

**STERLING GREEN COMMUNITY IMPROVEMENT ASSOCIATION
COLLECTION POLICY FOR DELINQUENT ACCOUNTS**

WHEREAS, the Sterling Green Community Improvement Association ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as "Declarations"); and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish a policy consistent with the Association's governing documents and the Texas Property Code for the collection of monthly maintenance fees (the "Assessments") established by the Declarations, along with collection costs and other charges associated with late or non-payment of such fees.

NOW, THEREFORE, the Board has developed and duly adopted the following procedures for the billing and collection of the Assessments and associated fees.

BILLING AND COLLECTION PROCEDURES

1. **Assessment Due Date.** Any dates referred to in this Collection Policy refer to the year assessed. All annual Assessments shall be due and payable in advance on or before January 1. It is the responsibility of the property owner (the "Owner") to ensure and verify that the Association receives payments on or before such date, and the Association will not be responsible for delay by mail or any other form of delivery. Non-receipt of an invoice shall not relieve the Owner of the obligation to pay the amount due by January 1.
2. **Delinquent Balances.** If payment of the total Assessment and any other charges that may be due is not received by the Association on or before January 31, the account shall be delinquent. If an Owner fails to pay the entire sum owing against the Owner's property on or before January 31, the Owner shall be charged interest at the rate of 6% per annum computed from January 1, regardless of whether any demand letter has been sent to the Owner.
3. **Late Fees.** If the Association does not receive full payment by January 31, a late fee of \$20.00 will be assessed on February 1.
4. **Payment Plans.** Owners are entitled to make partial payments for amounts owed to the Association under an approved Payment Plan consistent with its recorded Payment Plan Policy.
5. **First Notice of Delinquency.** On or after February 1, the Association will send the Owner notification of the delinquency by first class mail to the Owner's last known mailing address, as reflected in records maintained by the Association, or by e-mail to an e-mail address the Owner has provided to the Association.

Second Notice of Delinquency. Not earlier than the 30th day after the First Notice of Delinquency is sent, the Association will send a Second Notice of Delinquency and Account Statement ("Second Notice") to the Owner by certified mail, return receipt requested, and by first class mail, showing that the account remains delinquent. The Second Notice will advise the Owner that if the account is not paid within 45 days, the Association intends to turn the account over to an attorney for further handling, and the Owner may be responsible for reasonable attorney's fees and costs incurred, along with the past due Assessments and related charges.

The Second Notice will inform the Owner that (pursuant to Section 209.007 of the Texas Property Code) the Owner has the right to request a hearing before the Board. The Second Notice will also inform the homeowner they may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 et seq.), if the Owner is serving on active military duty.

6. **Remedies for Non-Payment.** Following the 45-day notice period, if the Owner does not pay the delinquent balance in full, establish an approved payment plan and subject to any authorized hearing procedure:
 1. May suspend the Owner's right to use all common property, amenities and recreational facilities and/or
 2. Will forward the delinquent account to its attorney for further handling. It is expected that the attorney will send one (1) or more demand letters to the delinquent Owner as deemed appropriate. If the Owner does not satisfy the Assessment delinquency pursuant to the attorney's demand letter(s) or enter into an approved Payment Plan, the Association may pursue any and all of the Association's legal remedies to obtain payment of the delinquent balance, including without limitation pursuing a personal suit against the Owner and/or pursuing a foreclosure action against the applicable property.
7. **Enforcement Costs.** If a lawsuit is filed, the Association will seek all costs incurred as a result of an Owner's failure to pay Assessments and other charges when due (including, but not limited to, attorney's fees, filing fees, administrative costs, and court costs).
8. **Partial Payments and Application of Funds:** Partial payments will not prevent the accrual of interest or the application of late fees on the unpaid portion of the Assessment. The account will be considered delinquent when the account balance is not paid in full. Payments received from an Owner will be credited in the order required by Section 209.0063 of the Texas Property Code (PRIORITY OF PAYMENTS).

- RP-2024-260196
9. **Returned Checks.** At the election of the Association, an Owner will be charged a reasonable fee for any payment (check, ACH, etc.) returned by the bank, which fee will be charged to the Owner's Assessment account. A notice of returned payment and the fee will be sent to the Owner by the Association's administrative staff by first class mail. If two or more of an Owner's payments are returned unpaid by the bank within a twelve (12) month period, the Association may require that all of the Owner's future payments for a period of two years be made by cashier's check or money order.
10. **Owner's Agent Or Representative.** If the Owner expressly or impliedly indicates to the Association that the Owner's interest in the property is being handled by an agent or representative, any notice from the Association to such agent or representative pursuant to this Collection Policy shall be deemed to be full and effective notice to the Owner for all purposes.
11. **No Additional Rights Created.** This Collection Policy sets out the Association's standard collection procedures but does not in any way limit the Association's legal rights or create additional Owner's rights. The Association shall have all the legal rights for the collection of assessments available under the Declaration and By-Laws of the Association, as well as those available under the statutes of the State of Texas. Although it intends to do so, the Association is not required to follow the Collection Policy, and any failure to do so will not excuse the payment of Assessments, costs, or attorney's fees and will not create a defense to collection or liability of any kind whatsoever accruing to the Association, or its Board of Directors, staff, volunteers, contractors, management company, individual managers, or attorneys.

CERTIFICATION

I certify that a majority of the Board of the Association adopted the foregoing policy at a duly called and convened meeting of the Board.

Date: 6-27-24

STERLING GREEN COMMUNITY IMPROVEMENT
ASSOCIATION


MIRELLA MORENO, PRESIDENT

Vice-President

STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared Mirella Moreno, President of Sterling Green Community Improvement Association, a Texas nonprofit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 27 day of June 2024.

Stephanie Hall
Notary Public, State of Texas



RP-2024-260196

RP-2024-260196
Pages 5
07/18/2024 03:33 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees \$37.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically
and any blackouts, additions or changes were present
at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or
use of the described real property because of color or
race is invalid and unenforceable under federal law.
THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in
File Number Sequence on the date and at the time stamped
hereon by me; and was duly RECORDED in the Official
Public Records of Real Property of Harris County, Texas.



Teneshia Hudspeth
COUNTY CLERK
HARRIS COUNTY, TEXAS

RP-2024-260196