

ASSESSMENT COLLECTION POLICY
for
THE SEVENTH HOMEOWNERS' ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

I, Deborah K. Bertram, President of The Seventh Homeowners' Association, Inc. ("Association"), do hereby certify that at a meeting of the Board of Directors ("Board") of the Association duly called and held on the 2nd day of January, 2018, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Assessment Collection Policy was duly approved by a majority vote of the members of the Board.

RECITALS:

1. The Board enforces the provisions of the Declaration applicable to the Property to address the collection and processing of assessments and associated charges.
2. The Board desires to adopt an Assessment Collection Policy consistent with the Dedicatory Instruments of the Association and state law.

WITNESSETH:

It is the policy of the Association to enforce the provisions of the Dedicatory Instruments applicable to the Property regarding the collection of assessments in accordance with the following policy:

Section 1. Definitions. Capitalized terms used in this Policy have the following meanings:

- 1.1. Assessment** - The common expense charge and special assessments as provided in the Declaration.
- 1.2. Declaration** - shall mean the Declaration of Covenants, Conditions and Restrictions for The Seventh recorded in Volume 4695, Page 0100, *et seq.* of the Official Public Records of Real Property of Bexar County, Texas, and any other applicable amendments, annexations or supplements not included above and any future amendments, annexations or supplements.
- 1.3. Dedicatory Instruments** - Each document governing the establishment, maintenance or operation of the properties within the Property, as more particularly defined in Section 202.001(1) of the Texas Property Code.
- 1.4. Property** - shall mean The 7th at Sonterra Subdivision, a subdivision in Bexar County, Texas according to the map or plat thereof recorded in Volume 9513, Page 150 of the Deed and Plat Records of Bexar County, Texas and all amendments to or replats of said maps or plats, if any.

Other capitalized terms used herein have the same meanings as that ascribed to them in the Declaration.

Section 2. Due Date. Each common expense charge shall become due and payable in advance on the first day of each month. Each special assessment due date will vary depending on membership vote approving same.

Section 3. Cost Recovery. As provided in the Declaration, each Assessment, together with interest and late fees, shall be secured by a continuing lien upon each Lot and shall be the personal obligation of the Owner. All costs of collection, attorneys' fees, expenses, and fees charged to, or paid by, the Association collecting, or attempting to collect, Assessments shall become the personal obligation of the Owner as and when incurred. Cost of collection shall include, but not be limited to, charges imposed by the Association for sending collection notices/letters, charges imposed by the Association's management company for sending collection notices/letters and attorney fees.

Section 4. Delinquency Processing. The delinquent date for all Assessments will be ten (10) days from the Due Date, unless otherwise stated in the Declaration or action approving same.

Section 5. Notices. All notices sent to the Owner below shall contain notice of the amount then due.

5.1. Delinquent Notice(s). The Association may, but is not required to, send one or more delinquent notices at a time to be determined by the Board before sending the Final Delinquent Notice described below.

5.2. Credit Reporting Agency. The Association may, but is not required to, notify a credit reporting agency of any delinquencies at a time to be determined by the Board.

5.3 Final Delinquent Notice. The Association shall, before turning a delinquent owner over to a collection agent (including the Association's attorney), send to the Owner a notice that complies with Section 209.0064 of the Texas Property Code. Additionally, if an Owner's use rights in the common area are to be suspended, the notice may include the provisions required by Section 209.006 of the Texas Property Code. The Association retains the right to send a letter that complies with Section 209.006 of the Texas Property Code as a separate mailing.

Section 6. Interest. If the Assessment is not paid within ten (10) days of the Due Date, the Assessment shall bear interest from the Due Date at a rate of ten percent (10%) per annum.

Section 7. Late Fee. A late fee of \$25.00 shall be incurred for any monthly Assessment or Special Assessment that is not paid within ten (10) days of the Due Date.

Section 8. Payment Plan and Partial Payments. All Owners will be offered a payment plan in accordance with Section 209.0062 of the Texas Property Code and the Association's Payment Plan Policy. Partial payments shall be posted in accordance with Section 209.0063 of the Texas Property Code. Any payment for less than the full amount due at the time payment is made shall not constitute waiver or forgiveness of the remaining balance. In the event that an Owner enters into a payment plan per the Association's Payment Plan Policy, Owner is responsible for any and all administrative cost provided for in the Payment Plan Policy.

Section 9. Dishonored Checks. Checks dishonored by the bank (e.g., NSF checks) may (but are not required to) be re-deposited by the Association. Whether or not a

dishonored check is re-deposited, a dishonored check shall incur a dishonored check processing fee in the amount of \$25.00 to offset the additional processing involved and a dishonored check notice may (but is not required to) be sent requesting payment in full by cashier's check or money order. In the event a dishonored check notice is sent and the amount due is not paid in full within ten (10) days of the mailing of the dishonored check notice, the Association may initiate or continue collection activity. In addition to the dishonored check fee charged by the Association, any bank fee(s) or any other type of fee(s) charged to the Association because of the dishonored check shall be charged against the Owner's account and the amount of the dishonored check shall be reposted to the Owner's account as allowed by law. An Owner shall be responsible for all charges and/or fees incurred by the Association as a result of a dishonored check.

Section 10. Owner's Mailing Address. It is the responsibility of each Owner of a Lot in the Property to provide the Owner's mailing address to the Association and to promptly notify the Association in the event the Owner's mailing address changes. In order to be effective, notice of the Owner's mailing address or a change of the Owner's mailing address must be mailed to the Association by any method of mailing for which evidence of receipt of such mailing by the Association is provided by the United States Postal Service or a common carrier. It is the Owner's responsibility to maintain evidence of receipt by the Association of Owner's notice of address change. The Association may, at its discretion, accept a notification of a change in an Owner's mailing address sent by regular mail, however, an Owner that disputes the mailing address listed in the Association's records must be able to prove that the Owner sent an address change notification by providing evidence of receipt by the Association of Owner's notice of address change. Unless the Association is otherwise notified in writing, the Owner's mailing address shall be deemed to be the address of the Owner's Lot in the Property or the last alternative mailing address provided to the Association by the Owner in writing. All notices to an Owner pursuant to this Policy shall be mailed to the Owner at the Owner's last known mailing address. If mail to an Owner is returned undelivered, or the Association otherwise reasonably determines that the last known mailing address of the Owner may not be valid, the Association has the right, but not the obligation, to conduct a title search or other searches for the purpose of attempting to either verify the Owner's current mailing address or obtain the Owner's current mailing address. Any costs incurred by the Association to verify an Owner's current mailing address or obtain an Owner's current mailing address shall be, to the extent permissible under the Association's Dedicatory Instruments and state law, charged to the Owner. The failure of an Owner to receive a notice(s) or to properly notify the Association of a change in an Owner's mailing address shall in no way waive or negate the Owner's obligation to pay any Assessment or charge(s) authorized by the Declaration or state law.

Section 11. Referral of Account to Association's Attorney. Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary to collect the amount due including, but not limited to, sending demand letters, filing a lawsuit against the delinquent Owner for a money judgment and/or a judicial foreclosure, instituting an expedited foreclosure action if authorized by the Declaration and/or state law, foreclosing on the Lot and, in the event an Owner files bankruptcy, filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

Section 12. Required Action. Nothing contained herein, not otherwise required by the Declaration or by law, shall require the Association to take any of the actions contained herein. The Association's Board of Directors shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis and proceed with collection activity as in its best judgment deems reasonable.

Section 13. This Assessment Collection Policy replaces and supersedes any previous collection policy, if any, adopted by the Association.

I hereby certify that I am the duly elected, qualified and acting President of the Association and that the foregoing Assessment Collection Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Bexar County, Texas.

To certify which witness my hand this the 9th day of January, 2018.

THE SEVENTH HOMEOWNERS' ASSOCIATION, INC.

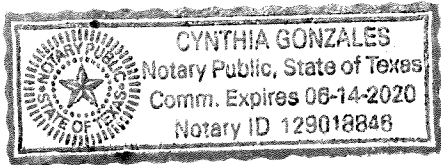
By: Deborah K. Bertram

Printed: Deborah K. Bertram

Its: President

THE STATE OF TEXAS §
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COUNTY OF BEXAR §

BEFORE ME, the undersigned notary public, on this 9th day of January, 2018 personally appeared Deborah K. Bertram, President of The Seventh Homeowners' Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.



Cynthia Gonzales
Notary Public in and for the State of Texas

Doc# 20180022166
Pages 5
02/06/2018 1:59PM
e-Filed & e-Recorded in the
Official Public Records of
BEXAR COUNTY
GERARD C. RICKHOFF
COUNTY CLERK
Fees \$38.00

STATE OF TEXAS
COUNTY OF BEXAR
This is to Certify that this document
was e-FILED and e-RECORDED in the Official
Public Records of Bexar County, Texas
on this date and time stamped thereon.
02/06/2018 1:59PM
COUNTY CLERK, BEXAR COUNTY TEXAS



Gerard C. Rickhoff