

STONEBRIDGE RANCH COMMUNITY ASSOCIATION, INC.
COLLECTION POLICY

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

WHEREAS, the property encumbered by this Collection Policy (the "Policy") is that property restricted by the Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Stonebridge Ranch for Stonebridge Ranch recorded under Collin County Clerk's File No. 20080327000365660, as same has been or may be amended from time to time (the "Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Stonebridge Ranch Community Association, Inc. (the "Association"). All capitalized terms are defined as set out in the Declaration unless otherwise noted herein; and

WHEREAS, pursuant to Article V of the Declaration, the Board of Directors (the "Board") of the Association hereby adopts this Policy for the purposes of establishing a uniform and systematic procedure to collect Assessments (as defined herein) and other charges of the Association; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish this Policy.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Policy, which shall run with the land and be binding on all Owners and Lots within the subdivision. This Policy replaces any previously recorded or implemented policies that address the subjects contained herein.

1. DEFINITIONS

"Annual Assessments" shall have the meaning as specified in Section 5.3 of the Declaration.

"Fiscal Year" shall mean each twelve (12) month period commencing on January 1 and ending on the following December 31, unless the Board shall otherwise select an alternative twelve (12) month period.

"Individual Assessments" shall include those charges and fines levied against an individual Owner for violations of rules and regulations by the Owner or a Resident of his Lot pertaining to the Association and/or the Common Properties.

"Special Group Assessments" shall mean those charges levied for capital improvements or unusual or emergency matters, such assessments to be fixed, established and collected from time to time.

"Special Individual Assessments" shall mean those charges levied against individual Owners to reimburse the Association for extra or unusual costs incurred for items including but not limited to maintenance and repairs to portions of the Properties caused by the willful or negligent acts of the individual Owner or Resident of his Lot; the remedy, cure or minimizing of problems caused by, or as a result or, violation of the Declaration by an Owner or Resident of his Lot.

"Village Assessments" shall mean and refer to charges levied against the Lots in a particular Village to fund Village Expenses.

2. ASSESSMENTS

Pursuant to Article V of the Declaration, each Owner of any Lot, by acceptance of a Deed shall be deemed to covenant and agree to pay to the Association the following: Annual Assessments; Special Group Assessments; Special Individual Assessments; Individual Assessments; and Village Assessments (collectively referred to herein as the "Assessments").

3. NOTICE

An Owner may not escape liability or be entitled to a deferral of interest, late charges, fines or collection costs with regard to delinquent Assessments on the basis of such Owner's failure to receive notice so long as such notice was sent via regular mail and/or certified mail return receipt requested as may be required under the law to the most recent address of the Owner according to the records of Association. Each Owner shall have the obligation to notify the Association in writing of any change in address which shall become effective five (5) days after written notice of the change in address has been received by the Association.

A. Annual Assessment

The Board shall use reasonable efforts to provide each Owner with an invoice statement of the appropriate amount due, but any failure to provide such notice shall not relieve any Owner of the obligation to pay the Annual Assessment.

B. Village Assessment

The Board shall send notice of the amount of the Village Assessment for the coming year to each Owner in the Village at least thirty (30) days prior to the beginning of the Fiscal Year.

C. Special Group Assessment

Written notice of the Special Group Assessment may be sent no less than sixty (60) days prior to the due date as established by the Board.

D. Individual Assessment and/or Special Individual Assessment

Written notice of an Individual Assessment and/or Special Individual Assessment shall be sent by the Board in accordance with the applicable provisions of the Texas Property Code.

4. DUE DATES

A. Annual Assessment and Village Assessment

The Annual Assessment and Village Assessment shall be due and payable in full in advance on the first (1st) day of each Fiscal Year and if not paid within thirty (30) consecutive calendar days thereafter, shall automatically become delinquent.

B. Special Group Assessment

In the event the Board establishes a Special Group Assessment, the Board shall fix the amount and the applicable due date(s) at least sixty (60) days in advance.

C. Individual Assessment and/or Special Individual Assessment

The due date for an Individual Assessment and/or Special Individual Assessment shall be set by the Board, but in no event shall it be sooner than the date permitted by the applicable provisions of the Texas Property Code.

D. Delinquency

Unless otherwise specifically provided by the Board, if any Assessment or other sum due the Association is not paid in full and received by the Association within thirty (30) consecutive calendar days thereafter, then such Assessment shall be considered delinquent.

E. Disputed Charges

Charges disputed by an Owner may be verified by the Association and are considered delinquent until such time as they are paid in full.

5. INTEREST

Any Assessment which is not paid by due date provided herein may, without notice, bear interest at a rate per annum determined by the Board from the date originally due until paid.

6. LATE CHARGE

If any Assessment, charge, or fine or any part is not paid by the due date as provided herein, the Association shall have the right, in its sole and absolute discretion, to assess a late charge against the non-paying Owner to cover the additional administrative costs involved in handling the account and/or to reflect any time-price differential Assessment schedule adopted by the Association.

7. COLLECTION CHARGES

The Association shall be entitled to charge an Owner collection charges to compensate the management company for its administrative costs and efforts to collect and process late payment of Assessment.

8. NOTIFICATION OF LIEN HOLDERS

The Association may give written notification to the holder(s) of any mortgage on the Lot of a non-paying Owner of such Owner's default in paying any Assessment, charge or fine. In the event the Association commences a expedited foreclosure action, the Association will provide the requisite notice to inferior or subordinate lien holders pursuant to Section 209.0091 of the Texas Property Code.

9. PAYMENT PLAN POLICY/GUIDELINES

The Board has adopted a Payment Plan Policy including guidelines establishing an alternative payment schedule by which an Owner may make partial payments to the Association. The Payment Plan Policy including guidelines is recorded under Collin County Clerk's File Number 20111216001361510.

10. APPLICATION OF PAYMENTS

Any payment received by the Association will be applied to the Owner's debt in accordance with Section 209.0063 of the Texas Property Code.

11. ACTION ON DELINQUENT ASSESSMENT ACCOUNTS

For so long as an Assessment remains delinquent, the Board, in its sole discretion, may authorize any collection action and/or pursue any legal rights or remedies permitted under the Dedicatory Instruments (as that term is defined in the Texas Property Code), Article V of the Declaration, and/or Texas law.

12. REFERRAL OF ACCOUNT TO ASSOCIATION'S ATTORNEY

Upon referral of the delinquent Owner's account to the Association's attorney as is permitted under the Declaration, the attorney is authorized to take whatever action is necessary as approved by the Board, including but not limited to: sending demand letters, filing a lawsuit against the delinquent owner for a money judgment, instituting an expedited foreclosure action; and, filing necessary claims in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

In the event the Association has determined to foreclose its lien provided in the Declaration, and to exercise the power of sale thereby granted, such foreclosure shall be accomplished pursuant to the requirements of Section 209.0092 of the Texas Property Code by first obtaining a court order in an application for expedited foreclosure under the rules adopted by the Supreme Court of Texas.

13. REQUIRED ACTION

Nothing contained herein, not otherwise required by the Declaration or by law, shall require the Association to take any of the specific actions contained herein. The Board of the Association shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as in its best judgment deems reasonable.

14. PAYMENTS RETURNED NON-SUFFICIENT FUNDS

An Owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge assessed will be the customary amount charged.

15. LOCKBOX PAYMENTS

All payments submitted through the United States Postal Service to the Association to the lockbox address are automatically, and without review by the Association, deposited into the bank account of the Association. As such, limiting instructions or other notations on the instruments submitted as payment or within any accompanying correspondence shall not bind the Association in any way. Said limiting instructions or other notations shall not control the manner in which a payment is applied or deposited and shall not function to completely satisfy the debt owed to the Association absent agreement with the Association to the contrary or the payment being the full amount owed to the Association. The Association expressly disclaims the applicability of accord and satisfaction.

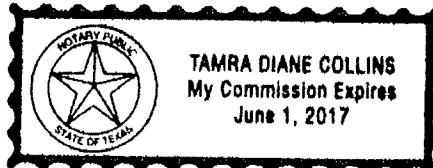
CERTIFICATION

I hereby certify that, as President of the Stonebridge Ranch Community Association, Inc., the foregoing Collection Policy was approved on the 22 day of September, 2016, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 22 day of September, 2016.

Tamra Diane Collins
Print Name: Tamra Diane Collins
Title: President

STATE OF TEXAS §
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§



BEFORE ME, on this day personally appeared Jon Dell Antara, the President of the Stonebridge Ranch Community Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 24 day of January, 2017.

Tamra D Collins
Notary Public - State of Texas

After Recording Please Return To:
Brady E. Ortego
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
01/24/2017 02:54:52 PM
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Stacey Kemp