

The Board of Directors of ***The Willows at Upriver Home Owner Association***

Notice of Adoption of a Collection Policy

The following resolution has been adopted by the association pursuant to Washington State Law, at a regular meeting of the Board of Directors.

1. The Association is charged with certain responsibilities regarding the care, maintenance, and service of certain portions of the Willows At Upriver in Spokane, Washington.
2. The Association must have the financial ability to discharge its responsibilities.
3. The Board of Directors is required to pursue collection of assessment and other charges from delinquent owners.
4. The Board of Directors desires to adopt a uniform, non-discriminating and systematic procedure to collect assessments and other charges of the Association.

The Board of Directors on behalf of ***The Willows at Upriver Home Owner Association*** hereby adopts the following policies and procedures for the collection of assessments and other charges of the Association.

1. Due Dates: Annual fees are assessed in March. They are due on the following dates:

May 15 for the months of April, May and June

August 15 for the months of July, August, and September

November 15 for the months of October, November, and December

February 15 for the months of January, February, and March

The grace period for payments is 15 days. Returned checks cannot be credited as timely payments and may result in a payment delinquency.

2. Late Charges Imposed on Delinquent Installments: An Assessment shall incur a late charge of \$25 if it is not paid by the due date above.
3. Attorney's Fees on Delinquent Accounts: As an additional expense permitted under the declaration, articles, bylaws, and statutes, the Association shall be entitled to recovery its reasonable attorney's fees and collection costs incurred in the collection of assessments or other charges

due the Association from a delinquent owner. The reasonable attorneys fees incurred by the Association shall be due and payable immediately when incurred, upon demand.

4. Application of Payments made to the Association: Payments received from an owner will be credited in the following order:

First – Charges for legal fees, court costs, and other costs of collection

Second – All late charges

Third - All other charges assessed by the Association as a result of any violation by an owner of the Declaration of Covenants, Bylaws, rules and regulations or resolutions.

Fourth – The quarterly Assessment or any Special Assessments due. Payments shall be applied toward the oldest debts owed.

5. Personal Hardship: A Home Owner may apply to the Board of Directors for a hardship waiver of late fees and other appropriate consideration. The request must be in writing and the Home Owner will be required to meet with the Board to discuss payment arrangements.

6. Ongoing Evaluation: Nothing in this resolution shall require the Association to take specific actions other than to notify homeowners of the adoption of these policies and procedures. By adoption of this resolution, the Board does not waive any of the other remedies for collection of Assessments outlined in the Declaration of Covenants or the Bylaws.

Adopted May 25, 2011

References: Board of Director's Meeting, May 25, 2011  
Declaration of Covenants, Conditions, Restrictions, and  
Reservations for The Willows At Upriver, 12/31/2007  
First Amendment to Declaration of Covenants for The Willow At  
Upriver Adding Phase 2, 7/24/2008