

**BILLING AND COLLECTION POLICY  
FOR  
SAND CREEK VILLAGE COMMUNITY ASSOCIATION**

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THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

I, Juanita Goss, Secretary of Sand Creek Village Community Association (the "Association"), certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 23<sup>rd</sup> day of January, 2012, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Billing and Collection Policy was duly approved by a majority vote of the members of the Board:

**RECITALS:**

1. New laws relating to the collection of assessments by property owners' associations become effective on January 1, 2012.
2. The Board of Directors of the Association desires to adopt a Billing and Collection Policy consistent with new laws and the Declaration of Covenants, Conditions and Restrictions applicable to Sand Creek Village, Sections One (1) through Six (6).

**POLICY:**

It is the policy of the Association to bill assessments and to collect annual assessments which are not paid in a timely manner as follows:

**1. Statements for Assessments.** The Association shall send a statement for the annual assessment to each Owner of a Lot, Parcel, Apartment, and tract of Commercial Land in the month preceding the month in which payment of the annual assessment becomes due (i.e., in May of each year). The statement shall be forwarded to an Owner at the last known mailing address of the Owner according to the records of the Association. It is the responsibility of the Owner to notify the Association in writing of a change in the Owner's mailing address. The submission of a check which sets forth an address for the Owner that is different from the mailing address previously provided by the Owner to the Association does not constitute written notice of a change of the Owner's mailing address.

**2. Due Date.** Annual assessments are due on the first (1<sup>st</sup>) day of July of each year. An annual assessment which is not received by the Association by July 31<sup>st</sup> of the year in which the annual assessment becomes due shall be deemed to be delinquent and shall bear interest at the maximum, non-usurious rate from the original due date (July 1<sup>st</sup>) until paid. A late fee in the amount of \$50.00 shall also be charged to the Owner of the Lot, Parcel, Apartment, or tract of Commercial Land for which the annual assessment becomes delinquent.

**3. Application of Payments.** A payment received from an Owner shall be applied in the following order of priority:

- a. any delinquent assessment;
- b. any current assessment;

- c. any attorney's fees or third party collection costs incurred by the Association solely with assessments or any other charges that could provide the basis for foreclosure (i.e., charges secured by the Association's lien);
- d. any attorney's fees incurred by the Association that are not associated with assessments;
- e. any fines assessed by the Association; and
- f. any other amounts owed to the Association.

**4. Insufficient Check.** If an Owner submits a check in payment of all or some portion of the Owner's assessment account and the check is returned unpaid due to insufficient funds in the account, future payments of sums owed to the Association must be made by cashier's check or money order. The sum of \$25.00 shall be charged to an Owner for a check returned due to insufficient funds.

**5. Past Due and Delinquent Notices.** If an Owner's assessment account becomes delinquent, a past due notice shall be sent to the Owner as soon as possible after the account becomes delinquent (i.e., as soon as possible after July 31<sup>st</sup> of the year in which the assessment became due, preferably by August 15th) If the assessment account remains delinquent for a period of forty-five (45) days, a formal delinquency notice shall be sent to the Owner. The delinquency notice shall be sent to the Owner by certified mail, return receipt requested, and shall:

- a. specify each delinquent amount and the total amount of the payment required to make the account current;
- b. advise the Owner of the availability of a payment plan in accordance with the Association's recorded Payment Plan Policy;
- c. provide a period of at least thirty (30) days to cure the delinquency before further collection action is taken; and
- d. advise the Owner that if, after the thirty (30) day period has expired, the Owner has not entered into a payment plan and account remains delinquent, the account will be referred to the Association's attorney and any fees and costs thereafter incurred by the Association will be added to the Owner's account in accordance with the Restrictions.

**6. Notice of Unpaid Assessment.** The Association may, but shall not be obligated to, prepare and record in the Official Public Records of Real Property of Harris County, Texas a Notice of Unpaid Assessment with regard to any Lot, Parcel, Apartment, or tract of Commercial Land on which assessments become delinquent.

**7. Suspension of Privileges.** If an Owner's assessment account becomes delinquent, the Association may also suspend the Owner's right to use the recreational facilities of the Association after giving written notice to the Owner in accordance with Section 209.006 of the Texas Property Code. The suspension of an Owner's right to use the recreational facilities of the Association shall be in addition to, not in lieu of, all other remedies available to the Association for non-payment of assessments.

**8. Attorney Action.** If, after a delinquency notice is sent to an Owner, the Owner fails to respond to request a payment plan or pay the amount required to make the account current within thirty (30) days, the account will be referred to the Association's attorney for collection. The Association's attorney will forward a thirty (30) day demand for payment to the Owner, which demand shall also advise the Owner that the failure to pay the amount due may

result in further legal action, including foreclosure of the Association's lien. Provided that, action to foreclose the Association's lien shall not be commenced unless authorized by the Board of Directors of the Association.

9. **Payment Plan.** Any payment plan entered into by and between the Association and an Owner shall be in accordance with the Association's recorded Payment Plan Policy.

This Billing and Collection Policy replaces and supersedes the "Sand Creek Village Community Association Assessment Collection Policy" dated February 28, 2006 and filed for record in the Official Public Records of Real Property of Harris County, Texas on March 28, 2006 under Clerk's File No. Z185606.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Billing and 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 Harris County, Texas.

TO CERTIFY which witness my hand this the 1<sup>st</sup> day of February, 2012.

SAND CREEK VILLAGE COMMUNITY ASSOCIATION

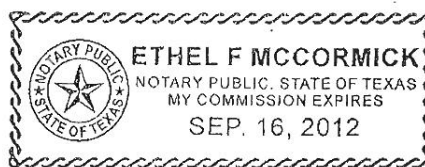
By: Juanita Goss  
Juanita Goss, Secretary

THE STATE OF TEXAS    §  
  §  
  §  
COUNTY OF HARRIS   §

BEFORE ME, the undersigned notary public, on this 1 day of February, 2012 personally appeared Juanita Goss, Secretary of Sand Creek Village Community Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

Ethel F McCormick  
Notary Public in and for the State of Texas

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