

RESOLUTION OF BOARD OF DIRECTORS OF  
UPLAND GREEN COMMUNITY ORGANIZATION

REGARDING A COLLECTION POLICY FOR DELINQUENT ASSESSMENTS

WHEREAS, the Association's Board of Directors is charged with the responsibility of collecting assessments for common expenses from owners pursuant to the Association's Governing Documents as defined in RCW 64.38.010(10) including the Declaration of Restrictions, Covenants and Easements, Upland Green, recorded under King County recorder's number 8102190723, and any amendments thereto (the "Declaration"); and

WHEREAS, from time-to-time owners become delinquent in payment of those assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS, the Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue;

WHEREAS, the Board has retained the Association's attorney for the attorney's experience in representing homeowner associations in collection and in other matters; and

WHEREAS, the board has directed the Association's attorney to represent the Association on the terms outlined in this section; wherefore

BE IT RESOLVED that the Association's attorney shall pursue all collection and other matters which the Board or manager, may from time to time refer to the attorney and shall provide any advice and counsel which the Board may time to time require; and

BE IT FURTHER RESOLVED that the - Treasurer or manager, acting on behalf of the Association, shall pay the Association's attorney the attorney's usual and customary charges for time incurred in connection with the attorney's representation of the Association, together with all costs incurred by the attorney, including but not limited to fees and charges for filing, document recording, service of process, messenger service, court reporters, electronic or computer assisted legal search, photocopies, postage, investigator's service, credit reports and title reports, promptly upon receipt of the attorney's monthly invoice; and

BE IT FURTHER RESOLVED that, pursuant to RCW 64.38.020(11), there is hereby levied a late charge in an amount not to exceed fifty dollars (\$50.00) on any account that remains delinquent as of February 28th of each year, which the Treasurer or manager is authorized and directed to charge to and collect from any delinquent owner; and

BE IF FURTHER RESOLVED that an owner whose account has been delinquent for a period of sixty (60) or more days shall not be entitled to vote on Association matters until their account is paid in full; and

BE IT FURTHER RESOLVED that unless determined otherwise by the Board, all sums collected shall be applied in the following order: legal fees and costs, fines, late charges, and then other assessments; and

BE IT FURTHER RESOLVED that unless specifically acknowledged and accepted by the Association, no restriction on the application of payments made or the settlement or compromise of a claim for delinquent assessments shall be enforceable against the Association, including but not limited to including restrictions such as "payment in full," "accord and satisfaction," or other similar language in a check or other correspondence; and

BE IT FURTHER RESOLVED that the Treasurer or manager is directed to send any owner whose account has been delinquent for more than thirty (30) days in the payment of regular or special assessments or other charges authorized by the Association's governing documents ("Assessments"), a written notice requesting immediate payment; and

BE IT FURTHER RESOLVED that the Treasurer or manager is directed to send any owner whose account has been delinquent for more than sixty (60) days written notice requesting immediate payment and notifying the owner that their voting rights have been suspended until their account is brought current; and

BE IT FURTHER RESOLVED that the Treasurer or manager is directed to send any owner whose account has been delinquent for more than one-hundred five (105) days in the payment of Assessments written notice that unless the account is paid in full within thirty (30) days it will be turned over to the Association's attorney for collection; and

BE IT FURTHER RESOLVED that if within thirty (30) days after the notice described in the previous paragraph was sent the owner has not paid the account in full or submitted satisfactory payment arrangements that have been accepted by the Board, the Treasurer or manager is directed to refer the account to the Association's attorney for collection; and

BE IT FURTHER RESOLVED that the Treasurer or manager is directed to consult with the Association's attorney and turn over for collection immediately any account where the owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien; and

BE IT FURTHER RESOLVED that it is not the responsibility of the Association or management to provide a billing statement, invoice, or reminder that an Assessment is due, or any of the notices provided herein. Notwithstanding the above provisions pertaining to notice, at the Board and/or manager's discretion, in consultation with the Association's attorney, the Board or manager may refer any delinquent account to the Association's attorney for collection at any time without prior notice; and

BE IT FURTHER RESOLVED that the following policies shall apply to all delinquent accounts turned over to the Association's attorney for collection:

1. All contacts with a delinquent owner regarding the owner's account shall be handled through the Association's attorney. Neither the Treasurer or manager nor any Association officer

or director shall have authority to settle the collection of the account directly with an owner after it has been turned over to the Association's attorney unless the Association's attorney is present or has consented to the contact.

2. Pursuant to Declaration Article D, Section 3, interest at the rate of twelve percent (12%) per annum may be collected on all delinquent Assessment amounts, including but not limited to late charges and fines. However, the Association's Treasurer, manager, or attorney are granted the discretion to waive this requirement in whole or in part under circumstances that they deem to be appropriate.

3. The Association's attorney's minimum legal fee shall be assessed against each delinquent account and its owner (including repeat collections) at the time the account is turned over to the Association's attorney for collection. All legal fees, costs and expenses incurred in the collection of a delinquent account shall be assessed against the delinquent lot and owner shall be collectible as an Assessment as provided in Declaration Article D, Section 3.

4. The Association's Board and/or manager may authorize the Association's attorney to file a suit against a delinquent owner for money due.

5. The Association's Board may authorize the Association's attorney to institute a judicial action to foreclose the Association's lien for any unpaid Assessments pursuant to Declaration Article D, Section 3.

BE IT FURTHER RESOLVED that the provisions of this resolution shall supersede and replace any prior inconsistent policies, rules or resolutions adopted by the Board; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all owners at their address of record.

Adopted on the 15<sup>th</sup> day of SEPTEMBER, 2021.

UPLAND GREEN COMMUNITY ORGANIZATION

By:   
Its President