

The Oak Ridge Improvement Association, Inc.
ALTERNATIVE PAYMENT PLAN POLICY

FILED FOR RECORD
COLORADO COUNTY, TX

2011 DEC 21 AM 10:30

STATE OF TEXAS §
 §
COUNTY OF COLORADO §

KNOW ALL MEN BY THESE PRESENTS:

DARLENE HAYEK
COLORADO CO. CLERK

N-D.

WHEREAS, The Oak Ridge Improvement Association, Inc. ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as "Declarations"); and

WHEREAS, chapter 209 of the Texas Property Code was amended effective January 1, 2012 to add Section 209.0062(a) ("Section 209.062") thereto regarding alternative payment schedules for delinquent regular or special assessments or any other amounts owed to the Association ("Payment Plans"); and

WHEREAS, the Board of Directors of the Association ("Board") desires to establish a policy for Payment Plans consistent with Section 209.062 and to provide clear and definitive guidance to owners.

NOW, THEREFORE, the Board has duly adopted the following *Alternative Payment Plan Policy*.

1. Subject to Section 12 below, owners are entitled to make partial payments for delinquent amounts owed to the Association under a Payment Plan in compliance with this Policy.
2. Late fees, interest, penalties and delinquent collection related fees will be not be added to the owner's account while the Payment Plan is active. The Association may impose a reasonable fee for administering a Payment Plan. Such fee, if any, will be listed on the Payment Plan document and may change from time-to-time.
3. All Payment Plans must be in writing on the document provided by the Association and signed by the owner.
4. The Payment Plan becomes effective and is designated as "active" upon:
 - a) receipt of a fully completed and signed Payment Plan document; and
 - b) receipt of the first payment under the plan; and
 - c) acceptance by the Association as compliant with this Policy.
5. A Payment Plan may be as short as three (3) months and as long as twelve (12) months based on the guidelines below. The durations listed below are provided as guidelines to assist owners in submitting a Payment Plan.
 - a) total balance up to 2 times annual assessment ... up to 6 months;
 - b) total balance up to or greater than 3 times annual assessment ... up to 12 months;
6. On a case-by-case basis and upon request of the owner, the Board may approve more than one Payment Plan to be executed in sequence to assist the owner in paying the amount owed. The individual Payment Plans may not exceed twelve (12) months.
7. A Payment Plan should include sequential monthly payments. The total of all proposed payments must equal the current balance plus Payment Plan administrative fees, if any, plus the estimated accrued interest, if any, plus legal fees, if any.
8. If an owner requests a Payment Plan that will extend into the next assessment cycle, the owner will be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan.
9. If an owner defaults on the terms of the Payment Plan, the Payment Plan will be voided. The Association will provide written notice to the owner that the Payment Plan has been voided. It is considered a default of the Payment Plan if the owner:

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- a) fails to return a signed Payment Plan document with the initial payment; or
- b) misses a payment due in a calendar month; or
- c) makes a payment for less than the agreed upon amount; or
- d) fails to pay a future assessment by the due date, while in a Payment Plan, which spans additional assessment cycles.

In the absolute discretion of the Association, the Association may waive default under item 9(b), 9(c) or 9(d) if the owner makes up the missed or short payment on the immediate next calendar month payment. The Association may, but has no obligation to, provide a courtesy notice to the owner of the missed or short payment.

- 10. On a case-by-case basis, the Association may agree, but has no obligation, to reinstate a voided Payment Plan once during the original duration of the Payment Plan if all missed payments are made up at the time the owner submits a written request for reinstatement.
- 11. If a Payment Plan is voided, the full amount due by the owner shall immediately become due. The Association will resume the process for collecting amounts owed using all remedies available under the Declarations and the law.
- 12. The Association has no obligation to accept a Payment Plan from any owner who has defaulted on the terms of a Payment Plan within the last two (2) years.
- 13. Priority of Payments. Payment received by the Association from an owner shall be applied in the following order:
 - a) any delinquent assessment;
 - b) any current assessment;
 - c) any attorney's fees or third party collection costs incurred by the Association solely for assessments or any other charge that could provide the basis for foreclosure;
 - d) any attorney's fees incurred by the Association not subject to item 13(c).
 - e) any fines assessed by the Association; and,
 - f) any other amount owed to the Association.
- 14. If, at the time the Association receives a payment from a property owner, the owner is in default under a Payment Plan entered into with the Association:
 - a) the Association is not required to apply the payment in the order of priority specified by Section (13(a) to 13(f); and
 - b) in applying the payment, a fine assessed by the Association may not be given priority over any other amount owed to the Association.

The Oak Ridge Improvement Association, Inc. in a special meeting did approve and adopt this policy.

Signed: LARRY PETER President

Date 12/16/2011

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This Policy is effective upon recordation in the Public Records of Colorado County, and supersedes any policy regarding alternative payment plans which may have previously been in effect. Except as affected by Section 209.062 and/or by this Policy, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

EXECUTED this 21 day of December 2011.

By: Larry Gene Petter
Larry Gene Petter
President
The Oak Ridge Improvement Association, Inc.
1904 Oakridge Road
Weimar, TX 78962

STATE OF TEXAS §
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COUNTY OF COLORADO §

BEFORE ME, the undersigned authority, on this day personally appeared Larry Gene Petter, President of THE OAK RIDGE IMPROVEMENT ASSOCIATION, INC., known to me to be the person whose name is subscribed to the foregoing instrument, and she executed same 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 21st day of December 2011.

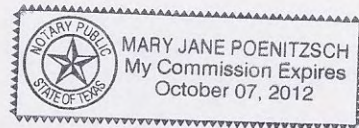
STATE OF TEXAS COUNTY OF COLORADO
I hereby certify that this instrument was FILED on the date and time stamped hereon by me; and was duly RECORDED to the Volume and Page of the OFFICIAL RECORDS of Colorado County, Texas and stamped hereon by me, on

Mary Jane Poenitzsch
Notary Public in and for the State of Texas

DEC 21 2011



Darlene Hayek
DARLENE HAYEK
COUNTY CLERK, COLORADO COUNTY, TEXAS



After Recording Return to:
The Oak Ridge Improvement Association, Inc.
1904 Oakridge Road
Weimar, Texas 78962

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