

PAYMENT PLAN POLICY

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF NAVARRO §

WHEREAS, the Rustling Oaks Estates Property Owners Association, Inc., a nonprofit corporation duly formed and existing under the laws of the state of Texas, (the "Association") is charged with administering and enforcing those certain "Declaration of Covenants, Conditions and Restrictions" for Rustling Oaks Estates, according to the "By-Laws of Rustling Oaks Estates Property Owners Association, Inc." and the amendments thereto, for the Rustling Oaks Estates Subdivision (referred to collectively as "Governing Documents"); and

WHEREAS, Chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.0062 ("Section 209.0062") thereto regarding alternative payment schedules for assessments ("Payment Plans"); and

WHEREAS, the Board of Directors of the Association ("Board") desires to establish a policy for Payment Plans consistent with Section 209.0062 and to provide clear and definitive guidance to owners.

NOW, THEREFORE, the Board has duly adopted the following *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, penalties and delinquent collection related fees will not be added to the owner's account while the Payment Plan is active. The Association may impose a fee for administering a Payment Plan. Such fee, if any, will be listed on the Payment Plan form and may change from time-to-time. Interest will continue to accrue during the Payment Plan as allowed under the Declarations. The Association can provide an estimate of the amount of interest that will accrue under any proposed plan.
3. All Payment Plans must be in writing on the form 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 form; 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 eighteen (18) 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 3 times annual assessment ... up to 12 months
 - c. Total balance greater than 3 times annual assessment ... up to 18 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. No one individual Payment Plan may exceed eighteen (18) months in duration.
7. A Payment Plan must 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.
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:
 - a. Fails to return a signed Payment Plan form 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 in a Payment Plan which spans additional assessment cycles.

In the absolute discretion of the Association, the Association may waive default under item b, c or d above 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 one time 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. In the event any clause, phrase, provision, sentence or part of this Policy or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Policy as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the Board declares that it would have passed each and every part of the same notwithstanding the omission of any part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

This Policy is effective upon recordation in the Real Property Records of Navarro County, Texas, and supersedes any policy regarding alternative payment schedules which may have previously been in effect. Except as affected by Section 209.0062 or by this Policy, all other provisions contained in the Governing Documents or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 12 day of July, 2014.

Madelene F. Peterson

By: Madelene F. Peterson
(PRINTED NAME)

Treasurer
(TITLE)

Madelene F. Peterson

Madelene F. Peterson

Treasurer

July 15, 2014

ACKNOWLEDGMENT

STATE OF TEXAS

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COUNTY OF NAVARRO

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Before me, the undersigned authority, on this day personally appeared Madelonne F. Peterson the Treasurer of Rustling Oaks Estates Owners Association, Inc., known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she has executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 15th day of July, 2014.



Brenda Stubbs

Notary Public, State of Texas

Brenda Stubbs

Printed Name

Filed for Record in:
Navarro County

On: Jul 15, 2014 at 10:32A

As a
Recordings

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By:
Gena Chandler

Rustling Oaks Estates Property Owners
Association, Inc.
4001 Loper Drive
Streetman, TX 75859

STATE OF TEXAS COUNTY OF NAVARRO
I hereby certify that this instrument was
filed on the date and time stamped hereon by me and
was duly recorded and stamped hereon by me.

Jul 15, 2014

Sherry Dowd, COUNTY CLERK
Navarro County