

**SECOND AMENDED ALTERNATIVE PAYMENT PLAN POLICY AND  
APPLICATION OF PAYMENTS SCHEDULE FOR  
SHORELINE OAKS MASTER ASSOCIATION, INC.**

WHEREAS, Shoreline Oaks Master Association, Inc. (the "Association") is the homeowners' association for Shoreline Oaks Subdivision located in Corpus Christi, Nueces County, Texas, as described in that Amended and Restated Declaration of Covenants and Restrictions for Shoreline Oaks Subdivision recorded at Document No. 2019020233 of the Official Public Records of Nueces County, Texas;

WHEREAS, Section 209.0062 of the Texas Property Code (the "Code") requires that certain property owners' associations adopt reasonable guidelines to establish an alternative payment schedule by which an owner of property in the subdivision may pay amounts owed to the Association without accruing additional monetary penalties;

WHEREAS, Section 209.0063 of the Code sets forth an order of priority for payments made by the Association's members to the Association, which order of payment the Association is not required to follow with respect to payments made by members of the Association who are in default under a payment plan entered into with the Association;

WHEREAS, the Board desires to adopt payment plan guidelines as required under Section 209.0062 of the Code, which guidelines shall additionally: (i) confirm the priority of payments made by the Association's members generally; and (ii) set forth the priority of payments with respect to payments made by members of the Association who are in default under a payment plan entered into with the Association.

NOW, THEREFORE, the Association, acting through its Board of Directors, has amended the payment plan policy located in Corpus Christi, Nueces County, Texas, as described in that Alternative Payment Plan Policy For Shoreline Oaks Master Association, Inc., recorded at Document No. 2020058482 of the Official Public Records of Nueces County, Texas; and again in that Amended Alternative Payment Plan Policy and Application of Payments Schedule for Shoreline Oaks Master Association, Inc., recorded at Document No. 2022055986 of the Official Public Records of Nueces County, Texas; to allow owners of property in the subdivision an alternative schedule for paying various amounts owed to the Association (including but not limited to delinquent balances, annual assessment dues, special assessments, fines and/or legal fees associated):

1. All owners may request in writing an alternative payment plan once annually, to be submitted to the Association for consideration and approval.
2. The Association may offer an owner an alternative payment plan on its own, prior to sending the matter to an attorney or collection agent.
3. An alternative payment plan proposed by the Association must be signed by the owner and returned to the Association within 45 days of being sent.

4. Owner does have the opportunity to negotiate or submit in writing a 'counter' or alternative plan to the Association within the above allotted timeline (45 days); so long as an official plan agreement is finalized with dual signatures on the appropriate form or an otherwise approved format of the Association.
5. A Payment Plan Agreement (PPA) is Active upon obtaining both party signatures along-side a down payment or first installment paid to the Association.
6. Failure to enter into a mutually acceptable payment plan within 45 days of the offer date will be treated the same as a Payment Plan Default.
7. As long as the owner complies with the requirements of the alternative payment plan, the Association will not charge the owner any interest or monetary penalties with respect to the amounts covered by such plan.
8. The standard term for any alternative payment plan will be between three (3) month and twelve (12) months; never to exceed 18 months as a special exception to accommodate those with exuberant balances.
9. Should a term of a Payment Plan Agreement need to extend into a new year of Assessment Dues, the board will make arrangements to bundle together future assessment dues with any current or past due balances when establishing the Payment Plan installment amounts.
10. Payment amounts under an alternative payment plan shall be made at intervals not more than 30 days and be in roughly equal in amount, unless otherwise requested by the owner, and will never be less than a one-twelfth (1/12) of the established annual assessment.
11. Payment amounts and frequency of payments is up to the reasonable discretion of the Association and factors that may be considered in setting PPA amounts and frequency include length of the delinquency, the amount due, the owner's payment history, time elapsed between the association's offer and payment plan and the owner's acceptance, the promptness with which owner acts, replies or responds to communication attempts from the board, reasons for non-payment, owner's performance on previous payment plans, violation history (to the extent it reflects owner's willingness to abide by Association rules and standards), and any other relevant circumstances. The Board of Directors authorizes the managing agent or the Association's attorney (who may act without the joinder of the other) to set payment plan terms for an owner as needed.
12. Should an owner call upon the Association to revisit a PPA before its term expires, all requested, and mutually agreed upon revisions will come with a \$15 administration fee.
13. Due Dates are to be set between the first (1<sup>st</sup>) and fifth (5<sup>th</sup>) day of each calendar month.
14. The Board will honor a grace period of 10 days from the Due Date before considering sending a Delinquent-Past Due Warning notice, applying late fees and/or termination of the mutual Payment Plan Agreement (PPA).
15. If the Association has not received the full amount of an owner's alternative payment plan installment within the grace period, 10 calendar days from its due date, the association may offer a one-time (1x) courtesy Delinquent-Past Due Warning notice via email or regular mail prior to the owner falling into a DEFAULT status. The Notice should include:
  - i.) details as to the Owners delinquent amount and to total amount owed,
  - ii.) should describe the options the Owner has to avoid Default status of the Payment Plan Agreement (PPA) and,
  - iii.) provide the Owner a period of time to cure the delinquency before further actions are taken.
16. Should a second alternative payment plan installment be missed (not necessarily successive) the owner will be in PPA Default status and the mutual payment plan agreement will be automatically void and

the account subject to incur a late fee of (\$20), which can accumulate monthly thereafter until the account is brought up-to-date.

17. The Association may notify the owner of their VOID Payment Plan Agreement (PPA) by email or regular mail. However, the notice to the owner shall not be a prerequisite for the PPA becoming void and any fees accrued.
18. Should the Association receive a payment after the Payment Plan Agreement has become void, it will be applied to the Owner's balance but shall not necessarily reinstate the previous Payment Plan Agreement's late fee protections.
19. For each alternative payment plan installment (check or automatic payment) returned unpaid (for not-sufficient funds), the owner shall incur the service charge of the bank established.
20. Owners who default and fail to honor the terms of a previous payment plan may lose eligibility and the privilege to receive additional payment plans for up to two (2) years after the date of default.
21. While the Association is not required to consider payment plan reinstatement requests, reactivation of a PPA can be accomplished through a Majority Board Vote, but will not halt or reverse any late fees accrued during deliberation.
22. All Owners can submit in writing a request to remove one late fee per calendar year, for the year in which the request occurs. No late fees will be removed from any previous or future calendar years. No more than one late fee will be removed in any calendar year, unless special circumstances exist for which majority board approval must be given.
23. It is at the discretion of the Board to send a letter, via certified mail, which can result in suspension of common area privileges; including pool fob deactivation and a freeze on club house rental privileges, after a PPA has defaulted, or for any Assessment Account, regardless of establishment of PPA, not paid in full by March 15 of any calendar year, not paying on time monthly (which is current payments of 1/12<sup>th</sup> Annual Assessment amount by the 15<sup>th</sup> of every month for more than twelve consecutive months), or at any time an account is more than three months in arrears, calculated as 3 x 1/12<sup>th</sup> the Annual Assessment for that calendar year.
24. If an attorney or collection agent has been retained by the Association to collect amounts due by an owner, no alternative payment plan will be available to that owner after the 45-day period for cure as described in the Code Sec. 209.0064(b)(3).
25. A payment received by the Association from an owner shall be applied to the owner's debt in the following order of priority: (1) any delinquent assessment; (2) any current assessment; (3) any reasonable attorney's fees or reasonable third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure; (4) any reasonable attorney's fees incurred by the Association that are not subject to Subdivision (3); (5) any reasonable fines assessed by the Association; and (6) any other reasonable amount owed to the Association as described in the Code Sec. 209.0063.
26. Any payments received by the Association from an owner who is in default under a Payment Plan Agreement with the Association during a Payment Plan Default Period shall be applied to the owner's debt or account in the following alternative order of priority: (1) any attorney's fees incurred by the Association that are incurred by the Association in connection with collection of the owner's debt; (2) any other fees and expenses reimbursable to the Association in connection with collection of the owner's debt; (3) any late charges and interest due by the member; (4) any delinquent assessment; (5) any current assessment; (6) any other amount owed to the Association (excluding fines) and (7) any fines assessed by the Association; as permitted in the Code Sec. 209.0063(b) (1)and (2).


CONSTRUCTION:

This Policy replaces any existing Alternative Payment Plan policy for the Association. The Policy may not be construed to prevent the Board of Directors from adopting, amending, and restating, from time to time, one or more additional administrative policies pertaining to the retention of documents, records, and information of the Association, and policies pertaining to the retention, storage, and destruction of other types of documents, records, and information of the Association. This provision may not be construed as a duty of the Board of Directors to adopt such additional administrative policies.

The Board of Directors of Shoreline Oaks Master Association, Inc. adopted this Policy to ensure that the Association complies with requirements of State Law.

CERTIFICATION:

I hereby certify that, as SECRETARY of the Shoreline Oaks Master Association, Inc., a Texas nonprofit corporation, the above SECOND AMENDED ALTERNATIVE PAYMENT PLAN POLICY AND APPLICATION OF PAYMENTS SCHEDULE was amended on the ~~18-12-2025~~ day of ~~March 2026~~, 2026 at a meeting of the Board of Directors at which ~~2/24~~ a quorum was present. ~~February 2026~~

Signature: 

Printed Name: Ludwina Pauline Hirvasoja

Title: Secretary--Shoreline Oaks HOA

Date: March 12, 2026