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**AFFIDAVIT TO THE PUBLIC**  
**7H Ranch Property Owners Association**  
**Payment Plan Policy**  
Effective: August 22, 2013



STATE OF TEXAS       §  
  §       KNOW ALL PERSONS BY THESE PRESENTS:  
COUNTY OF COMAL   §

WHEREAS the 7 Hills Ranch Property Owners Association, Inc. ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations (referred to collectively as "Declarations"); and

WHEREAS chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.0062 ("Section 209.0062") thereto regarding an alternative payment schedule ("Payment Plan") by which an owner of any lot subject to the Declaration (an "Owner") 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; and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish a policy for Payment Plans consistent with Section 209.0062 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Payment Plan Policy* (the "Policy"):

1. Any Owner who has not defaulted on a previous Payment Plan during the past two (2) years from the date the Owner's Payment Plan request is received by the Association may be eligible to enter into a Payment Plan under which the Owner may make monthly payments to the Association.
2. All Payment Plans must be in writing on the form provided and approved by the Association.
3. A Payment Plan may be as short as three (3) months and as long as eighteen (18) months based on the guidelines below. The durations listed below are provided as guidelines to assist owners in submitting a Payment Plan.
  - a. Total balance up to 2 times annual assessment ... up to 6 months.
  - b. Total balance up to 3 times annual assessment ... up to 12 months.
  - c. Total balance greater than 3 times annual assessment ... up to 18 months.
4. The Payment Plan becomes effective and is designated as "active" upon:
  - a. receipt of a fully completed and signed Payment Plan form; and
  - b. receipt of the first payment under the Payment Plan; and
  - c. acceptance by the Association as compliant with this Policy.

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5. 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 Payment Plan.
6. The Association may charge an Owner \$50.00 as the reasonable cost associated with administering the Payment Plan (the "Administrative Fee"). Such fee, if any, and the interest rate will be listed on the Payment Plan form and each may change from time-to-time. Late fees, penalties and delinquent collection related fees will be not be added to the owner's account while the Payment Plan is active.
7. A Payment Plan must include sequential monthly payments. The total of all proposed payments must equal the current balance plus Payment Plan administrative fees, if any, plus the estimated accrued interest.
8. On a case-by-case basis, upon request of the owner and concurrence of the Board, the Owner and the Board can agree to more than one Payment Plan to assist the owner in paying the amount that is owed.
9. 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 specified in the Payment Plan.
10. The following shall result in an immediate default of the Payment Plan if the owner:
  - a. fails to return a signed Payment Plan form with the initial payment; or
  - b. misses a payment due in a calendar month; or
  - c. does not make up a payment if notified by the Association of a missed payment as a courtesy; or
  - d. makes a payment for less than the agreed upon amount and does not make up the deficit on the next payment; or
  - e. fails to pay a future assessment by the due date in a Payment Plan which spans additional assessment cycles; or
  - f. fails to timely comply with any other requirement or obligation set forth in the Payment Plan.
11. If an owner defaults, the Payment Plan will be voided. The Association is not required to provide notice of any default but, may do so as a courtesy. If a Payment Plan is voided, the Association will resume the process for collecting amounts owed using all remedies available under the Declarations and the law.


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12. On a case-by-case basis, the Association may agree, but has no obligation, to reinstate a voided Payment Plan if all missed payments are made up at the time the owner submits a written request for reinstatement.
  
13. While an Owner is in default under a Payment Plan, the Owner's payments need not be applied to the Owner's debt in the order of priority set forth in TEX. PROP. CODE §209.0063(a). But, in applying a payment made while the Owner is in default, a fine assessed by the Association may not be given priority over any other amounts owed to the Association.
  
14. The failure by the Association to exercise any rights or options shall not constitute a waiver thereof or the waiver of the right to exercise such right or option in the future.

This Policy is effective upon recordation in the Public Records of Comal County, and supersedes any policy regarding alternative 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 Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

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The undersigned hereby certifies that he is the qualified and acting executive officer of Seven Hills Ranch Property Owners Association, a non-profit corporation chartered under the laws of the State of Texas, and this is a true and correct copy of the current association document relating to the Payment Plan Policy adopted by the Board of Directors at a meeting of the same held 08/22/2013, and has not been modified, rescinded or revoked. IN WITNESS WHEREOF, the undersigned has executed this certificate on the 23<sup>rd</sup> day of August, 2013.

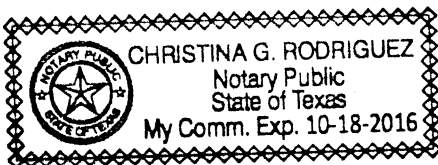
  
John T. Zunker, President, Board of Directors  
7 Hills Ranch Property Owners Association, Inc.

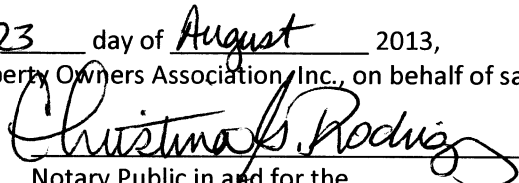
STATE OF TEXAS       §

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COUNTY OF COMAL    §

This instrument was acknowledged before me on the 23 day of August 2013, by John T. Zunker, duly authorized agent for 7HR Property Owners Association, Inc., on behalf of said association.



  
Notary Public in and for the  
State of Texas

Filed and Recorded  
Official Public Records  
Joy Streater, County Clerk  
Comal County, Texas  
08/23/2013 01:35:03 PM  
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