

**CERTIFICATE OF RESOLUTION
OF
RIVER OAKS COUNCIL OF CO-OWNERS**

**Procedures Relative to Collection of Routine and Special Assessments
As Well as Delinquent Payments**

The undersigned, being the duly elected, qualified and acting Secretary of River Oaks Council of Co-Owners, a Texas non-profit corporation, and the keeper of the minutes and records of said corporation, does hereby certify that the following is a true and correct copy of a resolution of this corporation as adopted by the Board of Directors at a duly called meeting held on 22nd day of December 2000.

WHEREAS, there is a need to formally confirm the orderly procedures for the billing and collection of maintenance fees, special assessments and special charges which have been in effect since July 1982;

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors, on behalf of the members of the Association, duly adopts the following assessment procedures:

I. ROUTINE COLLECTIONS

A. All monthly installments of annual assessments shall be due and payable in advance on the first day of the month ("Due Date"); all special assessments shall be due and payable on the first day of the next month following delivery to the owner of notice of such special assessment, or such other dates as elected by the owner and approved by the Board of Directors if an extended payment period is provided as an alternative (also the "Due Date").

B. All documents, correspondence, and notices relating to the charges shall be mailed to the address which appears on the books of the Association or to such other address as is designated in writing by an owner.

C. Non-receipt of an invoice shall in no way relieve the owner of the obligation to pay the amount due by the Due Date.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

A. If payment of the total assessment due and owing, including all charges and late fees, is not received by the managing agent on the Due Date, the account shall be delinquent.

B. If an owner defaults in paying the sum assessed against his/her unit ten (10) days after the Due Date, or defaults in remitting full payment on the balance due, the owner shall

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be charged interest at the rate of ten percent (10%) per annum.

C. A "Late Notice" shall be sent by the managing agent every month to owners who owe assessments or other charges.

D. An Association Demand Letter (the "Association Demand Letter"), shall be sent by the managing agent in the second month of delinquency to owners who have not paid all assessments in full, requiring payment in full within ten days of the date of the notice.

E. If any owner shall fail to pay the full amount due within the ten days specified in the Association Demand Letter pursuant to Section II(D) above, the matter shall be forwarded to legal counsel or a designated collection agent in the third month of delinquency. A letter from legal counsel, or a designated collection agent, shall be mailed to the owner by first class mail and certified mail, return receipt requested, with all related attorney and collection costs added to the owner's account. In addition to filing for non-judicial foreclosure in the third month of delinquency (to allow for foreclosure in the fifth month of delinquency if any owner shall fail to pay in full), the Association's legal counsel may file civil action suit(s) to recover the amounts owed the Association, and legal counsel is authorized to take such other actions as may be reasonably necessary to collect any monies due for delinquent assessments.

F. Pursuant to the authority provided by Section 82.113 of the Texas Property Code (Texas Uniform Condominium Act), the Association adopts and shall pursue a policy of collection of delinquent accounts by non-judicial foreclosure. Further in accordance with Section 82.113 of the Texas Property Code (Texas Uniform Condominium Act), the Association may appoint its attorney as its agent to conduct foreclosure sales under the Association's statutory power of sale and instructs its attorney to collect delinquent assessments pursuant to this Resolution by non-judicial foreclosure under authority of Section 82.113 of the Texas Property Code (Texas Uniform Condominium Act). Foreclosure shall be conducted in accordance with the provisions of Article 51.002 Texas Property code or any revision or amendment therefor.

G. Effective January 1, 1996 owners whose monthly assessments have not been received by the managing agent for the Association by the due date of each month or who have not paid their delinquent balance in full by the due date of each month will, on the first day of business after the due date of each month, be charged \$5.00 for every computer-generated statement of account, sent monthly by the managing agent to owners delinquent more than \$50.00, \$10.00 for every demand letter mailed the managing agent and \$15.00 for the managing agent's referring a delinquent owner to the attorney and for follow-up correspondence. Effective January 1, 2001, the fee for the managing agent's referring a delinquent owner to the attorney and for follow-up correspondence increases to \$20.00. These collection fees are due the Managing Agent, not the Association.

H. Pursuant to the authority granted to the Association in the Declaration, if an owner's default in paying an installment of any assessment levied against his/her Unit continues beyond the Due Date, the Board of Directors, at its option, may accelerate the remainder of the assessment installments and declare them due and payable in full.

I. All costs incurred by the Association as a result of any violation of the Declaration, Bylaws, Rules and Regulations or Resolution of the Board of Directors of the Association, by

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an owner, his/her family, employees, agents or licensees, shall be specially assessed against such owner. Such costs include, without limitation, legal or administrative expenses (regardless of whether suits or liens are filed) resulting from an owner's failure to pay assessments when due or from other default referred to in this Resolution.

J. The Board of Directors may grant waiver of any provision herein upon petition in writing by an owner demonstrating a personal hardship and, in such case, also establishing a written, Board-approved extended payment plan to bring the owner's account current. Such relief granted an owner shall be appropriately documented in the files with the name of the person or persons representing the Board of Directors granting the relief and the conditions of the relief. In addition, the Board of Directors is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Board of Directors shall determine appropriate under the circumstances.

K. The Board of Directors hereby authorizes the managing agent to waive the imposition of late fees on payments or collection fees received by the managing agent, if, in the judgement of the managing agent, the delinquent owner has owned the unit for less than three (3) months at the time of the delinquency and/or the managing agent determines the delinquency was the result of a misunderstanding of the correct procedures relative to payment of the assessment. Further, such a waiver may be granted only once to any owner.

L. Payments received from an owner will be credited in the following categorical order of priority. In each category, payments will be first applied to the oldest amount due.

1. Charges for legal fees, court costs and other costs of collection, including Prime Site's collection fee; all other charges incurred by the Association as a result of any violation by an owner, his/her family, employees, agents or licensees, of the Declaration, Bylaws, Rules and Regulations, or Resolutions.
2. All accrued interest and late charges, as applicable.
3. Special assessments;
4. The monthly assessment for a unit.

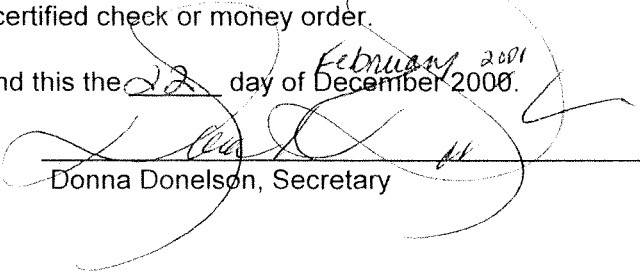
III. PARTIAL PAYMENTS

In the event that an owner attempts to make a payment of less than all monies due and owing the Association (the "Partial Payment") to the managing agent after the collection letter has been sent by legal counsel or the designated collection agent pursuant to Section II(E) above, the Partial Payment will be forwarded to legal counsel or the designated collection agent and held by legal counsel or the designated collection agent, or for determination whether to cash the check and apply the funds as a partial payment or to return the check to the owner. If the action taken is to apply the funds as partial payment, legal counsel or the designated collection agent will send a letter by first class mail to the affected owner advising the owner that the funds have been applied as a partial payment until the owner becomes current, the owner would still be considered to be delinquent as to all monies due the Association; and that the actions taken were not deemed to be a waiver of the Board of Directors' right to take action against the owner either to collect a balance due or to foreclose on the unit.

IV. RETURNED CHECKS

A. A unit owner will be charged a \$15.00 fee for any check returned unpaid by the bank. A notice of the returned check and the \$15.00 fee will be sent to the unit owner by the managing agent. If the returned check results in the payment of the monthly installment after the 30th day of the month, interest in the amount of eighteen percent (18%) per annum will also be assessed to the unit owner's account.

B. If two or more of a unit owner's checks are returned unpaid by the bank within any (fiscal) year, the Board of Directors may require that all of the unit owner's future payments, for a period of one year, be made by certified check or money order.


TO CERTIFY WHICH, witness my hand this the 22 day of ^{February 2001} ~~December 2000~~.


Donna Donelson, Secretary

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

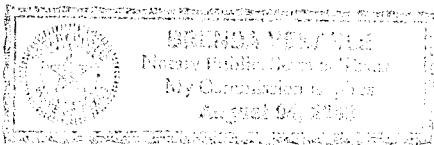
Before me, the undersigned authority, on this day personally appeared Donna Donelson, Secretary of River Oaks Council of Co-Owners, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL of office on this 22 day of ^{February 2001} ~~December 2000~~.



Notary Public, State of Texas
Brenda Venable

Typed/Printed Name of Notary
My Commission Expires: 8/14/2003



ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas on

Return to:
Prime site, Inc.
8955 Katy Freeway #301
Houston, TX 77024

MAR - 6 2001



Dorely L. Kaufman

COUNTY CLERK
HARRIS COUNTY, TEXAS

FILE FOR RECORD
8:00 AM

MAR - 6 2001

Dorely L. Kaufman

County Clerk, Harris County, Texas

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RECORDERS MEMORANDUM
ALL BLACKOUTS, ADDITIONS AND CHANGES
WERE PRESENT AT THE TIME THE INSTRUMENT
WAS FILED AND RECORDED.

537-20-2949