

**FRIO COMMUNITIES IMPROVEMENT ASSOCIATION
COLLECTION AND PAYMENT PLAN POLICY**

STATE OF TEXAS

KNOW ALL MEN

BY THESE PRESENTS:

COUNTY OF REAL

WHEREAS, pursuant to Section 209.0062 of the Texas Property Code, the Board of Directors of Frio Communities Improvement Association, Inc., (the “Association”) is required to adopt reasonable guidelines regarding a payment plan and schedule in which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association.

NOW, THEREFORE, IT IS RESOLVED in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, that the following guidelines and procedures are established for the establishment of a “Payment Plan Policy” (hereinafter 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.
2. Eligibility. To be eligible for a payment plan pursuant to the Association’s 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 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 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 30 days of the date of the initial letter which informs the owner of the availability of a payment plan, an owner must submit a signed acceptance of the payment plan schedule described below to Frio Communities Improvement Association, Inc.
 - 1) The Payment Plan becomes effective and is designated as “active’ upon.
 - i. Receipt of fully completed and signed payment plan application and
 - ii. Receipt of the first payment under the plan, and
 - iii. Acceptance by the Association that the application is compliant with this policy.
 - b) Term. The term of the payment plan is either 3 months, 6 months or 9 months. The owner must select one of the 3 time options for repayment and pay them in equal installments.
 - c) Date of Partial Payments under the Plan. The Owner must submit the first monthly installment payment under the plan on a date set by the Board of Directors. The due date will be stated on the payment plan. 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 office lock box on or before the due date.
 - d) 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 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 cost 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 obligations. The costs of administering the payment plan may include a reasonable charge for preparation and creation of the plan, as well as a monitoring fee.
 - e) If an owner defaults on the terms of the Payment Plan, the Payment Plan will be voided. It is considered a default of the Payment Plan, if the owner.
 - 1) Fails to return a signed Payment Plan before the initial payment, or
 - 2) Misses a payment due in a calendar month; or
 - 3) Makes a payment for less than the agreed upon amount; or
 - 4) Payment is made with an insufficient funds check
 - (f) The Association may, but has no obligation to, provide a courtesy notice to the owner of the missed or short payment.
- 4) If a Payment Plan is voided, the full amount due by the owner shall immediately become due. The Association will 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) 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.

This Policy is effective upon recordation in the Public Records of Real County, and supersedes any policy regarding payment schedules 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 Declarations or any other dedicatory instruments of the Association shall remain in full force and effect

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on February 27, 2016, and has not been modified, rescinded or revoked.

DATE: _____

Clyde Nolan, President

STATE OF TEXAS

COUNTY OF REAL

Before me, the undersigned authority, on this day personally appeared _____, *officer* of Frio Communities Improvement Association Inc. a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she had 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 ____ day of _____, 2016.

Notary Public, State of Texas

Printed name

My commission expires: _____

