



FIRST SUPPLEMENTAL
NOTICE OF DEDICATORY INSTRUMENTS
FOR
BAY COLONY WEST HOMEOWNERS ASSOCIATION, INC.

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

The undersigned, being the authorized representative of Bay Colony West Homeowners Association, Inc., a property owner's association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby supplements the "Notice of Dedicatory Instruments for Bay Colony West Homeowners Association, Inc." ("Notice") recorded in the Official Public Records of Real Property of Galveston County, Texas on July 2, 2009 under Clerk's File No. 2009036628, which Notice was filed for record for the purpose of complying with Section 202.006 of the Texas Property Code.

- 1. Additional Dedicatory Instruments. In addition to the Dedicatory Instruments identified in the Notice, the following documents are Dedicatory Instruments governing the Association:
 - a. Payment Plan Policy for Bay Colony West Homeowners Association, Inc.; and
 - b. Billing and Collection Policy for Bay Colony West Homeowners Association, Inc.

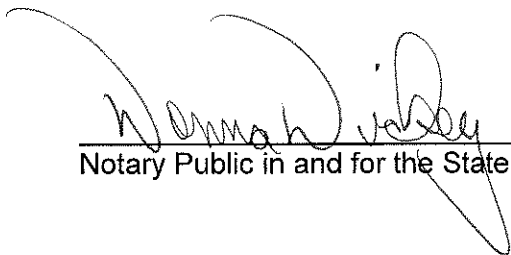
This First Supplemental Notice is being recorded in the Official Public Records of Real Property of Galveston County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this First Supplemental Notice is true and correct and the documents attached to this First Supplemental Notice are the originals.

Rick S. Butler, authorized representative of
Bay Colony West Homeowners Association, Inc.

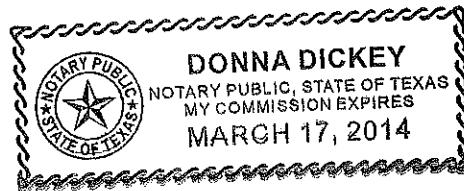
THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Bay Colony West Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 29th day of December, 2011, to certify which witness my hand and official seal.



Notary Public in and for the State of Texas



Return to:
BUTLER | HAILEY
Mr. Rick S. Butler
8901 Gaylord Drive, Suite 100
Houston, Texas 77024

209136

**PAYMENT PLAN POLICY
FOR
BAY COLONY WEST HOMEOWNERS ASSOCIATION, INC.**

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

I, Adam Lambert, President of Bay Colony West 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 26 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. Chapter 209 of the Texas Property Code was amended to add Section 209.0062 to require property owners' associations 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.
2. The new law relating to alternative payment schedules (i.e., payment plans) becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt a payment plan policy consistent with the provisions of Section 209.0062 of the Texas Property Code.

POLICY:

It is the policy of the Association to provide an alternative payment schedule by which an Owner may make payments to the Association for assessments or other amounts owed to the Association without accruing additional monetary penalties, as follows:

1. **Applicability.** This policy only applies to delinquent Residential Assessments, Neighborhood Assessments, Specific Assessments, Capitalization Payments, and Special Assessments, as identified and defined in the Declaration of Covenants, Conditions and Restrictions for Bay Colony West Single Family Residential Areas (the "Declaration") or other amounts owed the Association prior to the debt being turned over to a "collection agent" as that term is 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 maximum of three (3) months, with the payments being equal payments of one-third (1/3) of the delinquent amount included 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 or delivered. A payment plan shall not be effective until the Owner executes the required Payment Plan Agreement.

4. **Sums Included in Plan.** The payment plan shall include all delinquent assessments and other sums owed to the Association as of the effective date of the Payment Plan Agreement. The payment plan shall not include any assessments which have not become due and payable to the Association as of the effective date of the Payment Plan Agreement. The Payment Plan Agreement shall provide that any assessments or other valid charges that become due and payable to the Association per the dedicatory instruments of the Association during the term of the payment plan must be paid in a timely manner.

5. **Grace Period.** There will be a grace period of three (3) business days from the due date for a payment. 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 and Interest.** 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, as follows: \$25.00 for the preparation of a Payment Plan Agreement and \$5.00 per payment for receiving, documenting and processing each payment. During the term of the payment plan, interest shall continue to accrue on delinquent assessments at the rate provided in the Declaration.

7. **Monthly Penalties.** During the term of the payment plan, the Association shall not impose any monetary penalties with respect to the delinquent assessments and other charges included in the payment plan, except as provided in Section 6. Monetary penalties include late charges and fees otherwise charged by the management company and/or Association and added to the Owner's account as a result of the account being delinquent, if any.

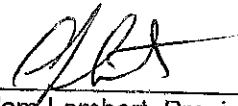
8. **Default.** If an Owner fails to make a payment to the Association by the end of the grace period applicable to the due date for that payment, the Owner shall be in default of the Payment Plan Agreement, at which point the Payment Plan Agreement shall automatically become void. The Association may 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. If the Association receives a payment after the expiration of the grace period and before the Association notifies the Owner that the Payment Plan Agreement is void, the Association may accept the payment and apply it to the Owner's account. The acceptance of a payment made by an Owner after the Payment Plan Agreement has become void shall not reinstate the Payment Plan Agreement.

9. **Owners Not Eligible for a Payment Plan.** The Association is not required to enter into a payment plan with an Owner who failed to honor the terms of a previous payment plan during the two (2) years following the Owner's default under the previous payment plan.

I hereby certify that I am the duly elected, qualified and acting President of the Association and that the foregoing Payment Plan Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

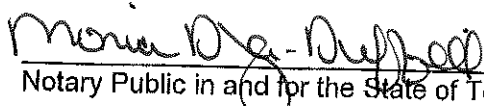
TO CERTIFY which witness my hand this the 26th day of December, 2011.

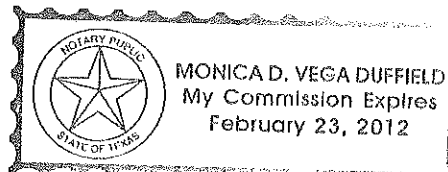
**BAY COLONY WEST HOMEOWNERS
ASSOCIATION, INC.**

By: 
Adam Lambert, President

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

BEFORE ME, the undersigned notary public, on this 26th day of December, 2011 personally appeared Adam Lambert, President of Bay Colony West Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.


Notary Public in and for the State of Texas



Return to:
Rick S. Butler
Butler | Hailey
8901 Gaylord, Suite 100
Houston, Texas 77024

208500

**BILLING AND COLLECTION POLICY
FOR
BAY COLONY WEST HOMEOWNERS ASSOCIATION, INC.**

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

I, Adam Lambert, President of Bay Colony West 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 26 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 Billing and Collection Policy was duly approved by a majority vote of the members of the Board:

RECITALS:

1. New laws relating to the collection of assessments by property owners' associations become effective on January 1, 2012.
2. The Board of Directors of the Association desires to adopt a Billing and Collection Policy consistent with new laws and the Declaration of Covenants, Conditions and Restrictions for Bay Colony West Single Family Residential Areas (the "Declaration").

POLICY:

It is the policy of the Association to collect annual assessments which are not paid in a timely manner as follows:

1. Statements for Assessments. The Association shall send a statement for the annual Residential Assessment to each Owner of a Lot in the month preceding the month in which payment of the annual assessment becomes due (i.e., in December). The statement shall be forwarded to an Owner at the last known mailing address of the Owner according to the records of the Association. It is the responsibility of the Owner to notify the Association in writing of a change in the Owner's mailing address. The submission of a check which sets forth an address for the Owner that is different from the mailing address previously provided by the Owner to the Association does not constitute written notice of a change of the Owner's mailing address.

2. Due Date. Annual Residential Assessments are due on the first (1st) day of January of each year. An annual Residential Assessment which is not received by the Association by January 31st of the year in which the annual Residential Assessment becomes due shall be deemed to be delinquent and shall bear interest at the rate of eighteen percent (18%) or the maximum, non-usurious rate, whichever is less, per annum from the original due date (January 1st) until paid. A reasonable late fee in an amount to be determined by the Board shall also be charged to the Owner of the Lot for which the annual Residential Assessment becomes delinquent.

3. Application of Payments. A payment received from an Owner shall be applied in the following order of priority:

- a. any delinquent assessment (whether a Residential Assessment, a Neighborhood Assessment, a Special Assessment, a Specific Assessment or a Capitalization Fee);
- b. any current assessment (whether a Residential Assessment, a Neighborhood Assessment, a Special Assessment, a Specific Assessment or a Capitalization Fee);
- c. any attorney's fees or third party collection costs incurred by the Association solely with assessments or any other charges that could provide the basis for foreclosure (i.e., charges secured by the Association's lien);
- d. any attorney's fees incurred by the Association that are not associated with assessments;
- e. any fines assessed by the Association; and
- f. any other amounts owed to the Association.

4. Insufficient Check. If an Owner submits a check in payment of all or some portion of the Owner's assessment account and the check is returned unpaid due to insufficient funds in the account, future payments of sums owed to the Association must be made by cashier's check or money order. The sum of \$25.00 shall be charged to an Owner for a check returned due to insufficient funds.

5. Delinquency Notice. If an Owner's assessment account becomes delinquent, a delinquency notice shall be sent to the Owner as soon as possible after the account becomes delinquent. The delinquency notice shall be sent to the Owner by certified mail, return receipt requested, and shall:

- a. specify each delinquent amount and the total amount of the payment required to make the account current;
- b. advise the Owner of the availability of a payment plan in accordance with the Association's recorded Payment Plan Policy;
- c. provide a period of at least thirty (30) days to cure the delinquency before further collection action is taken; and
- d. advise the Owner that if, after the thirty (30) day period has expired, the Owner has not entered into a payment plan and account remains delinquent, the account will be referred to the Association's attorney and any fees and costs thereafter incurred by the Association will be added to the Owner's account in accordance with the Declaration.

6. Suspension of Privileges. If an Owner's assessment account becomes delinquent, the Association may also suspend the Owner's right to use the recreational facilities of the Association after giving written notice to the Owner in accordance with Section 209.006 of the Texas Property Code. The suspension of an Owner's right to use the recreational facilities of the Association shall be in addition to, not in lieu of, all other remedies available to the Association for non-payment of assessments.

7. Attorney Action. If, after a delinquency notice is sent to an Owner, the Owner fails to respond to request a payment plan or pay the amount required to make the account

current within thirty (30) days, the account will be referred to the Association's attorney for collection. The Association's attorney will forward a thirty (30) day demand for payment to the Owner, which demand shall also advise the Owner that the failure to pay the amount due may result in further legal action, including foreclosure of the Association's lien. Provided that, action to foreclose the Association's lien shall not be commenced unless authorized by the Board of Directors of the Association.

8. **Payment Plan.** Any payment plan entered into by and between the Association and an Owner shall be in accordance with the Association's recorded Payment Plan Policy.

I hereby certify that I am the duly elected, qualified and acting President of the Association and that the foregoing Billing and Collection Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

TO CERTIFY which witness my hand this the 26th day of December, 2011.

BAY COLONY WEST HOMEOWNERS ASSOCIATION, INC.

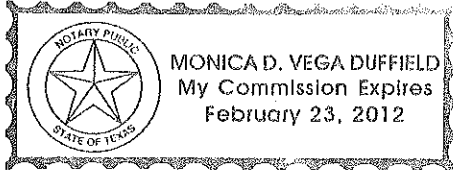
By: [Signature]
Adam Lambert, President

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

BEFORE ME, the undersigned notary public, on this 26th day of December, 2011 personally appeared Adam Lambert, President of Bay Colony West Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

[Signature]
Notary Public in and for the State of Texas

Return to:
Rick S. Butler
Butler | Hailey
8901 Gaylord, Suite 100
Houston, Texas 77024



208494