

**LIBERTY LAKES PROPERTY OWNERS'ASSOCIATION, INC.'S**  
**THIRD AMENDED COLLECTION AND PAYMENT PLAN GUIDELINES POLICY**  
**AND APPLICATION OF PAYMENTS SCHEDULE**

WHEREAS, Liberty Lakes Property Owners' Association, Inc. ("Association") constitutes a property owners association under the provisions of Chapter 209 of the Texas Property Code ("TPC") and is comprised of fifteen (15) or more lots; and

WHEREAS, the board of Directors of the Association (the "Board") desires to adopt payment plan guidelines pursuant to TPC Section 209.0062 and an application of payments schedule pursuant to TPC Section 209.0063.

NOW, THEREFORE, the Board hereby adopts this Third Amended Collection and Payment Plan Guidelines Policy and Application of Payments Schedule ("Policy"), effective as of December 16, 2022 as set forth below.

**TO THE EXTENT THAT ANY PROVISION OF THIS POLICY IS IN CONFLICT WITH THE TPC OR ANY OTHER APPLICABLE LAW, INCLUDING WITHOUT LIMITATION, GOVERNING TEXAS STATUTES, REGULATIONS, AND/OR COMMON LAW (REPORTED DECISIONS), SUCH CONFLICTING PROVISION SHALL BE SUPERSEDED BY THE APPLICABLE LAW.**

**THIS POLICY SUPERSEDES ANY CONFLICTING POLICIES, RULES, AND REGULATIONS ADOPTED BY THE ASSOCIATION.**

The adoption of this Policy for the purposes stated herein is in compliance with TPC Section 202.006, requiring all property Owners' associations to file all Governing Documents in the real property records of each county in which the Property to which the Governing Documents relate is located. This Policy shall become effective as of the date of adoption, December 26, 2022, when it is filed in the Official Public Records of Liberty County, Texas.

This Policy may be revoked or amended from time to time by the Board. This Policy will remain effective until the Association records an amendment to this Policy in the public records of Liberty County, Texas.

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**1. Due Date of Assessments.**

**Annual Assessments.** Annual assessments shall be due and payable as of December 31st (“Due Date”) of each year. Beginning on December 16, 2022, for undeveloped non-waterfront lots, the annual assessment shall be \$685.00 for the first lot and \$510.00 for each additional undeveloped lot. Undeveloped waterfront lots will be \$960.00 for the first lot and \$510.00 for each additional undeveloped waterfront lot. Beginning on December 16, 2022, for developed non-waterfront lots, which are lots that currently have a water meter or have had a water meter, the annual assessment shall be \$1,440.00 for the first lot and \$510.00 for each additional developed lot. Developed waterfront lots will be \$1,800.00 for the first lot and \$510.00 for each additional developed lot. Beginning December 16, 2022, annual dues for commercial developed lots shall be \$3,500.00. The Association will not accept cash as a form of payment for annual assessments. There shall be no discounts or “early bird” specials for early payment of annual assessments.

**Special Assessments.** Special assessments shall be billed pursuant to the terms adopted by the Board of Directors in accordance with the Association’s governing documents. The Association will not accept cash as a form of payment for special assessments. There shall be no discounts or “early bird” specials for early payment of special assessments.

An Owner acquiring a lot or multiple lots by transfer of title, excluding Developer, shall be responsible for the pro-rata portion of all outstanding assessments, whether annual or special, for the acquired lot(s) as of the date of the transfer, as well as the applicable transfer fee(s).

**Receipt of Billing.** It is the duty and obligation of each Owner to notify the Association by the 15th day of the month in which the Assessment is due if no bill is received. The failure to receive a bill shall not be a defense to the Owner’s obligation to pay the amount due.

**Account Information.** It is the sole responsibility and obligation of the Owner to provide the Association with the current billing information. If no information is provided, it shall be the presumption that the billing address of the Owner is the Property address of the Lot for which the assessments are due. Otherwise, the Association shall use the Owner’s last known mailing address as reflected in the records of the Association.

**Assessment Lien.** All assessments, charges, interest, and fees, and any other amounts due to the Association, including, but not limited to, reasonable attorney’s fees, management company fees, and other expenses incurred by the Association in collecting unpaid amounts or enforcing the Association’s governing documents, Bylaws, rules, regulations and/or policies of the Association, payable by the Owner shall be a charge on the Owner’s Lot(s) and secured by a continuing lien against the Lot(s), subject to the applicable limitations imposed by the Applicable Law, including the TPC.

2. **Account Fees.**

**Interest.** Any account balance not paid within thirty (30) days of the specified Due Date (“Delinquent Account”), shall bear interest at the rate of ten percent (10%) per annum. The accrual date shall begin on the Due Date as stated above. Additionally, the Association may charge a late fee of \$35.00 per month until the past due balance is paid in full.

**Lien and Filing Fees.** Any Delinquent Account for which an Affidavit of Non-Payment is filed in the real property records of Liberty County, Texas shall be charged the costs incurred by the Association for preparing the Affidavit and filing the Affidavit in the county records. All costs incurred in connection with the preparation and filing of any release of lien by the Association shall be assessed to the Delinquent Account.

**Return Payment Fee.** If an Owner’s payment is returned or dishonored for any reason, the Owner will be charged the lesser of \$25.00 or the maximum amount allowed by law per occurrence for the dishonored payment.

3. **Third Party Collection Costs.**

In the event the entire assessments are not paid in full or the Owner has not entered into a Payment Plan within fifteen (15) days of the Due Date, or there is a default on the Payment Plan, a demand letter (“Past Due Assessments Notice”) pursuant to TPC Section 209.0064, as amended, shall be sent via certified mail and first class mail, to each delinquent Owner.

The Past Due Assessments Notice shall set forth the following information:

- A. specify each delinquent amount and the total amount of the payment required to make the account current;
- B. describe the options the Owner has to avoid having the account turned over to a collection agent, including information regarding availability of a payment plan through the Association; and
- C. provide a cure period of at least 45 days (the “Cure Date”) for the Owner to pay the delinquency (or to enter into a payment plan) before further collection action is taken.

**Attorney’s Fees.** Pursuant to TPC Sec. 209.008(a), before the Association may charge the Owner the reasonable attorney’s fees and costs incurred by the Association in the collection of past due amounts, the Association must first provide the Owner with written notice (the “Attorney’s Fees Notice”) that the Association’s attorney’s fees and costs will be charged to the Owner if the delinquency continues after the Cure Date. The Attorney’s Fees Notice may be included in the Past Due Assessments Notice.

**Recovery of Attorney’s Fees.** Provided that the above Attorney’s Fees Notice is provided to the Owner, subject to the applicable provisions of TPC Section 209.008, the Association has the right to collect from the Owner the Association’s reasonable attorney’s fees and costs incurred in connection with the enforcement of the Governing Documents. The attorney’s fees and costs for

which the Owner is liable shall be added to the violating Owner's assessment account and shall be secured by the continuing lien against the Owner's Lot(s) as provided in the Association's governing documents.

**Administrative Fees.** If an Owner is delinquent in the payment of assessments or any other amounts owed to the Association, the Association and/or its management company or attorney may charge a reasonable administrative charge for monitoring and administering the Delinquent Account. If the delinquent Owner requests a Payment Plan Agreement, in addition to the monthly installment payment required, \$25.00 dollars per month will be added to each delinquent Owner's account balance to cover the administrative costs related to the Payment Plan, and such additional administrative costs will continue until the entire balance is paid in full.

**4. Enforcement.**

The Association has a duty to diligently collect all amounts due to the Association from its Owners and shall exercise due diligence in collecting all Delinquent Accounts. In the event any delinquent Owner fails to pay its Delinquent Account after the file is forwarded to an attorney for collection, the attorney is authorized to take whatever action is necessary, in accordance with Applicable Law and as authorized by the Board of Directors, to collect the Delinquent Account, including, but not limited to: sending demand letters, filing a lawsuit against the delinquent Owner for a money judgment and foreclosure, instituting an expedited foreclosure action or judicial foreclosure proceeding; and, filing the necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

In the event the Association has determined to foreclose its lien as provided in the Association's governing documents, and to exercise the power of sale thereby granted, if applicable, such foreclosure shall be accomplished pursuant to the requirements of TPC Section 209.0092 by first obtaining a court order in an application for Expedited Non-Judicial Foreclosure proceeding under the rules adopted by the Supreme Court of Texas. Alternatively, the Association may commence an action for a monetary judgment and the judicial foreclosure of the lien as permitted by Tex. R. Civ. P. 735.3, which provides that "any lien that may be foreclosed using Rule 736 procedures may also be foreclosed by judgment in an action for judicial foreclosure."

**Bankruptcies.** Upon receipt of any notice of a bankruptcy of an Owner, the account may be turned over to the Association's attorney so that the Association's interests may be protected.

**PAYMENT PLAN GUIDELINES**

**1. Eligibility for Payment Plan.**

Subject to the terms of this Policy, a member of the Association who is delinquent in the payment of any regular or special assessments, or any other amounts owed to the Association, including the costs of collection by the Association (hereinafter referred to collectively as the "**Assessment Delinquency**"), shall be entitled to enter into a payment plan agreement with the Association that allows such member to pay the Assessment Delinquency in installments without incurring additional monetary penalties (hereinafter referred to as "**Payment Plan Agreement**"). Each such Payment Plan Agreement shall be in accordance with the terms of these Payment Plan

Guidelines and the requirements of TPC Section 209.0062. All requests for a Payment Plan must be submitted by the delinquent Owner in writing and in a form provided by the Association.

Notwithstanding the foregoing, or any provision herein to the contrary, a member of the Association shall be ineligible to pay his or her Assessment Delinquency under a Payment Plan Agreement if such member has failed to honor the terms of a previous Payment Plan Agreement with the Association and it has been less than two (2) years since the member's default under the previous Payment Plan Agreement.

**2. Payment Plan Administrative Charges and Interest.**

In addition to the Assessment Delinquency, a member of the Association who enters into a Payment Plan Agreement shall be required to pay to the Association all reasonable costs associated with preparing the Payment Plan Agreement (hereinafter referred to collectively as the "Payment Plan Administrative Charges"). A member of the Association who enters into a Payment Plan Agreement with the Association shall also be required to pay all interest due and payable on the member's Assessment Delinquency in accordance with applicable provisions of the Governing Documents, which shall continue to accrue on the Assessment Delinquency during the term of the Payment Plan Agreement.

**3. Available Payment Plan Schedules.**

The Association has established three (3) alternative installment payment plan schedules (each hereafter referred to as a "Repayment Schedule"). Any member of the Association who is eligible to enter into a Payment Plan Agreement with the Association shall be entitled to select from any of the Repayment Schedules that he or she qualifies for, which shall be based on the total amount of the Assessment Delinquency owed by the member at the time the Payment Plan Agreement is entered into. The three (3) available Repayment Schedules are as follows:

*a. The Four-Month Repayment Schedule:*

Any member who owes the Association an Assessment Delinquency totaling \$400.00 or less shall be qualified to select the Four-Month Repayment Schedule. Under the Four-Month Repayment Schedule, the member shall pay the Assessment Delinquency, plus any Payment Plan Administrative Charges and accrued interest, in equal monthly installments over a period of four (4) months.

*b. Eight-Month Repayment Schedule:*

Any member who owes the Association an Assessment Delinquency totaling \$401.00-\$800.00 shall be qualified to select either the Four-Month Repayment Schedule or the Eight-Month Repayment Schedule. Under the Eight-Month Repayment Schedule, the member shall pay the Assessment Delinquency, plus any Payment Plan Administrative Charges and accrued interest, in equal monthly installments over a period of eight (8) months.

*c. Twelve-Month Repayment Schedule:*

Any member who owes the Association an Assessment Delinquency totaling \$801.00 or more shall be qualified to select either the Four-Month Repayment Schedule, the Eight Month Repayment Schedule, or the Twelve-Month Repayment Schedule. Under the Twelve Month Repayment Schedule, the member shall pay the Assessment Delinquency, plus any Payment Plan Administrative Charges and accrued interest, in equal monthly installments over a period of twelve (12) months.

**4. Payment Plan Agreement**

Each Payment Plan Agreement shall be evidenced in writing and executed by both the member and a duly authorized representative of the Association. The Payment Plan Agreement shall specify the total amount of the Assessment Delinquency owed to the Association as of the date of the Payment Plan Agreement, the total amount of the Payment Plan Administrative Charges and interest to be paid under the Payment Plan Agreement, and the term of the Repayment Schedule.

**5. Default of Payment Plan Agreement**

Each payment due under any Payment Plan Schedule shall be due and payable to the Association on or before the first (1st) day of each month during the term of the Payment Plan Agreement. Time is of the essence with respect to the payments under a Payment Plan Agreement, and the obligation to pay each monthly payment on or before the first (1st) day of each month must be strictly complied with. If a monthly payment made pursuant to a Payment Plan Agreement is returned for insufficient funds and/or if a payment is received after the due date thereof, it shall constitute a material breach of the Payment Plan Agreement. In such event, all unpaid amounts subject to the Payment Plan Agreement shall automatically, without any further notice from the Association, be accelerated and shall be immediately due and payable in full to the Association.

In such event, the member shall be considered in default of the Payment Plan Agreement until he or she pays the full amount of the accelerated Assessment Delinquency, Payment Plan Administrative Charges, and accrued interest subject to the Payment Plan Agreement to the Association (the “Payment Plan Default Period”). In addition, the defaulting member shall be liable for all costs of collection, including attorney’s fees, incurred by the Association to collect any remaining unpaid amounts subject to the Payment Plan Agreement, which shall be added to and included within the Assessment Delinquency that must be paid by the defaulting member to the Association under such Payment Plan Agreement.

Any payments received by the Association from a member of the Association who is in default under a Payment Plan Agreement with the Association during a Payment Plan Default Period shall be applied to the member’s debt or account in the following order of priority:

1. any reasonable attorney’s fees or reasonable third-party collection costs incurred by the Association in connection with the collection of the member’s debt;

2. any other fees and expenses reimbursable to the Association in connection with the collection of the member's debt;
3. any late charges and interest due by the member;
4. any past-due delinquent assessments (beginning with the oldest);
5. any current assessments;
6. any other reasonable amount owed to the Association (excluding fines); and
7. any reasonable fines assessed by the Association.

#### **APPLICATION OF PAYMENTS SCHEDULE**

In accordance with the terms of TPC Section 209.0063, except for payments made to the Association by members who are in default under a Payment Plan Agreement with the Association (as provided above), a payment received by the Association from a member shall be applied to the member's account in the following order of priority:

1. any delinquent assessments (beginning with the oldest);
2. any current assessments;
3. any reasonable attorney's fees or reasonable third-party collection costs incurred by the Association associated solely with the collection of unpaid assessments or any other charge that could provide the basis for foreclosure of the Association's assessment lien;
4. any reasonable attorney's fees incurred by the Association that are not associated solely with collection of unpaid assessments or that do not provide a basis for foreclosure of the Association's assessment lien;
5. any reasonable fines assessed by the Association; and
6. any other reasonable amount owed to the Association.

#### **Other Provisions**

The Board hereby authorizes and empowers Management to do all such things and perform all such acts as are reasonably necessary to implement and effectuate the purposes of this Policy without further action by the Board.

The terms and conditions of this Policy, as may be amended from time to time by the Board, shall bind all Owners including their heirs, successors, transferees, or assigns, and all Property as

defined in the Association's governing documents, and the Property shall hereafter be held, occupied, transferred, and conveyed subject to the terms and conditions of this Policy, as amended.

If a provision of this Policy, or its application to any person or circumstance, is invalid or unenforceable, then the remainder of this Policy or the application of those provisions to other persons or circumstances shall not be affected thereby.

**CERTIFICATION**

IN WITNESS WHEREOF, the undersigned, Lisa Gloyna, as the duly elected, qualified, and acting Secretary of Liberty Lakes Property Owners' Association, Inc., a Texas nonprofit corporation, hereby certifies on behalf of the Association that this Collection and Payment Plan Guidelines Policy and Application of Payments Schedule was duly adopted by the Board of Directors of the Association at a meeting of the Board held on December 16, 2022, and shall be effective as of December 16, 2022 upon its recording in the Official Public Records of Liberty County, Texas.

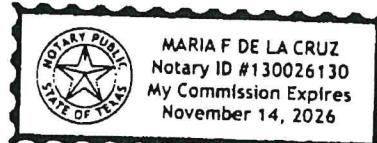
LIBERTY LAKES PROPERTY OWNERS' ASSOCIATION, INC.  
a Texas nonprofit corporation

By: Lisa Gloyna  
Lisa Gloyna, Secretary

THE STATE OF TEXAS      §  
CITY OF LIBERTY      §

This instrument was acknowledged before me on the 14 day of July,  
2023, by Lisa Gloyna, Secretary of Liberty Lakes Property Owners' Association, Inc., a Texas  
nonprofit corporation.

Maria de la Cruz  
Notary Public Signature



AFTER RECORDING PLEASE RETURN TO:

Liberty Lakes Property Owners' Association, Inc.  
c/o Lisa Gloyna, Secretary  
P.O. Box 573036  
Houston, Texas 77257



**THE STATE OF TEXAS  
COUNTY OF LIBERTY**

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Liberty County, Texas.

2023029365 AMD  
07/18/2023 09:41:34 AM Total Fees: \$58.00



Lee Haidusek Chambers, County Clerk  
Liberty County, Texas