

STEINER RESIDENTIAL OWNERS ASSOCIATION, INC.

ASSESSMENT BILING AND COLLECTION POLICY

I. AUTHORITY

Pursuant to Section 5.04(a) of the Restatement of Master Declaration of Covenants, Conditions and Restrictions for Steiner Ranch Residential Areas, recorded as Document No. 89032228, in the Official Public Records of Travis County, Texas, the Board, by unanimous consent, has adopted this assessment collection policy as part of the rules and regulations of the Steiner Ranch Residential Owners Association, Inc., a Texas non-profit corporation. The policies and procedures set forth herein shall govern the collection of assessments levied in accordance with Article VII of the Master Declaration. The policies and procedures set forth herein do not apply to other violations of the terms and provisions of the Master Declaration and/or the Steiner Ranch Design Guidelines. The Board has adopted alternative policies and procedures for such violations.

II. PROCEDURES

1. The Association has adopted as its fiscal year, the period from January 1 to December 31 of each year. On or before December 1st of each year, the Association will adopt a budget for the next fiscal year and levy assessments in accordance with Section 7.03 of the Master Declaration.
2. Each Owner will be notified of the regular annual assessments levied against the Owner's Assessment Unit for the next fiscal year on or before December 10th of each year. Each Owner will be required to pay one-half (1/2) of the regular annual assessment levied against the Owner's Assessment Unit on or before January 1st of the year to which the assessment relates. The remaining one-half (1/2) of the assessment must be paid on or before July 1st of the year to which the assessment relate.
3. If the regular annual assessment levied against the Owner's Assessment Unit are not paid when due, the applicable assessment will be considered delinquent.
4. Pursuant to Section 7.05 of the Master Declaration, in the event an assessment is not paid on or before thirty (30) days after the due date of such assessment, the Association will assess an initial late charge of \$40. Each subsequent month thereafter that the assessment is not paid an additional \$15 late charge, will be assessed. The late charge is a reasonable estimate of the costs incurred by the Association to administer the delinquent account and shall not be deemed to be a fee in exchange for the forbearance of money, nor shall the late charge be deemed to include collection costs or attorneys fees which may be subsequently incurred by the Association to collect the delinquent assessment. A late charge will be charged on the first day the assessment is considered delinquent in accordance with Paragraph 3 above and will not be prorated in the event a delinquent assessment is paid prior to the end of a month in which a late charge has been applied to an Owner's account. A courtesy notice is also mailed to inform the homeowner of the delinquent account.

5. In the event an assessment is not paid on or before sixty (60) days after the due date of such assessment, the Association will prepare and mail through certified mail, the notice of assessment lien will set forth the amount of the unpaid indebtedness, will include the name of the Owner, will include the legal description of the Owner's property, and will be signed by the manager of the Association. The Association is expressly authorized to file a notice of assessment lien against an Owner's property pursuant to Section 7.06 of the Master Declaration.

6. In the event an assessment is not paid on or before ninety (90) days after the due date of such assessment, the Association will refer the delinquent assessment to an attorney for collection, and file in the Official Public Records of Travis County, Texas, a notice of assessment lien and possible foreclosure of the assessment lien in accordance with Section 7.06 of the Master Declaration and Chapter 209 of the Texas Property Code.

7. In the event an assessment is not paid on or before the seven (7) months after the due date of such assessment, the Association will refer the delinquent assessment to an attorney for the collection and foreclosure of the assessment lien in accordance with section 7.06 of the Master Declaration and Chapter 209 of the Texas Property Code.