

Whipple Creek Place HOA

Collection of Assessments and Enforcement Resolution

Pursuant to the Amended and Restated Declaration of Covenants, Conditions & Restrictions for Whipple Creek Place Homeowners Association (Declaration) as recorded on September 19, 2024, with Clark County, WA as auditor file 6205807, and

WHEREAS, in accordance with Article V of the Declaration, the Board of Directors (Board) shall annually adopt a budget with assessments for the management of the Associations and maintenance of the Common Areas, and when that budget is ratified by Owners, the Association or Managing Agent, if so employed, shall invoice Owners for those assessments and other charges that become assessments pursuant to Article V, and Washington state law; and

WHEREAS, pursuant to Washington state law, and Article V, Section 5.5 of the Declaration, Owners are obligated to pay all assessments levied by the Associations, and it is vital to the financial viability of the Associations that every Owner pay their assessments, and

WHEREAS, the Association occasionally experiences delinquencies of regular and special assessments, and

WHEREAS, Section 9.2 of the Declaration authorizes the Board to adopt reasonable resolutions to enforce the provisions of the Declaration, and the Board deems it in the best interest of the Association to adopt a systematic procedure to assure that unpaid assessments are timely and efficiently collected to minimize the loss of vital assessment revenue to the Association, and

NOW, THEREFORE, IT IS RESOLVED that the Board adopts this Collection of Assessments and Enforcement Resolution, which shall replace and supersede the Sub-Association 1, 2, and 3 Collection of Assessments and Enforcement Resolutions adopted by the respective Boards on October 27, 2022, May 4, 2015, and November 11, 2022, respectively, and any superseding resolution, if any, with the following Policies and Procedures:

POLICY

1. The Association's General Assessment Rate shall be equal among all Lots within the Association.
2. General Quarterly Assessments are due on the first day of each calendar quarter. Pursuant to the Declaration, in December of each year, the Managing Agent shall provide each Owner an assessment statement for the upcoming year showing the due dates for each quarterly assessment and the amount due with a copy of the ratified budget with assessments. No further invoice or statement shall be provided, and it is the responsibility of each Owners to

pay each quarterly assessment when due. However, Owners may receive quarterly statements and notices by email if they have consented to receiving those by electronic transmission. .

3. General Quarterly Assessments, and other charges which become assessments by provisions of the Declaration or other Governing Document of the Association, shall be deemed delinquent if not paid within 30 days after the due date on the assessment statement and shall be assessed a late fee of \$25.00 and shall accrue interest at a rate of twelve percent (12%) per annum from the date such assessments became delinquent, or at the highest rate allowed by law. All accrued interest shall automatically constitute an assessment for purposes of this resolution.
4. A fee of thirty-five dollars (\$35.00) will be charged for any check or ACH returned in addition to any fees charged by the bank.
5. All costs of collection including, but not limited to, attorney fees, recording fees, court costs, and filing fees, regardless of whether a lawsuit is initiated, shall be assessed against the delinquent Owner, and shall automatically constitute an assessment for purposes of this resolution.
6. When Owners fail to respond to the Managing Agent's efforts to collect delinquent assessments, the Board deems it to be in the best interest of the Associations to engage various law firms, collection firms, and attorneys, each considered a "Collection Agent", hereinafter referred to as a "CA", to undertake collection enforcement activities on behalf of the Associations, to minimize the Associations loss of vital assessment revenue, including but not limited to the filing of a lien and the foreclosure of said lien.

PROCEDURE

- 1) Once assessments are more than thirty (30) days delinquent, the Association's Managing Agent will send a written 30-day demand letter to the Owner's last known address of record, and if available, the Owner's email address. The letter shall advise the Owner that the account is delinquent, and if assessments, including late fees and interest, are not paid in full, or a written payment plan is not set up with the Managing Agent within thirty (30) days of this letter, a lien may be placed on the Lot, and the Owner will incur all costs for its filing and release.
- 2) If the Owner does not respond to the Managing Agent with full payment or a payment plan is not set up within forty-five (45) days of the demand letter being sent, the Managing Agent, upon Board approval, will file a lien on the Lot.
- 3) In the event the Owner sets up a payment plan before a lien is filed, and the Owner defaults under terms of that payment plan, the Managing Agent will file a lien on the Lot, upon Board approval.

- 4) Once a lien has been placed on the Lot, the Managing Agent will:
 - i. Send the Owner(s) a letter stating a lien has been placed on the Lot, and delinquent assessments must be paid in full for its release including lien release costs.
 - ii. Send the Owner quarterly statements requesting payment of delinquent assessments, including late fees, interest, fines, filing costs, etc.
- 5) Once the assessments are one-hundred-forty (140) days delinquent, the Managing Agent will send the Owner(s) a final written 30-day demand letter by First Class and Certified Mail to the Owner's last known address of record and, if available, the Owner's email address. The letter shall advise the Owner that the account is seriously delinquent, and if payment is not received or a payment plan is not set up with the Managing Agent within thirty (30) days, the account may be turned over to a CA.
- 6) Once the assessments are one-hundred-eighty (180) days delinquent, the Managing Agent will turn the account over to the Association's CA, upon Board approval.
- 7) After a collection matter has been turned over to a CA, the CA will work with the Association's Managing Agent, and neither the Board nor the Managing Agent shall discuss the collection of the account directly with the Owner. All communication shall be between the CA and the Owner unless the CA gives consent.
- 8) Once the account has been turned over to the CA, the CA may then:
 - i. Review records on the delinquent account and advise the Board on proceeding forward.
 - ii. Send the Owner a 30-day demand letter pursuant to the Fair Debt Collections Practices Act.
 - iii. If the Owner does not contact the CA within forty-five (45) days of the demand letter being sent with full payment, or to set up an agreed-upon payment plan, the CA may proceed to file a lawsuit for either lien foreclosure or a personal judgment, upon Board approval.
- 9) If a personal judgment lawsuit is filed and after the CA obtains a judgment, the CA, upon Board approval, may initiate collection by any one or a combination of the following:
 - i. Garnishing the Owner's bank accounts.
 - ii. Garnishing the Owner's wages.
 - iii. Executing a writ against the Owner's real or personal property; and/or
 - iv. Any additional methods authorized by law.

- 10) At any time after the file has been turned over to the CA, the Owner may enter into a payment plan upon approval of the CA and Board.
- 11) Payments received by the CA from the Owner or through a judgment shall be made out to the CA and turned over from the CA to the Association's Managing Agent within thirty (30) days.
- 12) Nothing in this resolution prevents the Association from taking any other lawful actions against an Owner.
- 13) If the Board does not choose to approve an action within a specific timeframe as outlined above, it does not preclude it from approving that action at a later date.
- 14) Regardless of anything contained herein, it is the responsibility of the Owner to ensure that assessments are paid when due and to notify Association, or its Managing Agent. in writing of any change in their mailing and email addresses.
- 15) A copy of this Resolution will be sent to all Owners.

CERTIFICATION OF ADOPTION

This Resolution was adopted by the Board of Directors on February 3, 2025, and shall be effective immediately.

WHIPPLE CREEK PLACE HOMEOWNERS ASSOCIATION

BY:  Date: 2-3-2025
Ray Hammitt, Its President

BY:  Date: 2-3-2025
Michael Raymond, Its Secretary

Note: The Amended and Restated Declaration of Covenants, Conditions & Restrictions for Whipple Creek Place HOA (Declaration) can be viewed and downloaded from the Whipple Creek Place HOA webpage: <http://www.mywhipplecreekplace.com> under the Governing Documents tab, and on the Managing Agents web portal, if available.