

**PAYMENT PLAN POLICY OF
PEACH CREEK PLANTATION PROPERTY OWNERS
ASSOCIATION**

WHEREAS, the property affected by this Payment Plan Policy is as follows:

- Peach Creek Plantation, Section One, Montgomery County, Texas;
- Peach Creek Plantation, Section Two, Montgomery County, Texas;
- Peach Creek Plantation, Section Three, Montgomery County, Texas;
- ZOE Estates, Montgomery County, Texas;
- Peach Creek Estates, Section One, San Jacinto County, Texas;

WHEREAS, pursuant to the authority vested in Peach Creek Plantation Property Owners Association (the "Association") in the covenants, conditions and restrictions applicable to said properties and as required by the TEXAS PROPERTY CODE, the Board of Directors of the Association (the "Board") hereby promulgates the following Payment Plan Policy.

NOW, THEREFORE, BE IT RESOLVED that the following conditions and requirements are hereby established for Association Payment Plans:

1. Subject to Section 12 below, owners are entitled to make partial payments for delinquent amounts owed to the Association under a Payment Plan in compliance with this Policy.
2. Late fees, penalties and delinquent collection related fees will be not be added to the owner's account while the Payment Plan is active. The Association may impose a fee for administering a Payment Plan. Such fee, 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 Declarations. The Association can provide an estimate of the amount of interest that will accrue under any proposed plan.
3. All Payment Plans must be in writing on the form provided by the Association and signed by the owner.
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 plan; and
 - c. acceptance by the Association as compliant with this Policy.
5. 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.
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 Plans may not exceed eighteen (18) months.
 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. 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.
 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 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; or
 - d. fails to pay a future assessment by the due date in a Payment Plan which spans additional assessment cycles.

In the absolute discretion of the Association, the Association may waive default under item b, c or d above if the owner makes up the missed or short payment on the immediate next calendar month payment. The Association may, but has no obligation to, provide a courtesy notice to the owner of the missed or short payment.

10. On a case-by-case basis, the Association may agree, but has no obligation, to reinstate a voided Payment Plan once during the original duration of the Payment Plan if all missed payments are made up at the time the owner submits a written request for reinstatement.
11. If a Payment Plan is voided, the full amount due by the owner shall immediately become due. The Association will resume the process for collecting amounts owed using all remedies available under the covenants, conditions and restrictions applicable to the above referenced subdivisions and available under the law.
12. The Association has no obligation to accept a Payment Plan from any owner who has defaulted on the terms of a Payment Plan within the last two (2) years.

This Policy is effective upon recordation in the Public Records of Montgomery County, Texas, and San Jacinto County, Texas and supersedes any policy regarding alternative payment schedules which may have previously been in effect. Except as affected by the TEXAS PROPERTY CODE and/or by this Policy, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.