

INTRODUCTION AND STATEMENT OF PURPOSE

This Collections Policy is promulgated by the Mountain View Park Community Club ("Association") Board of Directors ("Board") in accordance with the Homeowners' Associations Act Chapter 64.38 RCW, the Washington Uniform Common Interest Ownership Act Chapter 64.90 RCW, the recorded covenants in the plat and dedication recorded in the real property records of Snohomish County on May 28, 1969, under Auditor's File No. 2095428 (as amended, the "Declaration"), the By-Laws of Mountain View Park Community Club (as amended, "Bylaws"), and the Articles of Incorporation (as amended, the "Articles").

The Collections Policy is part of the rules of the Association and constitute one of the Association's Governing Documents. The "Governing Documents" consist of the Declaration, Bylaws, Articles, and any rules and regulations and policies set by the Board.

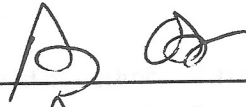
This Collection Policy is intended to be consistent with state law and to supplement, but not contradict, provisions of the Declaration, Bylaws, and Articles. Owners are advised to familiarize themselves with the provisions contained in following pages, and the other Governing Documents. This Collections Policy shall supersede all previous collection policies or procedures and any other rules to the extent that they are inconsistent herewith.

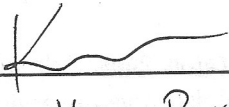
Failure to comply with the Governing Documents with respect to payment of any amount due may result in the imposition of late fees and other collection actions, including but not limited to lien recording and assessment of administrative fees and attorneys' fees, for which the Owner will be held financially responsible.

This Collections Policy and the Governing Documents will not be applied in a manner that would constitute discriminatory treatment of any individual on the basis of any protected class or status.

These rules were adopted by the Board at a properly called meeting of the Board on the 10TH day of AUGUST, 2025 and were provided to all Owners before the effective date listed in the attached Collection Policy. This Collection Policy may be amended or supplemented by additional rules or policies adopted by the Board and provided to Owners.

MOUNTAIN VIEW PARK COMMUNITY CLUB

By: 
Its President

By: 
- Its VICE-PRESIDENT

COLLECTION POLICY

EFFECTIVE DATE: OCTOBER 1, 2025

The following shall supersede all previous collection policies or procedures and any other rules to the extent that they are inconsistent herewith. To fulfill its obligations including but not limited to governing the Association and maintaining, repairing, and replacing Common Areas, the Association assesses each Owner for that Owner's percentage of common expense liability as required by the Governing Documents and the laws of the State of Washington.

The common expenses are based on the Association's projection of the expenses necessary to conduct its activities as set forth in the budget adopted by the Association. It is necessary to ensure that all Owners pay their Assessments promptly so that sufficient funds are available to fulfill the Association's obligations to all its members and meet its budgetary requirements and projections.

Failure of any Owner to promptly pay Assessments results in additional burdens on all Owners. It is, therefore, this Association's policy to take such steps as are necessary to ensure compliance by Owners with their obligation to timely pay Assessments levied by the Association.

1. **Assessments.** Assessments are based on the budget adopted by the Association and are due in accordance with the payment schedule adopted by the Board. Assessments include all sums chargeable by the Association against a Lot including, without limitation, general and special Assessments for common expenses, charges and fines levied by the Association, late charges and interest on any delinquent account, and costs of collection, including reasonable attorneys' fees incurred by the Association in connection with the collection of a delinquent Owner's account.

***Unless otherwise provided, an account is delinquent if payment in full is not received
by the 30th day after the payment is due.***

2. **Late Fees.** Late fees deter Owner delinquencies and reimburse the Association for some of the additional administrative time and costs associated with late payments. The Association may assess late fees against Owners who do not pay their Assessments in a timely manner. Late fees are 5% of the delinquent assessment balance (excluding late fees or other fees or charges), or \$50, whichever is less, and are assessed each month where an account is delinquent.

3. **Administrative Fees.** Administrative fees related to collection are in addition to late fees and include specific administrative or service fees and costs such as, but not limited to, the preparation and mailing costs of a delinquency notice, a bank charge for a dishonored check, an account monitoring fee, and a credit card processing fee. Should the Association incur administrative fees associated with an Owner's account, it may add such fees to the Owner's account and such fees shall be considered Assessments.

4. **Attorney Fees and Costs.** As provided in the Governing Documents, should the Association be required to use the services of legal counsel and should the Association incur costs in the

collection of delinquent Assessments, the delinquent Owner shall be responsible for all attorney's fees and costs incurred, which may be directly applied to the Lot's account.

5. Application of Payment. Payments made by a delinquent Owner toward a delinquent debt are applied as follows: (1) first to late fees; (2) then to administrative fees; (3) then to any other costs and reasonable attorneys' fees incurred in collection; (4) then to fines; and (5) lastly, to specific Assessments and budgeted special and periodic Assessments. The Association may change the order in which payments are applied if it determines that such a change is in the Association's interest. This policy regarding application of payment does not require the Association change how it applies payments in its standard bookkeeping practice.

6. Partial and Conditional Payments. Notwithstanding any restrictive endorsement, designation or instruction placed on or accompanying a payment, partial or otherwise, the payment shall be applied as indicated in Section 5. Additionally, the Association reserves the right to reject any partial payment, conditional payment, or payment with any restrictive endorsements.

7. Owner's Responsibility. Each Owner has the responsibility to pay the Owner's share of the common expenses, and other amounts assessed, to the Association so that the payment arrives on or before the date the payment is due.

8. Collection Steps. The following steps are those the Association will typically take in collecting an unexcused delinquency. The Association is neither required to take these specific steps nor must it adhere to these specific time frames. The Association may evaluate each delinquency on a case-by-case basis and determine which steps and what timing it believes will best achieve the payment of delinquent Assessments:

For the regular annual Assessment (due in one installment):

Day 30 – Late fee assessed and notification to Owner requesting prompt payment. (Late fee assessed each month an account is delinquent.)

Day 90 – Second Letter to Owner requesting prompt payment.

Day 150 – Third Letter to Owner requesting prompt payment.

Day 180 – Matter referred to Association legal counsel.

For any one-time Assessment (other than the annual assessment) or an Assessment that comes due in monthly installments:

Day 30 – Late fee assessed and notification to Owner requesting prompt payment. (Late fee assessed each month an account is delinquent.)

Day 60 – Second Letter to Owner requesting prompt payment.

Day 75 – Third Letter to Owner requesting prompt payment.

Day 91 – Matter referred to Association legal counsel.

For any regular or special Assessment that comes due in Quarterly installments:

Day 30 – Late fee assessed and notification to Owner requesting prompt payment. (Late fee assessed each month an account is delinquent.)

Day 90 – Second Letter to Owner requesting prompt payment.

Day 120 – Third Letter to Owner requesting prompt payment.

Day 150 – Matter referred to Association legal counsel.

In the event of continued non-payment after affording the Owner an opportunity to respond to the demand letter, legal counsel may commence suit, begin foreclosure proceedings against the Owner and the Lot, and take such other action permitted by the Governing Documents and the laws of the State of Washington.

It is the intention of the Association to follow the above procedures and Owners are strongly encouraged to make payments promptly to avoid additional costs and legal action.

Once referred to legal counsel, all contacts regarding a delinquent account with a delinquent Owner shall be handled through the Association's attorney. The attorney shall have authority to settle the collection of the account directly with an Owner after it has been turned over to the Association's attorney.

The Association reserves the right to vary from the policy set forth above where particular circumstances warrant such deviation in the reasonable business judgment of the Board, designated officer, or Association legal counsel.

9. Protection of Board Members. Persons exercising authority of the Board or a Committee are not liable for action or inaction done in good faith. Association action under this Policy shall not create any liability of the Board, Association, or Committee, or any employee or member of the Board, Association, or the Committee.

10. Lien and Homestead Protection. The Association has a lien against each Lot to secure payment of delinquent Assessments. Nonpayment of the Association's Assessment may result in recording and/or foreclosure of the Association's lien, and homestead protection under RCW 6.13.080 is not available for debts secured by the Association's lien.

11. No Waiver / Not Exclusive Remedy. The foregoing shall not be deemed a waiver of any right to enforce or take any other action available under the Governing Documents or at law. The sanctions, fines, fees, interest, admin costs, and penalties set out herein are in addition to, and not in lieu of, other remedies or sanctions available to the Association by law or by the Governing Documents.

Thank you for your cooperation and timely payment.