



CIRCLE D CIVIC ASSOCIATION

PAYMENT PLAN GUIDELINES POLICY AND APPLICATION OF PAYMENTS SCHEDULE

Whereas, Circle D Civic Association (the "Association") constitutes a property owners association under provisions of Chapter 209 of the Texas Property Code (the "Code") and is composed of fifteen (15) or more lots;

Whereas, Section 209.0062 of the Code requires the Association to adopt reasonable guidelines that establish an alternative payment schedule by which a member of the Association may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties;

Whereas, Section 209.0063 of the Code requires payments made to the Association by its members be applied to a member's account in a particular order of priority, unless such member is in default of a payment plan entered into with the Association;

Whereas, the Board of Directors of the Association (the "Board") desires to adopt payment plan guidelines as required under Section 209.0062 of the Code and an application of payments schedule in conformity with Section 209.0063 of the Code.

Therefore, the Board hereby adopts the Payment Plan Guidelines Policy (the "Policy") and Application of Payments Schedule, as set forth below.

PAYMENT PLAN GUIDELINES POLICY

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. Eligibility for Payment Plan.

Standard payment plans. An Owner is eligible for a Standard Payment Plan (see Rule 4 below) only if:

- a. The Owner has not defaulted under a prior payment plan with the Association in the prior 24-month period;
- b. The Owner requests a payment plan no later than 30 days after the Association sends notice to the Owner via certified mail, return receipt requested under Section 209.0064 of the Code (notifying the owner of the amount due, providing 30 days for payment, and describing the options for curing the delinquency). Owner is responsible for confirming that the Association has received the Owner's request for a payment plan within this 30-day period. It is recommended that requests be in writing; and
- c. The Association receives the executed Standard Payment Plan and the first payment within 15 days of the Standard Payment Plan being sent via email, fax, mail, or hand delivered to the Owner.

Other payment plans. An Owner who is not eligible for a Standard Payment Plan may still request that the Association's Board grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the debt (i.e.,

the Association's manager or 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.

3. Standard Payment Plans. The terms and conditions for a Standard Payment Plan are:
 - a. Term. Standard Payment Plans are for a term of 6 months. (See also Paragraph 7 for Board discretion involving term lengths.)
 - b. Payments. Payments will be made at least monthly and will be roughly equal in amount or have a larger initial payment (small initial payments with a large balloon payment at the end of the term are not allowed). Payments must be received by the Association at the designated address by the required dates and may not be rejected, returned or denied by the Owner's bank for any reason (i.e., check returned NSF).
 - c. Assessments and other amounts coming due during plan. The Owner will keep current on all additional assessments and other charges posted to the Owner's account during the term of the payment plan, which amounts may but need not be included in calculating the payments due under the plan.
 - d. Additional charges. The Owner is responsible for reasonable charges related to negotiating, preparing and administering the payment plan, and for interest at the rate of ten percent per annum, all of which shall be included in calculating the total amount due under the plan and the amount of the related payments. The Owner will not be charged late fees or other charges related to the delinquency during the time the owner is complying with all terms of a payment plan.
 - e. Contact information. The Owner will provide relevant contact information and keep same updated.
 - f. Additional conditions. The Owner will comply with such additional conditions under the plan as the Board may establish.
 - g. Default. The Owner will be in default under the plan if the Owner fails to comply with any requirements of these rules or the payment plan agreement.

4. Account Sent to an Attorney/Agent for Formal Collections. An Owner's account is delinquent if payment is not received according to Paragraph 3(b) above, and the right to a standard payment plan is forfeited. Once an account is sent to an attorney or agent for collection, the delinquent Owner must communicate with that attorney or agent to arrange for payment of the debt. The decision to grant or deny the Owner an alternate payment plan, and the terms and conditions of any such plan, is solely at the discretion of the Board.

5. Default. If the Owner defaults under any payment plan, the Association may proceed with any collection activity authorized under the governing documents or state law without further notice. If the Association elects to provide notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. All late fees and other charges that otherwise would have been posted to the Owner's account may also be assessed to the Owner's account in the event of a default. Any payments received during a time an Owner is in default under any payment plan may be applied to any out-of-pocket costs (including attorney's fees for administering the plan), administrative and late fees, assessments, and fines (if any), in any order determined by the Association, except that fines will not be given priority over any other amount owed but may be satisfied proportionately (e.g. a \$100 payment may be applied proportionately to all amounts owed, in proportion to the amount owed relative to other amounts owed).

6. Board Discretion. The Association's Board may vary the obligations imposed on Owners under these

rules on a case-by-case basis, including curtailing or lengthening the payment plan terms (so long as the plan is between 3 and 18 months), as it may deem appropriate and reasonable. The term length set forth in Paragraph 4 shall be the default term length absent Board action setting a different term length. No such action shall be construed as a general abandonment or waiver of these rules, nor vest rights in any other Owner to receive a payment plan at variance with the requirements set forth in these rules.

7. Legal Compliance. These payment plan rules are intended to comply with the relevant requirements established under Chapter 209 of the Code. In case of ambiguity, uncertainty, or conflict, these rules shall be interpreted in a manner consistent with all such legal requirements.

APPLICATION OF PAYMENTS SCHEDULE

In accordance with the terms of Section 209.0063 of the Code, except for payments made to the Association by members who are in default under a Payment Plan Agreement with the Association (as provided above), a payment received by the Association from a member shall be applied to the member's account in the following order of priority:


- (1) delinquent assessments (beginning with the oldest);
- (2) current assessments;
- (3) attorney's fees or third-party collection costs incurred by the Association associated solely with collection of unpaid assessments or any other charge that could provide the basis for foreclosure of the Association's assessment lien;
- (4) attorney's fees incurred by the Association that are not associated solely with collection of unpaid assessments or that do not provide a basis for foreclosure of the Association's assessment lien;
- (5) fines assessed by the Association; and
- (6) other amount owed to the Association.

CERTIFICATION

I, the undersigned, Melissa Mubasher, Treasurer of Circle D Civic Association, do hereby attest that at the board meeting of the Association held December 8, 2018, at which a quorum was established, the Payment Plan Guidelines Policy and Application Of Payments Schedule were adopted.

I, the undersigned, Melissa Mubasher, acting as Treasurer of Circle D Civic Association, have this day caused this document to be recorded in the Official Public Records of Bastrop County, Texas.

Executed this 12th day of December, 2018

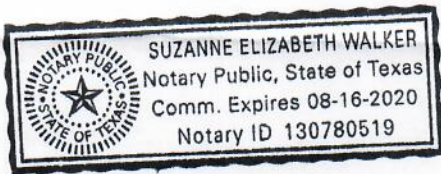

Melissa Mubasher, as Treasurer

ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY OF BASTROP

This instrument was acknowledged before me on December 13, 2018, by Melissa Mubasher, Treasurer of Circle D Civic Association, a Texas non-profit corporation, on behalf of said corporation.


Notary Public, State of Texas



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Rose Pietsch

December 13, 2018 01:36:20 PM
KRISTAB FEE: \$38.00
ROSE PIETSCH, County Clerk
Bastrop, Texas

RESTRICTION 201817755