

STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF BEXAR §

**RESOLUTION OF THE BOARD OF DIRECTORS
OF CANYONS AT STONE OAK HOME OWNERS ASSOCIATION
REGARDING ASSESSMENT COLLECTION**

WHEREAS, Canyons at Stone Oak is a residential subdivision located in Bexar County, Texas (hereinafter the “Subdivision”); and,

WHEREAS, Canyons at Stone Oak Home Owners Association (hereinafter the “Association”) is a property owners association established by, and governed through the Declaration of Covenants, Conditions and Restrictions for Canyons At Stone Oak Subdivision Planned Unit Development and Provisions for Canyons At Stone Oak Homeowners Association, executed on August 19, 2002, recorded in Volume 9550, Page 1104, Official Public Records of Real Property of Bexar County, Texas (hereinafter the “Declaration; and,

WHEREAS, the Association is also governed by the Bylaws of Canyons at Stone Oak Home Owners Association (hereinafter the “Bylaws”); and,

WHEREAS, the management of the Association is vested in the Board of Directors of the Association (hereinafter the “Board”), pursuant to Article IV, Section 1 of the Bylaws; and,

WHEREAS, the Board is charged with the responsibility for handling of the business affairs of the Association, including collection of assessments and other amounts owed; and,

WHEREAS, the Board has determined that it is in the best interests of the Association to establish a uniform and systematic procedure to collect assessments and other charges of the Association; and,

NOW, THEREFORE, BE IT RESOLVED THAT the Board does hereby adopt the following policy and procedures for the collection of assessments and other charges of the Association:

**CANYONS AT STONE OAK HOME OWNERS ASSOCIATION, INC.
COLLECTION POLICY AND PROCEDURES**

- 1. Payment Schedule.** The assessments levied by the Board for the Association are due annually in advance on January 1 of each year.

- 2. Returned Check Charge.** Pursuant to the provisions of Article VI, Section (B)(iii) of the Declaration, imposing on owners the costs of collecting assessments, a charge of \$25.00 will be assessed for checks returned for insufficient funds, orders to stop payment, closed accounts or any other reason.

3. Partial Payments. The acceptance of a partial payment on an owner's account does not constitute a waiver of the Association's right to collect the full outstanding balance due.

4. Order of crediting payments. All payments received shall be applied in the following order of priority: attorney fees, collection costs, returned check fees, late charges and assessments.

5. Process for Delinquency Notification. For balances equal to or exceeding one annual assessment that are at least thirty (30) days past due, the following notification process may be taken by the Association to collect delinquent accounts:

A. First Notice. The first notice of past due charges will be sent by First Class Mail to an owner whose balance is thirty (30) days past due, and include details of all amounts past due and request for immediately payment.

B. Second Notice. The second notice of past due charges will be sent by First Class Mail and Certified Mail Return Receipt Requested to an owner whose balance is sixty (60) days past due, and include details of all amounts past due and request for immediate payment or allow them an opportunity to meet with the Board to discuss their account.

C. Final Notice. The third notice of past due charges will include details of all amounts past due and request for payment will be sent by First Class Mail and Certified Mail Return Receipt Requested to an owner whose balance is seventy (70) days past due. This notice will advise the owner of the Association's intent to turn the matter over to an attorney for collection enforcement if balance is not paid within ten (10) days, which will result in attorney fees which will be added to their assessment account. The notice shall advise the recipient that if an account is referred to the Association's attorney for collection then the owner of the property assessed will become responsible for legal fees and expenses.

D. Legal Fees. When a delinquent account is referred to an attorney for collection, the owner shall be charged the attorney fees and related collection costs incurred by the Association.

6. Referral of Account to Association Attorney. Accounts which become ninety (90) days delinquent shall be referred to the Association's attorney for collection. The attorney is authorized to take whatever action is necessary, and believed to be in the best interests of the Association, including but not limited to filing a lien notice, instituting a non-foreclosure action of the Association's lien, and, filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

7. Owner Address. It shall be the responsibility of each owner to keep the Association advised of their current mailing address if different from their Canyons

at Stone Oak property address. All notices will be mailed to each owner at their property address in the Canyons at Stone Oak or to the last address on the books of the Association as shall be provided by the owner in writing to the Association.

8. Required Action. Nothing contained in this Resolution, not otherwise required by the Declaration, shall require the Association to take any of the specific actions contained herein. The Board 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.

9. Waiver/Modification of Policy. The Board in its discretion may grant a waiver of any provision or otherwise modify any of the procedures contained herein upon petition of an Owner showing a personal hardship.

10. Amendment. This Policy may be amended by the Board.

SIGNED this the _____ day of January, 2009.

**CANYONS AT STONE OAK HOME OWNERS
ASSOCIATION**

By _____
Eugene Hightower, President

CERTIFICATE OF SECRETARY

I hereby certify as Secretary of Canyons at Stone Oak Home Owners Association that the foregoing Resolution of the Board of Directors was approved on the _____ day January 2009, at a properly noticed meeting of the Board of Directors at which a quorum was present, or by unanimous written consent in lieu of a meeting.

DATED this the _____ day of _____, 2009.

Peter Evans, Secretary

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I hereby certify that the foregoing instrument was acknowledged before me, the undersigned Notary, by the person whose name and signature appears above, on the date of execution set forth above.

Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Canyons at Stone Oak Homeowners Association
1600 N.E. Loop 410, Suite 202
San Antonio, TX 78209

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