

CHAMPIONS FOREST HOMEOWNER'S ASSOCIATION, INC
RESOLUTION OF THE BOARD OF DIRECTORS
ADOPTING PAYMENT PLAN GUIDELINES AND APPLICATION
OF PAYMENTS SCHEDULE

WHEREAS, Section 209.0062 of the Texas Property Code (the "Code") provides that the Association must adopt reasonable guidelines to 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 sets forth an order of priority for payments made by the Association's members to the Association, which order of payment the Association is not required to follow with respect to payments made by members of the Association who are in default under a payment plan entered into with the Association; and

WHEREAS, the Board desires to adopt payment plan guidelines as required under Section 209.0062 of the Code.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the Payment Plan Guidelines and Application of Payments Schedule set forth in Exhibit "A", attached hereto and incorporated herein by reference.

BE IT RESOLVED, FURTHER, that notwithstanding any language to the contrary and regardless of the date of adoption, the effective date of this Resolution is January 1, 2012.

PASSED AND APPROVED this 7th day of February, 2013 by a majority vote of the Board of Directors.

Kathy Yancy
 Kathy Yancy, Secretary

STATE OF TEXAS)
 COUNTY OF TRAVIS)

This Resolution was executed before me on the 7th day of FEBRUARY, 2013 by Kathy Yancy in her capacity as stated above.

Jayme S. Foley
 Notary Public, State of Texas

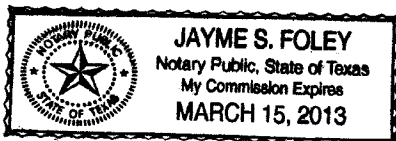


EXHIBIT A

CHAMPIONS FOREST HOMEOWNER'S ASSOCIATION, INC

PAYMENT PLAN GUIDELINES AND APPLICATION OF PAYMENTS SCHEDULE

APPLICATION OF PAYMENTS SCHEDULE

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

1. Any delinquent assessment;
2. Any current assessment;
3. Any attorney's fees or third party collection costs incurred by the Association in connection with collection of the member's debt;
4. Any other fees incurred by the Association in connection with collection of the member's debt;
5. Any late charges and interest-due by the member;
6. Any other amount owed to the Association (excluding fines); and
7. Any fines assessed by the Association.

PAYMENT PLAN GUIDELINES

1. Eligibility for Payment Plan

A member of the Association who is delinquent in the payment of any regular or special assessments, or any other amounts owed to the Association, including costs of collection incurred by the Association (collectively, "Delinquency"), shall be eligible to enter into a Payment Plan Agreement with the Association providing for an alternative payment schedule by which the member may make partial payments to the Association for the Delinquency. Each Payment Plan Agreement shall be in accordance with terms of these Payment Plan Guidelines and the requirements of Section 209.0062 of the Code.

Notwithstanding the foregoing, or any provision herein to the contrary, a member of the Association shall be ineligible to pay his or her Delinquency under a Payment Plan

Agreement if such member has defaulted under a prior Payment Plan Agreement with the Association in the prior 24-month period.

2. Payment Plan Administrative Charges and Interest

In addition to the Delinquency, a member of the Association who enters into a Payment Plan Agreement shall be required to pay to the Association reasonable costs associated with preparing the Payment Plan Agreement and administering the member's compliance with the Payment Plan Agreement (collectively, "Administrative Charges"). A member of the Association who enters into a Payment Plan Agreement with the Association shall also be required to pay all interest due and payable on the member's Delinquency in accordance with the applicable provisions of the Association's governing documents, which shall continue to accrue on the Delinquency during the term of the Payment Plan Agreement.

3. Available Payment Plan Schedules

The Association has established three alternative installment plan schedules ("Repayment Schedule"). Any member of the Association who is eligible to enter into a Payment Plan Agreement with the Association shall be entitled to select from any of the Repayment Schedules that he or she qualifies for, which shall be based on the total amount of the Delinquency owed by the member at the time the Payment Plan Agreement is entered into. The three available Repayment Schedules are as follows:

(a) *Four-Month Repayment Schedule:*

Any member who owes the Association a Delinquency totaling \$200 or less shall be qualified to select the Four-Month Repayment Schedule. Under the Four-Month Repayment Schedule, the member shall pay the Delinquency, plus any Administrative Charges and accrued interest, in equal monthly installments over a period of four (4) months.

(b) *Eight-Month Repayment Schedule*

Any member who owes the Association a Delinquency totaling \$201 to \$600 shall be qualified to select either the Four-Month Repayment Schedule or the Eight-Month Repayment Schedule. Under the Eight-Month Repayment Schedule, the member shall pay the Delinquency, plus any Administrative Charges and accrued interest, in equal monthly installments over a period of eight (8) months.

(c) *Twelve-Month Repayment Schedule*

Any member who owes the Association a Delinquency totaling \$601 to more shall be qualified to select the Four-Month Repayment Schedule, the Eight-Month Repayment Schedule or the Twelve-Month Repayment Schedule. Under the Twelve-Month Repayment Schedule, the member shall pay the Delinquency, plus any

Administrative Charges and accrued interest, in equal monthly installments over a period of twelve (12) months.

4. Payment Plan Agreement

- a. Payments will be made at least monthly will be roughly equal in amount or have a higher 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 5th of each month and may not be rejected, returned or denied by the Owner's bank for any reason (ie: check returned NSF).
- b. The Owner will keep current on all additional assessment and other charges posted to the Owner's account during the term of the Payment Plan Agreement.
- c. The Owner will provide relevant contact information and keep the Association updated with any changes.
- d. 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.

5. Default of Payment Plan Agreement

Each payment due under any Repayment Schedule shall be due and payable on or before the fifth (5th) day of each month during the term of the Payment Plan Agreement. Time is of the essence with respect to payments under a Payment Plan Agreement and the obligation to pay each monthly payment on or before the fifth (5th) day of each month must be strictly complied with. If a monthly payment made pursuant to a Payment Plan Agreement is returned for insufficient funds and/or if a payment is received after the due date, it shall constitute a material breach of the Payment Plan Agreement. In such event all unpaid amounts subject to the Payment Plan Agreement shall automatically, without any further notice from the Association, be accelerated and shall be immediately due and payable in full to the Association. In such event, the member shall be considered in default of the Payment Plan Agreement until he or she pays the full amount of the Delinquency, Administrative Charges and accrued interest ("Default Period").

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. In addition, the defaulting member shall be liable for all costs of collection, including attorney fees, incurred by the Association to collect any remaining unpaid amount subject to the Payment Plan Agreement, which shall be added to and included within the Delinquency that must be paid by the defaulting member to the Association under such Payment Plan Agreement.

Any payments received by the Association from a member of the Association who is in default under the Payment Plan Agreement with the Association during the Default Period shall be applied to the member's debt or account in the following alternative order of priority:

1. Any attorney's fees or third party collection costs incurred by the Association in connection with collection of the member's debt;
2. Any other fees incurred by the Association in connection with collection of the member's debt;
3. Any late charges and interest-due by the member;
4. Any delinquent assessment;
5. Any current assessment;
6. Any other amount owed to the Association (excluding fines); and
7. Any fines assessed by the Association.



**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

February 25 2013 05:02 PM

FEE: \$ 32.00 2013033852