

COLLECTION AND PAYMENT PLAN POLICY
for
RANCHES OF CLEAR CREEK COMMUNITY ASSOCIATION

THE STATE OF TEXAS §
 §
COUNTY OF WALLER §

I, Michelle Talley, Secretary of Ranches of Clear Creek Community Association ("Association"), do hereby certify that in the open session of a properly noticed meeting of the Board of Directors ("Board") of the Association, duly called and held on the 14th day of April, 2025, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Collection and Payment Plan Policy was duly approved by at least a majority vote of the members of the Board present at the meeting.

RECITALS:

1. This property encumbered by this Policy is that property initially encumbered by the Declaration of Covenants, Conditions and Restrictions for the Ranches at Clear Creek, recorded under Clerk's File No. 600713 in the Official Public Records of Waller County, Texas, as same may be or has been amended from time to time, including any additional property being subject to the jurisdiction of the Association ("Declaration").
2. The Board enforces the provisions of the Declaration applicable to the Property to address the collection and processing of assessments and other charges due and owing to the Association.
3. 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.
4. Article III, Section 3 of the Declaration authorizes the Board to levy late charges for Assessments that have not been received by the due date.
5. It is the policy of the Association to enforce the provisions of the Dedicatory Instruments applicable to the Property regarding the collection of assessments and other charges due in accordance with this Policy.

ARTICLE I: DEFINITIONS

Section 1. Capitalized terms used in this Policy have the following meanings:

1.1. Assessment - The Residential Assessments and other assessments including, but not limited to, Special Assessments, Specific Assessments, and any other charge(s) for which an Owner is responsible as provided for in the Declaration which is secured by the Association's lien and the collection which is governed by the Declaration and/or state law.

1.2. Declaration - shall mean the Declaration of Covenants, Conditions and Restrictions for the Ranches at Clear Creek, recorded under Clerk's File No. 600713 in the Official Public Records of Waller County, Texas.

"Declaration" also includes any other applicable amendments, annexations or supplements not included in the list above and any future amendments, annexations or supplements.

1.3. Dedicatory Instruments - Each document governing the establishment, maintenance or operation of the properties within the Property, as more particularly defined in Section 202.001(1) of the Texas Property Code.

1.4. Property shall mean the property encumbered by the Declaration.

"Property" shall also include any and all other subdivisions that have been annexed or will be annexed into or otherwise fall under the jurisdiction of the Association, if any, that are not included above.

Other capitalized terms used herein have the same meanings as that ascribed to them in the Declaration.

ARTICLE II: COLLECTIONS

Section 1. Due Date. Each Residential Assessment shall be due by the first (1st) day of January or such other date established by the Declaration or the Board of Directors ("**Board**"). Each Specific Assessment due date will vary depending on when it is levied. Each Special Assessment due date will vary based on the discretion of the Board. All other Assessments shall be due in the time period established by the Board if such date is not established in the Declaration.

Section 2. Cost Recovery. Each Assessment, together with interest, costs, late charges and attorney fees incurred in a collection action shall be secured by a continuing lien upon each Lot and shall be the personal obligation of the Owner. Unless otherwise prohibited by law or as

otherwise provided by the Association's Dedicatory Instruments, all costs of collection, expenses, and fees charged to, or paid by, the Association collecting, or attempt to collect, Assessments shall be assessed against the Lot and shall also become the personal obligation of the Owner as and when incurred. Cost of collection shall include, but not be limited to, charges imposed by the Association for sending collection notices/letters, charges imposed by the Association's management company for sending collection notices/letters, attorney fees, legal expenses (postage, copies, filing fees, etc.), and charges or administrative costs/fees imposed by the Association's management company for monitoring delinquent accounts and/or turning over delinquent accounts to the Association's collection agent (including the Association's attorney).

Section 3. Delinquency Processing. The delinquent date for all Assessments will be thirty (30) days from the Due Date, unless otherwise stated in the Declaration or action approving same.

Section 4. Notices. All collection notices sent to the Owner below shall contain notice of the amount then due.

- 4.1. **Delinquent Notice(s).** The Association may, but is not required to, send one or more delinquent notices at a time to be determined by the Board before sending the Final Delinquent Notice described below.
- 4.2. **Final Delinquent Notice.** The Association shall, before turning a delinquent owner over to a collection agent (including the Association's attorney), send to the Owner a notice that complies with Section 209.0064 of the Texas Property Code. Additionally, if an Owner's use rights in the Common Area are to be suspended, the notice may include the provisions required by Section 209.006 of the Texas Property Code. The Association retains the right to send a letter that complies with Section 209.006 of the Texas Property Code regarding suspension of an Owner's Common Area use rights as a separate mailing.

Section 5. Interest. Unless otherwise provided by the Declaration, any Assessment not paid within thirty (30) days of the Due Date shall bear interest at a rate of eighteen percent (18%) per month.

Section 6. Late Charge. A late charge will be incurred on any Residential Assessment not paid in full within thirty (30) days of the date the Assessment became due. The late charge will be based upon the full amount of the applicable Assessment regardless of whether the full amount of the applicable Assessment is delinquent, or some portion less than the full amount of the applicable Assessment is delinquent. Late charges are in addition to, not in lieu of, interest.

Section 6. Payment Plan and Partial Payments. All Owners will be offered a payment plan in accordance with Section 209.0062 of the Texas Property Code and the Association's Payment Plan Policy below. If accepted by the Association, partial payments shall be posted in

accordance with Section 209.0063 of the Texas Property Code unless the owner is in default under a payment plan at the time the Association receives the payment. The acceptance of a partial payment for less than the full amount due at the time payment is made shall not constitute waiver or forgiveness of the remaining balance. If an Owner enters into a payment plan per the Association's Payment Plan Policy, Owner is responsible for any and all administrative cost provided for in the Payment Plan Policy. The Association will not accept cash payments.

Section 7. Dishonored Checks. Checks dishonored by the bank (e.g., NSF checks) may (but are not required to) be re-deposited by the Association. Whether or not a dishonored check is re-deposited, a dishonored check will incur a dishonored check processing fee in the amount of \$25.00 to offset the additional processing involved and a dishonored check notice may (but is not required to) be sent requesting payment in full by cashier's check or money order. In the event a dishonored check notice is sent and the amount due is not paid in full within ten (10) days of the mailing of the dishonored check notice, the Association may initiate or continue collection activity. If a dishonored check notice is not sent, the Association may proceed with collection activity immediately. In addition to the dishonored check fee charged by the Association, any bank fee(s) or any other type of fee(s) charged to the Association because of the dishonored check [including a management company fee(s), if any] shall be charged against the Owner's account and the amount of the dishonored check shall be reposted to the Owner's account. An Owner shall be responsible for all charges and/or fees incurred by the Association as a result of a dishonored check.

Section 8. Owner's Mailing Address. It is the responsibility and obligation of each Member who owns a Lot under the jurisdiction of the Association to provide the Member's mailing address to the Association and to promptly notify the Association in the event the Member's mailing address changes. In order to be effective, notice of the Member's mailing address or a change of the Member's mailing address must be mailed to the Association by any method of mailing for which evidence of receipt of such mailing by the Association is provided by the United States Postal Service or a common carrier. It is the Member's responsibility to maintain evidence of receipt by the Association of Owner's notice of address change. The Association may, at its discretion, accept a notification of a change in an Owner's mailing address sent by regular mail or e-mail, however, an Owner that disputes the mailing address listed in the Association's records must be able to prove that the Owner sent an address change notification by providing evidence of receipt by the Association of Owner's notice of address change that was sent by any method of mailing for which evidence of receipt of such mailing by the Association is provided by the United States Postal Service or a common carrier. Unless the Association is otherwise notified in writing, the Owner's mailing address shall be deemed to be the street address of the Owner's Lot or the last alternative mailing address provided to the Association by the Owner in writing. All notices to an Owner pursuant to State law and the Association's governing documents shall be mailed to the Owner at the Owner's last known mailing address. If mail to an Owner is returned undelivered, or the Association otherwise reasonably determines that the last known mailing address of the Owner may not be valid, the Association has the right, but not the obligation, to conduct a title search or other searches for the purpose of attempting to

either verify the Owner's current mailing address or to obtain the Owner's current mailing address. Any costs incurred by the Association to verify an Owner's current mailing address or obtain an Owner's current mailing address shall be, to the extent permissible under the Association's Dedicatory Instruments and state law, charged to the Owner. The failure of an Owner to receive a notice(s) or to properly notify the Association of a change in an Owner's mailing address shall in no way waive or negate the Owner's obligation to pay any Assessment or charge(s) authorized by the Declaration or state law. The submission of a check or other form of payment to the Association which sets forth an alternative address does not constitute notice of a change of the Owner's mailing address.

Section 9. Referral of Account to Association's Collection Agent. The Association, the Board, an individual Board member, the Association's office staff if any, or the Association's management agent may, without further approval of or action needed by the Board other than the adoption of this Policy in the open session of a properly noticed Board meeting and filing this Policy in the applicable county records, refer any account to the Association's collection agent (including the Association's attorney) on which any portion of: (a) the current year's Assessment is delinquent; and/or (b) any portion of a previous year's Assessment is delinquent; and/or (c) any other charge(s) due and owing to the Association that is authorized in the Association's Dedicatory Instruments or by state law is delinquent. Upon referral of an account to the Association's collection agent (including the Association's attorney) for collection, the collection agent is authorized to, without further instruction from the Board, take whatever action is necessary to collect the amount due including, but not limited to, sending demand letters, filing a lawsuit against the delinquent Owner for a money judgment and/or a judicial foreclosure, instituting an expedited foreclosure action if authorized by the Declaration and/or state law, foreclosing on the Lot or any non-exempt assets of an Owner (includes the authority to allow the Association's attorney or designated agent to bid on and purchase the property at a trustee foreclosure sale or at a constable/sheriff's sale), and, in the event an Owner files bankruptcy, filing necessary claims, objections and motions in the bankruptcy court, and monitoring the bankruptcy case in order to protect the Association's interests.

Section 10. Required Action. Nothing contained herein, not otherwise required by the Declaration or by law, shall require the Association to take any of the actions contained herein. The Association's Board of Directors shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis and proceed with collection activity as in its best judgment deems reasonable.

Section 11. Lien Filing. In the event the Association decides to file an assessment lien, before the Association files the assessment lien (as that term is defined in Texas Property Code Section 209.0094), the Association must:

- a. Send an initial notice of delinquency:

(1) by first class mail to the Owner's last known mailing address as reflected in the Association's records;

or

(2) by e-mail to an e-mail address the Owner has provided to the Association.

and

b. Send a second notice of delinquency by certified mail, return receipt requested, to the Owner's last known mailing address as reflected in the Association's records not earlier than the 30th day after notice is given under Subsection a(1).

The Association may not file an assessment lien before the 90th day after the date notice of delinquency was sent to the property owner under Section 11.b.

ARTICLE III: PAYMENT PLANS

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 Assessments or other amounts owed to the Association without accruing additional monetary penalties, as follows:

Section 1. Applicability. This policy only applies to delinquent Assessments or other amounts owed to 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.

Section 2. Term. The term for a payment plan offered by the Association will be a minimum of three (3) months and a maximum of six (6) months. The maximum period for a payment plan may be extended if the Board of Directors determines, in its sole judgment, that hardship conditions exist necessitating a longer payment plan period.

Section 3. Payment Plan Agreement. The Owner is 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 is not effective until the Owner executes the required Payment Plan Agreement.

Section 4. Sums Included in Plan. The payment plan will include all delinquent Assessments and other sums owed to the Association as of the effective date of the Payment Plan Agreement. The payment plan will 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 may 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.

Section 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 will be deemed to be in default of the Payment Plan Agreement.

Section 6. Administrative Costs and Interest. The Association may add to the delinquent assessments and other amounts owed to the Association to be paid in accordance with the Payment Plan Agreement, the higher of: (a) \$30.00 for the preparation of a payment plan and \$10.00 for processing each payment on the payment plan; or (b) the actual cost charged to the Association by the Association's management company/managing agent for preparing the payment plan and processing each payment on the payment plan. During the term of the payment plan, interest at the rate provided in the Declaration will continue to accrue on delinquent assessments.

Section 7. Monthly Penalties. During the term of the payment plan, the Association may 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, by way of example and not in limitation, late charges.

Section 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 will be in default of the Payment Plan Agreement, at which point the Payment Plan Agreement will 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 is not 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 does not reinstate the Payment Plan Agreement.

Section 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. The Association is not required to make a payment plan available to an Owner after a notice in accordance with Section 209.0064(b)(3) has been sent to the Owner and the period in that notice has expired. Finally, the Association is not required to allow an Owner to enter into a payment plan more than once in any twelve (12) month period.

FILED AND RECORDED

Instrument Number: 2504284

Filing and Recording Date: 04/16/2025 10:37:44 AM Pages: 20 Recording Fee: \$87.00

I hereby certify that this instrument was FILED on the date and time stamped hereon by me and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Waller County,



A handwritten signature in cursive script that reads "Debbie Hollan".

Debbie Hollan, County Clerk
Waller County, Texas

ANY PROVISION CONTAINED IN ANY DOCUMENT WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR IS INVALID UNDER FEDERAL LAW AND IS UNENFORCEABLE.

CSC, Deputy

Returned To:
ROBERTS MARKEL WEINBERG BUTLER HAILEY
2800 POST OAK BLVD FL 57
HOUSTON, TX 77056