

**TAYLOR'S RIDGE HOMEOWNERS' ASSOCIATION**  
**BOARD RESOLUTION RE: COLLECTIONS & ENFORCEMENT POLICIES**

At a regular / special meeting of the Board of Directors ("Board") of the Taylor's Ridge Homeowners Association ("Association"), held on the 18 day of April, 2013, at the address of 28030 NE 151st Pl, at the time of 7:00 a.m. / p.m., the Board resolved as follows:

WHEREAS, a meeting of the Board of Directors of the Association was convened at the time, date and location set out above;

WHEREAS, the Association Secretary, by signing below, attests that Board members were sent notice, or waived notice in writing or by attending the meeting, and that a quorum of Board members was present either in person or by conference telephone;

WHEREAS, the Board is charged with enforcement of the provisions of the Declaration, Articles of Incorporation, Bylaws and Rules and Regulations of the Association (the "Governing Documents"). Correcting compliance issues at the lowest possible level is in the best interests of the Association because it reduces the amount of administrative time necessary to deal with infractions, lessens the duration of infractions, and may save in legal expense. It also promotes a harmonious living environment. To this end, a fine schedule for violations of the Governing Documents helps the Association ensure residents' compliance with the Governing Documents.

WHEREAS, timely payment of assessments for common expenses and other related charges ("Assessments") is crucial for the Association to operate effectively and efficiently. Assessments are collected to pay for things such as upkeep of the property and operations of the Association which benefit all Owners. Delinquencies can create cash flow problems which jeopardize the Association's ability to meet the purposes for which the Association is established as enumerated in the Declaration and the Articles of Incorporation;

WHEREAS, to help ensure timely payment and provide Owners advance notice of the consequences of delinquency, the Board finds that it is in the best interests of the Association to adopt administrative rules and regulations containing uniform and systematic procedures for the collection of unpaid Assessments;

WHEREAS, "Assessments" as used in this Resolution include all of the amounts chargeable under the Association's Declaration, Bylaws, and at law, including but not limited to regular and special Assessments, fines, costs, interest, late charges, attorneys' fees and all other costs of collecting delinquent assessments;

WHEREAS, the Board's and Association's powers to take the actions set out herein are set out in the Washington Homeowners Association Act (RCW 64.38 *et seq.*, the "HOA Act"), the Washington Nonprofit Corporations Act (RCW 24.03 *et seq.*) the Articles of Incorporation, the Declaration of the Association ("Declaration"), and the Bylaws, including *but not limited to* the sections enumerated below;

1. RCW 64.38.020(1) authorizes a homeowners' association to adopt and amend bylaws, rules, and regulations.
2. RCW 64.38.020(2) authorizes a homeowners' association to adopt and amend budgets and impose and collect assessments for common expenses from owners.
3. RCW 64.38.020(11) authorizes a homeowners' association to impose and collect charges for late payments of assessments, and, after notice and opportunity to be heard, levy fines for violations of the Governing Documents according to a previously established schedule.
4. RCW 64.38.020(11) authorizes a homeowners' association to impose and collect charges for late payments of assessments.

5. RCW 64.38.020(3) authorizes a homeowners' association to institute, defend or intervene in litigation in its own name on behalf of itself or two or more Lot Owners on matters affecting the homeowners association.
6. RCW 64.38.020(12), (13) & (14) authorize the Association to exercise any other powers that may be conferred by the bylaws, that may be exercised by a non-profit corporation and any other powers necessary and proper for the governance and operation of the association.
7. RCW 64.38.050 provides that a violation of the HOA Act entitles an aggrieved party to any remedy at law or equity, and that a court may award reasonable attorneys' fees to the prevailing party
8. Article 9, Sections 1 through 5 of the Declaration for Taylor's Ridge authorize the Association to levy assessments.
9. Article 9, Section 1 of the Declaration requires Owners of Lots within the Association to pay all assessments levied and provides that delinquent assessments, plus interest, costs and reasonable attorneys fees incurred to collect the assessments constitute a lien upon the Lot.
10. Article 9, Section 9 provides the Association the power to sue on delinquent assessments as a personal obligation of the Owner and to foreclose judicially. Section 9 further provides that the Association has the right to suspend voting rights of Owners during periods of delinquency and for violations of the Governing Documents that continue uncured for 60 days or more. Section 2.2.9 of the Bylaws provides that an Owner's voting right may be suspended while delinquent or for violations that continue uncured for 60 days or more.
11. Article 9, Section 9, as amended in the "Second Amendment to Declaritons (sic) of Covenants, Conditions and Restrictions for Taylor's Ridge, Divisions I, II, II & IV" ("Second Amendment") provides that notices of annual assessments will be mailed by December 31 of any given year and will be due on January 31 of the following year, at which point a "past due" statement will be mailed assessing a \$20 late fee along with a copy of the Second Amendment. The application of the \$20 late fee will continue each month until the assessment is paid in full. When an account is four months' delinquent, a statement will be mailed to delinquent owners "stating that if the assessment payment and accrued late charges are not paid by the 15<sup>th</sup> day of the 5th month, a lien will be filed on the lot for the total amount of assessment and accrued charge."

**NOW THEREFORE**, the Board, with respect to the powers outlined above and in consideration of the Association's best interests, and after consideration and deliberation regarding the matters set forth herein, resolves as follows:

BE IT RESOLVED, that the attached Enforcement Policy with Fine Schedule is hereby adopted and shall become part of the Association Rules and Regulations effective 4/19/2013, shall supersede all previous enforcement policies or procedures contained in any prior Rules or Resolutions and shall be interpreted to be consistent with the Declaration and Bylaws.

BE IT FURTHER RESOLVED, that the attached Collection Policy is hereby adopted, shall become part of the Association Rules and Regulations effective 4/18/2013, shall supersede all previous collection policies resolutions contained in any prior Rules or Resolutions and shall be interpreted to be consistent with the Declaration and Bylaws.

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BE IT FURTHER RESOLVED, that both policies shall be mailed to all lot Owners to their lot addresses unless another address has been provided to the board of directors, in which case it shall be mailed to the designated address, by 4/29, 2013.

DATED this 15<sup>th</sup> day of April, 2013.

**TAYLOR'S RIDGE HOMEOWNERS' ASSOCIATION**

By: Brett Newell  
BRETT NEWELL, its President

ATTEST: The above resolution was properly adopted.

By: Robert Parnell  
Robert Parnell, its Secretary