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**Gentle Creek Estates Residential Association, Inc.
3102 Oak Lawn, Suite 202
Dallas, TX 75219**

Dedicatory Instruments

Policy for Priority of Payments

WHEREAS, Lots in Gentle Creek Estates are subject to the Declaration of Covenants, Conditions & Restrictions for Gentle Creek Estates Residential Association Inc., recorded with File No. 98-0013081 and for Phase II as Document Number 2001-0124076 in the Real Property Records, Collin County, Texas. **The Association wishes to adopt reasonable guidelines for priority of payments for the Association for delinquent regular or special assessments or any other amount owed to the Association; and**

WHEREAS, the Board wishes to update and adopt these reasonable guidelines to be in compliance with Section 209.0062 of the Texas Property Code; and

WHEREAS, the Board intends to file these guidelines in the real property records of each county in which the subdivision is located, in compliance with Section 209.0062 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the attached priority of payment policy has been established by the Board and is to be recorded with the Real Property Records.

Gentle Creek Estates Homeowners Association, Inc.
3102 Oak Lawn, Suite 202
Dallas, TX 75219

Policy for Priority of Payments

WHEREAS, the Board of Directors (the "Board") of Gentle Creek Estates Homeowners Association, Inc. (the "Association") wishes to establish a Policy for Priority of Payments which shall govern the method in which payments received by the Association from owners are applied; and

WHEREAS, the Board wishes to adopt this policy in compliance with Section 209.0063 of the Texas Property Code; and

WHEREAS, the Board intends to file this policy in the real property records of each county in which the subdivision is located, in compliance with Sections 209.0063 and 202.006 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following Policy for Priority of Payments is established by the Board:

- A. Except as provided by Section (B), 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 attorney's fees or 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 attorney's fees incurred by the association that are not subject to Subsection (3) above;
 5. any fines assessed by the Association;
 6. any other amount owed to the Association.
- B. If, at the time the Association receives a payment from an owner and the owner is in default under an Alternative Payment Schedule entered into with the Association, the Association is not required to apply the payment in the order of priority outlined in Section (A), in accordance with Section 209.0063 of the Texas Property Code. Instead, in the event that an owner is in default under an Alternative Payment Schedule at the time the Association receives a payment from the property owner, then the payment received by the Association from an owner shall be applied to the

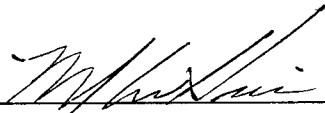
Priority of Payments Policy

owner's debt in the following order of priority:

1. any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure;
2. any attorney's fees incurred by the association that are not subject to the immediately previous Subsection (1);
3. any delinquent assessment;
4. any current assessment;
5. any other amount owed to the Association.
6. any fines assessed by the Association.

This policy shall supersede and render null and void any previously adopted priority of payment/payment plan policy to the extent that the terms of such policy are contradictory.

This is to certify that the foregoing Policy for Priority of Payments was adopted by the Board of Directors, in accordance with Section 209.0063 of the Texas Property Code.

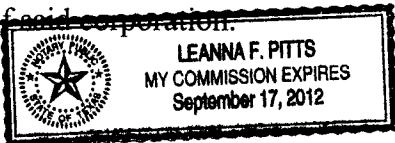


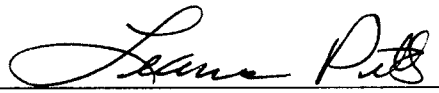
Name: Molly Ann Huie
Title: President
Date: 21 September 2011

STATE OF TEXAS
COUNTY OF Dallas

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This instrument was acknowledged before me on the 21st day of Sept,
20 11, by Molly Ann Huie, President of
Gentle Creek Estates Homeowners Association, Inc., a Texas non-profit corporation, on
behalf of said corporation.





Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Premier Communities
3102 Oak Lawn Avenue, Suite 202
Dallas, Texas 75219

Priority of Payments Policy

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
12/14/2011 11:13:07 AM
\$28.00 CJAMAL
20111214001347690



A handwritten signature in cursive script that reads "Stacey Kemp".