

CROWN OAKS PROPERTY OWNERS ASSOCIATION, INC.

ASSESSMENT COLLECTION POLICY AND PAYMENT PLAN POLICY

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

WHEREAS, Crown Oaks Property Owners Association, Inc., 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"); and

WHEREAS, Article VI of the Declaration authorizes the Association to charge interest, attorney's fees and collection costs, as a result of an owners 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 Collection Policy and Payment Plan Policy to supersede and replace previously recorded collection policy and payment plan policy, as follows:

COLLECTION POLICY

- 1) Assessments and other amounts due to the Association, which become delinquent shall be subject to interest, and costs of collection, including administrative fees, attorney's fees and expenses.
- 2) Annual assessments become delinquent if not paid on or before the 30th day of January.
- 3) Each assessment that becomes delinquent shall be subject to interest at a rate not to exceed 18% per annum. The Owner will be charged-back the cost of any check or payment that is returned as Non-Sufficient Funds (NSF).
- 4) If an Owner becomes delinquent in the payment of one or more assessments, the Association may send a 30 day "Notice of Delinquency" requesting that the Owner pay their delinquent assessment along with interest and costs of collection, including any administrative fee, and any other cost associated with sending the Notice of Delinquency.
- 5) If the Owner does not pay the delinquent balance within the time frame required by the Notice of Delinquency, the Association will send a 30-day letter, via certified mail/rrr, containing the applicable notice under Section 209.0064(b) of the Texas Property Code, itemizing the delinquent amount owed, advising on the availability of a payment plan, and that failure to pay will result in the Owner being turned over to the Association attorney for collections, the costs of which will be charged to the Owner, a "209 Notice". An additional administrative fee and any associated costs will be charged to the owner's assessment account for the 209 Notice.
- 6) If the Owner does not pay the delinquent balance within the time frame required by the 209 Notice, the Owner's account may be referred to the Association attorney for collection.
- 7) If an Owner is turned over to the Association attorney for collection, and fails to make full payment or enter into 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.
- 8) All notices and letters provided for in this Policy, as well as all notices and invoices for the payment of assessments will be provided to the Owner at the address appearing in the books and records of the Association, which shall be the address of the property in the Subdivision, unless the Owner has provided written notice to the Association of an alternative address to send such notices.
- 9) The foregoing collection schedule represents general guidelines only, and the Association reserves the right to send more or less notices and provide more or less time to comply, in its sole discretion, depending on the severity of the delinquency and any other relevant factors that may require an accelerated collection schedule. In addition, the amount of collection costs, including letters for providing notice to the owner, and administrative costs, are subject to change by the Board from time to time, in its sole discretion.

PAYMENT PLAN POLICY

- 1) An Owner shall be entitled to an approved Payment Plan during the 30 day period provided by Section 209.0064 of the Texas Property Code. An Association may choose to provide a Payment Plan at any other time thereafter at the sole option of the Association.
- 2) All Payment Plans require a down payment and monthly payments.
- 3) Upon request, all Owners may automatically be approved for a Payment Plan consisting of 25% down, with the balance paid off in 6 monthly installments.
- 4) Alternative Payment Plan proposals shall be submitted to the Association in writing for approval; the Association is not obligated to approve alternative Payment Plan proposals.
- 5) A Payment Plan must include sequential monthly payments. The total of all proposed payments under the Plan must equal the current balance plus the Payment Plan administrative fees, plus the estimated accrued interest.
- 6) If an owner requests a Payment Plan that will extend into the next assessment period, the owner shall be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan.
- 7) All Payment Plans must be in writing on a form provided by the Association, or a form otherwise approved by the Association.
- 8) If an owner defaults on the Payment Plan the Payment Plan is terminated. Default of a Payment Plan includes:
 - a) failing to return a signed Payment Plan form with the down payment;
 - b) missing a payment due in a calendar month (including NSF checks); or
 - c) failing to pay future assessments by the due date if the Payment Plan extends into the next assessment period.
- 9) The Association is not required to enter into a payment plan with an Owner who has 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 obligated to provide an Owner with more than one Payment Plan within any 12 month period.
- 10) No Payment Plan may last less than 3 months.
- 11) 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.
- 12) Payments received by the Association while an Owner is in default of their Payment Plan, 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 plan.

13) 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, 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, Inc., 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: [Signature], President

Print Name: Richard Schisler

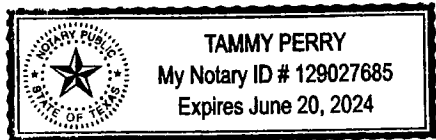
ACKNOWLEDGEMENT

STATE OF TEXAS §
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COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day, personally appeared Richard Schisler, President of Crown Oaks Property Owners Association, Inc. the person whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same as the act of the Association for the purpose and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 27th day of January, 2020.

[Signature]
Notary Public, State of Texas



Prepared and E-Recorded by:
HOLT & YOUNG, P.C.
9821 Katy Freeway, Ste. 350
Houston, Texas 77024

E-FILED FOR RECORD

04/05/2021 02:42PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,
COUNTY OF MONTGOMERY

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

04/05/2021



County Clerk
Montgomery County, Texas