


**SUNWOOD LAKES HOMEOWNERS ASSOCIATION**  
**ASSESSMENT COLLECTIONS POLICY**

1. **Assessments Defined.** "Assessments" as used in this Collections Policy include all of the amounts chargeable under the Declaration of Covenants, Conditions and Restrictions of the Plat of Sunwood Lakes recorded under Thurston County Recording No. 784088, and any amendments thereto ("CC&Rs"), Articles of Incorporation, Bylaws, the Rules and Regulations (including any Fine and Fee schedule), including but not limited to Annual and Special Assessments, fines, costs, interest, late charges and attorneys' fees and any costs or fees incurred in collecting delinquent assessments.
2. **Ledger.** The Board shall keep a ledger for each Unit that accounts for all Assessments and any credits and payments.
3. **Common Expense Assessment.** The common expense assessments shall be due quarterly on January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup> of each year. The common expense Assessment is considered delinquent if not paid by the last day of each quarter.
4. **Special Assessments.** In the event of a special assessment, payments shall be due as specified in the notices thereof sent to Unit Owners and are delinquent if not paid by the due date.
5. **Late Charges.** If an Assessment is not paid in full on or before the last day of the quarter, a late charge of \$25.00 will be levied. A courtesy delinquency notice may but is not required to be sent to the delinquent Owner. Any administrative fees incurred in sending the delinquency notice(s) will be assessed to the Owner's account. Monthly late charges of \$25.00 will continue to accrue on the last day of each month that an account remains delinquent without further notice.
6. **Interest.** The principal amounts of delinquent Assessments shall accrue interest at a rate of 7% per annum. Interest shall begin to accrue from the date the Assessment was due and shall continue until the account is brought current.
7. **Return Check Charges.** Any fees or costs (including administrative fees) incurred by the Association due to a payment being returned by the financial institution for insufficient funds, stop payment or any other reason, shall be assessed to the Owner's account.
8. **Delinquency Notices.** When an account has been delinquent for 30 days, the Association may send notice to the delinquent Owner which states the amount of the delinquency, including any late fees or charges; demands immediate payment; and warns that if the delinquency is not cured, a lien may be recorded against the Lot or the account may be turned over to a collection agency or attorney for collections, wherein the costs of collecting the delinquent payment, including attorneys' fees will be added to the debt.
9. **Costs and Fees Associated with Collection.** All costs of collecting the delinquent assessments, whether incurred by the Association or its representatives, including lien charges and attorneys' fees and costs will be charged to the delinquent Owner as assessments.
10. **Referral to Attorney.** When an account has been delinquent for 90 or more days, the Association may refer the delinquent account to an attorney or collection agent for collections. However, the Association may refer the matter to an attorney at any time when it learns of a potential or actual foreclosure or bankruptcy involving the Lot or Lot Owners, or where other good cause exists for turnover to counsel.
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11. **Attorney's Actions Authorized.** After the delinquency has been referred to an attorney or collection agent, all communication regarding the delinquent assessments must be with the attorney. The Attorney or collection agent may take one or more of the following actions:

- a. Demand Letter(s): The Association's attorney or collection agent may send the delinquent Owner one or more demand letters requesting payment.
  - b. Lien Recording: While the delinquent amounts constitute statutory liens from the date the amounts are due, the attorney or agent is authorized to record notices of liens against the property identifying the amount then delinquent. Delinquent Owners will be assessed the cost of preparing and recording the notice of lien.
  - c. Payment Plans: The Association's attorney or collection agent is authorized to settle delinquencies with Owners through payment plans that are not to exceed 12 months without approval of the Board. All payment settlements will require the delinquent Owner to continue to pay regular assessments as levied and must be secured by a stipulated judgment.
  - d. Lawsuit for Collection of Delinquent Assessments: With the Board's approval, the attorney is authorized to commence a lawsuit against the Owners on the personal assessment obligation or for foreclosure of the statutory lien for assessments. Non-judicial foreclosure is also authorized.
  - e. Post Judgment Remedies: If the Association obtains a money judgment, the Board may pursue post-judgment remedies, such as garnishments or property liens, upon the advice of counsel and in consideration of the Association's best interests.
12. **No Waiver.** Deviations from, or failure to act under this Collections Policy shall in no way constitute a waiver by the Association of any right to impose and collect Assessments or exercise any other right or remedy under the Governing Documents or at law. The Association reserves all legal rights under the Governing Documents and at law, including but not limited to the Washington Homeowners' Association Act (RCW 64.38 *et seq.*) and the Washington Nonprofit Corporations Act (RCW 24.03A *et seq.*).
13. **Managing Agent.** The Board, in its discretion, may delegate certain administrative functions hereunder to the Association's Managing Agent.

This collections policy was adopted by the Board by resolution dated December 8, 2022, and mailed to all Owners on 12/20/2022.

  
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President, Sunwood Lakes Homeowners Association