

# **PARK RIDGE HOMEOWNERS ASSOCIATION RULES and REGULATIONS**

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Park Ridge Homeowners Association's  
Rules and Regulations  
is available at  
<http://www.hometastic.com/h/hpmi/parkridge/Home>

**PARK RIDGE HOMEOWNERS**  
**ASSOCIATION RULES AND REGULATIONS**

**CHAPTER 1: RULE CONSTRUCTION AND INTERPRETATION**

Park Ridge is a residential community that is subject to protective covenants and restrictions designed to protect the value and desirability of our properties. These Rules and Regulations (i.e., "Rules" or "R&Rs") are being enacted to ensure compliance with the Association's Governing Documents. In the event of an inconsistency or conflict between these R&Rs and the Easements, Restrictions, Covenants, and Conditions for Park Ridge (hereafter, "Covenants") or Bylaws of the Association, the Covenants or Bylaws shall supersede and apply.

**1.1 Authority.** Pursuant to R.C.W. 64.38.020 and Article VII, Section 1 of the Bylaws, the Association, acting by and through its Board of Directors, has the authority to adopt and publish these Rules and Regulations.

**1.2 Publication of Rules and Effective Date.** These Rules and Regulations shall be set forth in writing and shall be furnished to each Owner by mailing or delivering a copy of the same to each Owner in accordance with Section 1.3 below. An R&R shall be effective and enforceable thirty (30) calendar days after its adoption by the Board and upon being furnished to the Owners. Owners are responsible for providing copies of the Covenants, Bylaws, and Rules and Regulations, and any amendments thereto, to their tenants and any occupants of their Lot, and ultimately for ensuring compliance by said tenants or occupants with the Association's Governing Documents (See Topic 3 on Rentals).

**1.3 Address for Notices.** Any notice permitted or required to be delivered under the provisions of the Covenants, Articles of Incorporation, Bylaws, or these Rules and Regulations shall be in writing and may be delivered either personally to the Owner or by mail. If delivery of the notice is by mail, the notice shall be deemed to have been delivered on the day it is deposited in the United States mail, first class, postage prepaid, addressed to the person entitled to such notice at the most recent address provided to the Board in writing. Owners who do not occupy their Lot within Park Ridge Homeowners Association must provide the Association with their correct mailing address in writing. Notice to an Owner shall be sufficient if mailed to the address of said Owner's Lot within the Association community, if said Owner has not informed the Board of another address for receiving notices in writing. Notices may also be delivered by electronic transmission if the Owner has consented in writing to the receipt of notices by electronic transmission and designated the address to which notices are to be sent electronically.

**1.4 Definitions and Interpretation.**

**1.4.1 Definitions.** If a term used herein is defined by the Covenants, Bylaws, or the Act, such definition shall also apply with respect to these Rules and Regulations. Notwithstanding the foregoing, for purposes of these Rules and Regulations the following definitions apply:

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- **"Act"** shall mean the Homeowners' Associations Act, RCW 64.38., as amended.
- **"Association"** shall mean Park Ridge Homeowners Association, a Washington non-profit corporation, its successors and assigns.
- **"Assessment"** means all sums chargeable by the Association against a Lot and its Owner, including, without limitation: (a) annual assessments, charges, and violation fines; (b) special assessments; (c) interest and late charges on any delinquent account; and (d) costs of collection, including reasonable attorney's fees, incurred by the Association in connection with the collection of a delinquent Owner's account; and (e) all other sums payable by an Owner to the Association as provided in the Governing Documents, unless the context clearly indicates otherwise.
- **"Architectural Control Committee" or "ACC"** means the committee of the Association designated and appointed under Article VI, Section 1 of the Covenants.
- **"Declaration" or "Covenants"** means the Easements, Restrictions, Covenants, and Conditions for Park Ridge recorded under Pierce County Auditor's File No. 2302109, and any amendments thereto.
- **"Exterior Improvement" and "Exterior Improvement Project"** means any alteration of exterior appearance that can be seen from the front or side of a home facing a street, and it includes, without limitation, construction or exterior alteration residing, roofing, grading, paving, painting, and staining.
- **"Governing Documents"** means the articles of incorporation, bylaws, plat, declaration of covenants, conditions, and restrictions, rules and regulations of the association, or other written instrument by which the association has the authority to exercise any of the powers provided for in this chapter or to manage, maintain, or otherwise affect the property under its jurisdiction.
- **"Occupant"** means anyone who: (a) occupies a Lot as a permanent residence; or (b) stays overnight on any Lot more than fourteen (14) days in any calendar month or more than sixty (60) days in any calendar year.
- **"Person"** means a natural person, corporation, partnership, limited partnership, or other legal entity.
- **"Rental" or "Leasing"** a Lot means (a) the granting of a right to use or occupy a Lot, for a specified term or indefinite term (with rent reserved on a periodic basis), in exchange for the payment of rent (that is, money, property or other goods or services of value), or (b) the occupancy of a Lot solely by a person or person other than an Owner; but does not include joint ownership of a Lot by means of joint tenancy, tenancy-in-common or other forms of co-ownership, or the occupancy of a Lot by any person who resides on a Lot with its Owner, whether or not rent is charged therefore.
- **"Tenant"** means and includes a tenant, lessee, renter or other non-Owner Occupant of a Lot that is not occupied by its Owner. The term, "Tenant," includes a Related Party, meaning a Person who is a parent, parent-in-law, child, child-in-law, sibling, sibling-in-law, parent's sibling, or lineal descendant or ancestor of the Owner or the lineal descendant or ancestor of any of the foregoing persons, the trustee or beneficiary of any Owner which is a trust, the co-owner or of any Owner which is a corporation, or the partner any Owner which is a partnership.

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1.4.2 Form of Words. The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine, and neuter pronouns shall be used interchangeably.

1.4.3 Captions. Captions given to the various paragraph, section, and topic headings are for convenience only and are not intended to modify or affect the meaning of substantive provisions.

1.4.4 Severability. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall not affect the remaining portions of these Rules and Regulations or any part hereof, which shall remain in full force and effect.

1.4.5 Interpretation. The Board shall have authority to interpret these Rules and Regulations. In the event it becomes necessary for the Board to interpret the meaning of a particular section, clause, paragraph, word or phrase contained in these Rules and Regulations, the paramount consideration shall be to determine intent. These Rules and Regulations shall be read in their entirety, together with the Governing Documents, and special emphasis should be placed on arriving at an interpretation that protects the collective interest of the Owners Accordingly if more than one reasonable interpretation is possible, the Board will favor an interpretation which avoids frustrating the reasonable expectations of those affected by the Rules' provisions.

### 1.5 Rule Making.

#### 1.5.1 Rule Making Authority.

1.5.1.1 *The Board.* Pursuant to RCW 64.38.020 and Article VII, Section 1 of the Bylaws, the Board of Directors may adopt and amend Rules and Regulations and exercise any other powers necessary and proper for the governance and operation of the Association not reserved for the owners. The Board shall provide the owners with notice and opportunity to comment on a proposed rule change (i.e. the adoption, amendment or repeal of R&Rs):

- Prior to the adoption of any new or changes to R&Rs, the board shall hold at least one open community meeting to solicit input from the Park Ridge owners. This meeting shall be at a time that is generally convenient for most owners to attend (i.e. evenings or weekend).
- Written notice of this meeting shall be mailed out at least 15 days prior to the meeting date.
- At the meeting, the Board shall review the draft document and hold an advisory vote of meeting participants to determine community support for proposed or amended R&Rs.
- No proxy votes will be counted or accepted for purpose of the owner advisory vote and the vote shall not be binding on the Board's decision with respect to whether to approve the proposed rule change.

1.5.1.2 *Owners.* Upon receiving a written petition(s) signed by ten percent (10%) or more of the Lot Owners, the Board shall submit a proposed rule change, rule amendment, or new rule (collectively, a "Rule Change") to the owners for review and an advisory vote per

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the provisions outlined in 1.5.1.1. The owners by majority vote of those present, in person or by proxy, at a duly called meeting of the Association, at which a quorum exists, may adopt and amend rules and regulations, including repealing any rule and regulation previously adopted by the Board.

**1.6 Application to Existing Documents.** These R&Rs shall supersede and amend any prior rules, policies, or resolutions with respect to the subject matter herein, which were adopted prior to the date written below.

### **CHAPTER 2: ARCHITECTURAL CONTROL, PARKING AND EXTERIOR MAINTENANCE**

**2.1 Introduction.** All lots and properties within the Park Ridge Homeowner Association community (i.e., the "Properties") are held, sold and conveyed subject to the Covenants. The Covenants were imposed to create a uniform plan for residential community and to enhance and protect the value, desirability and attractiveness of Properties for the benefit of the community as a whole. In furtherance of this purpose, the Covenants (a) imposes exterior maintenance standards; (b) sets forth restrictions on the development, use, and improvement of Lots; and (c) establishes an Architectural Control Committee to review and, either approve or disapprove, plans and specifications for proposed buildings, structures, and other exterior alterations. These Rules and Regulations are adopted to supplement the Covenants and foster compliance with the architectural controls and exterior maintenance standards set forth in therein.

#### **2.2 Architectural Control, Parking and Exterior Maintenance.**

**2.2.1. Consent to Construction.** Pursuant to Article VI of the Covenants, no building or other structure shall be constructed or altered until complete plans and specifications have been submitted to and approved by the Architectural Control Committee ("ACC"). ***No such construction or alteration of any Building or Structure shall be started until written approval thereof is given by the ACC.***

**2.2.2 Interpretation Policy.** The Board of Directors has discussed the importance of uniform, consistent and fair application and enforcement of the Association's Covenants relating to ACC review of construction plans. This sometimes requires having to reasonably interpret the meaning of particular words so that the intent of the particular covenant is appropriately applied and enforced. The Board, in arriving at this Interpretation Policy, has considered many factors, including without limitation:

- The types of improvements owners have created, placed or installed in the past;
- Existing community standards;
- The intent of the Covenants which state that were imposed "for the purpose of enhancing and protecting the value, desirability, and attractiveness of the real property..." protecting the value and desirability"; and
- The collective interest of the homeowners in enforcing the Covenants as it pertains to architectural controls.

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The ACC shall document all owner requests, its decisions and rationale for the decision and strive to be consistent in future decision-making regarding similar requests or actions.

Now, therefore, the Board adopts the following policy as to how the Association will interpret and apply the following words as they are used in the Covenants and these Rules:

- **"Alter"** and **"Alteration,"** as used in Article VI of the Covenants, shall be interpreted to mean any and all future changes or modifications that an Owner, or his agents, may make to a Structure or Building upon a Lot, including without limitation changes or additions to structures or buildings regarding painting (paint color), siding, or roofing. In the event all or a substantial portion of a Building or Structure is to be repainted, the ACC may require a color other than the existing color if appropriate in light of a change in the style and aesthetic appearance of the community over time.
- **"Building" or "Structure"** means any man-made physical addition or improvement to a lot, including but not limited to fences, children's play equipment (affixed in any way to land or secured to wood, concrete or pads), walls, driveways and parking areas, walkways, patios, garages, storage sheds, outbuildings, carports, swimming pools, and mailbox houses that can be seen from the front or side yard facing a street.
- **"Construction" and "Constructed"** shall mean any construction, reconstruction, erection, modification, or alteration of a Structure or Building, except wholly interior alterations to a then existing Structure.

**2.3 Driveways and Parking Areas.** Article VI, Section 2 specifically requires ACC approval of complete plans and specifications regarding driveways and parking areas. Parking of any vehicle, except on an approved parking area or driveway, is not allowed. Vehicle parking on grass, lawns, bark, or other landscaping areas is not approved. Parking areas that may be approved include:

- The paved (asphalt, concrete, or pavers) driveways connecting a home or garage to the street, as well as any garage which was previously approved in connection with construction or alteration of a home on any lot.
- Designated driveway or parking areas that are made with compact gravel or other low impact development approved pervious surfaces (e.g. pervious pavers).

**2.4 Screening of Vehicles.** Article VII, Section (e), of the Covenants provides that owners at no time shall keep or permit to be kept on their premises any house trailer, truck, camper, mobile home or boat trailer unless housed within a garage or suitably screened from view from street or park area. For purposes of this rule, the word "street" shall be defined as any street internal to the Park Ridge subdivision. For purposes of this rule, the word "truck" shall be any truck larger than a residential use 1 ton (gross vehicle weight) and related commercial equipment used in business enterprises such as separate axels, dump beds, chippers, etc. For purposes of this rule, the word "camper" shall include recreational vehicles (RVs) and motor homes. These vehicles are also prohibited from being parked upon any street within the association.

**2.5 Inoperable or Abandoned Vehicles.** Article VII, Sections (g) and (h), of the Covenants prohibits owners from keeping garbage, rubbish, or any noxious or undesirable thing upon their lots. The ACC has reached a determination that it is a violation of Article VII, Sections (g) and (h)

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to keep vehicles that are in a state of significant disrepair or deterioration upon any lot, where visible from the street or park area. This rule shall apply regardless of whether a vehicle could be considered a "classic" or "collectable" model car and regardless of whether said vehicle is operable or licensed by the State. For purposes of enforcing this Rule, the term, "significant disrepair or deterioration," shall mean those vehicles that a reasonable person would find unsightly and detracting from the values, desirability and marketability of lots in the Association community due to their condition, which includes without limitation vehicles with significant areas of rust, broken windows, missing tires or vehicle parts, or body damage.

**2.6 Garbage, Rubbish, and Noxious or Undesirable Things.** Article VII, Sections (g) and (h), of the Covenants prohibits owners from keeping garbage, rubbish, or any noxious or undesirable thing upon their lots. The following is a non-exclusive list of noxious or undesirable things or uses of an owner's lot, in violation of Article VII and these rules:

- Garbage, refuse, rubbish, yard trimmings, cuttings, or debris that can be seen from the street or park. Owners must properly dispose of any garbage, refuse, or cuttings in an appropriate container suitably located on their lot and screened from public view.
- Yard clippings, tree limbs, or other organic matter accumulated, or otherwise collected or kept piles, as such accumulation of organic matter is unsightly and allows for the proliferation of vermin and insects; except that compost piles or heaps shall be allowed, if kept in an enclosed container, screened from street or park view, and maintained in a neat, clean, odorless and sanitary condition.
- Personal property or belongings stored outside in open view of the street or park areas. The intent of this paragraph is to provide additional incentive and encouragement to owners to pick up and put-away their personal property (i.e. foldable yard chairs, balls, play equipment, yard tools, mowers, shovels, coolers, etc.) when they are not in use. More permanent fixtures such as porch swings, chairs, benches, etc. are exempt from this provision.
- Lots may be kept in their natural vegetative state, or an owner may install landscaping and grassed yards. If an owner installs a yard or landscaping, routine yard maintenance and landscaping shall be performed so that the yard/landscaping does not become noxious or undesirable. It shall be considered noxious or undesirable for grass height to be higher than six inches.
- Areas of homes seen from the street or park that have any of the following: (1) missing shingles; (2) holes in roofs or siding; (3) missing siding; (4) broken windows/boarded windows; (5) missing boards for decking, porches, or railings; (6) moss or needles substantially covering any section of a roof; and (7) other similar lack of maintenance and repairs.

**2.7 Signs in yards** Article VII, Section (i) of the Covenants restricts the type and size of allowed signs. The size limit of 400 square inches applies to any sign allowed by law. State law allows political signs before a primary or general election. The HOA adds the Pierce County guidance: "Political signs shall not be displayed more than 10 days after the date of the election for which intended. In cases where a general election follows a primary election, those signs for candidates whose names will appear on the ballot in the general election may be displayed during the interim period and up to 10 days after the general election." The HOA interprets political signs as signs for a candidate or issue on the ballot in the election.

## CHAPTER3: RENTALS

**3.1 Introduction.** The Board of Directors has discussed the issues posed by Tenants and non-

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Owner Occupants residing in the Park Ridge Homeowners Association residential community, especially with regards to their knowledge and compliance with the Association's Governing Documents. Failure by Owners, realtors, and property managers to provide copies of the Association's Governing Documents to prospective and actual Tenants, or even informing them that they exist, can lead to a variety of problems for the Association. In the interest of ensuring that the Association has adequate information with which to communicate with Owners and their Tenants about Association issues, and to enhance the Association's ability to communicate regarding Tenant compliance with the Governing Documents, the Association has adopted the following Rules and Regulations.

### **3.2. Obligations of Owner/Landlord.**

3.2.1 Owner to Provide Governing Documents to Tenant. Each Owner who Rents or Leases any portion of his or her Lot in the Park Ridge Homeowner Association shall provide the tenant(s) with a copy of the following documents:

- Covenants
- Bylaws
- these Rules and Regulations
- any other documents, resolutions, or policies, as may be designated by the Board.

This may be accomplished by directing the tenant to the Park Ridge website and providing the login information.

- Notice of Occupancy Changes. All owners must register any tenant(s) with the board at the time the tenant(s) move-in. Owners shall in writing provide the board the following information: the name(s), telephone number(s), email, and street address of any property management company and current contact information for non-resident owner. Owners shall also provide their current off-site address, phone number, and email address.
- The Lot number and name(s), email address(es) and telephone number(s) of all tenants responsible for the rental agreement.
- The time period the tenants will be occupying the home.

3.2.2 Registration of Pre -Existing Rental Properties. Within thirty (30) days of adoption of this Rule, Owners shall register any rental properties with existing Tenants or Non-Owner occupants of their lots (other than Related Parties) by providing the Board of Directors with the information required by the preceding paragraph.

3.2.3 Owner Responsibility. Each Owner shall be responsible for ensuring that the occupant(s) of his or her Lot, Tenant(s), and said Owner's guests, invitees, licensees, and agents are aware of and comply with the Association 's Governing Documents.

3.2.4 Owner Liable. Each Owner shall be personally liable for any violation fines, damages, or costs of enforcement incurred, directly or indirectly, as a result of the actions or inactions of their Tenant(s), guests, invitees, or the occupants of his/her Lot.

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Such fines, damages, and cost of enforcement shall be collectable by the Association in the same manner and with like effect as annual assessments.

### **3.3 Additional Rules Regarding Rentals.**

3.3.1 Owner as Landlord. The Association does not and will not provide services to Tenants that are typically provided by a landlord, including without limitation, preparing a home to be leased, collecting rent, performing maintenance or repairs, and addressing Tenant complaints.

3.3.2 No Voting Rights for Tenants. Tenants do not have voting rights under the Association's Governing Documents. However, they are welcome to assist the Association by serving on committees (except the ACC) and volunteering their time for the benefit of the community.

3.3.3 Minimum Rental Time Period. Minimum lease or rent period may not be less than six months. The exception is rentals to accommodate major regional events such as those hosted at Chambers Creek Properties as defined by the board.

*(Added 3/12/18)*

## **CHAPTER 4: VIOLATIONS**

**4.1 Introduction.** R.C.W. 64.38.020(11) provides that an Association can levy reasonable fines in accordance with a previously established schedule adopted by the Board of Directors and furnished to the owners for violations of the Governing Documents of the Association.

**4.2 Investigation / Notice of Violation.** Before reporting a violation to the Board, owners are strongly encouraged to contact the offending party directly and request voluntary compliance. Once a possible violation has been reported to or otherwise becomes known to the Board, the Board will use ordinary and reasonable care in determining whether to issue a violation notice to the offending Owner. If a violation is found, the Board will send written notice of the violation to the offending Owner stating the specific provisions of the Governing Documents or decision of the Board which the Owner, or his Tenants, guests, or invitees, are alleged to have violated. The violation notice shall state, to the extent reasonably available, the time, date, location, nature of violation, applicable fines, and persons involved.

**4.3 Service of Violation Notice.** Within fourteen (14) days of the Board's decision to issue a violation notice, the Board shall cause it, together with a copy of this Section 4 of the Rules and Regulations, to be served upon the Owner at his or her address on file with the Association.

**4.4 Legal Action.** In the Board's discretion, legal action may be taken against the violating Owner at any time, regardless of whether the Owner has received his or her opportunity to be heard by the Board as to the particular violation. The Association shall recover any costs and reasonable attorney's fees incurred in connection with the enforcement of these Rules and Regulations, whether or not the enforcement activities result in suit being commenced or prosecuted to judgment. In addition, the prevailing party shall be entitled to recover costs and reasonable attorney's fees on appeal and in the enforcement of a judgment, whether in the State of Washington or in sister states.

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**4.5 Right to a Hearing.**

4.5.1 Opportunity to be Heard. Upon service of a violation notice pursuant to subsection 4.3 above, the Owner shall be entitled to request a hearing to offer a defense to, or otherwise offer information or testimony regarding the circumstances relating to the alleged violation.

4.5.2 Request of Hearing. The Owner must request a hearing, in writing, within fifteen (15) calendar days of service of the violation notice in accordance with subsection 4.3 above . The request for a hearing must contain the following:

- The Owner's name and address.
- The address for Owner's Lot within the Association community, if different than Owner's actual residential address.
- The name and address of any Tenants or non-owner Occupants (other than Related Parties) residing on the Owner's Lot.
- The Owner's reasons, defenses, or basis for requesting the hearing.
- A copy of all supporting documentation or evidence that the Owner would like the Board to consider.
- The name of any attending attorneys, witnesses or other collaborating guests.

4.5.3 Failure to Request Hearing. An Owner shall be found liable for the violations stated in a duly served violation notice, if said Owner fails to: (a) request a violation fine hearing within the fifteen (15) day period; or (b) fails to materially comply in all respects with the requirements contained in subsection 4.6 .2 above.

**4.6 Hearing Board.** Hearings with respect to violation notices shall be handled by the Board of Directors, or a Hearing Board appointed by the Board of Directors consisting of at least two Board members ("Hearing Board"). The Hearing Board shall select from among its members a Chairperson of the Hearing Board and a Secretary of the Hearing Board. The Hearing Board is authorized and empowered to investigate, hear, and determine all violation notices issued for violations of the Association's Governing Documents. The Hearing Board is further authorized and empowered to impose a fine as provided for herein upon any person whom it finds to have violated the Governing Documents, and to pursue in court that the non-prevailing party to reimburse the Association for its costs, including reasonable attorney's fees, in connection with the matter. Nothing herein shall be construed to prevent the Board of Directors from serving as the Hearing Board.

**4.7 Hearing Procedure.**

4.7.1 Confirmation of Request for Hearing. An Owner will be sent confirmation by the Hearing Board of its receipt of the Request for Hearing.

4.7.2 Notice of Hearing Date. No later than ten (10) calendar days following the Association's receipt of an Owner's Request for Hearing, the Hearing Board shall mail or deliver

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notice to the Owner of a hearing date, which notice will provide the date, time, and location of the hearing, which is to be determined by the Hearing Board.

4.7.3 Deliberation. As soon as possible after conclusion of the hearing, the Hearing Board shall meet in executive session to deliberate and reach a decision. A majority of the Hearing Board shall be controlling. The decision of the Hearing Board shall be in writing and shall summarize the evidence presented to and considered by the Hearing Board, shall state the facts upon which the Hearing Board has based its decision, and shall contain a finding as to whether or not the Respondent violated the Governing documents or a decision of the Board as provided in the Governing Documents.

4.7.4 Notification of Decision. Within ten (10) calendar days of the hearing, the Hearing Board will mail or deliver written notice to the Respondent/Owner of the Hearing Board's decision.

### 4.8 Fine Schedule.

4.8.1 Continuous or Ongoing Violations. Fines may be imposed and shall accrue at the rate of twenty-five (\$25) per day until compliance occurs with respect to those violations of the Governing Documents that are deemed by the Board to be continuing or ongoing in nature (i.e. violations that are not intermittent or occur sporadically).

4.8.1.1 If at any point the fines reach more than \$250, and repeated attempts to resolve the violation with the owner have failed, the Board may at its discretion, pursue legal action as outlined in Section 4.4 and may add the charge to the Homeowner's fine total.

4.8.2 Intermittent Offenses. If the violation involves an intermittent offense or conduct (for example, the failure to quiet and control a barking dog or a non- continuous but repeated parking violation), the Association may levy fines on a per incident basis as follows:

- 1st Offense: Warning to the owner and occupant
- 2<sup>nd</sup> offense: \$50.00
- 3<sup>rd</sup> offense: \$75.00
- 4<sup>th</sup> offense and each subsequent offense: \$100.00 per offense

4.8.3 No Duplication of Fines for Same Offense. In no event shall the Board impose fines for the same violation under more than one of the above subsections (4.8.1 thru 4.8.3)

**CHAPTER 5: ASSESSMENTS / COLLECTION POLICY**

**5.1 Introduction.** Prompt payment of assessments by all Owners is critical to the financial health of the Association and to the preservation and enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligations under the Association's governing documents and Washington State law to enforce the members' obligations to pay assessments.

**5.2 Payment of Assessments.** Quarterly and special assessments, late fees, interest charges, and collection costs, including attorneys' fees and management fees, are the personal obligation of the Owner of the Lot at the time the assessment or other charge is due. It is the Owner's responsibility to pay each Assessment in full regardless of whether a payment statement or payment coupon is received. An Owner may not withhold assessments owed to the Association or claim offset on the alleged grounds that the Owner is entitled to recover money or damages from the Association for some other obligation.

**5.3 Association Lien.** Delinquent amounts automatically create a lien against the Lot even before a written lien is recorded. The Association has the right to record a lien against the Lot whenever the Owner's account is past due, and nothing in this Collection Policy shall limit or otherwise affect the Association's right to record a lien against the Lot to protect and provide public notice of the Association's interest in the Lot.

**5.4 First Late Fee & Delinquency Notice.** Quarterly assessments are assessed against each Lot on the first (1<sup>st</sup>) day of each quarter, and become due and payable immediately. All other assessments, including special assessments, are due on the date specified by the Board. An account becomes delinquent when an assessment is not paid in full by the thirty fifth (35<sup>th</sup>) day of the quarter, and/or when a special assessment is not paid by its due date. A delinquent account will incur a late fee in the amount of \$25.00 on the date the account becomes delinquent. The President, Treasurer, or Manager is authorized and directed to charge a late fee against any delinquent account on the date the account becomes delinquent.

The President, Treasurer, or Manager is further directed to send a notice via First Class U.S. Mail once the account becomes delinquent, informing the Lot Owner of the status of that Owner's account, the late charge, and the steps the Association will take if the Owner does not immediately pay the full amount due. Nonpayment of assessments may lead to a lawsuit to foreclose on the Association's lien against an Owner's Lot. The homestead exemption under Chapter 6.13 of the Revised Code of Washington will not apply in an action to foreclose on an Association lien.

**5.5 Second Late Fee & Delinquency Notice.** If a Lot Owner remains delinquent, the President, Treasurer, or Manager is directed to charge another \$25.00 late fee on the fifteenth (15<sup>th</sup>) day of the second quarter. The President, Treasurer, or Manager is also directed to send the Lot Owner a second written notice of delinquency.

**5.6 Third Late Fee & Delinquency Notice.** If a Lot Owner remains delinquent, the President, Treasurer, or Manager is directed to charge another \$25.00 late fee on the fifteenth (15<sup>th</sup>) day of the third quarter. The President, Treasurer, or Manager is also directed to send the Lot Owner a third written notice of delinquency advising the Lot Owner that: if the account is not paid in full in ten (10) days, it will be turned over to the Association's attorney for collection; a lien will be recorded against the Lot; and the Lot Owner will be liable for all fees and costs associated with collecting on a delinquent account.

**5.7 Ongoing Late Fees, Interest, and Other Charges.** Every account with an outstanding balance

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shall be subject to a quarterly late fee of \$25.00. Interest at the rate of seven percent (7%) per annum shall be collected on all outstanding balances, including but not limited to late charges and legal fees. Interest charges will be assessed from the original due date after the outstanding balance becomes due and will be assessed each month until the account is brought current. Nonsufficient fund (NSF) payments will incur a fee of \$25.00 or the actual amount incurred by the Association's bank and management company. The Association may also assess any fees associated with the collection of the delinquent account charged by its management company.

**5.8 Referral to Association Attorney.** If an account remains delinquent for ten (10) days after the third written notice, the Board may refer the account to the Association's attorney. Additionally, the Board may consult with the Association's attorney at any time when: the Lot Owner has filed for bankruptcy or is the subject of a petition for relief under the bankruptcy code; a lender has started a foreclosure action against the Lot; or any other legal action has commenced against the Lot. Once an account has been referred to the Association's attorney for collection, the President, Treasurer, or Manager is directed to cease sending delinquency notices and account statements to the delinquent Owner, and is directed to send any such notices to the Association's attorney.

**5.9 Assessment of Attorneys' Fees and Collection Costs.** All attorneys' fees and costs incurred in the collection of past due assessments shall be assessed against the delinquent Owner's account and shall be collectible as an assessment, including but not limited to any fees paid to the Association's Manager as a result of the Owner's delinquency. Furthermore, the Association's attorney may charge to a delinquent account other amounts permitted under the Declaration or this Collection Policy such as interest and security deposit even if said amounts were not previously calculated by the Association or its managing agent.

**5.10 Payment Plans & Communication with Delinquent Owners.** Once an account is placed with the Association's attorney for collection, all contacts with the delinquent Owner should be handled through the attorney. If an Owner requests an accounting from the Association or its manager, the Owner should be referred to the Association's attorney. Should the Association or its manager provide the Owner with an account ledger or balance due while the Owner's account is being handled by the Association's attorney, the Association shall not be bound by any such statement. The Owner may not rely on a statement of account from any source other than the Association's attorney so long as the attorney is handling the Owner's delinquency.

Any revisions of the amounts demanded of the Lot Owner and/or any payment plans proposed by the delinquent Owner should be handled through or immediately communicated to the attorney. The Board will consider payment plan requests on a case-by-case basis and with the advice of the Association's attorney. The Board is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien against the Lot.

**5.11 Foreclosure.** As provided by Article 5 Section 8. of the Declaration, if an Owner fails to respond to the Association's attorney's attempts to collect from the Owner, the Board of Directors may decide to foreclose on the Association's lien. The Owner could lose ownership of the property if a foreclosure is completed, and will be responsible for significant additional attorneys' fees and costs if a foreclosure is started against the Owner's property.

**5.12 Appointing a Receiver.** If a foreclosure lawsuit has been filed, the Association may request that the Court appoint a Receiver to take possession of a property that is not occupied by the Owner. The Receiver has the authority to refurbish and rent out the property on behalf of the Association.

**5.13 Suspension of Voting Rights.** As provided by Article IV Section 1 of the Declaration, a delinquent Owner's right to vote or use recreational facilities is suspended and shall remain suspended

PARK RIDGE HOMEOWNERS ASSOCIATION RULE AND REGULATIONS

until all assessments, fees, and interest are brought current. This policy shall serve as notice of such suspension with no further notice required. Any suspended member shall not be counted for purposes of a quorum.

**5.14 Payments Received from Delinquent Owner.** All payments received may be applied to the oldest amounts due first, as is the Association's standard practice. At the Board's discretion, payments may be applied differently if such application is in the Association's best interest. Owners shall not have the ability to direct the Association how to apply payments; any payments with such restrictions may be returned to the Owner at the discretion of the Board, Association's Manager or the Association's attorney. All payments collected from delinquent Owners during the collection process shall be made out to the Association, but mailed or delivered to the attorney's office so that the attorney can keep accurate, up-to-date records of the remaining amounts due. If the President, Treasurer, or Manager receives payment from a delinquent Owner after the file has been referred to the Association's attorney, the President, Treasurer, or Manager is directed to provide a copy of the payment to the attorney before depositing it in the Association's account. Payments should only be deposited after the Association's attorney has approved it. The President, Treasurer, or Manager is directed to send an updated account ledger for the accounts in collection to the Association's attorney once a month for the duration of the collection action.

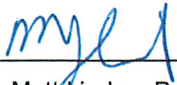
**5.15 Waiver & Additional Collection Action.** Nothing in this Collection Policy limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent amounts owed to the Association. Specifically, the Association retains the right to refer a delinquent account to the Association's attorney at any time. The Association's failure (or the failure of any agent of the Association) to comply with any provision of this policy shall not be viewed as a waiver of the Association's right to proceed to collect delinquent assessments in any lawful manner.

**CHAPTER 6: RULE EFFECTIVE DATE AND APPLICABILITY**

These Rules shall supersede and replace any previously adopted Rule or Rules as to the matters addressed herein. If any portion of these Rules is determined to be legally unenforceable, it shall not negate the enforceability of the remaining portions of these Rules. These Rules shall be effective thirty (30) days after said Rules have been both adopted by the Board and furnished to the Owners. A copy of the Rules then in force shall be retained by the Secretary of the Association and shall be available for inspection by any owner during reasonable business hours. These Rules shall have the same force and effect as if set forth in the Covenants.

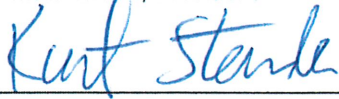
PARK RIDGE HOMEOWNERS ASSOCIATION RULE AND REGULATIONS  
DATED AND ADOPTED: March 12, 2018

Amended June, 2021



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Matt Linden, President



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Kurt Stender, Secretary and Treasurer