

PAYMENT PLAN POLICY
FOR
VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

I, Dan Reynolds, President of Valley Ranch 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 27th day of Nov, 2012, 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) became 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 delinquent regular or special assessments or other amounts owed to the Association without accruing additional monetary penalties, as follows:

1. **Applicability.** This policy only applies to delinquent regular assessments, special assessments 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 three (3) months, unless otherwise agreed in writing by the Board, with the payments being in equal monthly amounts over the duration of the payment plan period.
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 regular and/or special 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: \$35.00 for the preparation of a Payment Plan Agreement and \$10.00 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 of Covenants, Conditions and Restrictions for Valley Ranch Single Family Residential Areas.

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 Montgomery County, Texas.

TO CERTIFY which witness my hand this the 9th day of Jan 2013.

VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

By: [Signature]
Print Name: Dan Reynolds President

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

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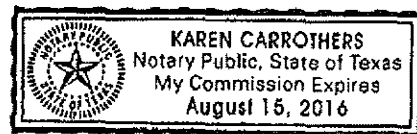
BEFORE ME, the undersigned notary public, on this 9th day of January, 2013 personally appeared Dan Reynolds, President of Valley Ranch Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.

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

Return to:

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

222002



SECOND SUPPLEMENTAL
NOTICE OF DEDICATORY INSTRUMENTS
FOR
VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
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COUNTY OF MONTGOMERY §

The undersigned, being the authorized representative of Valley Ranch Homeowners Association, Inc., a property owners' association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby supplements the "Notice of Dedicatory Instruments for Valley Ranch Homeowners Association, Inc." ("Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on June 6, 2008 under Clerk's File No. 2008-056313, and the "First Supplemental Notice of Dedicatory Instruments for Valley Ranch Homeowners Association, Inc." (the "First Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 1, 2008 under Clerk's File No. 2008-096645, which documents were 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 and the First Supplemental Notice, the following documents are Dedicatory Instruments governing the Association:

- Payment Plan Policy for Valley Ranch Homeowners Association, Inc.;
- Open Records Policy for Valley Ranch Homeowners Association, Inc.; and
- Records Retention Policy for Valley Ranch Homeowners Association, Inc.

This Second Supplemental Notice is being recorded in the Official Public Records of Real Property of Montgomery 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 Second Supplemental Notice is true and correct and the documents attached to this Second Supplemental Notice are the originals.

Executed on this 10th day of January, 2013.

VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

By: 
Rick S. Butler, authorized representative

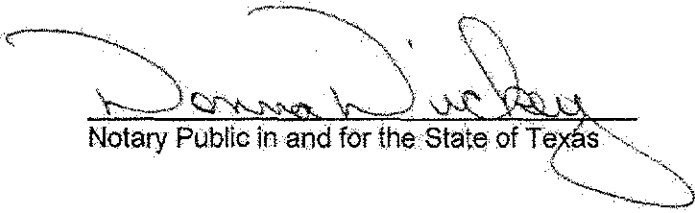
THE STATE OF TEXAS

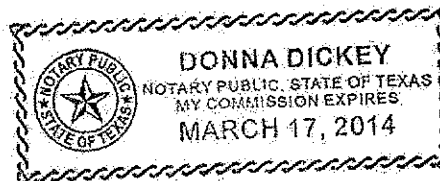
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COUNTY OF MONTGOMERY

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Valley Ranch 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 10th day of January, 2013, to certify which witness my hand and official seal.


Notary Public in and for the State of Texas



Return to:

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

216763

E-FILED FOR RECORD
01/11/2013 10:29AM

Mark Turnbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was e-FILED in
file number sequence on the date and at the time
stamped herein by me and was duly e-RECORDED in
the Official Public Records of Montgomery County, Texas.

01/11/2013



Mark Turnbull

County Clerk
Montgomery County, Texas