

PINEBROOK HOMEOWNERS ASSOCIATION  
Resolution of the Board of Directors  
COLLECTIONS RESOLUTION (replaces Board Resolution 2020-2)

Pinebrook Homeowners Association (“Association”) is a Washington nonprofit corporation.

The Association occasionally experiences delinquency of the monthly homeowner assessments. The Association’s Board of Directors is responsible for assessing and collecting these fees on behalf of the Association pursuant to its Bylaws [Article VII, Section 2], and RCW 64.38.020. Furthermore, owners are obligated to pay all assessments levied by the Association, pursuant to CC&Rs [Article VII, Section 1].

It is vital to the economic stability of the Association that every owner pays his or her share of the Association's expenses.

Therefore, the Board hereby adopts the following resolution governing the collection of assessments.

POLICY

A. Monthly assessments must be paid and received at the Association’s place of business (either via U.S. mail or the Association’s drop box) within the first 15 days of each month. Any assessments received by the Association after 15 days of the due date will be deemed delinquent.

B. A late fee of \$45.00 will be added to any assessment after the date of delinquency.

C. Delinquent assessments shall bear interest at the rate of 6% per annum from the date of delinquency, consistent with the provisions of Article VII, Section 9 of the CC&Rs.

D. If a payment check is dishonored or not accepted by the bank due to insufficient funds (NSF) or any other reason, the sum of \$35.00 will be added to the owner’s assessment. In addition, a returned check constitutes a delinquent payment, and consequently, a late fee will also be assessed pursuant to Section B of this policy.

E. All costs of collection including, but not limited to, attorney fees, recording fees, court costs, and filing fees, shall be assessed against the delinquent owner.

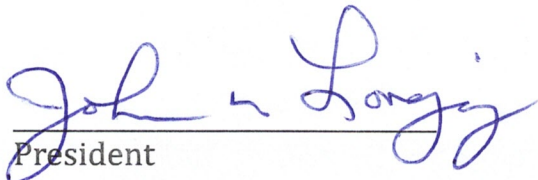
F. Whenever a collection matter has been referred to a third-party collection agency or to an attorney, neither the Board nor any of its agents shall discuss the collection of the account directly with the owner. All communication regarding a delinquent balance or the collections process shall be between the collector and the owner. This provision does not limit discussion between the Board or its agents and a delinquent owner about any matter unrelated to a delinquent balance or the collections process.

### PROCEDURE

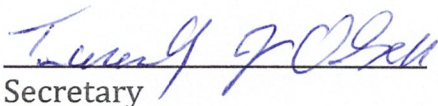
1. Once an assessment is more than 30 days delinquent, the Association will send a statement to the respective owner that indicates the amount due and a notice requesting immediate payment.
2. Once an assessment is more than 60 days delinquent, the Association will send a second notice to the owner indicating the amount due and urging immediate payment. The notice encourages a homeowner to contact the Association if the amount owing is in dispute, and also that the homeowner may request a payment plan, which would be subject to approval by the Board.
3. Once the assessment is at least 90 days delinquent, the Association will send a third notice indicating the amount due and requesting immediate payment. In addition, the owner is advised that if the overdue amount is not paid within 10 days, the Board may turn the file over to the Association's attorney or a collection agency ("the Agency").
4. Once a file has been turned over to the Agency, the Agency will then:
  - 4.1. send a demand for payment; and
  - 4.2. record a lien against the lot at its discretion.
5. After the file has been turned over to the Agency, all contact with the delinquent owner will be through the Agency.
6. At any time after the file has been turned over to the Agency, upon approval by the Board, the owner may enter into a payment plan. The plan may be secured by a Confession of Judgment at the Agency's discretion.
7. If the Assessment is still not paid more than 45 days from the Agency's notice, the Agency will send a final letter demanding payment within 10

days. The letter will state that the Association intends to sue the owner and will state that the Association may also foreclose on its lien.

- 8. If the assessment is not paid after the Agency's 10-day letter, the Association will file suit against the owner, or file a suit to foreclose on its lien, or both.
- 9. If the Association obtains a judgment, the Agency will begin collection of the judgment by taking one or more of the following actions:
  - 9.1. Garnishing the owner's bank account;
  - 9.2. Garnishing the owner's wages;
  - 9.3. Executing a writ against the owner's real or personal property; and/or
  - 9.4. Any additional methods authorized by law.
- 10. If the Association obtains a judgment against the homeowner, it may also initiate foreclosure proceedings on the lien.
- 11. Payments from the owner, through a judgment, or via a payoff shall be made to the Agency. The Association grants the Agency a limited power of attorney to endorse and deposit checks made payable to the Association or its manager. Payments may be partially or wholly applied to the Agency's fees and will be disbursed to the Association pursuant to an agreement between the Agency and the Association.
- 12. Nothing in this resolution prevents the Association from taking other actions against the owner as provided in the CC&Rs, including restricting access to recreational or service facilities of the community.
- 13. A copy of this Resolution will be distributed to all owners.
- 14. This resolution was approved by the Pinebrook Homeowners Association Board of Directors on November 26, 2024, and is effective January 1, 2025.

  
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 President

11-26-24  
 Date

  
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 Secretary

11-26-24  
 Date