

## **Fountain Village Estates**

### **DECLARATION - Updates**

#### **V. ASSESSMENTS: 5.1 General Assessments Process Clarification (iv):**

- a. Amount: As determined by the Association's annual budget.
- b. Collection Schedule: Monthly, but can be pre-paid.
- c. Billed: On the 25<sup>th</sup> of each month for the coming month.
- d. Payable: by the 10<sup>th</sup> of the month in which the Assessment is due, after which a late fee applies.

**V. ASSESSMENTS: 5.2 Special Assessments (i):** May be determined by the Board of Directors based on the needs of the Association.

#### **V. ASSESSMENTS: 5.4 Assessment Collection Policy:**

- a. **Definitions:**
  1. ***"Assessment"*** means monies owed to the Association, and shall include:
    - i. Regular Assessments,
    - ii. Special Assessments,
    - iii. Fees and Charges,
    - iv. Fines, and
    - v. Other monies due the Association, and allowable under the Declaration of Covenants, Conditions, and Restrictions.
  2. ***"Association"*** means the Fountain Village Estates Homeowners Association.
  3. ***"Board"*** or ***"Board of Directors"*** means the decision-making body of the "Association."
  4. ***"Homeowner"*** or ***"Owner"*** means the Owner of one of the 50 lots within the Fountain Village Estates Homeowners Association.
  5. ***"Management"*** means the company hired by the Association to enforce the Declaration of Covenants, Conditions, and Restrictions and this Assessment Collection Policy. Management may act on behalf of the Association and at the Direction of the Board in all matters referenced in this Assessment Collection Policy.
- b. **Policy Objective:** To outline and clarify the collection policies of the "Association" and the standards to which all "Owners" will be held accountable, as it pertains to assessments.
- c. **Responsibilities:**
  1. Fountain Village Estates Homeowners Association is responsible for pursuing collection of all Assessments pursuant to the Declaration of Covenants, Conditions, and Restrictions and this Assessment Collection Policy.
  2. Homeowners are responsible for on-time payment of all assessments. The person who is the Owner of a lot as of the date an Assessment becomes due is personally liable for the payment of the Assessment. The personal obligation for delinquent Assessment shall not pass to the successors in the title of the Owner unless expressly assumed by them.

**V. ASSESSMENTS: 5.5 Current Schedule Assessments:** The amounts below are established by the Board as of the signing of this document. The Board reserves the right to change this schedule as needed to cover the costs of the Association:

**FOUNTAIN VILLAGE ESTATES - ASSESSMENTS**

<b>Charge to Owner's Account</b>	<b>Amount Due</b>	<b>Notes</b>	<b>Can this charge be waived by the Board?</b>
Regular Assessment	\$55.00 per month	Reviewed by the board each budget cycle.	No
Special Assessment	None	Determined by the board based on financial need of the Association.	No
Late Fee	\$35.00	Assessed when payment of the regular assessment is not received by the 10 <sup>th</sup> day of the calendar month for which it is due.	Can be waived by the Board ONCE, based on Owner's payment history.
Returned Check Fee Insufficient Funds Fee	\$35.00	Per occurrence.	No
Handling Fees	Varies	Assessed at the actual cost to the Association to make collection.	No
Interest	9% per annum	Starts when the Owner's account is 30 days past due and applies to the entire amount due each month.	Can be waived by the Board ONCE upon payment in full of the Owner's account

**V. ASSESSMENTS: 5.6 Application of Funds Received:** All assessment funds received by the Association will be applied in the following order:

- a. First: Unpaid Assessment amount;
- b. Second: Current Assessment;
- c. Third: Fees, Charges and Fines incurred by the Owner;
- d. Fourth: Interest charges accrued.

**V. ASSESSMENTS: 5.7 Partial Payments and Application of Funds:**

Partial payments will not prevent the accrual of interest on the unpaid portion of the Assessment. The Owner will still be considered to be delinquent upon making partial payments.

***NOTE: One Time Clean Slate Option/Grace Period: For the purpose of addressing waiver of fees and interest:***

- a. *All member accounts that are paid in full by February 28, 2020 will have their "count" of late payments reset to zero. This allows the board to consider waiving the late fees ONCE for a member going forward.*
- b. *Late fees and interest will begin to accrue on all unpaid balances after the grace period, which ends February 28, 2020.*

**VI. GENERAL PROVISIONS: 6.9 Fees and Charges:** The Association is obligated to recoup additional administrative expenses associated with collecting delinquent Assessments. These fees and charges are considered part of the Owner's Assessment and covered by this Assessment Collection Policy and Fee Schedule. Applicable fees will be added to the amount outstanding and are collectible to the same extent and in the same manner as the delinquent Assessment. These fees include, but are not limited to:

- a. **Late Fees:** Assessments not received and processed by the 10<sup>th</sup> day of the calendar month in which they are due are considered late and will have a late fee added to the Owners balance due. An additional late fee will be added to an Owner's balance due for each regular monthly assessment that is not paid on time. *(Example: Monthly assessment of \$55 not paid on time, \$35*

*late fee applied; monthly assessment of \$55 not paid on time, another \$35 late fee added to balance due; assuming no payments during this time, balance due is \$180.)*

- i. **Waiver of Late Fees:** Only the Board may waive fees and charges. The Board may elect to waive fees based on an Owner's history of on time payment. If the Owner has no late payments, he may apply to the board for a one-time waiver of late fees. If there are one or more late payments in the Owner's payment history, the board may not waive the fee.
- b. **Returned Check/Insufficient Funds Fee:** A fee will be incurred by the Owner for returned checks or automatic payments that fail because of insufficient funds. This fee is in addition to the late fee that may be incurred by the Owner, and it may not be waived by the Board. The returned check or insufficient funds fee is charged per occurrence.
- c. **Handling Fees:** These are the fees incurred by the Association as a result of having to enforce the Declaration of Covenants, Conditions, and Restrictions and this Assessment Collection Policy, and any other policies/schedules/resolutions adopted by the Board on behalf of the Association.

Handling fees include, but are not limited to:

- preparation, mailing and execution of collection notices;
- notices to comply with CC&Rs and house rules;
- filing of liens;
- attorneys' fees and legal costs.

These fees are billed to the Owner at actual cost and cannot be waived by the Board. Since the Association has to pre-pay these expenses during the collection process, the Board may charge interest according to the schedule outlined below.

#### VI. GENERAL PROVISIONS: 6.10 Infractions and Fines:

- a. Violations of the Association Guidelines are commonly known as "Infractions." An infraction by the Owner of the Declaration of Covenants, Conditions, and Restrictions or the associated policies, schedules or resolutions of the Fountain Village Estates Homeowner Association will result in a fine.
- b. The fine will be assessed and charged to the Owner's account.
- c. Infractions that are resolved but then recur will incur another fine.
- d. Fines will be further clarified in another policy/resolution amended to the Declaration indicated below:

#### **FOUNTAIN VILLAGE ESTATES - INFRACTION NOTICES**

WARNING - 1 <sup>st</sup> COURTESY NOTICE	<ul style="list-style-type: none"> <li>• A "COURTESY NOTICE" is the 1<sup>st</sup> notice of an infraction and is sent to the Owner via regular first class mail and/or email at the time of the infraction and/or when the incident occurred. There is no fee charged for the first notice.</li> </ul>
2nd - NOTICE of INFRACTION	<ul style="list-style-type: none"> <li>• A "NOTICE OF INFRACTION" is when repeated violation occurs relating to the Owner or their guest in regards to disruptive behavior or inappropriate actions within the HOA community. This notice shall result in a \$35.00 penalty to the Owner.</li> <li>• An additional \$3.00 charge will be issued for processing and serving the Notice of Infraction.</li> </ul>

	<ul style="list-style-type: none"> <li>No sooner than thirty (30) days after the due date, the Association will send a notice via regular first-class mail detailing the balance due and reminding the Owner the next steps are to:               <ul style="list-style-type: none"> <li>Charge interest beginning when the account is 30 days past due.</li> <li>Send an intent to lien notice when the account is 60 days past due.</li> </ul> </li> </ul>
3rd - NOTICE of INFRACTION	<ul style="list-style-type: none"> <li>After a reoccurrence of the same violation, a fine will be imposed of \$70.00 and added to the Owner's account. No warning will be issued – automatic fine.</li> <li>An additional \$3.00 charge will be issued for processing and serving the notice.</li> <li>No sooner than thirty (30) days after the due date, the Association will send a notice via regular first-class mail detailing the balance due and reminding the Owner that the next steps are to:               <ul style="list-style-type: none"> <li>Charge interest beginning when the account is 30 days past due.</li> <li>Send an intent to lien notice when the account is 60 days past due.</li> </ul> </li> </ul>
4th - NOTICE of INFRACTION	<ul style="list-style-type: none"> <li>After a reoccurrence of the same violation, a fine will be imposed of \$105.00 and added to the Owner's account. No warning will be issued – automatic fine.</li> <li>An additional \$3.00 charge will be issued for processing and serving the notice.</li> <li>No sooner than thirty (30) days after the due date, the Association will send a notice via regular first-class mail detailing the balance due and reminding the Owner that the next steps are to:               <ul style="list-style-type: none"> <li>Charge interest beginning when the account is 30 days past due.</li> <li>Send an intent to lien notice when the account is 60 days past due.</li> </ul> </li> </ul>
5th - NOTICE of INFRACTION  &  SUBSEQUENCE INFRACTION NOTICES	<ul style="list-style-type: none"> <li>After a reoccurrence of the same violation and subsequent repeated occurrences beyond the 5<sup>th</sup> notice for the same violation, a fine will be imposed of \$140.00 and added to the Owner's account. No warning will be issued – automatic fine.</li> <li>An additional \$3.00 charge will be issued for processing and serving the notice.</li> <li>No sooner than thirty (30) days after the due date, the Association will send a notice via regular first-class mail detailing the balance due and reminding the Owner that the next steps are to:               <ul style="list-style-type: none"> <li>Charge interest beginning when the account is 30 days past due.</li> <li>Send an intent to lien notice when the account is 60 days past due.</li> </ul> </li> </ul>
Waiver of Fees associated with Intent to Lien and Recordation of Lien	<ul style="list-style-type: none"> <li>May not be waived by the Board.</li> </ul>
Interest	<ul style="list-style-type: none"> <li>Starts when the Owner's account is 30 days past due and applies to the entire amount due each month.</li> <li>Can be waived by the Board <u>once</u> upon payment in full of the Owner's account.</li> </ul>

**VI. GENERAL PROVISIONS: 6.11 Interest on Unpaid Balances:**

- b. Interest will accrue on the entire unpaid balance of any Owner.
- c. Interest rates begin when an account is 30 days past due.
- d. Owners may apply to the Board for a waiver of interest fees, once they can show that the balance due has been paid in full.
- e. Interest charges can be waived by the board once per Owner account.
- f. Interest is charged to the Owner on all unpaid balances. The interest compounds daily until paid in full.

**VI. GENERAL PROVISIONS: 6.12 Ownership Records:** All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the lot for which Assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given unit lot, will be valid and effective for all

purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is an actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.

**VI. GENERAL PROVISIONS: 6.8 Notification to Owner (iv):**

- a. "Balance Due" as described in this paragraph is the sum of all assessments, including fees and charges, fines, and interest accrued.
- b. Notifications may be made by the Association or Management.
- c. Delinquency LATE NOTICES Chart is indicated below:

**FOUNTAIN VILLAGE ESTATES - LATE NOTICES**

15 Days Delinquent COURTESY LATE NOTICE	<ul style="list-style-type: none"> <li>Regular and special assessments are billed by the 25<sup>th</sup> of the month for the coming month.</li> <li>A payment is considered late if it is not received and processed by the 10<sup>th</sup> day of the calendar month to which the assessment applies. A late fee is assessed and charged to the Owner's account at this point in time.</li> <li>A LATE NOTICE is sent to the Owner via regular first-class mail and/or email detailing the balance due, including a \$35.00 late fee charge.</li> <li>The Owner is notified that if the account reaches 30 days past due, interest charges will begin to accrue.</li> </ul>
30 Days Delinquent 2nd LATE NOTICE	<ul style="list-style-type: none"> <li>No sooner than thirty (30) days after the due date, the Association will send a notice via regular first-class mail detailing the balance due and reminding the Owner that the next steps are to:               <ul style="list-style-type: none"> <li>Charge interest beginning when the account is 30 days past due.</li> <li>Send an intent to lien notice when the account is 60 days past due.</li> </ul> </li> </ul>
60 Days Delinquent INTENT TO LIEN NOTICE	<ul style="list-style-type: none"> <li>No sooner than sixty (60) days after the due date, the Association will send a INTENT TO LIEN NOTICE to the Owner making formal demand for immediate payment of the entire balance due.</li> <li>The INTENT TO LIEN NOTICE will be sent via regular mail.</li> <li>All fees associated with this action, including Intent to Lien fee, will be charged to the Owner's account.</li> </ul>
90 Days Delinquent RECORDATION OF LIEN	<ul style="list-style-type: none"> <li>Ninety (90) days after the due date, if an Owner fails to pay the entire amount covered by an INTENT TO LIEN NOTICE by the date specified, a written lien will be prepared and recorded with Clark County, Washington.</li> <li>All fees associated with this action, including a lien fee, will be charged to the Owner's account.</li> </ul>
Waiver of Fees associated with Intent to Lien and Recordation of Lien	<ul style="list-style-type: none"> <li>May not be waived by the Board.</li> </ul>

**VI. GENERAL PROVISIONS: 6.12 Alternative Collection Courses:**

- a. The Board, acting with input and recommendation from management and/or counsel, will evaluate which course of legal action appears to be in the best interest of the Association for the recovery of unpaid Assessments. These actions may include, but are not limited to:
  - i. Personal judgment against the Owner.
  - ii. Garnishment of wages.
  - iii. Foreclosure of home.

**VI. GENERAL PROVISIONS: 6.13 Verification of Indebtedness:** An Owner may request verification of their indebtedness to the Association. This request should be made to Management; Management will supply such

verification within fifteen (15) business days. The exercise of the collection rights of the Association shall comply with the Fair Debt Collection Practices Act.

VI. GENERAL PROVISIONS: 6.14 Owner's Agent or Representative: If the Owner expressly or impliedly indicates to the Association that the Owner's interest in the property is being handled by an agent or representative, any notice from the Association to such agent or representative pursuant to this Assessment Collection Policy shall be deemed to be full and effective notice to the Owner for all purposes.

It is further resolved that this Assessment Collection Policy replaces and supersedes in all respects all prior resolutions with respect to the collection of Assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified, or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors of Fountain Village Estates Homeowner Association on the 12th day of February, 2020.

DocuSigned by:

*Angelika U. Schaefer*

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Angelika Schaefer, Fountain Village Estates – HOA President

DocuSigned by:

*Sheila Davies*

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Sheila Davies, Fountain Village Estates – HOA Board Member & Secretary

DocuSigned by:

*Kevin Nolan*

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Kevin Nolan, Fountain Village Estates – HOA Board Member