

**PAYMENT PLAN POLICY**  
*for*  
**LEAMONT HOMEOWNERS ASSOCIATION, INC.**

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

I, Patricia J. Lengyel, Secretary of Leamont Homeowners Association, Inc. (the "Association"), certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 29<sup>th</sup> day of December, 2011, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Payment Plan Policy was duly approved by a majority vote of the members of the Board:

**RECITALS:**

1. The Association is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded "Declaration of Covenants, Conditions and Restrictions" recorded in the Official Public Records of Real Property of Harris County, Texas under County Clerk's File No. D214946, as amended and supplemented (the "Declaration").
2. Chapter 209 of the Texas Property Code is amended, effective January 1, 2012, to add Section 209.0062 (hereinafter referred to as Section 209.0062) thereto regarding alternate payment schedules for assessments ("Payment Plan").
3. The Board of Directors of the Association ("Board") desires to establish a policy for Payment Plan consistent with Section 209.0062 and to provide clear and definitive guidance to Owners in that regard.

**POLICY:**

NOW, THEREFORE, the Board has duly adopted the following Payment Plan Policy, to be effective January 1, 2012.

1. Subject to Section 12 below, Owners are entitled to make partial payments for the current year and/or delinquent amounts owed to the Association under a Payment Plan in compliance with this Policy.
2. While the Payment Plan is active and on schedule, late fees, penalties and delinquent collection related fees will not be charged to the Owner. The Association may impose fees for administering a Payment Plan. Such fees, if any, will be listed on the Payment Plan form and may change from time-to-time. Interest will continue to accrue during a Payment Plan as allowed under the Declaration. The Association may provide an estimate of the amount of interest that will accrue under any proposed Payment Plan, but is not required to do so. At the sole discretion of the Board, interest may be waived during a Payment Plan period so long as the Payment Plan is not in default.

522-43-2325

9262-43-2326

3. All Payment Plan(s) must be in writing, preferably on the Association's approved form (a copy of which is attached hereto). The Association may, in its discretion, accept a letter submitted by the Owner, if the letter specifies all necessary provisions of the Payment Plan.
4. The Payment Plan becomes effective and is designated as "active" upon:
  - a. receipt of a fully completed and signed Payment Plan form or otherwise acceptable letter from the Owner; and
  - b. receipt of the first payment under the Plan; and
  - c. acceptance by the Association as compliant with this Policy; and
  - d. installments under the Plan being current and of good and sufficient tender.
5. A Payment Plan may be as short as three (3) months and as long as eighteen (18) months. The length of a Payment Plan is at the sole discretion of the Board and will be based on the amount owed, the Owner's past payment history, and any extraordinary circumstances that the Board deems necessary and appropriate for consideration in determining the duration of a Payment Plan.
6. 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 Plan may not exceed eighteen (18) months.
7. A Payment Plan must provide for consecutive monthly installments. The total of all proposed payments must equal the current balance plus Payment Plan administrative fees, if any, plus the estimated accrued interest, if applicable.
8. If an Owner requests a Payment Plan that will extend into the next assessment billing cycle, the Owner will be required to pay any and all future assessments by the due date, or by no later than the delinquent date to be reflected on the subsequent year's assessment billing, in addition to the payments specified in the Payment Plan.
9. 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:
  - a. fails to return a signed Payment Plan form or otherwise acceptable letter from the Owner with the initial payment by the agreed-upon initial payment due date; or
  - b. misses a payment due in a calendar month; or
  - c. makes a payment for less than the agreed upon amount; or
  - d. fails to pay a future assessment by the due date, or by no later than the delinquent date to be reflected on the subsequent year's assessment billing, in a Payment Plan which spans additional assessment cycle(s).

In the absolute discretion of the Association, the Association may waive default under items b, c, or d above if the Owner notifies the Association, the Managing Agent or the Association's attorney of the late or short payment, and thereafter, makes up a missed or short payment on the immediate next calendar month payment. The



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**Parties:**

Leamont Homeowners Association, Inc. (the "Association")

and

\_\_\_\_\_  
Owner/Member name

\_\_\_\_\_  
Owner/Member name

**Property Address:** \_\_\_\_\_

**Owner/Member Mailing Address:** \_\_\_\_\_

**Owner/Member Home Phone:** \_\_\_\_\_

**Owner/Member Cell Phone:** \_\_\_\_\_

**Owner/Member e-mail address:** \_\_\_\_\_

(Owner/Member must keep all contact information current during the term of the Payment Plan)

**Request by Owner/Member for Payment Plan**

Owner/Member, whether one or more, requests that the Association allow Owner/Member to enter into an alternate payment plan with Association to pay consecutive, monthly installments of the \_\_\_\_\_ annual maintenance assessment of \$\_\_\_\_\_, together with other charges, if applicable, of \$\_\_\_\_\_, plus \$\_\_\_\_\_ (\$5.00 per month for each month an installment is to be paid for Administrative Fees). Administrative Fee, the sum of which shall hereinafter be referred to as "Amount Owed".

I/We hereby request that I/We be allowed to make payment of the Amount Owed to Association under the following terms and conditions:

(Owner/Member must initial the applicable plan)

\_\_\_\_\_ **Plan A** Available to Owner/Member owing up to or less than \$500.00.

Amount Owed divided into 3 equal consecutive monthly payments with the last month's payment including any estimated accrued interest and Administrative Fees incurred under the Payment Plan, if any.

\_\_\_\_\_ **Plan B** Available to Owner/Member owing more than \$500.00 but no more than \$1,000.00.

Amount Owed divided into 6 equal consecutive monthly payments with the last month's payment including any estimated accrued interest and Administrative Fees incurred under the Payment Plan, if any.

HP 000-43-2328

RP 080-43-2329

\_\_\_\_ **Plan C** Available to Owner/Member owing more than \$1,000.00.

Amount Owed divided into 9 equal consecutive monthly payments with the last month's payment including any estimated accrued interest and Administrative Fees incurred under the Payment Plan, if any.

\_\_\_\_ **Plan D** Available to Owner/Member only in hardship circumstances, as determined by the Board of Directors in its sole discretion. The Owner/Member must submit information and/or documentation demonstrating hardship circumstances.

Amount Owed divided into \_\_\_\_ equal consecutive monthly payments with the last month's payment including any estimated accrued interest and Administrative Fees incurred under the Payment Plan, if any.

Under no circumstances will any Payment Plan extend more than 18 months in length from the date of the request as signed by the Owner/Member and accepted by Association.

**Payment Date and Plans Extending Into Future Assessments Cycles**

Owner/Member must submit the first month's payment with the signed request for a Payment Plan. All subsequent monthly installments shall be made on the fifteenth (15<sup>th</sup>) day of each successive month.

An Owner/Member who requests a Payment Plan that will extend into the next assessments cycle, will be required to pay future assessments by the delinquent date to be reflected on the subsequent year's maintenance fee statement, together with any other charges that may have accrued after the effective date of the Payment Plan.

**Default Under Payment Plan**

\_\_\_\_ (Owner/Member Initial) Owner/Member has read the terms of default and marked Owner's/Member's initials evidencing that Owner/Member understands that if Owner/Member does not make payment as agreed herein that the Payment Plan shall be void and the full unpaid Amount Owed by Member/Owner shall immediately become due and payable. Association will resume the collection process for the unpaid Amount Owed, together with any additional amounts that may have become due, using all remedies available under the Declaration and the applicable law. Member understands that he/she will be in default if:

- 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. makes a payment for less than the agreed upon amount for that calendar month; or
- d. fails to pay a future assessment by the due date in a Payment Plan which spans additional assessment cycles; or
- e. fails to maintain current contact information with Association.

