

**SUNRISE RIDGE–THE HIGHLANDS  
HOMEOWNER’S ASSOCIATION (Association)  
DELINQUENCY POLICY**

Adopted 2011; Revised: 01/15/25; Revision Effective Date: 03/1 /25

This policy defines rules and the process for collecting delinquent dues, assessments, fines and fees owed to the Association. Timely payment of dues and assessments is critical for the Association to operate effectively and efficiently. Annual budgets are planned assuming all Owners pay on time each month. Delinquent accounts create a situation where either maintenance is curtailed, or other Owners must make up the difference.

The Association’s duty to collect dues/assessment and enforce collection of delinquent accounts is required by the CC&R Article 6 section 6.6, CC&R Article 7, and Washington State RCW 64.38.20. Owners are responsible for all collection costs incurred by the Association. These costs include, but are not limited to, all fees, fines, administrative expense, interest expense, document filings, liens, attorney fees, legal & court costs, and other related collection costs.

Owners may reduce the costs of collection by being proactive in promptly notifying the management company and the Association Board of Directors (Board) of any issues or problems with paying dues, assessments and other Association fees & costs. When a lien is recorded, administrative, legal and other costs rise dramatically. If requested, the Board of Directors (Board) will work with Owners on a payment plan.

**For New Owners:**

A regular assessment and a capital improvement (working capital) assessment are payable by Owners based on their ‘date of closing’. These are generally handled by the escrow company directly to the management company, but it is the owners’ responsibility to ensure the transactions are executed properly.

**For All Owners:**

It is the sole responsibility of Owners to ensure that the management company has a valid and reliable mailing address for all communications. Providing the management company a phone number and email address is highly recommended. Instructions for payment are on the Vantage web site: <https://www.vantagecommunities.net/payment-options/>

1. Regular assessments (Dues) are due monthly on the 1st day of the month without prior notice and delinquent after the 10<sup>th</sup>. Payment must be received by the Management Company by the due date. A late charge will be imposed every month that the Owner’s account is not paid in full, including all outstanding interest, fees and costs. Debt includes compliance violation fees and costs or any costs for damaging Association property.
2. In the event of a non-payment, insufficient payment, or late payment, a delinquent notice will be mailed advising Owners of the delinquency and requesting full payment. A late charge will be added every month dues are delinquent equal to the pass thru fee and costs charged to the HOA by the management company.
3. All accounts thirty (30) days past due may accrue an annual interest rate of 12% of the outstanding balance.
4. All accounts ninety (90) days past due will be mailed an Association ‘intent to lien’ letter and will be charged an additional \$50 fee or the current management pass thru fee & costs, whichever is greater.
5. Subject to Board approval, all accounts one hundred and twenty (120) days past due will have a continuing lien recorded by the Association, it’s attorney or debt collector against the Owners’ property to secure the outstanding debt and any continuing debt until the lien is satisfied. All costs incurred for the lien, including attorney’s fees, lien recording fee, and lien release costs, and collection fees associated with enforcement of the lien or collection of the debt will be charged to Owners. Currently, attorneys’ fees, filing fees, and release of lien fees exceed \$900. This is in addition to any fees for delinquency notices to the owner prior to filing of the lien. Costs will likely increase over time.

6. All accounts more than one hundred and fifty (150) days from the first date of delinquency may, at the Association's sole discretion, be subject to additional collection measures. These include, but are not limited to legal action, wage garnishment, assignment of debt to a collection agency, or foreclosure against the property.
7. Until an account is fully paid or a payment plan is mutually agreed to with the Association, the date of delinquency remains at the date of the earliest unpaid delinquency, cost or fee. Payment plans require a Confession of Judgment.
8. If the Association files suit in one of the Thurston County courts, Owners will be served legal pleadings. Owners will bear all Association costs, including, but not limited to attorney fees, court filing fees, process service, administrative fees and other collection costs, if the Association prevails.
9. In the event that the Owner challenges any delinquency action or costs, the Owner must provide to the management company within 30 calendar days of receipt of delinquency notice with A written explanation for changing the delinquency action. The issue will be decided in accordance with governing documents or placed on the agenda for the next board meeting. Owners may appeal an adverse decision to the Board of Directors.
10. Owners with financial hardship may request a payment plan of up to twelve months to repay delinquent accounts. Payment plans are legal documents. Any additional costs for modifying or monitoring the plan are charged to Owners. Owners who fail to comply with the terms of the plan will be in default and the payment plan is then void. In that case, the debt collection process resumes at the point the payment plan was first instituted. The granting of a payment plan is at the sole discretion of the Board. Payment plans require the Owner to acknowledge the current debt to the Association.
11. Automatic check handling payments (ACH) through the Association's property management company, currently Vantage Community Management, are highly recommended to avoid delinquency notices and fees. It is the Owners' sole responsibility to notify any third-party payers of changes in dues or any additional fees or costs levied on the owners' account.
12. In most cases, delinquency fees and costs will not be reversed by the Association unless it can be shown that either the management company or the Association bear substantial fault for the delinquency. However, if the owner's account shows no debt (\$0) to the Association for the previous twelve consecutive months the owner will be granted a late fee reversal, if requested. A fee reversal may not be granted more than once every 24 months.
13. If the Association utilizes monthly billing statements, Owners receiving statements by mail will be assessed the Association \$1 per month or actual costs, whichever is higher. Owners requesting in writing to receive electronic notification of the billing statement will not be assessed any additional cost. USPS delays are not grounds for a late fee reversal.
14. All fees/debts more than 60 days in arrears are collected oldest debt first. Collection of debts in arrears other than monthly dues may result in an under payment of monthly dues for that month. Underpayment of dues may result in a delinquency fee.

Signed;

Date: January 15, 2025

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PRESIDENT

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SECRETARY