

**RESOLUTION OF THE BOARD OF DIRECTORS
OF SCENIC HILLS COMMUNITY ASSOCIATION, INC.**

**TO ADOPT
AN ALTERNATIVE PAYMENT SCHEDULE
POLICY FOR CERTAIN ASSESSMENTS
AND OTHER CHARGES**

I. RECITALS

A. The Scenic Hills Community Association, Inc. (the "Association") is a nonprofit corporation formed by the Secretary of State of Texas under File Number 6537620, and

B. The Association, acting through its Board of Directors, desires to promulgate and record an Alternative Payment Schedule Policy for Certain Assessments.

II. RESOLUTIONS

1. **RESOLVED** that adoption of the "Alternative Payment Schedule Policy for the Payment of Certain Assessments and Other Charges" attached hereto is in the best interests of the Association.

2. **RESOLVED** that the Association, acting through its Board of Directors, hereby adopts the "Alternative Payment Schedule Policy for Certain Assessments and other Charges" attached hereto.

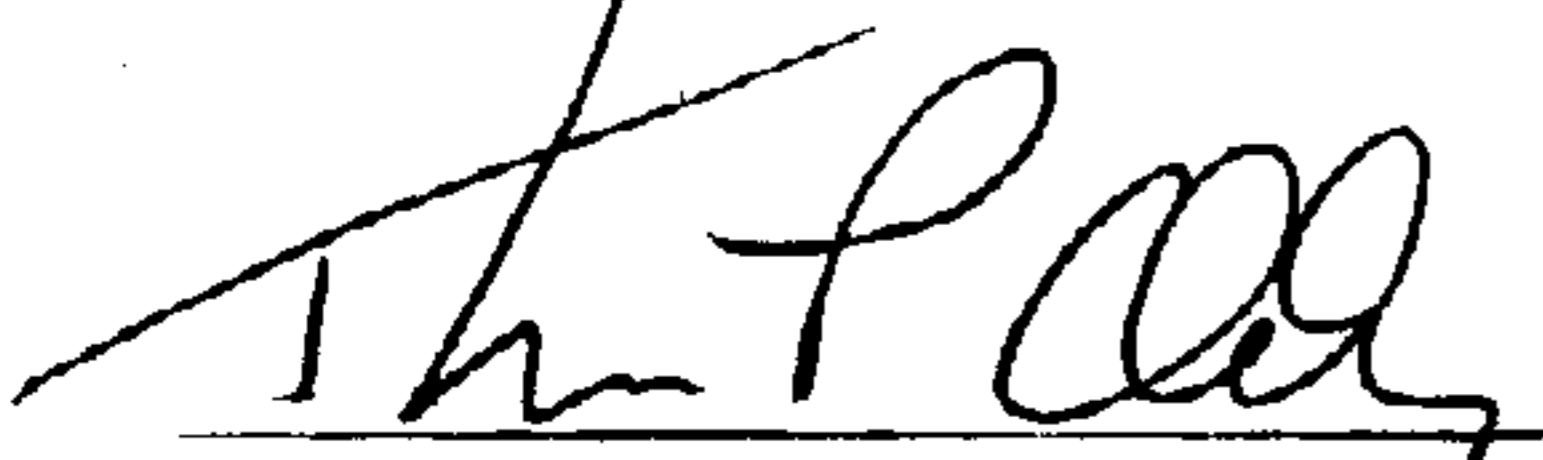
3. **RESOLVED** that the Association's managing agent, the Association Manager, is hereby instructed to:

- (a) Ensure that the executed Policy is delivered to the Guadalupe County Clerk for recording in the Real Property Records of Guadalupe County, Texas.
- (b) Make the executed and publicly recorded Policy available to Association members as an electronic file without charge upon request by an owner.
- (c) Post the executed and publicly recorded Policy on the Association's website.
- (d) Include an announcement about the Policy's adoption on the Association's website and in the community-wide publication issued next after the date of recording.

III. ADOPTED

C. The Resolutions hereinabove set out were properly moved, seconded and adopted by the Board of Directors on the 10 day of January, 2012.

For the Board of Directors:


Theron Ody, President

**SCENIC HILLS
COMMUNITY ASSOCIATION, INC.**

**ALTERNATIVE PAYMENT SCHEDULE
POLICY FOR CERTAIN ASSESSMENTS
AND OTHER CHARGES**

SUBDIVISION RECORDING DATA: Scenic Hills Community - Phase I, Subdivision Plat according to the map or plat thereof recorded May 15, 1981 in Volume 4, Pages 143-147 Map Records of Guadalupe County, Texas, as subsequently properly amended or altered.

DECLARATION RECORDING DATA: Amended and Restated Master Declaration of Covenants, Conditions, and Restrictions for Scenic Hills Community recorded on June 25, 2009 in Volume 2759, Page 421, Real Property Records of Guadalupe County, Texas, as subsequently properly amended or altered.

PURPOSE: The Purpose of this Policy is to comply with the requirements of the *Texas Property Code* amendments as enacted by the 82nd Texas Legislature, effective January 1, 2012.

FILING: Pursuant to the *Texas Property Code*, this Policy shall be recorded in the Real Property Records of Guadalupe County, Texas.

EFFECT AND EFFECTIVE DATE: This Policy is effective January 1, 2012. Upon its effective date, this Policy replaces and renders void any previously established policy or procedure related to the matters subject hereto.

SETTING AND COLLECTION OF REGULAR AND SPECIAL ASSESSMENTS AND OTHER CHARGES: Consistent with the Scenic Hills Community Association, Inc.'s ("Association") Governing Documents, including the Articles of Incorporation, as restated or amended; the Declaration of Covenants, Conditions, and Restrictions, as restated or amended; and, the Bylaws, as restated or amended, the Board of Directors and/or Members of the Association, as required, shall set such annual assessments, special assessments, and other charges as may be permitted by the Governing Documents and applicable law.

a) Annual Assessments: Annual Assessments may be paid in a lump sum on or before the date any such assessment is due to be paid. Annual Assessments may also be paid based on a written agreement establishing a payment plan between the Association and the property owner. Such an agreement may not exceed twelve months in duration, and in no case will any single payment equal less than one twelfth (1/12) of the full amount due, including reasonable costs associated with administering the payment plan and interest as set out in the Association's Governing Documents or otherwise properly imposed. Partial payments shall begin on or before the fifth day of the first month in which the Annual Assessment is due and shall thereafter be paid on or before the fifth day of each month thereafter during the duration of the payment plan. The payment plan shall require that payments shall be made by check or money order.

b) Special Assessments and Other Charges: Special Assessments and Other Charges may be paid in a lump sum on or before the date any Special Assessment or Other Charge is due to be paid. Special

Assessments and Other Charges may also be paid based on a written agreement establishing a payment plan between the Association and the property owner. If the special assessment or charge is for six hundred dollars (\$600.00) or less, such an agreement may not exceed six months in duration, and in no case will any single payment equal less than one sixth (1/6) of the full amount due, including reasonable costs associated with administering the payment plan and interest as set out in the Association's Governing Documents or otherwise properly imposed. If the Special Assessment or Other Charge is for more than six hundred dollars (\$600.00), such an agreement may not exceed twelve months in duration, and in no case will any single payment equal less than one twelfth (1/12) of the full amount due, including reasonable costs associated with administering the payment plan and interest as set out in the Association's Governing Documents or otherwise properly imposed. In either case, partial payments shall begin on or before the fifth day of the first month in which the Special Assessment or Other Charge is due and shall thereafter be paid on or before the fifth day of each month during the duration of the payment plan. The payment plan shall require that payments shall be made by check or money order.

c.) Delinquent Assessments and Charges: Delinquent Assessments and Charges may be paid in a lump sum at any time during the delinquency. Delinquent Assessments and Charges may also be paid based on a written agreement establishing a payment plan between the Association and the property owner. If the Delinquent Assessment or Charge is for six hundred dollars (\$600.00) or less, such an agreement may not exceed six months in duration, and in no case will any single payment equal less than one sixth (1/6) of the full amount due, including reasonable costs associated with administering the payment plan and interest as set out in the Association's Governing Documents or otherwise properly imposed. If the Delinquent Assessment or Charge is for more than six hundred dollars (\$600.00), such an agreement may not exceed twelve months in duration, and in no case will any single payment equal less than one twelfth (1/12) of the full amount due, including reasonable costs associated with administering the payment plan and interest as set out in the Association's Governing Documents or otherwise properly imposed. Partial payments shall begin on or before the fifth day of the first month following the execution of the payment plan and shall thereafter be paid on or before the fifth day of each month during the duration of the payment plan. The payment plan shall require that payments shall be made by check or money order. In the case of Delinquent Assessments and Charges, the property owner must pay all other regularly accruing assessments and charges when they become due or in accordance with a payment plan. A failure to make such payments shall constitute a breach of any delinquent assessment or other charge payment plan established hereunder.

d) Prior Default: For a period of two years next following a default under a prior payment plan agreement, the Association is not required to enter into a new payment plan agreement with any property owner who defaulted on or failed to honor said prior payment plan agreement.

e) Monetary Penalties: Reasonable costs associated with administering the payment plan and interest are not monetary penalties and may be imposed and collected under a payment plan agreement. No monetary penalty shall otherwise be imposed under a payment plan agreement established hereunder.

f) Priority of Payment: Payments made pursuant to any payment plan established under this Policy shall be made directly to the Association and shall be applied in accordance with the *Texas Property Code* amendments as enacted by the 82nd Texas Legislature, effective January 1, 2012. Any future pertinent amendment thereto shall be considered an amendment to this Policy.

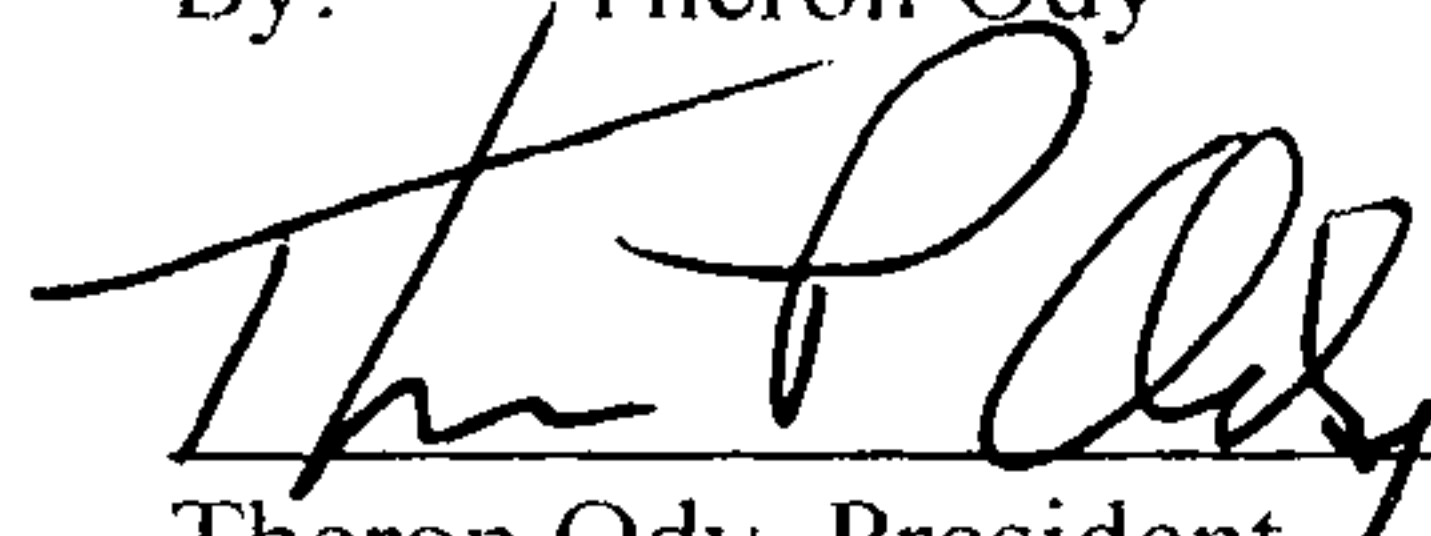
SAVINGS CLAUSE: Notwithstanding anything to the contrary in any writing or communication made by the Association, the Association will not, in any event, be entitled to receive or collect any charges or assessments in amounts greater than the maximum amounts permitted by applicable law. If, from any circumstances whatsoever, the Association charges or receives an amount in excess of the maximum charges permitted by law, the excess amount will be reimbursed to the property owner.

WAIVER: If otherwise authorized, the Association may, in individual circumstances, reduce or waive some or all of the charges or assessments addressed by this Policy pursuant to a property owner's request, but such waiver does not waive the Association's right to recover future or other assessments or charges from said property owner or any charges or assessments from any other property owners.

By signing below, the undersigned certifies that the Board of Directors of Scenic Hills Community Association, Inc. adopted this Policy to ensure that the Association complies with requirements of State Law, and that the Board of Directors instructed the undersigned to execute this Policy and effect its recording on behalf of the Association.

FOR SCENIC HILLS COMMUNITY ASSOCIATION, INC.

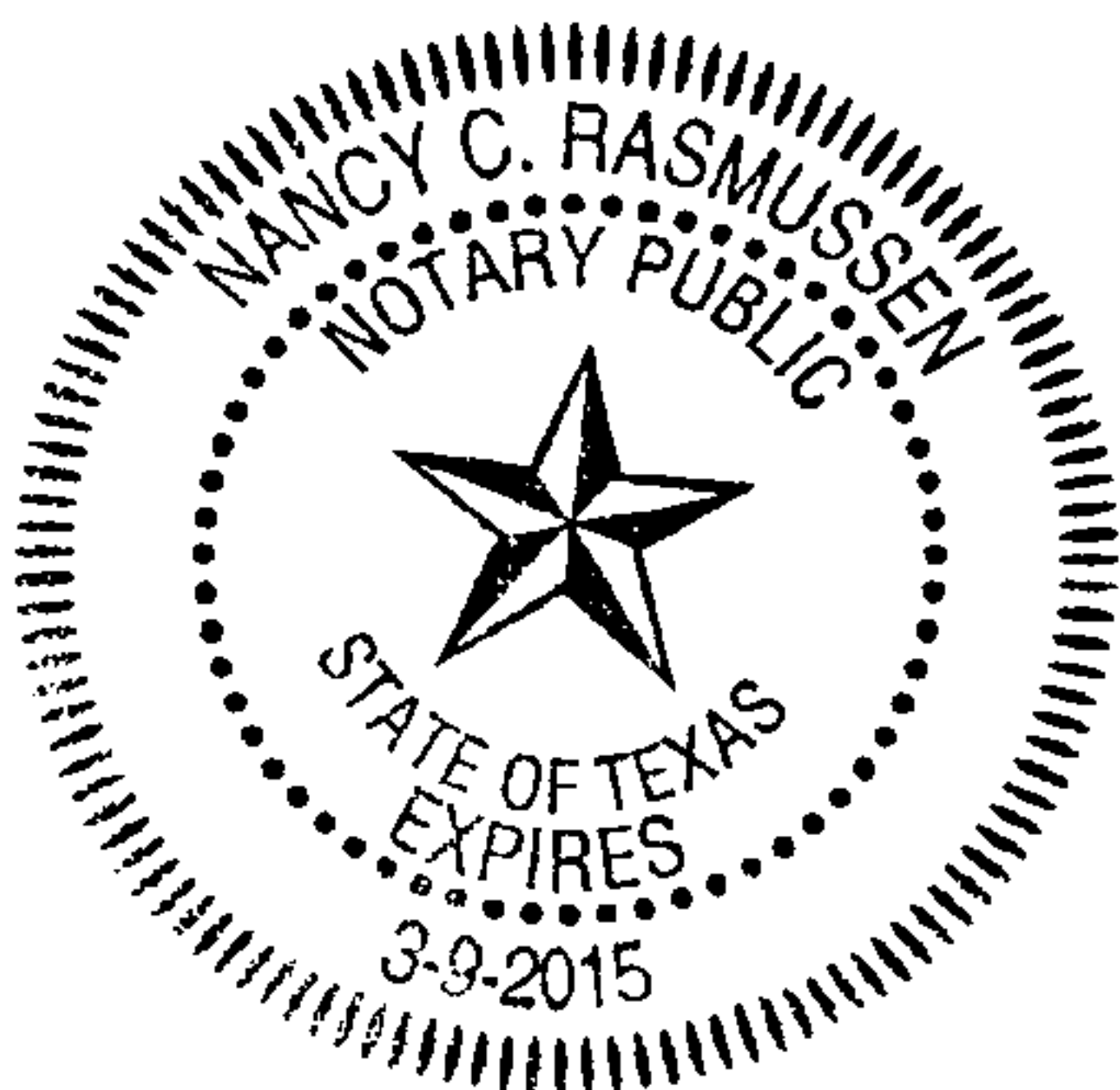
By: Theron Ody

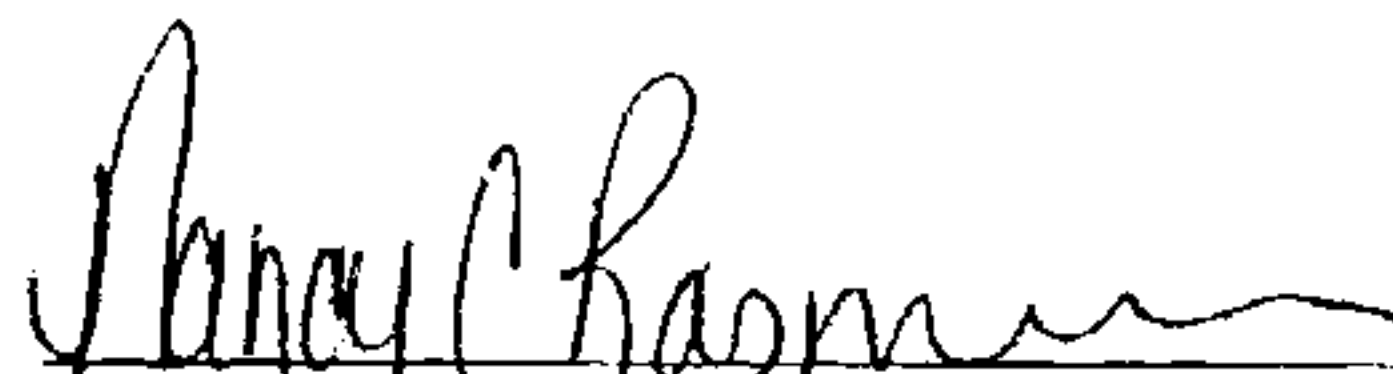


Theron Ody, President
The Board of Directors

THE STATE OF TEXAS §
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COUNTY OF GUADALUPE §

This instrument was acknowledged before me on this the 16 day of January, 2012 by Theron Ody, known to me by examination of his driver's license, on behalf of Scenic Hills Community Association, Inc.





Notary Public, State of Texas
January 16, 2012
My Commission Expires 3-9-2015