

Rules & Regulations

Delinquent Assessments Late Charges & Fee Schedule

English Ridge "Clarks Bluff" Homeowners Association

Pursuant to Article X, of the Declaration of Covenants, Conditions, and Restrictions ("CC&Rs") of English Ridge "Clarks Bluff" Homeowners Association (the "Association") and R.C.W. 64.38.020, the following written rules and restrictions are adopted in order to further and foster timely compliance by homeowners for the matters addressed below. These rules are intended to supplement the CC&R and/or Bylaw provisions which address the topics set forth below, not supplant or amend them, and in the event of an inconsistency or conflict between these Rules and the CC&Rs or Bylaws of the Association, the CC&Rs and/or Bylaw provisions shall supercede and apply.

I. Delinquent Assessments:

A. Introduction. The CC&Rs and the Bylaws (hereinafter collectively the "Governing Documents") require owners to timely pay assessments or dues to the Association. Such assessments are important to the financial ability of the Association to maintain common areas, and to pay for other necessary operations of the Association, all of which helps maintain property values and the quality of the community. Failure to timely pay assessments harms the Association's ability to maintain common areas and enforce its Governing Documents, which in turn harms all its members and their properties. In order to provide additional incentive to owners to timely pay assessments, the following late charges rule is being adopted by the Association.

B. Rule. If an assessment is not paid by an owner within 30 days of its due date, as set forth in the bill or invoice for assessment mailed or otherwise delivered to the owner, a late charge or fee shall thereafter apply and accrue in the amount of \$25.00 per month until all of the delinquent or outstanding assessment amount and all accrued late charges are paid in full.

In addition to and/or separate from such late charges, a charge or fee of \$50 will be imposed against an owner each and every time a check provided by or on behalf of the owner is returned as NSF or rejected by the bank or financial institution on any other grounds.

C. Collection of Late Charges. The Association is not required to formally bill the owner for late charges, as they automatically accrue after expiration of the 30 day period set forth above, and may notify the owner by letter at such time as deemed appropriate by the Association or in any lien recorded by the Association regarding delinquent assessments.

Interest at the rate of 1% per month shall apply and accrue to all unpaid late charges, in the same fashion as if they are delinquent assessments.

All late charges imposed by the Association upon an owner or owners which remain unpaid constitute a lien against the owner and/or his/her lot, and may be included and formally liened by the Association along with and in the same lien document as may be recorded for the

unpaid assessments upon which the late charge(s) are levied. The amount of the lien shall include interest, and all costs and expenses, including attorneys' fees, incurred by the Association in the collection of such unpaid late charges.

If any account accumulates a debt of more than \$500.00, then the Association may turn the delinquent account over for collection. The homeowner will be liable for all fees charged by the attorney to the Association.

II. Fee Schedule:

A. Transfer Fee. A \$200.00 Transfer Fee will be charged for all lots sold to cover the cost of the transferring documents and title costs.

B. Gate Transfer Fee: In addition to the Transfer Fee, all lots sold in the gated area will be assessed a \$40.00 Gate Transfer Fee to cover the cost of programming the gate to the new owner.

C. Lien Filing Fee: If any Lot has an outstanding balance for more than 60 days, a notice to file lien will be sent. A \$130.00 Lien Filing Fee will be assessed to cover the cost of filing the lien.

D. Gate Code Update Fee: After the initial codes are set at the gate from the sale of a lot, the lot owner will be assessed a Gate Code Update Fee of \$40.00 whenever any information needs to be changed or updated to cover the cost of the programming. It is the homeowner's responsibility to send a completed Gate Code Update Form to the Association as soon as there are any new residents residing on the premises.

These Policies and Procedures were established to promote the health, safety, and welfare of English Ridge Residents and to support the Association desires to preserve and enhance the property values within the development. The new Rules and Regulations will take effect 30 days following this notice on March 1, 2006.

Dated and Adopted by the Board of Directors this 12th day of January, 2006.

Melissa Harriman (President)

Todd Preston (Vice-President)

Rachael Duke (Secretary)

Bill Dorner (Treasurer)

Erika Clayton (Member at Large)