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## **Shady Oaks II Homeowners Association**

### **ASSESSMENT PAYMENT POLICY**

WHEREAS, the Board of Directors of Shady Oaks II Home Owners Association, Inc., a Texas non-profit corporation (the Association) is charged with administering and enforcing those certain covenants, conditions, and restrictions contained in the *Declaration of Covenants, Restrictions and Easements* ("Declaration") recorded in the office of the County Clerk of Tarrant County, Texas.

WHEREAS, Chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.0062 ("Section 209.0062") and Section 209.0063 ("Section 209.0063") thereto;

WHEREAS, Section 209.0062 of the Texas Property Code requires a property owners' association to adopt an alternative payment schedule that prescribes the terms for a payment plan by which an Owner may make partial payments for delinquent regular or special assessments or any other amount owed under Section 209 of the Texas Property Code;

WHEREAS, the Board has determined that in connection with Association payments, it is appropriate for the Association to adopt an assessment payment policy.

NOW, THEREFORE, the Board duly adopted the Assessments Payment Policy set forth below. The Assessment Payment Policy is effective upon recoding in the office of the County Clerk of Tarrant County, Texas, and supersedes any guidelines or policy for assessments which may have previously been in effect. The Assessment Payment Policy is as follows:

1. Assessments: as prescribed in the Declaration, Article IV, an assessment :
  - a. Annual Assessments shall be levied once each assessment year at a fixed and uniform rate for all Residents based on the estimated operating expenses and any reserve allowance to be used for future repair and replacement of common Property;
  - b. Special Assessments shall be levied at a fixed and uniform rate for all Residents as necessary for the purpose of paying unanticipated operating expenses as well as the cost of any construction, reconstruction repair or replacement of a capital improvement held as Common Property; or
  - c. Specific Assessments shall be levied by the Board to specifically assess any Owner pursuant to the Declaration, Article IV Section 4.12.
  
2. Alternative Payment Schedule for Certain Assessments:
  - a. Late fees, penalties, and delinquent collection related fees will not be added to the Owner's account while the payment plan is active.
  - b. The Association may impose a fee for administering a payment plan. Such fee will be listed on the payment plan form.

- c. Interest will continue to accrue during a payment plan as allowed under the Declaration. The Association can provide an estimate of the amount of interest that will accrue under any proposed plan.
- d. All payment plans shall be in writing and signed by the owner.
- e. The payment plan becomes effective and is designated as "active" upon:
  - i. The Associations receipt of a fully completed and signed payment plan;
  - ii. The Associations receipt of the first payment under the plan; and
  - iii. Acceptance by the Association as compliant with this Policy.
- f. A payment plan shall be as short as three (3) months and as long as eighteen (18) months.
- g. 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 eighteen (18) months.
- h. A payment plan shall include sequential monthly payments. The total of all proposed payments shall equal the current balance plus payment plan administrative fees plus the estimated accrued interest.
- i. All eligible charges accrued prior to entering into the payment plan will be added to the monthly payment plan balance. Charges added after entering into the payment plan are not eligible and shall be paid by the posted due date in addition to payments specified in the payment plan.
- j. 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:
  - i. Fails to sign a written payment plan agreement with or prior to the initial payment;
  - ii. Fails to have a payment postmarked prior to the payment due date;
  - iii. Makes a payment for less than the agreed upon amount; or
  - iv. Fails to pay a future assessment by the due date in a payment plan which spans additional assessment cycles.
- k. 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 Declaration and the law.
- l. The Association has no obligation to accept a payment plan request from any Owner who has defaulted on the terms of a payment plan within the last two (2) years.

3. Priority of Payments:

- a. A payment received by an Owner shall be applied to the owner's debt in the following order or priority:

- i. Any delinquent assessment;
- ii. Any current assessment;
- iii. Any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure;
- iv. Any attorney's fees incurred by the Association that are not subject to Subdivision (iii);
- v. Any fines assessed by the association; and
- vi. Any other amount owed to the association.

b. If the Association receives a payment from an Owner while the Owner is in default under a payment plan entered into with the association:

- i. The Association is not required to apply the payment in the order priority specified by Subsection (a); and
- ii. In applying the payment, a fine assessed by the association may not be given priority over any other amount owed to the Association.

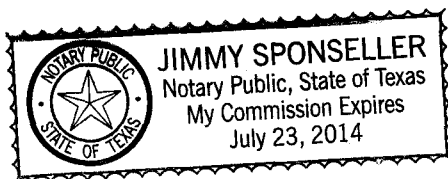
SIGNED this Feb 29<sup>th</sup>, 2012

Shady Oaks II Homeowners Association, Inc.

By: Elizabeth McPheron  
 Duly Authorized Officer / Agent  
 Elizabeth McPheron

THE STATE OF TEXAS §  
 §  
 COUNTY OF TARRANT §

This instrument was acknowledged before me on Feb 29<sup>th</sup>, 2012, by a duly authorized officer of Shady Oaks II Home Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



[Signature]  
 Notary Public, State of Texas

MARY LOUISE GARCIA

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

ELIZABETH P MCPHERSON  
8432 GRAND VIEW DR  
N RICHLAND HILLS, TX 76180

Submitter: ELIZABETH P MCPHERSON

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 3/1/2012 2:21 PM

Instrument #: D212051303

OPR 4 PGS \$24.00

By: \_\_\_\_\_

*Mary Louise Garcia*

D212051303

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY  
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: SLDAVES