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The HRMHA is responsible to ensure the community remains aesthetically pleasing so everyone can enjoy the benefits of a well-managed and compliant community. There are many documents available to help educate the community on the proper ways to conduct themselves so everyone living in the community will enjoy maximum pleasure without annoyance or interference from others.

Unfortunately, not everyone sees this vision and at times the HOA will need to help reinforce the expectations with Homeowners so they abide by these Rules and Regulations. This document is intended to help the homeowners understand what is required of them and what to expect when the requirements are not met.

These Rules and Regulations (R&R) govern the conduct and activities of all members, lessees, residents, and guests of the Horn Rapids Master Homeowner's Association (HRMHA) Community. Observance and adherence to the rules and regulations by all Horn Rapids Residence, Lessees and Guests is required by the Board of Directors (BOD).

1.0 PURPOSE AND SCOPE

The authority for the Board of Directors (the Board) to form and enforce rules and regulations is provided by Article 3, Section 3.8 of the Declaration of Covenants, Conditions and Restrictions (CC&Rs). A copy of the CC&Rs was given to each owner when they purchased their lot or living unit.

These Rules and Regulations are reviewed by the Rules, Regulations and Enforcement Committee (RR&EC) and issued by the Board and are supplemental to the conditions of ownership in the CC&Rs. If there is any conflict among existing documents, provisions of the CC&Rs will prevail.

The Board shall appoint an RR&EC and Enforcement Officer(s). The RR&EC will propose changes to the Rules and Regulations, establish administrative procedures for processing complaints, investigate violations, determine corrective actions, and levy fines as appropriate.

The HRMHA Board requires compliance of all persons in the Community with the provisions of all Rules and Regulations (including Architectural Control Guidelines), the Bylaws and the CC&Rs.

2.0 GENERAL RULES AND REGULATIONS

1. Registration

- a. All members and residents must be registered with the HRMHA Bookkeeper.
- b. Association members are those individuals owning a lot or living unit within the Community.
- c. Residents are defined as owners and members of their families or lessees and members of their families living in the Community.
- d. Owners leasing their home or living unit retain their voting right in the Association but assign the use of all common facilities to the lessee. The lessee

assumes the privileges and responsibilities of membership as hereinafter stated but does not have a voting right. Non-resident owners are not permitted to use any common area facilities when so assigned to a lessee except as a guest of a resident.

- e. The lease or rental agreement must be in writing and shall state the tenancy is subject to the CC&Rs, Bylaws and adopted rules. The term of any lease or rental agreement shall not be less than 30 calendar days.
- f. Owners leasing their home must register with the Bookkeeper and provide the names, email addresses and phone numbers of the lessee and any management company if one is contracted with the lessor.

2. Common Areas

- a. Use: Common Areas are for the use and enjoyment of all members of Horn Rapids who are in good standing with “Dues” and shall not be used in any manner that will disturb other residents or their guests. No deposit of litter or open burning (excludes BBQ stand located in Gleneagle) shall be permitted within the Common Areas. No changes in landscaping or improvements are permitted without written authorization of the appropriate Board committee. No person shall use the Common Areas in such a way as to create a nuisance or interfere with the use of the Common Areas by other entitled persons.
- b. Maintenance: Maintenance of the Common Areas, including the park within Gleneagle, is the responsibility of the HRMHA and not individual owners or residents. Lighting and irrigation systems and other equipment in the Common Areas are to be adjusted and/or set by authorized personnel only. Comments regarding the condition of maintenance and equipment in the Common Areas should be directed to the Common Areas Manager. Sub-Associations are responsible for maintenance within their Common Areas.
- c. Damage: Members, lessees and residents are responsible for payment of all costs of repairs for all damage to Common Areas caused by themselves, members of their families, or their guests.

3. Ponds and Streams

Ponds and Streams were installed in various locations throughout the common areas and the Golf Course to visually enhance the aesthetic beauty of the community. No recreational or other use of the ponds, streams or waterfalls is permitted without the written approval of the owner of the golf course or the HOA depending on location. There is absolutely no fishing, swimming, wading, and throwing rocks or debris into ponds or streams. Climbing on rock or water features or walking on ice when ponds are frozen is strictly prohibited.

The Ponds and Streams are lined with a vinyl liner to hold the water and can be punctured from fishhooks, dog paws, claws and human activity and are extremely

expensive to repair or replace. Residents are liable for damages caused by negligent use of the ponds, streams, waterfalls, and monuments.

Homeowners are responsible for damages to these areas as a result of negligence. All repairs to common area shall be performed and costs for repairs billed to the homeowner as a fine.

4. Guests

Guests must be accompanied by an adult resident of the HRMHA when using the Common Areas including the swimming pool, tennis/basketball and pickleball courts. It is the right and duty of each resident to question the presence of any person who appears to be trespassing and/or advise the Board, Enforcement Officer, or appropriate Board Committee Chair regarding the situation.

5. Neighborly Conduct

All activities, whether individual or group, shall be conducted at a noise level that is reasonable and not disturbing to others. Each homeowner or resident is responsible for the conduct and behavior of his/her children, and guests (Ref RMC 9.16).

6. Animals

No animals, livestock or poultry of any kind shall be raised, bred, or kept within Horn Rapids, except dogs, cats or other tame, domestic household pets, provided such household pets are not kept, bred or maintained for any commercial purpose. To maintain a harmonious environment for all residents and guests, pet owners shall be responsible for all offensive actions of their pets, including barking, running loose and waste deposits:

- a. Whenever pets are outside the resident's lot or living unit, they must be on a leash or otherwise under full control of the owner.
- b. Residents must clean up after any mishap performed by their pets. Pet waste deposal containers are located throughout the Common Areas.
- c. Residents shall be responsible for any personal injury or property damage caused by their pets.
- d. Pets emitting excessive noise, or in any manner unduly disturbing other residents, may be prohibited by order of the Board and RR&EC after notice and a hearing.
- e. Horses are not permitted within the Community.
- f. Pets which create and are considered a nuisance may not be kept in the Community and are subject to removal by proper authorities.

7. Trash

All trash, waste containers (e.g., recycle, garbage and yard waste) shall be stored out of sight from the street and in suitable covered containers. Containers should be clearly marked with the resident's house number for easy identification. These containers shall be placed at the curb no earlier than the night before pickup and must be removed from the curb no later than 9:00 p.m. on the day of pickup. Trash bags, which must be securely tied or double-bagged, and yard debris cannot be placed at the curb until the morning of pickup.

Trash containers have been placed for use while walking and otherwise enjoying the Common Areas. Residence may not use these trash containers as an overflow of their residential trash needs.

8. Burning

No burning or incineration of trash refuse or scrap of any kind is permitted. City of Richland and/or Benton County authorities will be notified of all violations. Residence with campfire style pits/rings may burn wood for recreational purposes only when air quality restrictions allow for such activity.

9. Dumping

No dumping of any debris (including but not limited to grass clippings) is permitted within Horn Rapids. This includes all Common Areas, trail systems, and undeveloped portions of the Community. (Ref RMC 9.12.055)

10. Antennas

All Antennas are subject to ACC review and approval prior to installation. See Architectural Controls Guidelines for specific requirements

11. Off Road Vehicles (ORV) Including Golf Carts

ORV's must not be parked on the street or driveway when being stored. ORV's must be stored in a location that is not visible from the street or adjacent neighbor(s). Golf Cart are the only ORV's allowed on paths and sidewalks (excludes maintenance vehicles). Homeowners are responsible for any damaged caused by ORV's when used on common areas.

12. Firearms

Discharging of firearms or hunting is not permitted in the community (including but not limited to rifles, handguns, bows, and slingshots). (Ref RMC 9.26.020 and 9.26.30)

13. Business Activities

No business activities of any kind are to be established, maintained, or conducted on any lot, living unit, or Common Area without the prior written approval of the Board and must follow the City of Richland Municipal Code(s).

14. Highway 240 Wall

No structures, fences, or other items (e.g., screws, bolts, nails, or sticky substances) shall be attached to or lean on the wall. Painting, staining, or marking on wall surfaces, walking, or playing on or against the wall or dumping items (e.g., Christmas tree, dog feces, weeds, tree limbs, rocks or other landscaping debris) over the wall are forbidden. No vegetation should be grown on, attached to or lean on the wall. Keep vegetation trimmed at least 6 inches away from the wall. Soil should not be removed or added to the base of the wall or wall columns. If there is soil erosion, the HRMHA should be notified immediately.

15. Vendor Solicitation

Vendor or Business solicitation is not allowed. This is considered by the Association to be an annoyance or a nuisance and an invasion of privacy to the Homeowner. A solicitor for this purpose is defined as one who seeks trade or a contribution by directly contacting a Homeowner. Advertising left at a Home is not considered solicitation. Refer to CC&R 6.25 and the RMC 5.12.020

16. Vehicle Parking and Storage

Parking on the streets is not permitted along collector streets that include Village Parkway, River Valley Drive or River Park Drive.

Vehicles shall not be parked on sidewalks where they obstruct pedestrian's use of sidewalks.

Inoperable vehicles (junk) may not be parked anywhere except in garages or in fenced areas (not visible from the street or by adjacent neighbors). Inoperable or junk vehicles shall be defined as any motor vehicle that is inoperable, unlicensed or in a state of disrepair. (Ref RMC 10.06.020)

17. Recreational Vehicles

Recreational vehicles, boats, boat trailers, camp trailers, campers, utility trailers, and similar machinery or equipment, shall be stored in a garage, in a fenced area (not visible from the street or by adjacent neighbors) or at a location designated for the storage of such vehicles by the Board. (Ref RMC 11.33.020)

The HOA recognizes that recreational vehicles noted above, may need to be parked at the homeowner's lot for the purposes of loading, unloading or general maintenance. These Vehicles may only be staged for 72 consecutive hours to accommodate this purpose. If additional time is needed, the homeowner must contact his/her Enforcement Officer and

receive a variance. Homeowners must ensure their recreational vehicle does not obstruct sidewalks (e.g. slides, steps or gear), mailboxes or common areas when parked for this purpose.

18. Signs – ONLY SIGNS LISTED BELOW ARE ALLOWED. NO HOMEMADE SIGNS OR PERSONAL SIGNS ARE ALLOWED.

a. For Sale Signs

One temporary sign is permitted in the front yard to advertise a home for sale. Maximum area must not exceed six square feet. The sign is to be on its own post and shall not be placed higher than 36 inches from the prevailing ground plain. The sign must be approximately parallel to the center line of the nearest street. An additional temporary sign may be placed in the rear of homes adjacent to streets and the Golf Course providing it complies with 4.1.1 below and is approved by Golf Course Management.

For Sale sign wording shall be limited to “For Sale” and the name and phone number of the listing real estate agency. “Realtor” and “By Appointment” may also be used if appropriate. If being sold by the owner, the name of the owner or “By Owner” may be substituted for the listing real estate agency. Signs shall look professional, may not be hand-written (poster board, scrap wood, magic markers are unacceptable), and must be constructed in a manner that prevents weather-related degradation, etc. A hanger or flyer box may be attached to the signpost. All signs shall be removed upon occupancy by the new owner.

b. Open House Signs

Only A-boards are permitted to advertise open houses, and only during the event.

c. Garage/Yard Sale Signs

Garage/Yard Sale signage shall be limited to A-Boards and commercially printed signs. Signs may only be installed in common areas or city easements. Signs must be removed immediately following the end of the yard sale.

d. Political Campaign Signs/Posters

Up to three political signs are permitted on a lot per election. The signs must not exceed six (6) square feet in area, must not be up until 30 calendar days prior to the election and must be removed within 48 hours of Election Day.

e. In Progress Construction Company Advertisement Signs

During home improvements, homeowners who have contracted with construction companies to work at their residence may allow such companies to install company signage to promote future business while working in Horn Rapids. These signs shall be permitted if they are no greater than 2 feet x 2 feet and are

placed on homeowner's property. Upon completion of the project, the company sign must be removed within 24 hours.

f. Security monitoring signs

Homes that have a security monitoring system and service may post a sign on each side of the property.

g. Golf Course signs:

A sign designed and produced by the Homeowners Association may be posted on a Homeowners' property bordering the golf course for those properties who have had balls entering their property.

These signs are intended to deter golfers who are not Horn Rapids HOA owners from entering yards to retrieve their golf balls.

These signs are not intended for all homes bordering the course, only those who have had an ongoing problem with golf balls entering the property on a regular basis.

Homeowners must request and obtain prior approval from the Horn Rapids HOA Manager to get these signs. Homeowners are limited to two signs and will be billed for the cost of the signs. Signs must not exceed 24 inches above the ground.

19. Flags

Only one free-standing removable, telescoping, or sleeved flagpole, not exceeding 20 feet in height, is allowed per resident lot to display the American flag. Permanently mounted fixed height in-the-ground, free-standing flagpoles are not allowed. Flag poles must be retracted when flags(s) are removed. Also allowable are flagpoles inserted in a mounting bracket secured to the house.

Homeowners must get ACC approval before erecting a flagpole. The American flag must be flown at the top of the pole; a secondary flag may be flown below. No more than two flags may be displayed on a single pole at the same time. In no case may a secondary flag be flown alone. American flags displayed after dark must be lighted.

Political flags must not be up until 30 calendar days prior to the election and must be removed within 48 hours of Election Day.

20. Seasonal Exterior Decorations Including Lights

Seasonal decorations are permitted on homeowner's property provided they are in good state of repair, esthetically pleasing, and are in season. Seasonal decorations must be removed from sight in a reasonable amount of time following the observance of the holiday or occasion.

21. Fences / Sun Control Devices

All fences must be maintained and repaired as needed. Wood fences must be repainted or re-stained when previous paint has faded or shows signs of peeling, chipping, or other form of deterioration. Please refer to the ACC Guidelines 4.2 Fences for all specific requirements for re-staining, painting, replacing or installing fencing.

Awnings, sunscreens, arbors, trellises, etc., must be of a straightforward design without decorations such as scallops or fringes. They must also be consistent with the scale of the house to which they are attached and any adjacent fencing and must be located such that they do not adversely affect views in view protected areas, sunlight, or natural ventilation of adjacent properties. Neighborhoods without view protection in their CC&Rs do not have guaranteed views through someone else's property, beyond set back requirements. Property protected views in these cases are those ascribed by the back corners of the property.

22. Leasing Term and Short-term Vacation Rentals or Transient Rentals Restrictions

- a. No Lot or Living Unit may be leased or rented by any party for a period of fewer than 30 days, nor shall less than the whole of any Lot or Living unit be leased or rented.
- b. Transient occupancy and/or short-term vacation rentals, including, but not limited to Airbnb and Vrbo rentals are prohibited as per Section 6.3 of the CC&Rs.

3.0 ARCHITECTURAL CONTROLS

Architectural Control requirements are described in the Horn Rapids Master Homeowners Association Architectural Controls Guidelines, Criteria and Procedure as well as individual subdivision CC&Rs. This process is administered by the Architectural Control Committee (ACC).

Exterior alterations, additions or modifications made to homeowner's property must have prior written approval of the ACC before work can begin. This includes landscaping, satellite dishes, solar energy systems, fences, walls, sunscreens, decks, lattices, pools, spas, color changes, sheds, any sports apparatus, etc. Any alterations that do not have prior written approval of the ACC will be removed by the homeowner at their expense and the area will be restored to its original condition. **No bright colors, such as, but not limited to, reds, pinks, greens, yellows or blues will be allowed on homes or other structures on lots. ONLY DESERT EARTH TONES AS DETERMINED BY THE ICC/ACC COMMITTEE(S) WILL BE ALLOWED REGARDLESS OF THE PRIOR OR EXISTING COLOR OF HOME OR STRUCTURE. THERE WILL BE NO GRANDFATHERED COLOR APPROVALS GOING FORWARD. When an existing home is repainted, it must comply with these requirements.** Should the homeowner fail to comply, the HRMHA will pursue its legal remedies including, but not limited to having the alteration removed at the owner's expense. Please refer to the Architectural Controls Guidelines, Criteria and Procedure for the specific architectural regulations as well as the APPLICATION FORM.

Landscaping of the front yard shall be completed within 30 calendar days of construction completion and within 90 calendar days of construction and sale of the home from back and sides yards. Minimum requirements are that the soil (except in flow beds) be covered with a living ground cover (such as grass) or standard landscaping materials (bark, rock, hydroseed/tackifier mixture) which provides weed, dust, and erosion control (see Architectural Controls Guidelines).

Lots purchased for speculation or for future home construction must be covered with a living ground cover or hydroseed/tackifier mixture within 90 calendar days to prevent blowing dust or help prevent erosion of the soil until construction begins.

4.0 ENFORCEMENT

The HRMHA is responsible to ensure the community remains aesthetically pleasing so everyone can enjoy the benefits of a well-managed and compliant neighborhood. There are many different documents available to help educate the community on the proper ways to conduct themselves so everyone living in the Community will enjoy maximum pleasure without annoyance or interference from others. Unfortunately, not everyone sees this vision and at times the HOA will need to help reinforce the expectations with Homeowners so they abide by these rules and regulations. This Enforcement policy will help the HOA and the homeowners understand what actions are to be taken in the event enforcement action is warranted.

Enforcement of all CC&Rs, Rules, Regulations (including enforcement of ACC related issues) and expectations are determined by the BOD within HRMHA. The Enforcement Officer(s) are put in place to help enforce these rules. Enforcement Officers may be a homeowner, a non-homeowner or entity appointed by the Board. The Enforcement Officer(s) shall be the primary contact between the HRMHA and the Homeowners on matters of enforcement and shall be subject to the control and direction of the Board and the RR&EC Chair.

For detailed information regarding the enforcement policy, see Addendum B of the Rules and Regulation.

5.0 BILLING AND COLLECTION OF ASSESSMENT

Billing and collection of dues and/or fines are described in Addendum A.

ADDENDUM A, PROCESSING OF DUES

1.0 PURPOSE AND SCOPE

This addendum provides information and instructions for the consistent and effective collection of Horn Rapids Master Homeowners Association (HRMHA) “Dues” otherwise known as “Assessments” which are needed to fulfill financial obligations of the community as well as capital improvements.

Assessments are to be paid on an annual or quarterly bases depending on each homeowner’s preference. If paying quarterly, the assessment shall be due on the 1st day of January, April, July and October. If paying annually, the assessment shall be due on the 1st day of January. The Board will determine the amount of assessment and the HRMHA Bookkeeper will provide the amount due to each homeowner prior to the payment due date. All homeowners are required to pay their assessments on the due date. Accounts past due by more than 90 calendar days are subject to having a lien placed on the owner’s property.

2.0 RESPONSIBILITIES

1. Homeowners are responsible to submit their Master Homeowners Assessment payment on time to the appropriate association to avoid late charges. The Master HOA does not take payments for sub association assessment dues.
2. The Manager of the HRMHA will oversee the collection of Assessments performed by the Bookkeeper to ensure this process is being properly administered.
3. Bookkeeper is responsible for:
 - Issuing request for payment in the form of an invoice sent to each Homeowner at the appropriate time.
 - Reconciliation and tracking of payments, fines and fees by the homeowners and report any delinquent payment issues to the Manager.
 - Sending 1st Warning Letter, 2nd Warning Letter, and Notice of Intention to Create a Lien when required.
 - Working with mortgage lenders, escrow brokers or title companies during selling or purchasing of a home in Horn Rapids.
 - Process necessary documents for the administration of Liens on homes that are >60 calendar days past due

3.0 BILLING PROCESS

Note – Assessments are normally billed to the homeowner quarterly. Homeowners can pay their Dues monthly, quarterly, or annually. If Dues are paid monthly, the homeowner is responsible for payment without a monthly invoice.

Fines levied must be paid immediately or by next quarterly due date.

1. Prior to the first day of January, April, July or October, HR Bookkeeper will send payment invoices to all homeowners.

2. Payment is due on the first day of the quarter (January, April, July and October) for which the assessment is being levied. Payment can be mailed to 2600 Clubhouse Lane, Richland WA, 99354, delivered to the mailbox located at the Pool parking lot (HOA Mailbox) or made online if available.
3. An owner's initial assessment may be for a period longer than three months if he/she becomes an Owner in the period between quarterly invoices. Normally the escrow agent at closing will prorate the assessment.
4. Returned check fee of \$25.00 will be levied when payment by owner is not honored by their bank.

4.0 COLLECTION PROCESS

Notice to all Homeowners in Horn Rapids Master Homeowners Association

WHEREAS, "assessments," as used in this Resolution, includes all amounts validly assessed against a Lot Owner ("Owner") pursuant to the *Declaration of Protective Covenants, Conditions, Restrictions and Easements For Horn Rapids Master Homeowners Association* (hereinafter "Declaration"); *Bylaws of Horn Rapids Master Homeowners Association* (hereinafter "Bylaws"), Rules and Regulations, and any Board of Directors Resolution, including but not limited to common expenses, interest, fees, fines, attorney fees and all collection costs;

WHEREAS, the Declaration, Bylaws, and Rules and Regulations are binding upon the Owners;

WHEREAS, the Declaration, Article 4, Section 4.9 and Article 9, Section 9.1; and the Bylaws Section 4.1 and 4.1.5 authorize the Board to enforce provisions of the Declaration, bylaws and Rules and Regulations, including action to collect unpaid assessments;

WHEREAS, the Declaration, Article 4, Section 4.9 provides for interest to be charged, as set by the Board of Directors, on any delinquent assessment, the interest rate of 1.5% per month will be charged;

WHEREAS, the Declaration, Article 4, Section 4.10 and Article 11, Section 11.4 provides that all assessments, together with interest, attorney fees and costs of collection shall be a continuing lien upon the Lot against which each such assessment is made;

WHEREAS, the Declaration, Article 4, Section 4.10; authorize the Board, on behalf of the Association, to bring an action to foreclose the lien against the Lot or to bring an action to obtain a money judgment against an Owner for damages and/or for unpaid assessments;

WHEREAS, the Declaration, Article 4, Section 4.10 and Article 11, Section 11.4 provide that Owners shall be obligated to pay fees and costs including, but not limited to, attorney fees incurred in connection with efforts to collect delinquent and unpaid assessments; and/or to enforce the provisions of the Declaration, Bylaws, and Rules and Regulations;

WHEREAS, from time to time Owners become delinquent in the payments of their assessments and fail to respond to the demands from the Board to bring their accounts current, and it is imperative assessment payments are timely received;

WHEREAS, the Board deems it in the Association's best interest to adopt a uniform and systematic procedure for the collection of unpaid assessments in a timely manner, and further believes it to be in the Association's best interest to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue.

NOW, BE IT RESOLVED, that the following steps be adopted to provide for the uniform and systematic procedure for the collection of unpaid assessments:

1. If any assessment remains unpaid by an Owner for more than thirty (30) calendar days from the due date for its payment, the Board or its agent shall send a notice to the Owner indicating the amount due, including notice of any late fees and interest, and demand payment thereof. If the property is vacant, the Board or its agent shall skip this step and instead send a warning of lien letter as indicated in No. 2 below.
2. If any assessment remains unpaid for more than sixty (60) calendar days from the due date, the Board or its agent shall mail a warning demanding payment and stating that if payment is not received within 30 calendar days, a lien shall be prepared and recorded against the property to protect the Association. The Owner will be assessed the cost of preparing and recording the lien.
3. If the assessment remains unpaid after 90 calendar days from the date due, the Board or its agent shall prepare a lien and a notice of lien to the Owner and record the lien with the county recorder. The notice of lien shall be mailed to the Owner with a copy of the lien within 20 calendar days of recording. The lien amount shall include all collection costs to date, including attorney's fees and the cost of preparing and/or recording the lien, any notice of lien required by law, and any notice to a first Mortgage holder, if applicable.
4. If any assessment account has a delinquent balance in excess of \$500 or remains unpaid by an Owner for more than two (2) years from the due date for its payment, the Board or its agent shall send a notice to the Owner indicating the amount due, including notice of any late fees, interest, and lien filing fees; and demand payment within 30 calendar days. The letter shall indicate that the account will be turned over to an attorney for collection if full payment is not received within that time. The Board or its agent also maintains the right to send this Intent to Create a Lien against the property to the first Mortgage holder, if applicable.
5. If the assessments remain unpaid by the Owner for more than thirty calendar days after mailing the letter, the Board shall turn over collection to the Associations' attorney ("Attorney"), who shall (a) send a written demand for payment and any notice as required by the federal Fair Debt Collection Practices Act, if applicable; and (b) may notify any first mortgage or trust deed holder of the Owner's default; if applicable. The demand for payment shall notify the Owner of the Owner's liability for payment of charges imposed by Attorney to cover fees and costs associated with all collection efforts. The demand for payment shall include all collection costs to date.
6. If any assessment remains unpaid by the Owner thirty (30) calendar days after the date of Attorney's demand, Attorney shall send Owner a ten (10) calendar day demand letter for payment notifying the Owner that if full payment is not received within 10 calendar days of the date of the letter the Association intends to file suit to either obtain a money judgment or foreclose on the lien. The demand shall include the updated amount owing, including all collection costs to date.

7. If any assessment remains unpaid by the Owner ten (10) calendar days after the attorney's ten-day demand letter/notice of intent to file suit, the Attorney shall file suit for a money judgment, unless the Board, after recommendation by Attorney, determines that lien foreclosure is advisable under the circumstances. In such cases, the attorney may file a lawsuit for a money judgment, for foreclosure, or for both a money judgment and foreclosure, as permitted by applicable law.
8. If the Association is successful in obtaining a money judgment, Attorney shall collect on the judgment in this order, unless the attorney determines other actions or another order of collection is appropriate under the circumstances: (1) file and send a ten (10) calendar day demand to pay judgment; (2) garnish accounts, wages and/or rents; (3) levy against any personal and real property; and (4) levy against the Lot. Additional steps may be necessary to determine the availability and location of the judgment debtor's assets. If the Association is successful in a lawsuit to foreclose on the lien, Attorney shall proceed as necessary to complete the foreclosure unless otherwise directed by the Board.

BE IT FURTHER RESOLVED that all legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Owner and shall be collected as an assessment as provided in the Declaration and any applicable addendums and amendments thereto.

BE IT FURTHER RESOLVED that all contacts and/or contracts with the delinquent Owner shall be through Attorney. Neither the Board nor any of its agents shall discuss the collection of the account directly with the Owner after it has been turned over to Attorney, unless one of the attorneys is present or has consented to the contact and/or contract.

BE IT FURTHER RESOLVED that Attorney shall have the discretion to enter into an installment payment plan with a delinquent Owner, before or after filing a lawsuit, in appropriate circumstances. In cases where a lawsuit has been filed, any such plan must be secured by a Judgment. Any payment plan providing for a down payment of less than the greater of one-third (1/3) of the delinquent balance or twice the current monthly assessment, or a duration in excess of twelve (12) months shall require approval of the Manager.

BE IT FURTHER RESOLVED that Attorney, in its initial demand notice, shall communicate to Owner that the account has been turned over to it for collection, and that all payments are to be made to Attorney until the account has been brought current. Attorney shall deposit all payments in its trust account. Attorney shall disburse all amounts collected according to the provisions of the Association and Attorney representation agreement.

BE IT FURTHER RESOLVED, that nothing in this Resolution precludes the Board from taking further action in the collection of unpaid assessments permitted by the Association's governing documents or applicable law, including, but not limited to, adopting or enforcing rules regarding the termination of utility services paid for out of assessments of the association and access to and use of recreational and service facilities available to owners and, after giving notice and an opportunity to be heard, terminate the rights of any owners to receive such benefits or services until the corrections of any violation covered by such rule has occurred.

BE IT FURTHER RESOLVED that the Board is directed to consult with Attorney and turn over for collection immediately any outstanding account where the Owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien against the Lot.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all Owners at their last known address. The Board will review all current Owner assessment accounts and begin application of these timelines immediately.

Fee Schedule

ACTION	WHEN THE ACTION WILL BE TAKEN	CHARGE
Lien Preparation	The lien preparation fee will be levied when a lien is recorded	\$90.00
Postage	The postage fee will be levied when a certified letter is mailed to owner.	Equal to actual cost incurred.
Recording	The recording fee will be levied when a lien is filed on the property.	Equal to actual cost incurred.
Returned check (NSF)	The returned check fee will be levied when payment by owner is not honored by their bank.	\$25.00
Turnover to Attorney for collection	The turnover fee will be levied when the account is delivered to the attorney for collection at approximately 120 calendar days past due.	\$250.00
Late fee and interest	A late fee will be assessed if payment is not received by the 10 th of the due date month, interest of 1.5% per month will also be charged until full payment of dues, late charges and interest accrued is received.	\$25.00
HOA Collection Fee	An HOA collection fee will be assessed for each quarterly past-due HOA dues assessment when a certified letter is sent.	\$45.00

Examples of delinquent warning letters to be sent to homeowners in attempt to collect debt

FIRST WARNING LETTER

Re: «PROP. STREET ADDRESS»

Dear «OWNER'S NAME»:

According to our records, you are now thirty calendar days or more past due in payment of the Assessments owed to Horn Rapids Master Homeowners Association (HRMHA). As per the Assessment and Compliance Payment Resolution a finance charge of 1.5% of the delinquent assessment has been assessed to your account. The total due, as of the above date, is «TOT AMT DUE».

«ITEMIZED BALANCES-INCLUDING PREPAID»

We urge you to make full payment immediately. If there is a reason that you are withholding payment or if you are experiencing some financial hardship, please contact the Manager of the HRMHA at manager@hornrapidshoa.com to avoid further collection charges. Payment in the form of check or money order can be mailed to 2600 Clubhouse Lane, Richland, WA 99354 or at the HOA mailbox located at the pool parking lot.

THIS LETTER IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

2ND WARNING LETTER

Re: «PROP. STREET ADDRESS»

Dear «OWNER'S NAME»:

A review of our files indicates that you are over 60 calendar days past due. As per the Assessment and Compliance Payment Resolution a finance charge of 1.5% of the delinquent balance has been added to your account. Your total amount due is «TOT AMT DUE».

«ITEMIZED BALANCES-INCLUDING PREPAID»

Your failure to pay the balance due to the Horn Rapids Master Homeowners Association (HRMHA) not only creates problems for the Association in meeting its financial obligations but will result in additional costs to you since you are responsible for any costs incurred by the Association in order to collect your delinquent balance.

The Community's legal documents provide that legal action may be initiated to collect delinquent balances from homeowners. These actions include filing a Lien against your home and turning your account over to an attorney for collections. The Community hereby notifies you that it intends to pursue all legal actions allowed by law to collect the amount you owe. Once legal action is initiated, it will not be terminated until you pay the full amount of delinquent Assessments, late fees, interest, attorney's fees and other costs of collection.

If you would like to set up a payment plan, please contact the Manager of HRMHA at Manager@hornrapidshoa.com to discuss the matter. Failure to take immediate action either by making full payment or contacting this office will force us to proceed with the collection procedure approved by the Board of Directors. Payment in the form of check or money order can be mailed to 2600 Clubhouse Lane, Richland, WA 99354 or at the HOA mailbox located at the pool parking lot.

THIS LETTER IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

NOTICE OF INTENTION TO CREATE A LIEN

Re: «PROP. STREET ADDRESS»

Dear «OWNER'S NAME»:

The records of Horn Rapids Master Homeowners Association (HRMHA) show that your account is more than ninety calendar days past due and you have an outstanding balance of «TOT AMT DUE».

«ITEMIZED BALANCES-INCLUDING PREPAID»

Demand is hereby made for immediate payment of the balance in full. **If payment in full is not received, Horn Rapids Master Homeowners Association, through its Agent, will file a Statement of Lien against your home and this matter may be referred to Legal Counsel in thirty (30) calendar days in accordance with the policies of the Association. All attorney's fees incurred in the collection of your balance will be added to your account.**

If you wish to dispute the Associations right to create a lien for non-payment of assessments or dispute the amount of delinquency referred to above, you have the right to a hearing before the Board of Directors. If you wish such a hearing, you must request it in WRITING to 2600 Clubhouse Lane, Richland, WA 99354 within ten (10) calendar days of the date of this letter. You will then be advised of the hearing date, time and place.

This is the only Notice of Intention to Create a Lien you will receive before the Statement of Lien is recorded to secure delinquent assessments. Please send full payment to avoid further collection action and expenses. Payment in the form of check or money order can be mailed to 2600 Clubhouse Lane, Richland, WA 99354 or at the HOA mailbox located at the pool parking lot.

The Board or its agent also maintains the right to send this Intent to Create a Lien against the property to the first Mortgage holder, if applicable.

THIS LETTER IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

ADDENDUM B, ENFORCEMENT AND FINES PROCESS

1.0 PURPOSE AND SCOPE

This Addendum provides guidance for the Rules, Regulation and Enforcement Committee (RR&EC) as well as Enforcement Officer's (EO) and the ACC Chair when performing duties associated with enforcement of rules and regulations described in the various governing documents of the Association (e.g., CC&Rs, Rules and Regulations, Architectural Controls Guidelines, Bylaws, City and State Codes). The rules were written and/or adopted by the Board of Directors to ensure that:

- Property values are protected
- Deter nuisance activity and promote conformity
- Homes remain aesthetically pleasing
- Amenities and Common areas are well maintained and protected from abuse

This policy is intended to provide the RR&EC, EOs and ACC Chair, expectations on how to review and enforce policies related to HRMHA requirements. In most cases, the homeowner is not aware of the requirements or has chosen to ignore the rules and requirements of the Association. The Association will make every effort to educate before imposing notice of violation or fines. Issuing fines and penalties, therefore, should be the last course of action.

2.0 RESPONSIBILITIES

1. Board of Directors (Board) are responsible to appoint the Enforcement Officer(s) and when necessary, make final determination of enforcement actions which result in fines and other monetary impacts to homeowners.
2. The Manager of the HRMHA is responsible to oversee the conduct and behavior of the RR&EC and EOs to ensure a fair, but firm approach is being used when enforcing standards and requirements defined in HRMHA documents.
3. The Assistant Manager of the HRMHA is responsible for the direct guidance of the RR&EC and EOs when conducting official business. This position, in most cases, will be the Chair for the RR&EC.
4. RR&EC Committee is responsible for issuing fines or suspensions of rights when evidence has shown a homeowner is in violation of a HRMHA requirement and is not willing to correct the issue. The Committee will conduct investigations and hearings to gather additional information related to the violation before issuing the fine or suspension of rights.
5. RR&EC Chair is responsible for ensuring at least Three (3) members of the committee are in attendance for all RR&EC sessions.
6. Enforcement Officer(s) are responsible to educate homeowners on the rules and requirements of the community as it relates to activities not conforming to the HOA standards and expectations (excluding alterations and modifications made to homeowners' property). EO's will report issues to the RR&EC, make home visits if

required, issue notice of violations/Stop Works and work with homeowners to resolve issues.

7. The ACC Chair is responsible for ensuring alterations and modifications to homeowners' property are done in a manner consistent and within the standards approved by the BOD. The ACC Chair will report issues to the RR&EC, make home visits if required, issue notice of violations/Stop Works and work with homeowners to resolve issues. The ACC Chair shall have jurisdiction on projects from start to finish including any issuing notice of violations and fines against property owners who are not abiding by the rules.
8. Committee Members are responsible to understand the various documents that govern HRMHA and provide input when necessary on interpretation of the requirements. Other duties include recommending changes to this policy or higher-level documents when it becomes necessary to do so. The committee is comprised of at least three members.

3.0 INVESTIGATION OF POTENTIAL ISSUE/CONCERN

1. When NOTIFIED of an issue occurring at a homeowner's physical property, the EO's shall physically go to the location reported and confirm if the issue is valid and warrants correction.
 - a. IF the reported issue is NOT valid or more information is needed to decide, take no action with homeowner. Conduct research and if research concludes no issues, then send an email of findings or observation to the requester of the issue.
 - b. IF the reported issue is valid, but is considered minor in nature, the EO will document the issue in AppFolio for tracking purposes. In most cases, the minor infraction can be resolved by sending an email to the homeowner explaining the issue and asking for help to resolve the issue. Activation of the RR&EC is not necessary unless this issue is a reoccurring infraction that warrants a stronger approach.
 - c. IF the reported issue is clearly a violation of either the CC&Rs or Rules and Regulations, the EO will send a Notice of Violation to the homeowner by email. The homeowner must correct the issue by the time frame outline on the Notice of Violation. If homeowner disagrees with the violation, please refer to section 6, Dispute Resolution.
 - d. IF the issue is outside the jurisdiction of the HOA, inform the requester the HOA has no jurisdiction on the concern.
 - e. If the Assistant Manager reviews an issue and if required, convene an RR&EC meeting to review the issue/concern.

4.0 RR&EC ISSUES REVIEW

1. The RR&EC shall convene at the request of the EO if needed to determine the level of fine to be levied on the Homeowner.
2. If progressive enforcement is warranted by a majority vote of the RR&EC, the Chair will approve the EO to send the email notice of violation letter with the appropriate fine/loss of privileges to the Homeowner .
 - a. Fine amounts are to be set and revised by the RR&EC based on the facts and circumstances of each violation. A Minimum fine shall not be less than \$10.00 per calendar day. Maximum fine shall not be more than \$50.00 per calendar day. Homeowner shall forfeit their right to vote on matters affecting the community and forfeit their privileges to use facilities managed by the HOA including any common areas until the fine is paid in full.

5.0 ENFORCEMENT OF RR&EC JUDGEMENTS

1. A notice of violation letter shall be sent via email to the homeowner indicating the violation, amount of potential fine and loss of privileges. The homeowner may contact the RR&EC requesting a dispute resolution within 7 calendar days (see section 6.0, Dispute Resolution) or the homeowner may correct the violation within the established timeframe.
2. IF after 7 calendar days, no request for a dispute resolution has been received and the homeowner has not corrected the violation, the fine shall become an assessment against the property and collected as an itemized amount during the next dues assessment via the bookkeeper.

6.0 DISPUTE RESOLUTION

1. If the homeowner disagrees with the notice of violation the homeowner must submit a written notice to the RR&EC requesting a dispute resolution hearing no more than 7 calendar days from the date the notice of violation was given to the homeowner.
2. If the homeowner's dispute resolution request is received within 7 calendar days of notice, the Chair of the RR&EC shall arrange for the homeowner and committee to meet and discuss the dispute. Once the homeowner has presented their argument, the homeowner shall be excused from the hearing to allow the committee members to review and render judgment.
3. If a resolution without monetary penalty is agreed upon by the committee, a written agreement shall be sent to the homeowner for concurrence and tracked until the homeowner is in full compliance. Failure of the homeowner to fulfill his/her agreement will result in progressive enforcement up to an including issuing fines without another hearing.

4. If the committee determines a fine should be assessed, the fine shall be assessed against the homeowner by means of adding the fine amount to their quarterly assessment notice. All fines will then be collected via the collection process in Addendum A.

5. If the homeowner disagrees with the decision rendered from the hearing with the RR&EC that decision may be appealed to the Homeowners Associations Board of Directors by written request to the Board. Resolution in a timely manner is the goal of the RR&EC and such an appeal should be made to the Board for review at the next meeting after the RR&EC decision. The Board's decision will prevail.

ATTACHMENT 1, EMAIL NOTICE OF VIOLATION



Date:

Horn Rapids MHOA

2600 Clubhouse Lane, Richland, WA 99354

Notice of Violation

Dear: Homeowner's Name

Pursuant to the Horn Rapids Master Homeowners Association (HRMHA) Rules and Regulations Addendum B (Enforcement and Fines Process), the property owner listed above is hereby notified he/she is in violation of the CC&R and/or HRMHA Rules and Regulations. This matter will be brought before the HRMHA Rules, Regulations and Enforcement Committee (RR&EC) for action unless the violation is corrected by the date indicated below.

Specific Violation:

The violation above must be corrected no later than (date): _____

Failure to correct this violation by the date above will result in the loss of privileges as well as fines levied against you and/or your property by the RR&EC of \$10 per calendar day (up to a maximum of \$50/calendar day) for each violation. If violation is not corrected within __ calendar days, an additional \$10 per calendar day will be assessed against the property.

Appeals:

Before the RR&EC may impose any penalties as outlined in Addendum B of the HRMHA Rules and Regulations, you have an opportunity to bring the matter before the RR&EC Committee within 7 calendar days.

The Committee will then notify you of the hearing date and time within 7 calendar days after your request for hearing.

Mail request for hearing to.

Chair, RR&EC, Horn Rapids Master Homeowners Association
2600 Clubhouse Lane
Richland, WA 99354

Or contact the Assistant Manager of the HOA at assistant.manager@hornrapidshoa.com

Thank you for your cooperation.

Horn Rapids Master Planned Homeowners Association.