RESOLUTION
of
BOARD OF DIRECTORS
for
CASTLE ESTATES HOMEOWNERS ASSOCIATION, INC.
regarding
COLLECTION and PAYMENT PLAN POLICY FOR CASTLE ESTATES HOMEOWNERS ASSOCIATION

At a regular meeting of the *Board of Directors* (Board) for the *Castle Estates Homeowners Association Property Owners Association* (Association), said meeting being properly called and a quorum being present, came to be heard the matter of implementing certain collection and payment plan policies.;

WHEREAS, Association has jurisdiction over the property described in the *Declaration of Reservations, Easements, Restrictions, Covenants, and Conditions for Castle Estates Homeowners Association,* recorded in the Real Property Records of Galveston County, Texas at Galveston County Clerk's File No. 9621476 as amended and/or supplemented (all such documents collectively referred to herein as the "Declaration");

WHEREAS, the Board is charged with the responsibility of maintaining the common areas and amenities of the Association, and enforcing the deed restrictions. In order to fulfill those duties, the Board relies upon the funds collected as annual assessments, special assessments, and other costs, from each homeowner. The Association recognizes that, on occasion, circumstances in a homeowner's life may result in the homeowner not being able to pay their annual assessments by the due date. As a result, the Association has adopted the following Collection and Payment Plan Policy:

Interest
Any assessment not paid by the date due shall bear interest commencing from and after thirty (30) days after the due date at a rate of six percent (6%) per annum on the unpaid balance.

Return Check Charges.
In addition to any and all charges imposed under the declaration, articles of incorporation, and bylaws, the rules and regulations of the association, or this resolution, a $25.00 fee shall be assessed against an owner in the event any check or other instrument attributable to or payable for the benefit of such owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds.

Request for Payment Plan
An owner who is delinquent on his/her assessment account with the Association for regular maintenance assessments, special assessments, or any other amount due to the Association, may request a payment plan to pay off the delinquent balance. It is the responsibility of the homeowner to contact the Association and request a payment plan. The Association, its designated representative, or attorney will prepare a written payment plan agreement which must be signed by the owner before any payments will be accepted under the terms of the payment plan agreement.

The Association is not required to make a payment plan available to any owner:

1. who fails to request a plan within thirty (30) days after notice of the delinquency is sent; or
2. who failed to honor the terms of a previous payment plan during the two years following the owner's default under the previous plan; or
3. more than once in any 12-month period.

Duration of Payment Plan

The Association reserves the exclusive right to set the duration of the payment plan. No plan may be shorter in duration than three (3) months. The Association shall not be required to allow a payment plan for any amount that extends more than eighteen (18) months from the date of the owner's request for a payment plan. As a general rule and where possible, the Association will set the duration of all payment plans so that they are completed in the calendar year in which they are requested.

Fees and Costs

The Association, or its designated representative, including the Association attorney, may charge a one-time administrative fee for preparing or administering the payment plan. The Association, managing agent, or attorney may also charge monthly administrative fees from each monthly payment plan installment. Interest on the delinquent amount is not suspended and continues to accrue for the duration of the payment plan. The Board reserves the right to waive any additional interest accrued during the pendency of the payment plan at its discretion. During the term of the payment plan agreement, further collection efforts will cease on the account, and no additional collection costs or fees, aside from those mentioned above, will be charged to the homeowner's account, so long as the homeowner continues to make monthly payments, on time, in accordance with the terms of the payment plan agreement.

Default

A homeowner who fails to submit, in full and on time, any monthly installment under the terms of the payment plan agreement will be deemed to be in default of the payment plan agreement. The Association reserves the right to turn that homeowner's account immediately over to the Association's attorney for further collection without any further notice to the homeowner. In addition, a homeowner who defaults on his/her payment plan agreement may not be eligible for another payment plan agreement with the Association, managing agent, or the Association attorney, for at least two (2) years from the date of the default. The Board shall have the exclusive right to allow or deny subsequent payment plans within the two (2) year time frame following a payment plan default by any owner.

ADOPTED by affirmative vote of the Board of Directors this 21 day of June, 2023.

CERTIFICATION

I, the undersigned, am the duly elected and acting Secretary of Castle Estates Homeowners Association, Inc. a non-profit corporation, and do hereby certify that:

The foregoing *Resolution of Board of Directors for Castle Estates Homeowners Association, Inc. Regarding Collection and Payment Plan Policy for Castle Estates Homeowners Association* was properly adopted as of the 21 day of June, 2023.

By: Jennifer Wolf

President

THE STATE OF TEXAS §
§
COUNTY OF GALVESTON §

I, the undersigned, a Notary Public in and for the State of Texas, hereby certify that Jennifer Wolf, President of Castle Estates Homeowners Association, Inc. signed to the foregoing instrument, and being authorized and empowered to do so, acknowledged before me on this day that, being informed of the contents of said instrument, he/she executed the same voluntarily for the uses and purposes and considerations stated therein.

Given under my hand and official seal this the 19 day of August, 2023.

RICHARD D POURCHOT
NOTARY PUBLIC
STATE OF TEXAS
MY COMM. EXP. 10/19/25
NOTARY ID 1237455-7

Notary Public - State of Texas