

# ESTATES OF WELLINGTON RUN COMMUNITY ASSOCIATION, INC.

## REVISED PAYMENT PLAN POLICY

STATE OF TEXAS     §  
                            §  
COUNTY OF DALLAS   §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the Estates of Wellington Run Community Association, Inc. ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in Declaration of Protective Covenants for the Estates of Wellington Run, filed for record and recorded on January 20, 1995, as Instrument No. 199500130352, Volume 95013, Page 06268 *et seq.* of the Deed Records of Dallas County, Texas (the "Declaration"), as such may be amended and/or supplemented from time to time; and

WHEREAS, Chapter 209 of the Texas Property Code was amended to add Section 209.0062 thereto dealing with payment plans; and

WHEREAS, the Board of Directors (the "Board") of the Association is required to adopt reasonable guidelines regarding a payment schedule in which an owner may request to make partial payments to the Association for delinquent regular or special assessments or any other amounts owed to the Association.

WHEREAS, the Board of Directors of the Association desires to revise its payment plan policy consistent with Section 209.0062 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Revised Payment Plan Policy* (the "Policy").

1. **Purpose.** The purpose of this Policy is to assist Owners in remedying delinquencies and remaining current on the payment of amounts owed to the Association by establishing orderly procedures by which Owners may request and then make partial payments to the Association for amounts owed without accruing additional penalties.
2. **Eligibility.** To be eligible for a payment plan pursuant to the Association's alternate payment plan schedule, an Owner must meet the following criteria:
  - a. The owner must currently be delinquent in the payment of regular assessments, special assessments, or any other amounts owed to the Association;
  - b. The Owner must not have defaulted on a prior payment plan within the prior two (2) year period; and
  - c. The Owner must submit a signed payment plan as defined below, along with the Owner's initial payment to the address designated by the Association for correspondence.
3. **Payment Plan Schedule/Guidelines.** The Association hereby adopts the following alternate payment guidelines and makes the following payment plan schedule available to owners in order to make partial payments for delinquent amounts owed:

- a. Requirements of Payment Plan Request. Within forty-five (45) days of the date of the initial letter which informs the owner of the right to request a payment plan, an owner must submit a signed acceptance of the payment plan schedule described below to the Association or its management company, if any.
- b. Term. The term of the payment plan or schedule is three (3) months.
- c. Date of Partial Payments under Plan. The Owner must submit an initial payment at the time of the submission of the Owner's payment plan agreement. Such submission must be signed by all Owners. The initial payment must be in an amount equal to twenty-five percent (25%) of the delinquent amount owed. Thereafter, the Owner must make all additional monthly installments under the payment plan agreement in equal amounts commencing on the 1<sup>st</sup> day of the month following the expiration of thirty (30) days after the date of the execution of the payment plan agreement.

The Owner may pay off, in full, the balance under the payment plan at any time. All payments must be received by the Association at the Association's designated mailing address or lock box for all payments. Payments may be made through auto draft bill payment, in check or certified funds, or by credit card (to the extent the Association is set up to receive payment by credit card).

- d. Correspondence. Any correspondence to the Association regarding the amount owed, the payment plan, or such similar correspondence must be sent to the address designated by the Association for correspondence. Such correspondence shall not be included with an Owner's payment.
- e. Amounts Coming Due During Plan. Owners are responsible for remaining current on all assessments and other charges coming due during the duration of the Owner's payment plan and must, therefore, timely submit payment to the Association for any amounts coming due during the duration of the Owner's payment plan.
- f. Additional Charges. An Owner's balance owed to the Association shall not accrue late fees or other monetary penalties (except interest) while such Owner is in compliance with a payment plan under the Association's alternate payment plan schedule.

Owners in a payment plan are responsible for reasonable costs associated with administering the plan, and for interest on the unpaid balance, calculated at the highest rate allowed by the governing documents or by law.

The costs of administering the plan and interest shall be included in calculating the total amount owed under the payment plan and will be included in the payment obligation. The costs of administering the payment plan may include a reasonable charge for preparation and creation of the plan, as well as a monthly monitoring fee of no less than \$5.00 per month.

- g. Other Payment Arrangements. At the discretion of the Board of Directors, and only for good cause demonstrated by an Owner, the Association may accept payment arrangements offered by Owners which are different from the above-cited guidelines, provided that the term of payments is no less than three (3) months nor longer than eighteen (18) months.

The Association's acceptance of payment arrangements that are different from the approved payment plan schedule/guidelines hereunder shall not be construed as a waiver of these guidelines nor authorize an owner to be granted a payment plan which differs from the one herein provided.

4. Default. If an Owner fails to timely submit payment in full of any installment payment (which installment payment must include the principal owed, the administration fees assessed to the plan and interest charges), or fails to timely pay any amount coming due during the duration of the plan, the Owner will be in default.

If an Owner defaults under a payment plan, the Association may proceed with collection activity without further notice. If the Association elects to provide a notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. In addition, the Owner is hereby on notice that he/she will be responsible for any and all costs, including attorney's fees, of any additional collection action which the Association pursues.

5. Board Discretion. Any Owner who is not eligible for a payment plan under the Association's alternate payment plan schedule may submit a written request to the Board for the Association to grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the Owner's debt (i.e. the Association, its management company, if any, or the Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board of Directors.

6. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist.

Furthermore, the purpose of this policy is to satisfy the legal requirements of Section 209.0062 of the Texas Property Code. In the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law.

This Policy is effective upon recordation in the Public Records of Dallas County, Texas and supersedes any policy regarding payment plans which may have previously been in effect. Except as affected by Section 209.0062 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held January 17, 2023, and has not been modified, rescinded or revoked.

**ESTATES OF WELLINGTON RUN  
COMMUNITY ASSOCIATION, INC.**

By: Lisa Smith

Lisa Smith  
Printed Name

Title: President