

**SANCTUARY AT SKY ISLAND HOMEOWNERS ASSOCIATION, INC.
PAYMENT PLAN POLICY
AND APPLICATION OF PAYMENTS SCHEDULE**

WHEREAS, SANCTUARY AT SKY ISLAND HOMEOWNERS ASSOCIATION, INC. (the "Association") constitutes a property owners association under the provisions of Chapter 209 of the Texas Property Code (the "Code") and is composed of fifteen (15) or more lots;

WHEREAS, Section 209.0062 of the Code requires the Association to adopt reasonable guidelines that establish an alternative payment schedule by which a member of the Association may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties;

WHEREAS, Section 209.0063 of the Code requires payments made to the Association by its members be applied to a member's account in a particular order of priority, unless such member is in default of a payment plan entered into with the Association;

WHEREAS, the Board of Directors of the Association (the "Board") desires to adopt payment plan guidelines as required under Section 209.0062 of the Code and an application of payments schedule in conformity with Section 209.0063 of the Code;

NOW, THEREFORE, the Board hereby adopts this Payment Plan Guidelines Policy (the "Policy") and Application of Payments Schedule, as set forth below.

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 costs of collection incurred 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 installment payments without incurring additional monetary penalties (hereinafter referred to as a "Payment Plan Agreement"). Each such Payment Plan Agreement shall be in accordance with terms of these Payment Plan Guidelines and the requirements of Section 209.0062 of the Code.

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 reasonable costs associated with preparing the Payment Plan Agreement and administering the member's compliance with 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 Association's governing documents, which shall continue to accrue on the Assessment Delinquency during the term of Payment Plan Agreement.

3. Available Payment Plan Schedules

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

d. 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 twelve (12) months.

e. 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.

f. 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.

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 Assessment Delinquency owed to the Association as of the date of the Payment Plan Agreement, the total amount of 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 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 day 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 attorneys 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 delinquent assessment (beginning with the oldest);
- (2) any current assessments;
- (3) any attorney's fees or third-party collection costs incurred by the Association associated solely with collection of unpaid assessments or any other charge that could provide the basis for foreclosure of the Association's assessment lien;
- (4) any 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 fines assessed by the Association; and
- (6) any other amount owed to the Association.

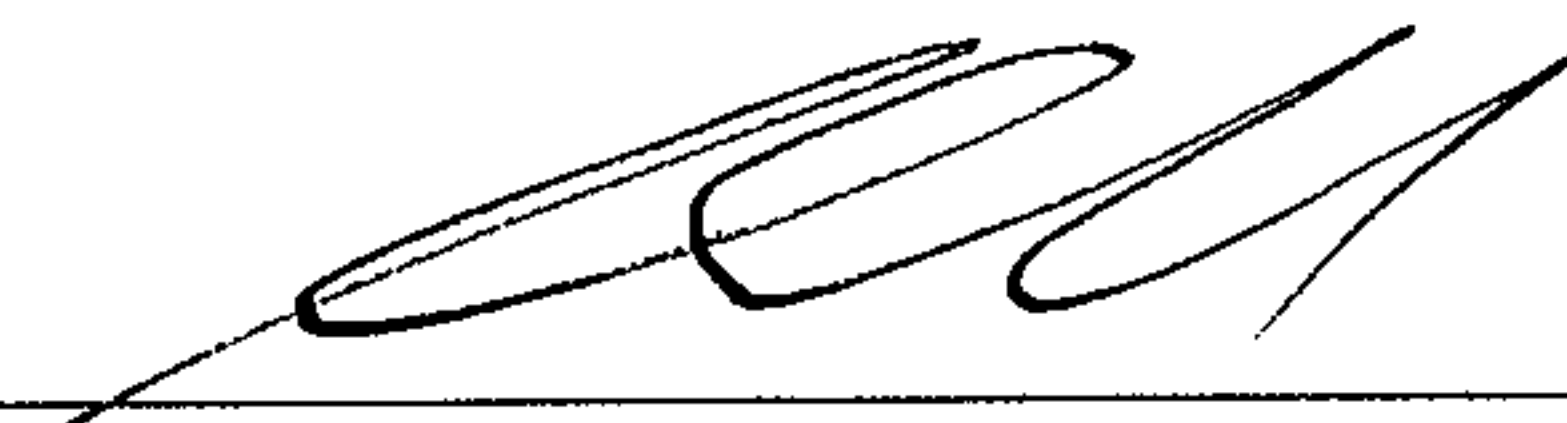
This First Amended Payment Plan Guidelines Policy and Application of Payments Scheduled supersedes and replaces the Payment Plan.

CERTIFICATION

I hereby certify that I have been instructed by the Board of Directors of **SANCTUARY AT SKY ISLAND HOMEOWNERS ASSOCIATION, INC.**, a Texas property owners association, to execute this Certificate to effect the recording of the instruments attached hereto of behalf of the property owners association, for the purpose of complying with the requirements for Property Code Section 202.006

**SANCTUARY AT SKY ISLAND
HOMEOWNERS ASSOCIATION, INC.**, a Texas
property owners association

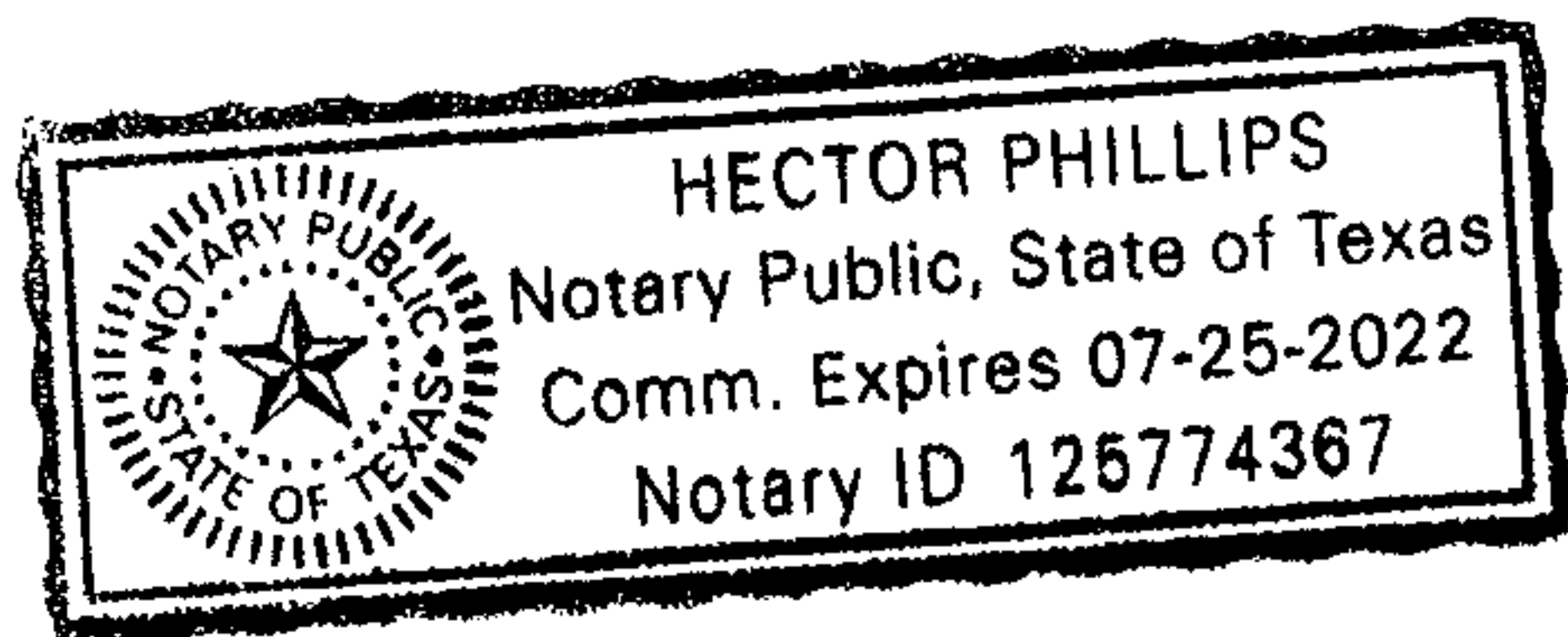
By: **DANA Properties, Inc.**, its managing agent


By: 

SHELDON WHEELER, President

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on this 27th day of March, 2020 by **SHELDON WHEELER, President of DANA Properties, Inc.**, managing agent of **SANCTUARY AT SKY ISLAND HOMEOWNERS ASSOCIATION, INC.**, on behalf of the association.





Notary Public, State of Texas

AFTER RECORDING PLEASE RETURN TO:

SANCTUARY AT SKY ISLAND
HOMEOWNERS ASSOCIATION, INC.
c/o DANA Properties
6201 Escondido
El Paso, Texas 79912

Doc # 20200025544
#Pages 4 #NFPages 1
03/30/2020 09:59 AM
Filed & Recorded in
Official Records of
El Paso County
Delia Briones
County Clerk
Fees \$38.00

eRecorded

I hereby certify that this instrument was filed on the date and time stamped
heron by me and was duly recorded by document number in the Official
Public Records of real Property in El Paso County.



Delia Briones

EL PASO COUNTY, TEXAS