

**CORPORATE CERTIFICATE**  
**ROYAL FOREST COLONY CLUB, INC.**

The undersigned certifies that he/she is the duly appointed and acting Secretary of Royal Forest Colony Club, Inc., (the "Association"). The Association is the property owners' association for Royal Forest Subdivision, Section I, Royal Forest Estates, Lakefront Section of Royal Forest, Reserve "D" of Royal Forest, Mobile Home Section of Royal Forest, Permanent Home Section of Royal Forest, and Reserve "A" of Royal Forest Subdivision (collectively, the "Subdivision").

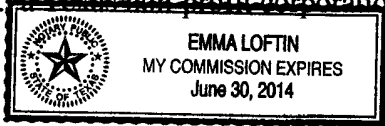
The Association is a Texas non-profit corporation, and the foregoing attached instrument is a true and correct copy of the Royal Forest Colony Club, Inc.'s 'Delinquent HOA Fees' procedure approved by the Board of Directors on September 19, 2012.

Signed this 26<sup>th</sup> day of Sept, 2012.

Dean L. Moore  
Secretary of  
ROYAL FOREST COLONY CLUB, INC.

THE STATE OF TEXAS            §  
COUNTY OF MONTGOMERY    §

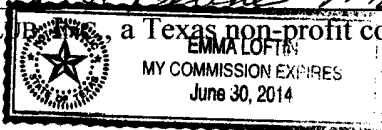
Sworn to and subscribed to before me on the 26 day of September 2012, by Dean Moore, secretary of ROYAL FOREST COLONY CLUB, INC., a Texas non-profit corporation, on behalf of said corporation.



Emma Loftin  
NOTARY PUBLIC, State of Texas

THE STATE OF TEXAS            §  
COUNTY OF MONTGOMERY    §

This instrument was acknowledged before me on the 26 day of September 2012, by Dean Moore, secretary of ROYAL FOREST COLONY CLUB, INC., a Texas non-profit corporation, on behalf of said corporation.



Emma Loftin  
NOTARY PUBLIC, State of Texas

**AFTER RECORDING RETURN TO:**  
Royal Forest Colony Club, Inc.  
P.O. Box 291  
Willis, Texas 77378-0291

**Royal Forest Colony Club, Inc**  
 Mail address: P.O. Box 291, Willis, TX 77378  
 Located at: 12876 Royal Lake in Royal Forest Subdivision  
 Phone and Fax (936) 856-6651  
 Montgomery County Record Number


**Delinquent HOA Fees**

Situation	Procedure by Royal Forest Colony Club (RFCC)
1. How does an owner get 'delinquent homeowners' association (HOA) fees'	1. An example illustrates this best: An owner is invoiced for the annual HOA fee of \$60/lot for the fiscal year May 1 this year through April 30 next year. That owner does not pay that invoice before June 1 this year which causes a \$15 late fee/lot to be added to what the owner owes RFCC for a total owed of \$75. That owner now has a 'delinquent HOA fee' of \$75. Then the owner is invoiced another \$60/lot for next fiscal year May 1 through April 30 which he does not pay by June 1 causing another late fee of \$15/lot to be added to his account. The owner now owes \$75 for first unpaid year and \$75 for second unpaid year giving the owner a 'delinquent HOA fees' balance of \$150.
2. What does the Board of Directors (BOD) do with those 'delinquent HOA fees' owners	2. This decision is on a case-by-case basis but basically when an owner has not paid the HOA fees for one or more years, the BOD will consider exercising legal collection means to collect these 'delinquent HOA fees'. The BOD will not notify the owner that some action is to take place since the BOD has notified owners via yearly invoice wording. At this point the BOD needs to act to collect these fees instead of just continuing to invoice 'delinquent HOA fees' owners.

<p>3. What are the legal collection means that the BOD will exercise</p>	<p>3. A. This decision is on a case-by-case basis. B. Typically the BOD will turn over the owner's name to the Montgomery County Credit Bureau collection agency if the 'delinquent HOA fees' balance is less than \$300. The owner will stay with that collection agency until the 'delinquent HOA fees' are reduced to \$0 by owner payments or until the owner has been with that collection agency for seven years at which time they will automatically return that name to RFCC since seven years is the limit of time that they can try to collect these fees. C. Typically if the owner owes more than \$300, the BOD will turn this name over to the RFCC attorney who will write a letter trying to collect these fees. If the letter does not result in payment of the fees, the BOD will typically have the attorney file a Justice of the Peace court lawsuit to recover these fees. The attorney will provide the necessary Texas Property Code notices to the owner as well as the provision of the RFCC 'time payment' plan. Close consultation with the attorney is required as lawsuits cost RFCC money that may not be recovered. D. When either of these means is used, the office manager will add -cxx for collection agency or -axx for attorney to the owner's name in the office computer accounting software. XX indicates the month and year the owner is sent to either -c or -a. Whenever the 'delinquent HOA fees' are completely paid, the office manager will remove the -cxx or -axx notation. Use of the -c or -a allows an easy software search as to which owners are subject to these collection means.</p>
<p>4. What happens when a lot owner attains 'good standing' by paying the 'delinquent HOA fees' and any other non-delinquent HOA fees</p>	<p>4. A lot owner is considered to be in 'good standing' by RFCC when all money owed to RFCC is paid giving an account balance of \$0.00. When this occurs, the office manager will send the owner two cards allowing use of RFCC common areas such as the lake. Those cards will be marked to show the lot(s) owned and the owner's name. These cards need to be carried by the owner as proof of 'good standing'.</p>

**FILED FOR RECORD**

10/01/2012 9:27AM



COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS  
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Montgomery County, Texas.

10/01/2012



County Clerk  
Montgomery County, Texas