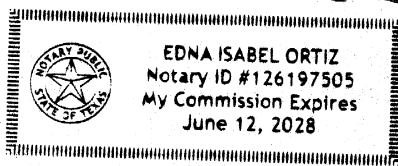
**ACKNOWLEDGEMENT**

STATE OF TEXAS                   §  
  §  
COUNTY OF MONTGOMERY   §

BEFORE ME, the undersigned authority, on this day personally appeared Richard Schissler III, President of Crown Oaks Property Owners' Association, a Texas nonprofit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that same was executed for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 22<sup>nd</sup> day of January, 2026

Notary Public, State of Texas  




Crown Oaks Property Owners' Association Assessment Collection Policy and Payment Plan Policy