

**THE VILLAGES HOMEOWNERS' ASSOCIATION, INC.**

**TIMBERLAKE VILLAGE UNIT NO. 1 PAYMENT PLAN**

As an Owner of a Lot or Living Unit located in Timberlake Village Unit No. 1, a residential subdivision created by that certain Declaration of Restrictions, Covenants and Conditions Timberlake Village Unit No. 1, dated April 6, 1970, and recorded on April 27, 1970, in Volume 1333, Page 651 of the County Clerk's office of Smith County, Texas, you are hereby advised that you have the option to pay any delinquent monthly or special assessments or any other delinquent amounts without interest ("Delinquent Assessments") to The Villages Homeowners' Association, Inc. (the "Association") pursuant to the following payment plan (the "Payment Plan").

Under the Payment Plan, any Owner who owes Delinquent Assessments is granted the right to pay the Delinquent Assessments in four (4) equal monthly installments. Accordingly, the total amount of Delinquent Assessments owed is divided into four (4) equal installments which the Owner is required to pay over the ensuing four (4) successive months, with each monthly installment due on or before the first day of the month. In addition to paying each monthly installment pursuant to the Payment Plan, the owner is also required to pay all current monthly assessments in a timely manner.

Please note that if an Owner fails to pay one of the monthly installments pursuant to the Payment Plan or fails to pay any current monthly assessment, then the Payment Plan will be voided, and the Association shall have the right to institute foreclosure proceedings against the Owner.

The Association is not required to enter into a Payment Plan with an Owner who failed to honor the terms of a previous Payment Plan during the two (2) years following the Owner's default under the previous Payment Plan.