

**CAMBRIDGE FALLS HOMEOWNERS ASSOCIATION, INC.
PAYMENT PLAN POLICY**

WHEREAS, the Board of Directors (the "Board") of the Cambridge Falls Homeowners Association ("Association") is charged with administering and enforcing those certain covenants, conditions, and restrictions contained in the recorded Declarations for the community ("Declarations"); and

WHEREAS, Chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.0062 ("Section 209.0062") to require property owners' association to adopt reasonable guidelines to establish an alternative payment schedule by which an Owner may make partial payments for delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties ("Payment Plans"); and

WHEREAS, the Board desires to establish a payment plan policy ("Payment Plan Policy") consistent with the provisions of Section 209.0062 and to provide clear and definitive guidance to owners; and

NOW, THEREFORE, the Board has duly adopted the Payment Plan Policy set forth below. The Payment Plan Policy is effective January 1, 2012, and supersedes any guidelines or policy for payment plans that may have previously been in effect. The Payment Plan Policy is as follows:

1. **Applicability.** Subject to Section 10 below, all Owners are entitled to make partial payments for delinquent regular assessments, special assessments or other amounts and related charges prior to the debt being turned over to the Association's "collection agent" as defined by Section 209.0064 of the Texas Property Code.
2. **Term.** The term for a Payment Plan offered by the Association shall be a minimum of three (3) months and a maximum of ten (10) months, sequentially. 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 in the Payment Plan.
3. **Payment Plan Agreement.** The Owner shall be obligated to execute a payment plan agreement ("Payment Plan Agreement") which sets forth the total amount to be paid, the term of the payment plan, the due date for and amount of each payment, and the address to which payments are to be mailed. A Payment Plan becomes effective upon:
 - a) Association's receipt of completed and executed Payment Plan Agreement; and
 - b) Acceptance by the Association as compliant with this Policy.
4. **Sums Included in Plan.** The Payment Plan shall include all delinquent regular and special assessments and other sums owed to the Association as of the effective date of the Payment Plan Agreement.
5. **Grace Period.** There will be a grace period of three (3) business days from the due date. If a payment is not received at the address set forth in the Payment Plan Agreement by the close of business on the third (3rd) business day following the date on which the payment is due, the Owner shall be deemed to be in default of the Payment Plan Agreement.
6. **Administrative Costs.** The Association shall add to the delinquent assessments and other amounts owed to the Association to be paid in accordance with the Payment Plan Agreement reasonable costs for administering the payment plan. \$5.00 shall be assessed for receiving, documenting, and processing each payment.
7. **Interest.** During the term of the Payment Plan, interest, at the rate provided in the Declarations or by law, shall continue to accrue on delinquent assessments.


8. **Penalties.** During the term of the Payment Plan, the Association shall not impose any monetary penalties (late or delinquent fees) with respect to delinquent assessments and other charges included in the Payment Plan, except as provided in Section 7.
9. **Default.** If an owner defaults on the terms of the Payment Plan Agreement, the Payment Plan shall automatically become void. The Association may notify the Owner that the Payment Plan Agreement is void as a result of the Owner's default, but notice to the Owner shall not be a prerequisite for the Payment Plan Agreement to become void. It is considered a default of the Payment Plan Agreement if the Owner:
- a) Fails to make a scheduled payment by the end of the grace period applicable to the due date for that payment; or
 - b) Makes a payment for less than the scheduled payment due.

If the Association receives a payment after the expiration of the grace period, the Association may, in its absolute discretion, waive the default under item a or b above. The acceptance of a payment made by an Owner after the Payment Plan Agreement has become void shall not reinstate the Payment Plan Agreement. On a case-by-case basis, the Association may agree, but has no obligation, to reinstate a voided Payment Plan once during the original duration of the Payment Plan if all missed payments are made at the time the Owner submits a written request for reinstatement. If a Payment Plan becomes void, the full amount due by the Owner shall immediately become due. The Association will resume the process for collecting amounts owed using all remedies provided in the Declarations or by law.

10. **Ineligible Owners.** The Association has no obligation to enter into a Payment Plan with an Owner who has failed to honor the terms of a Payment Plan during the previous two (2) years.

EXECUTED on the date set forth herein below, to be effective as set forth above.

Cambridge Falls Homeowners Association, Inc., a
Texas non-profit corporation

By: 
Nino R. Corbett, President

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on February 9, 2012 by Nino R. Corbett, President of Cambridge Falls Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.




Notary Public, State of Texas

AFTER RECORDING, RETURN TO:
Post Oak Property Management
27101 Westheimer Pkwy
Katy, TX 77494