PI2-20120051916-4

SILVERBROOK ASSOCIATION, INC.
COLLECTION POLICY

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

WHEREAS, the property encumbered by this Collection Policy is the property restricted by the Declaration of Protective Covenants for Silverbrook Subdivision, Unit 1, executed on January 29, 1998, recorded in Volume 7331, Page 1144, Official Public Records of Real Property of Bexar County, Texas (hereinafter called the "Declaration"), as same may be amended from time to time, and any other property which has been or may be annexed thereto and made subject to the authority of the Silverbrook Association, Inc.(the "Association");

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified herein;

WHEREAS, the Board has established that it is in the best interest of the Association to establish these Guidelines;

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt the following Collection Policy:

1. ASSESSMENT PERIOD
   The Board has the duty of establishing and adopting an annual budget, in advance, for each fiscal year of the Association covering the estimated costs of operation of the Association during each calendar year.
2. NOTICE
   In December of each year, the Board shall fix the amount of the annual assessment against each Lot for the following year and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Upon completion of the roster, written notice of the assessment shall be sent to every Owner subject to the assessment. An Owner shall not escape liability or be entitled to a deferral of interest, fines or collection costs with regard to delinquent assessments on the basis of such Owner's failure to receive notice, if such notice was sent via regular mail 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 days after written notice has been received.
3. DUE DATE
   All Annual Assessments (the "Assessment" or the "Assessments") are due and payable annually on the first day of January. Charges disputed by an Owner are considered delinquent until such time as they are paid in full or the Owner has been provided verification of the disputed amounts due.

INTEREST

If the Assessment is not paid within thirty days after the due date, the Assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum until the delinquent Assessment is paid in full.

4. DELINQUENCY NOTIFICATION

The Association may cause to be sent the following notification(s) to delinquent Owners:

a. PAST DUE NOTICE: In the event that any Assessment Payment balance remains unpaid thirty (30) days from the due date, a Past Due Notice may be sent via regular mail to each Owner with a delinquent account setting forth all Assessments, interest and other amounts due.

b. FINAL NOTICE: In the event the entire Assessment is not paid in full within thirty (30) days of a Past Due Notice, or there is a default on the Payment Plan, where an Assessment account balance remains unpaid sixty (60) days or later from the due date, a Final Notice may be sent via certified mail, return receipt requested, to each delinquent Owner. The Final Notice will set forth the following information and results of failure to pay, including an explanation of:

1. AMOUNTS DUE: An itemization of all delinquent Assessments, interest and other amounts due;
2. HEARING: The opportunity for a hearing before the Board. A hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days from the Owner's receipt of the Final Notice; if a hearing is requested within thirty (30) days from receipt of the Final Notice, further collection procedures are suspended until the hearing process is completed. The Board shall set a hearing date not later than thirty (30) days after receipt of Owner's request for a hearing. Either party may request a postponement, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of both parties. Further collection steps will be determined by the action of the Board.
3. OPTIONS TO AVOID LEGAL FEES: The options the Owner has to avoid having the account turned over to a collection agent (i.e., payment in full or a payment plan through the Association).

5. REFERRAL OF ACCOUNT TO ASSOCIATION ATTORNEY

If all delinquent amounts are not paid within thirty (30) days from receipt of the Final Notice, the account may be sent to a collection agent and/or the Association's attorney for collection and collection fees and expenses will be charged. Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary, in consultation with 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, objections and motions 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.

6. BANKRUPTCIES

Upon receipt of any notice of a bankruptcy of an Owner, the account may be turned over to the Association's attorney so that the Association's interests may be protected.

7. REQUIRED ACTION

Nothing contained herein 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.

Executed on the 29th day of ~~March~~ February (KC), 2012.

SILVERBROOK ASSOCIATION, INC.

By: _____
Felipe Cruz, Its President

ATTEST:

By: _____
John Herrick, Its Secretary

STATE OF TEXAS §
§
COUNTY OF BEXAR §

Before me, the undersigned notary public, on this day personally appeared Felipe Cruz, President of Silverbrook Association, Inc., known to me or proved to me by presentation to me of a governmentally-issued identification card to be who one of the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed it for the purposes and consideration expressed in it.

Given under my hand and seal of office the 29 day of ~~March~~ February (KC), 2012.

Kari K Cook
Notary Public, State of Texas

KARI K. COOK
Notary Public, State of Texas
My Commission Expires
September 17, 2015

STATE OF TEXAS §
§
COUNTY OF BEXAR §

Before me, the undersigned notary public, on this day personally appeared John Herrick, Secretary of Silverbrook Association, Inc., known to me or proved to me by presentation to me of a governmentally-issued identification card to be who one of the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed it for the purposes and consideration expressed in it.

Given under my hand and seal of office the 29 day of ~~March~~ February (KC), 2012.

Kari K Cook
Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Silverbrook Association, Inc.
1600 N.E. Loop 410, Suite 202
San Antonio, TX 78209

NOTARY PUBLIC STATE OF TEXAS
KARI K. COOK
Notary Public, State of Texas
My Commission Expires
September 17, 2015

Any provision herein which restricts the sale, or use of the described real property because of race is invalid and unenforceable under Federal law
STATE OF TEXAS, COUNTY OF BEXAR
I hereby Certify that this instrument was FILED in File Number Sequence on this date and at the time stamped hereon by me and was duly RECORDED In the Official Public Record of Real Property of Bexar County, Texas on:

MAR 21 2012

COUNTY CLERK BEXAR COUNTY, TEXAS

Doc# 20120051916 Fees: $28.00
03/21/2012 2:13PM # Pages 4
Filed & Recorded in the Official
Public Records of BEXAR COUNTY
GERARD C. RICKHOFF COUNTY CLERK