The Courtyard at Queen Anne Square House Rules
Version 12

Rules and Regulations For
The Courtyard at Queen Anne Square HOA
Amendment Revised and Approved by the Board August 6, 2018
Effective Date: September 1, 2018

The intent of the Rules and Regulations of The Courtyard at Queen Anne Square Owners Association is to promote common sense and courtesy in the members' actions and attitudes. The House Rules and Regulations are supplemental to the declaration. Violations of any of the governing documents are subject to the Fee and Fine Schedule and the Collection Policy. They are not meant to limit conduct, but rather to protect the common interest of the property, to provide an avenue of relief for problems, and to serve as guidelines for effective operation of the building. It is important to remember that in a condominium community such as ours, each member must protect and regard the rights of all other owners and residents to a quiet and peaceful home.

Scope of the Rules & Regulations

These Rules and Regulations apply to all residents (unit owners and tenants), their guests, vendors, agents, and all others brought onto the property for any purpose.
The Declaration and the amended Bylaws provide for the levying of fines by the Board of Directors in the event of violations of these Rules and Regulations.

All new owners and new tenants must complete a Registration Form within 14 days of taking occupancy at The Courtyard. The form may be obtained from the management company.

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Addenda 1 – Hearing Procedures (Written by Coe Law PLLC)

Addenda 2 – Collections Policy (Written by Coe Law PLLC)

Addenda 3 – Contractor/Construction Work Policy

Balconies & Patios

We want all owners and tenants to be comfortable living at The Courtyard. Our balconies are visible to people passing on the street and potential buyers and tenants. Please use common sense, we understand if you have a towel (for example) hanging on your balcony for a day or so but it should not be there for a week.

1.1. Holiday Balcony & Patio Decorating

a) Decoration of balconies and patios is prohibited, except for temporary holiday decorations, which are allowed between the day after Thanksgiving and January 6. Holiday lights may only be attached with plastic ties, hooks or connectors.
b) For other major holidays, decorations are allowed the week of the holiday.

1.2. Prohibited Items, Usage

a) Only patio furniture is permissible on balcony and patios. If you have metal or wood outdoor furniture please ensure they have plastic feet so the metal does not scratch or adhere to the balcony surface.
b) Hooks, nails, screws and other penetrating or mechanical fasteners are prohibited from use on the exterior of the building and on any railings. Any unit owner or resident whom fails to adhere to this rule will void the siding warranty and will be held financially responsible for the full cost of the repair.
c) Synthetic grass, carpets and mats are prohibited on balconies. Owners will be held accountable for any damage to balcony surfaces from the use of such coverings. No permanent alterations are permitted on the balcony surface.
d) Balconies, patios and parking stalls may not be used for storage.
e) No towels, blankets, clothing or rugs may be shaken from or hung on the balconies.
f) Wind chimes, bird feeders, and hanging flower planters (railings or ceiling) are prohibited.
g) Charcoal grills and fire pits are prohibited at the Courtyard by Fire Code. If propane grills are used they must be kept away from the building, for fire safety.
h) For units lacking a patio or balcony (Juliet Balconies - 4th floor, 316 and 317), potted plants and flowers may be placed on the balcony outside the sliding glass doors, if drip pans are used.

1.3. Balcony & Patio Cleaning

a) Please keep in mind there is someone above and below you, water, debris, etc. should not overflow to the unit(s) beneath you.
b) Balconies need to be cleaned a minimum of once per year to help protect the surface coating from premature failure. Simply use a soft brush, soap (like Simple Green) and water.
c) Owners of units with Juliet balconies are responsible for cleaning the reachable portions of their patios. (4th Floor, Units 316 and 317)
d) Potted plants and flowers may be placed on balconies, provided that they rest on drip pans or saucers. The pans or saucers need to be placed on pedestals to help keep the surface dry and prevent premature surface failure.

1. Common Areas

2.1. Art & Decorating

a) Residents are prohibited from altering the décor of any elevator lobbies, including furniture, plants, floor coverings and wall hangings without Board approval.
b) Residents are prohibited from altering the decor of the hallways and of the doors to their units except for holidays. If a resident decorates their door, decorations can be decorated the week of the holiday.
c) Nothing may be placed in the hallways, including but not limited to doormats, plants, rugs, wall hangings, shoes, strollers and umbrellas.

2.2. Bicycles

a) Residents are responsible for registering their bicycle(s) with the Board to receive a permit and assigned spot in one of the bicycle storage areas.
b) Abandoned or non-permitted bicycles found in the storage areas without a permit may be removed and disposed of at the Board's discretion.
c) Mechanical work on bicycles is not permitted in the parking garage.

2.3. Courtyard Community BBQ & Patio Set

a) Private events must be booked with the board on The Courtyard web-site.
b) Quiet hours will be enforced.
c) Resident is responsible for clean up after private event.
d) Resident is responsible for cleaning the BBQ after each use.
e) Resident is responsible for any damages that occur during event.
f) All Exterior common areas are smoke free.

2.4. Garbage, Recycling & Food Waste

a) Please follow Seattle City code; brochures are hung in the hallway. For additional questions please visit their web-site www.cityofseattle.gov.
b) At no time may residents leave trash or recyclables on the concrete floor of the trash enclosure, even though bins may be full. Please check the levels in the dumpsters before overfilling.
c) Cardboard boxes must be broken down and flattened before being placed in the recycling dumpsters.
d) Cat litter, dog feces, disposable diapers, cigarettes and all other odorous or wet materials must be secured in plastic bags.
e) Perishable items must be thrown away in the food waste compost container and bio-compostable bags (not plastic) must be used.
f) Owners may not use the trash enclosure to dispose of large objects, such as appliances, furniture, Christmas trees, and carpeting.
g) Hazardous items must be taken to the hazardous waste site in North Seattle this includes cleaning products and florescent light bulbs.

2.5. Gardens

a) Any gardens must have board approval to ensure they comply with the landscaping guidelines.
b) Board approval is required for the addition or removal of anything in the exterior common areas.

2.6. Gym

a) For owner, resident and resident guest use only.
b) Use the equipment at your own risk.
c) Keep door closed as sound travels to other units.
d) The treadmill and dumbbells should only be used during the hours of 8 AM and 10 PM due to excessive noise transmitting to adjacent units.
e) Re-rack weights after use and please do not drop dumbbells on the floor to avoid excessive noise.

f) Wipe down all equipment after use to keep it clean & preserve the equipment.
g) Do not lean the exercise ball, stretching matt or other items against the heater.
h) Boomboxes, Bluetooth speakers, etc. prohibited. User must use earbuds/headsets.

2.7. Hallways & Lobbies

a) Smoking is prohibited in all interior common areas of The Courtyard.
b) Damages to the doors or common areas will have the repair costs charged back to the unit owner.
c) Per the declaration owners are responsible for maintenance & repair of their unit door.
d) See security section for more details

2.8. Lounge

a) Remember when the windows and doors are open that sound travels along the metal siding. So even a, quiet conversation, will travel to your neighbors.
b) To contain noise, we ask that the window and sliding glass door remain closed. If the door or window is opened, they must be closed at 9 PM. The hallway door is always to remain closed.
c) No smoking in the lounge. If your guests wish to smoke or step outside for a conversation, they need to go all the way to the street.
d) Nothing may be attached to the walls or ceiling.
e) Once your event is complete ensure the exit checklist on the back of the lounge door has been completed.
f) Failure to ensure doors/windows are closed & locked after your event is a level 3 Fine.

2. Complaints, Reports and Compliance

Significant events and conditions, which relate to the common elements, security, safety and the best interests of the HOA, shall be reported to the Management Company, in writing.

If you have a complaint that involves another owner or tenant, it should be addressed as follows:

a) Your first attempt should be to try to resolve the issue by directly communicating with your neighbor.
b) If you are not able to resolve your issue by direct communication, then you should submit your complaint or concern in writing to the Management Company. The complaint should be specific, citing times, locations, license numbers, etc. Each complaint must be reported within 7 days.

3. Enforcement

The Management Company shall give written notice of the violation and state a reasonable period for correcting the violation if correctable.

If the owner wishes to contest the violation, they will be given the opportunity to be heard by written notice of a hearing before the Board or a hearing committee regarding the proposed action or fine (see addendum 1).

4. Fees & Fines

a) Fees and fines are due on the first day of the month after they are assessed and are subject to the same late payment rules as the assessments. In addition to the fines, owner will be charged for all costs, including but not limited to repair or replacement of damage to property resulting from the rule infraction.
b) Late fees of $50 are charged on assessment payments that arrive after the late date.
c) Non-refundable move-in fee: $300
d) Refundable move-out fee: $300
e) Rental Waiting List: $150 Deposit (may or may not be non-refundable)
f) Lease Administration Fee: $125 per new tenant

	First Violation	Second Violation	Third Violation and Ongoing
Level 1: (Per Occurrence)	Warning	$50	$100
Level 2: (Per Day)	$50	$100	$125
Level 3: (Life/Safety)	$150	$200	$250

- **Level 1** is for all violation except as noted below.
- **Level 2** is for rules number 1.1.; 2.1 c;12. a.; 12.b.; 12.f.; 13.1.a.; 13.3.a.; 14.2.a.; 14.2.b.; 16.b.
- **Level 3** is for rule number 1.2.b.; 2.8 (f);6.1. c.; 6.1.d.; 7.a.; 7.b.; 7.f.; 10.2.a.; 15.a. – e.; 16.a.;

5. Insurance

6.1. Home Owners Association (HOA)

a) The HOA assumes no liability for stolen or damaged personal belongings in your unit, storage unit, bike storage areas, or packing stall. This includes but is not limited to your vehicle, motorcycles, bicycles, scooters, patio furniture, grills, etc.
b) The HOA assumes no liability for water damage that may happen to cars parked in the garage under a water leak.
c) Access to the roof is prohibited except for maintenance work due to liability concerns.

d) Fireworks are strictly prohibited.
e) Personal insurance is mandatory under the 8th amendment of the declaration.

6.2. Master Insurance Policy

a) The master policy covers the building, grounds, and personal property in the common areas such as the lounge, gym and lobbies.

6.3. Landlord

a) Comes under a variety of names please check with your insurance agent. Coverage includes liability insurance and may or may not include personal property. It does not include displacement or living expenses.

6.4. Resident Owner

a) Commonly referred to as an HO6 policy it covers personal liability, personal belongings, loss of use/living expenses and the Master Deductible if it is determined you are responsible for the deductible.

6.5. Renter

a) This is the same as the HO6 policy except for a tenant.

6. Moving

a) Extreme care must be addressed to security. Leaving exterior doors unattended or propped open during a move will be fined.
b) Owners and tenants moving in or out of The Courtyard must give 3 business days' notice with the management/board. The date and time of your move can be scheduled via The Courtyard web-site.
c) Residents may only use one elevator during their move. Residents must install and remove the elevator pads before use. You can find the pads in the cable room on the first floor.
d) Persons moving in or out will be held liable for any damages to the common areas of The Courtyard, charges for which will be added to their next monthly assessment if they are moving in or billed to them if moving out. If the party moving out is a tenant, damages will be assessed to the owner of the Unit.
e) When a new resident(s) moves into a unit, the unit owner will be charged a one-time, non-refundable fee. See Fees & Fines Section 5.
f) Residents who do not notify management/board 3 business days prior to moving will be assessed a fine for failure to notify and receive instructions. See Fee & Fines Section 5.

7. No Park Sign Reservations

a) Residents may reserve the No Parking Signs if the HOA is not using them.
b) All Reservations must be made the Thursday prior to the week of intended use.
c) If Multiple reservations are made all parties agree to share the use of the signs and if necessary, cooperate in the creation of the city permit.

d) Resident/Owner is responsible to process the city permit, move the signs to the street, and post the permits.
e) Residents/Owners are responsible to clean and return the signs to the cable room.
f) When in use the signs need to be locked to a tree or sign if cables and padlocks are attached to the sign.
g) Resident/Owner is responsible to monitor the street parking and call parking enforcement.
h) The city requires all permits to be posted 72 hours prior to the start period of your use date.

8. Noise/Disturbances

a) In general, residents must be considerate of neighbors by keeping noise levels low between the hours of 10:00 PM and 8:00 AM.
b) Residents must not run vacuum cleaners, dishwashers, washing machines, or clothes dryers between 10:00 PM and 8:00 AM.
c) Residents must always keep noise to a reasonable level in the lobbies and hallways.
d) Residents must not handle excessive noise complaints with neighbors by thumping on the wall/ceiling.
e) It is a known fact that the building is a wood structure and the installation of hardwood/tile would cause discomfort to residents below.

9. Parking, Key Cards and Garage

10.1. Parking

a) Residents are only entitled to park in their assigned residential parking stall or the 30-minute parking stall. Vehicles parked in a space other than the one to which such vehicle is assigned, the vehicle may be towed at the owner's expense or issued a parking ticket by the parking attendants or the board. The exceptions to this are:
    i. When the garage is being swept you may park on P3, the condo storage level.
    ii. If you find a vehicle in your assigned parking space, you may park on P2 and advise the parking attendant that someone is in your stall. Please note the make/model/color of the unauthorized vehicle and the plate number. Call the parking attendants booth: 206-281-9643. After hours: 206-783-4144 press "0".
b) Parking spaces may not be rented to non-residents.
c) Any homeowner intending to rent their parking space to a resident must advice the board in writing.
d) Any vehicle found without a parking permit is subject to ticket or removal at owner's risk and expense.
e) Residents should not park in a non-residential stall (aka the commercial side). The parking permit does not give you an exemption and you are subject to their parking fees and fines. If you receive a parking ticket you must pay it unless it is

one of the exceptions. The commercial side is not the Courtyard at Queen Anne Square's property and you park at your own risk.

10.2. Key Cards

a) Key cards are prohibited from being stored in vehicles. If a garage key card is left in any vehicle and then stolen and/or used in a crime you will be assessed a fine. See Fees & Fines Section 5.

10.3. Garage

a) Smoking is prohibited in the garage.
b) Leaking vehicles **are** prohibited in the garage. If your vehicle is leaking it needs to be parked on the street until it is repaired.
c) Owners, guests and tenants are responsible for cleaning any messes, spills, leaks or debris left in the common area of the garage, including the parking spaces. If owner does not take corrective action the board may hire outsource the work and bill the expense back to the unit owner.

10.Pets

a) Pet owners must register their pets with the board.
b) In alignment with the city code, no more than 3 pets per unit and The Courtyard does not allow more than 2 dogs per unit.
c) If you have an animal that can be considered dangerous (snakes, spiders, reptiles, dogs, etc.), the Board can request that the resident have the animal evaluated for temperament and/or removed from the premises if the board determines it to be necessary for the safety of the residents.
d) All pets must be on leash or in a carrier while in any common area.
e) Owners are responsible for cleaning up any messes made by their pets. This includes debris clean up and/or cleaning of glass doors, walls, tiles, and / or carpet in common areas.
f) If you have a noisy pet that disturbs the residents around you, the board will request that you take corrective action which may include behavioral training, barking collars, etc. If you have a stinky pet that disturbs the residents around you, the board will request that you take corrective action.
g) Pet owners will be held financially accountable for any damage or cleaning to common areas and limited common (balconies and patios) areas caused by their pets.
h) No pets are permitted to be unattended outside of the resident's unit.
i) No pets can be locked out of your unit on your patio or balcony.
j) The Courtyard does not have weight or breed restrictions, however, please keep in mind not all breeds, sizes and personalities are appropriate for condo living. You may be required to remove your animal if the animal disturbs other residents.

11.Remodeling

a) If you are hiring a vendor/contractor to do your remodeling, as the resident it is your responsibility to make sure your vendor/contractor is licensed, bonded and insured to do remodeling work on a condominium.
b) Remodeling hours must be posted on the unit door along with the name of the contractor and their phone number
c) Remodeling hours are:
    i. Monday – Friday: 8 am – 5 pm
    ii. Saturdays: 9 am – 6 pm
    iii. Sundays: no remodeling
d) You cannot dispose of your remodeling materials in the dumpster area as your solution for removal (i.e. city dumpster). With Board approval you can put your remodeling materials in the dumpster area if they do not prohibit the city's pick up for recycling or garbage. Materials can be stored for a short time awaiting your junk removal. Contact the board to schedule.
e) Prior to the start of remodeling you need to give your neighbors and the board notice that there will be excess noise coming from your unit. You need to notify residents above, below and to all sides (next to and across the hall).
    i. The board recommends 1 week notice to give those home during remodeling hours ample time to make other arrangements if they work from home, if children/pets need to be moved to off-site care, or if they decide to leave the building during remodeling hours.
f) Contractor lockboxes are prohibited on the exterior to the building.
g) Owner or their designated agent(s) are responsibly to supervise contractors and ensure compliance with the house rules.
h) Contractor is responsible to clean all common areas from construction debris, grime, and dust.
i) Contractor must install a protective shield over the common area carpet, outside the unit door. (Plastic, Paper, Cardboard.)
j) Remodel application MUST include a start and end date before work will be approved. Extensions may be granted on a case by case basis.

12.1. Flooring

a) The board prohibits the installation of hardwood or other hard surfaces (such as tile) where the current flooring is carpet or cork.
b) The board must approve the installation of cork in units prior to installing.
c) Article 25.3 of the Declaration mandates the board approve the installation of hard surface flooring in units that are directly above another unit.
d) Grandfathered Hardwood Flooring Installed by the Developer are on file with The Board.

12.Rentals/Leases

Note: The declaration, as amended in the second and seventh amendments of the Declaration contains specific and detailed discussion of the many conditions and limitations regarding the leasing of units by owners. Any owner wishing to lease his/her unit must consult this document, Article 10.3.1 to 10.3.11. The following sections provide merely brief summaries of some of these conditions and limitations.

13.1. Rental qualifications

a) Owner must have lived in the unit for 1 year prior to being eligible to rent their unit.
b) If the rental cap is met, the owner will not be allowed to rent his/her unit but can be placed upon a rental waiting list with the Board. Owner must request written permission to lease their unit every time a new tenant moves in. Month to month leasing is not allowed.
c) If your tenant moves out and there is a wait list, your name will go to the bottom of the list.
d) If the owner is renewing his/her lease with an existing tenant, the owner must notify the Board.
e) Owner must submit all rental paperwork prior to occupancy or lease renewal of the unit.

All tenants must go through a screening process by a reputable tenant screening company. The owner must provide the Board with a receipt from the screening company. The total number of Courtyard rental units in the building cannot exceed 20. When the limit is reached a waiting list shall be created.

13.2. Rental Waiting List Procedures

a) If the total number of rentals is less than 20 then no rental waiting list shall exist.
b) The waiting list is not designed to hold a place for owner's who may want to rent in the future.
c) Once an owner arrives at the top of the rental waiting list they may accept, decline or elect to rotate to the bottom of the waiting list. The owner will have two chances to decline. If the owner wants to stay on the waiting list after declining twice then an additional deposit will be charged and payable at the first of the following month. If the deposit is not paid by this deadline then the owner will be dropped from the waiting list. See Fees & Fines Section 5.
d) The third time an owner is given the opportunity to rent and declines they will forfeit the deposit and must remain off the list for 90 days.
e) If an owner accepts the opportunity to rent on this third offer, then the deposit shall be applied to the tenant's move in fee.
f) If the owner is banned from the waiting list for 90 days and wishes to be put back on the waiting list, they must resubmit a request to the Board.
g) If the owner accepts the opportunity to rent, they have 60 days to find a tenant. If the owner chooses not to rent during that 60-day period they forfeit the deposit.

13.3. Lease Requirements

a) Sub-leasing by your tenant is prohibited

13.4. Landlord Procedures/Obligations

a) Provide the tenant with a copy of the declaration, rules, and FAQ document. (see website)

b) Provide a building tour.
c) Owner must pass all notifications to their renter from the Board or Management Company.
d) Provide to the property management company the following items:
    a. Lease
    b. Courtyard Addendum
    c. Proof of Renter's Insurance
    d. Resident Form
    e. Receipt of Tenant Screening Report
    f. Tenant Move in fee
    g. Lease administration fee.

13. Sales

Marketing guidelines: The Board is aware that marketing of property requires ease of access and cooperation of seller, real estate professional, board, and Management Company. With that in mind, the Board has established the following guidelines:

14.1. Responsibilities of selling owner

Owner must notify the management company that the unit is for sale and provide the contact information for the listing agent at least 1 Business Day prior to listing to allow time for programing the intercom, 2 is better.

a) The Management Company or board will provide the agent with additional information regarding board expectations, building access, locations of real estate sign and unit showing procedures. (See website/Sales)
b) At no time will the Management Company or board provide information to a listing agent until the owner authorizes the release of such information, in writing, to the Management Company and/or board.
c) Buyer and escrow information to be provided to the Board 2 weeks prior to closing. (see Declaration/Resale Certificate)

14.2. Signage & Building Access

a) Real estate signs are not permitted on the property except for the use during an open house and it must be removed by the end of the day. An owner selling a unit may affix a flyer box to the real estate sign at the corner of West Roy and 2nd Avenue West.
b) Real Estate key boxes or any type of lock box are not allowed to be on the exterior of the property. Unit owners may have a key box on the door to their unit providing that the building key is not kept in the key box.

14. Security

a) Do not prop open doors at any time.
b) Do not allow people into the garbage disclosure to dumpster dive.
c) Do not allow people into the building that you do not know.
d) Do not buzz people into the building if you are not expecting them or a delivery.

e) Residents/Owners who allow people to follow them into the building and it is found to be a breach of security will be issued a level 3 fine.
f) Lock boxes are prohibited.

15. Vacation/Short Term Rentals

This type of rental is prohibited by the declaration and the board is actively monitoring these types of websites.

a) Anyone found to be advertising in any format for a vacation/short term rental will be fined.
b) If you are found to be renting you will be fined the daily rate. See Section 5.

16. Windows

a) Owners and renters may make no alterations within or outside of their Units that affect the appearance of the exterior of the building.
b) If original window coverings are replaced or added to, all externally visible materials must be white or off-white. This includes draperies, drapery linings, and blinds.
c) Owners may not post signs in their windows or use tinted or reflective materials on them.
d) Owners are responsible for cleaning the interiors of the windows and the exteriors of windows that are reachable from their patios or balconies.

This revised version of the Rules and Regulations for The Courtyard at Queen Anne Square was adopted by the Homeowners Association's Board of Directors on August 6, 2018.

By: *Kelly Marquardt*
Print Name: Kelly Marquardt
Its: President

By: *Rob Chang*
Print Name: Rob Chang
Its: Secretary

House Rules – Addenda 1
Fines and Hearing Procedures.
The Courtyard At Queen Anne Square

Article 32. Complaints, Compliance, and Fines.

INFORMAL DISPUTE RESOLUTION PREFERRED

It is the intent of the Association that an informal process be followed prior to the initiation of a formal complaint against any Unit occupant. To that end, any Unit occupant, or employee or agent of the Association has the authority to request that any person cease or correct any act or perform any omission which appears to be in violation of the Governing Documents (defined below) or of any decision of the Board or Hearing Board made as provided in the Governing Documents.

ASSOCIATION FINE STRUCTURE

1. Fines are to be assessed for any violation of the Rules and Regulations as determined at the sole and exclusive discretion of the Board (subject to any requested notice and opportunity to be heard pursuant to state law). Fines may also be imposed for any violation of the Declaration in the Board's sole and exclusive discretion. Please see house rules for Fees & Fines schedule (Section 5).

   (A violation includes not obtaining written Board approval prior to taking action under the Declaration or these Rules and Regulations.)

   If there is a speeding violation, or other rules violation which by its nature occurs only at one time, and said violation is repeated, a level 1 fine schedule shall be assessed.

2. All fines imposed will be assessed within a reasonable period and will be placed on the Owner's ledger as an Assessment within 30 days, or at the time of the next assessment (whichever is earlier) pending the outcome of any request for Notice and Opportunity to be Heard.

3. Fines are due immediately upon imposition pending final order from the Hearing Board. If the fine, or any part of any special or regular Assessment is not paid when due, it is handled as a delinquent assessment under the Declarations, and an additional $50.00 shall be added as a late charge for each month until all of the Assessment, fines, late fees, interest and attorney's fees and costs of collection (all of which are Assessments) are paid in full. Partial payments or payments shall be deemed payment on account. In addition, a default interest rate of 1% per month on all amounts owing shall be assessed as well. Collection of any fine will be performed as a collection of any Assessment, pursuant to the Declaration.

4. The Board is authorized and empowered to investigate, hear and determine complaints concerning violations by any Unit occupant of the Declaration, Bylaws, Rules and Regulations or enforcement procedures ("Governing Documents") or of any decision of the Board made as provided in the Governing Documents. The Board is further authorized and empowered to impose a fine as may be allowed herein in an amount not to exceed the maximum rate established by resolution of the Board on any person who it finds to have violated the Governing Documents.

5. A failure of any Owner to be in good standing (defined as a failure to comply with any provision of the Governing Documents, including but not limited to any failure to pay assessments in full in a timely manner, failure to comply with a Board decision, or to comply with a decision of the Hearing Board following notice of a violation and an opportunity for a hearing) shall be sufficient grounds for the revocation of (1) the Owner's voting rights, and the right of the Owner to hold any proxies, (2) the Owner's rights to attend any meetings (board or owner), and/or (3) the Owner's and/or Tenant's right to use any facilities of the Association (including but not limited to community rooms and the like); until the Owner comes into full compliance with the Governing Documents, including but not limited to payment in full of all assessments, late fees, attorney's fees, interest and other costs, Board decision, or to comply with a decision of the Hearing Board, as determined by the Board in its sole and exclusive discretion.

A VIOLATION MAY ALSO BE GROUNDS FOR EVICTION AND/OR THE FILING FOR INJUNCTIVE RELIEF OR DAMAGES.

COMPLAINT PROCESS

The complaint process shall be undertaken substantially as follows:

Complaints are to be submitted to the Property Management Company, which in turn will forward the complaints to the Board for resolution.

a. Make personal contact with the party to make them aware that you are being disturbed and ask them to discontinue the offensive behavior.

b. If you do not feel comfortable making personal contact, report the offensive behavior to the Property Manager and follow up by submitting a formal complaint in writing.

c. The Board and/or Property Manager will contact the complainant, and if the complaint is substantiated, the Property Manager will send a letter to the offending party indicating that they have violated the Declaration, Bylaws, or Rules ("Governing Documents") and/or Board or Hearing Board Decision. The letter shall identify the specific provisions of the Governing Documents or decision of the Board which the respondent is alleged to have violated. The letter shall state as many of the specifics as are available regarding time, date, location, nature of

violation, persons involved, etc. The letter shall also state the efforts which were made to resolve the matter informally, if any, and that fines will be imposed if said behavior is not stopped. No warnings need be given. The distribution of these Rules and Regulations is sufficient warning/notice of the rules and fines. Finally, the letter shall give the offending party the opportunity to be heard.

RIGHT TO APPEAL

Within ten (10) days of delivery of the letter to the offending party per the notice provisions of the Declaration, the person accused of the violations ("respondent") may deliver a request for an appeal to the Board, as the respondent's desire to be heard. In such case, imposition of the fine will be held in abeyance pending determination of the appeal by way of a hearing before the Board or a Hearing Board. The request for appeal will not be deemed to have been delivered until actual receipt by the Association's Secretary or the Association's managing agent. A failure of the respondent to respond to the letter within ten (10) days, or Respondent's payment of the fine, constitutes an admission that notice and opportunity to be heard were granted by the Association, and constitutes a waiver of the respondent's right to avail itself of the opportunity to be heard, and respondent will be deemed to have admitted to the facts contained in the letter.

DEFAULT

Failure of one party to appear at the scheduled hearing, where that party prior to the hearing has failed to show good cause when the hearing should be re-scheduled, does not preclude the Board from proceeding with the hearing, receiving evidence from and hearing arguments by the other party and making a decision in the matter. Upon failure of the respondent to appear, the Board may, in its discretion, impose the fine or fines. A failure of the respondent to appear constitutes an admission that notice and opportunity to be heard were granted by the Association, and constitutes a waiver of the respondent's right to avail itself of the opportunity to be heard, and respondent will be deemed to have admitted to the facts contained in the letter.

HEARING PROCEDURE

The hearing shall be heard by a Hearing Board appointed by the Board The Board itself may also comprise the Hearing Board. The Association's attorney may or may not be present at the Hearing Board's sole and exclusive discretion. The respondent shall appear in person or by a duly authorized representative. The President, or in his or her absence, a Board member appointed by the Board, shall preside over the conduct of the hearing and shall make any necessary evidentiary rulings. The hearing shall be informal. At the beginning of the hearing the President shall explain the rules and procedures by which the hearing is to be conducted.

The order of proceedings shall be as follows:

a. Each party to the proceeding is entitled to make an opening statement.

b. Each party is entitled to produce evidence, witnesses and testimony. The other parties are entitled to cross-examine any witnesses and the opposing party.
c. Each party is entitled to make a closing statement.
d. Any member of the Board may question any party or witness. The Board members may, on their own motion, call additional witnesses or secure tangible evidence.
e. Each party has the right to representation by counsel at his or her own expense. Respondent must advise the Association at least five days in advance of intent to bring their own counsel. Failure to do so shall allow the Board to continue the hearing until the Association's counsel can be present.
f. Either party or the Board may cause the hearing to be transcribed at his / her or their own expense.

Decision and Order:

a. As soon as possible, but in no case more than twenty (20) days after the close of the hearing, the Board shall meet in executive session to deliberant and reach a decision. The decision of the Board shall be in writing and, if a violation is found, shall state the particular violation(s) found.
b. Upon a decision that a violation has occurred, the Board may order that the respondent shall do or refrain from doing any act necessary to cause the respondent to comply with the provisions of the Governing Documents and/or any decision of the Board. The order of the Board shall become effective ten (10) days after it is served on the respondent in the manner provided in the Declaration, unless the Board otherwise provided in its order.
c. The Board may provide in its order for the imposition of a reasonable fine not to exceed the maximum amounts set from time to time by resolution of the Board. The fine may include a daily fine in the event that the respondent does not comply with the order of the Board, including the payment of the fine, within the allotted time. The Board may also provide in its order that the non-prevailing party shall reimburse the costs of the Association in connection with the proceeding. Any fine or charge so imposed by the Board shall be the personal obligation of the person against whom it is imposed, shall constitute a lien upon the Unit owned or occupied by that person, and may be collected in the manner provided in the Declaration in the same manner as for assessments.
d. The decision of the Board shall be served on each party to the matter forthwith in the manner provided above. A copy of the decision and order shall be sent to the Secretary of the Association and shall be included in the books of the Association.

Failure to comply with a provision of the Governing Documents or a Board Decision, or to comply with a decision of the Board following notice of a violation and an opportunity for a hearing, shall be sufficient grounds for an action to recover sums due for damages, which shall include any fines levied by the Board and any costs incurred by the Association in connection with the proceeding before the Board, maintainable by the Association (acting through the Board on behalf of the owners). Such failure shall further be grounds for the issuance of injunctive relief in such an action. Nothing contained in the Declaration shall be deemed or construed as a waiver of the Association's right to bring an action as

provided in this Section without first exhausting the Association's internal enforcement procedures in cases where the Board deems immediate legal action to be necessary or appropriate. In any action brought as provided in this Section, the prevailing party shall be entitled to recover as part of its judgment a reasonable sum for its attorney fees, costs and expenses of proceeding. All Assessments are collected pursuant to the Declarations.

Notwithstanding the foregoing, by entering into occupancy of a Unit, each Unit occupant agrees to be bound by the Governing Documents, all other applicable federal, state or local laws and/or regulations, and shall give the Association the same rights against the Unit occupant, as it has against the Owner of the Unit. The term "Tenant" or "Occupant" as used in these Rules shall include both Tenant and Occupant, unless the context clearly indicates otherwise.

RESOLUTION OF THE BOARD OF DIRECTORS OF COURTYARD AT QUEEN ANNE SQUARE OWNERS ASSOCIATION REGARDING A COLLECTION POLICY FOR DELINQUENT ACCOUNTS

1. Preamble

1.1 **Statement of Authority.** The Board of Directors (the Board) of Courtyard at Queen Anne Square Owners Association (the Association) is charged with the responsibility of collecting assessments for common expenses from Owners pursuant to RCW 64.34.304(1)(b).

1.2 **Identification of the Problem.** From time to time Owners become delinquent in their payments of these assessments and fail to respond to the demands from the Association to bring their accounts current.

1.3 **Reason for Action.** The Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue.

2. Action of the Board

2.1 **Retainer of Counsel.** The Board by this action retains the Association's Attorneys and directs them to represent the Association on the terms outlined in this resolution. The Association's Attorneys shall pursue all collection and any other matters which the Association, acting through the Manager, may from time to time decide to refer to them and to provide any advice and counsel which the Association may from time to time require.

2.2 **Payment of Fees and Costs.** The Manager, acting on behalf of the Association, shall pay the Association's Attorneys their usual and customary charges for time incurred in connection with their representation of the Association, together with all costs incurred by the firm, including but not limited to fees and charges for filing, service of process, messenger service, photocopies, postage, long distance calls, investigator's services, credit reports, and title reports, promptly upon receipt of the monthly invoice.

2.3 **Late Fee Assessed.** Pursuant to Sections 16.10 and 17.8 of the Declaration and RCW 64.34.364(13) there is hereby levied against any assessment account which is not paid in full as of the tenth (10th) day of the month a late fee in the amount of Fifty Dollars ($50.00) which the Manager is authorized and directed to charge to and collect from any delinquent Owner.

2.4 **First Notice.** The Manager is directed to send to any Owner who is more than ten (10) days delinquent in the payment of regular or special assessments, or other charges authorized by the Association's Governing Documents (Assessments), a written notice (the First Notice) of the late fee and a request for immediate payment.

2.5 **Second Notice.** The Manager is directed to send to any Owner who is more than forty (40) days delinquent in the payment of Assessments written notice (the Second Notice).

2.6 **Third Notice.** The Manager is directed to send to any Owner who is more than seventy (70) days delinquent in the payment of Assessments written notice (the Third Notice or Final Notice) that unless the account is paid in full within ten (10) days, the account will be turned over to the Association's Attorneys for the collection and, in that event, the Owner will be liable for payment of the minimum charge imposed by the Association's Attorneys to cover fees and costs charged to the Association.

2.7 **Request for Special Consideration.** The First Notice and the Second Notice sent by the Manager shall further advise the delinquent Owner that prior to the time the account is turned over to the Association's Attorneys for collection, the delinquent Owner may submit a written request to the Board for special consideration of hardship circumstances, including all reasons why the Board should consider the request, and either a request for a hearing or a request that the determination be made by the Board based on the written request (the Request for Special Consideration).

2.8 **Waiver of Special Consideration.** The First Notice and the Second Notice sent by the Manager shall further advise the delinquent Owner that if the Request for Special Consideration is not so submitted, then such request shall have been deemed waived.

2.9 **Pre-existing Delinquencies.** Notwithstanding anything in this resolution to the contrary, if any account is more than thirty (30) days delinquent in the payment of Assessments at the time that the Board adopts this resolution, the Manager shall promptly send the delinquent Owner a written notice (the Final Notice) containing the same provisions as described above for the Second Notice.

2.10 **Referral to Association's Attorneys.** If within ten (10) days after the Manager has given a Third Notice or a Final Notice to a delinquent Owner, the Owner has not paid the account in full, made a satisfactory agreement with the Association for payment, or submitted a Request for Special Consideration to the Board, the Manager is directed to refer that account to the Association's Attorneys for collection.

2.11 **Referral of Bankruptcy and Foreclosure Matters.** The Manager is directed to consult with the Association's Attorneys and turn over for collection immediately any 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 Unit.

2.12 **Policies Applicable to Handling Delinquencies.** The following policies shall apply to all delinquent accounts turned over to the Association's Attorneys for collection:

2.12.1 **Contacts with Debtors.** All contacts with a delinquent Owner shall be handled through the Association's Attorneys. Neither the Manager nor any Association officer or director shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's Attorneys unless one of the Association's Attorneys is present or has consented to the contact.

2.12.2 **Application of Payments.** All sums collected on a delinquent account shall be remitted to the Association in care of the Association's Attorneys until the account has

been brought current. All payments received on delinquent accounts will be applied first to attorney's fees and costs, then to late charges and interest, then to any security deposit, then to any accelerated assessments, then to any special assessments, then to regular monthly assessments, and finally to any other amounts due if any, in that order.

2.12.3 **Attorneys Fees and Costs.** The Association's Attorneys' minimum legal fee shall be assessed against each delinquent Unit and its Owner (including repeat offenders) when the account is turned over to the Association's Attorneys for collection. That amount shall be credited against the fees and costs actually incurred in the collection of the Owner's account. All legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Unit and Owner and shall be collectable as an Assessment as provided in Section 17.9 of the Declaration and RCW 64.34.364(14).

2.12.4 **Payment Plans.** To the extent that the Association's Attorneys, in their discretion, consider it to be appropriate in the circumstances, they are authorized to enter into an installment payment plan, secured by a Stipulation for Judgment; provided, however, that any payment plan which provides 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 monthly payments of less than twice the current assessment amount, or a duration in excess of six (6) months shall require the approval of the Board or Manager.

2.12.5 **Further Collection Action.** Where, at the expiration of the period specified in the Association's Attorneys' demand letter, an account remains delinquent and without a payment plan embodied in a signed Stipulation for Judgment or a signed agreement by a renter to pay rent, or in the event of a default under the terms of either agreement, the Association's Attorneys are authorized to take such further action as they, in consultation with the Board or Manager, believe to be in the best interest of the Association, including but not limited to:

2.12.5.1 Recording a Notice of Claim of Lien against the Unit; or

2.12.5.2 Filing suit against the delinquent Owner for money due pursuant to Section 17.5 of the Declaration and RCW 64.34.364(12); or

2.12.5.3 Instituting a non-judicial action for foreclosure of the Association's lien, pursuant to Section 17.3 of the Declaration, and RCW 64.34.364(9); or

2.12.5.4 Filing a proof of claim in bankruptcy; or

2.12.5.5 Instituting a judicial action for foreclosure of the Association's lien, pursuant to Section 17.2 of the Declaration and RCW 64.34.364(9); and

2.12.5.6 Seeking the appointment of a receiver for the unit pursuant to Section 17.4 of the Declaration and RCW 64.34.364(10).

2.13 **Distribution of Resolution.** A copy of this resolution shall be sent to all owners at their last known addresses or per section 2.13 of the Bylaws via email if the homeowner has opted in for email delivery.

This resolution was adopted by the Board of Directors on 7-1, 2015, and shall be effective on August 1st, 2015.

President

ATTEST:

Secretary

The Courtyard
QUEEN • ANNE • SQUARE

Contractor/Construction Work Policy

a) If you are hiring a vendor/contractor to do remodeling, as the resident it is your responsibility to make sure your vendor/contractor is licensed, bonded and insured to do remodeling work on a condominium.
b) Remodeling hours must be posted on the unit door along with the contractor's contact information and the start and end date of the project.
c) Remodeling hours are:
    i. Monday – Friday: 8 am – 5 pm
    ii. Saturdays: 9 am – 6 pm
    iii. Sundays: no remodeling
d) You cannot dispose of your remodeling materials in the dumpster area as your solution for removal (i.e. city dumpster). With Board approval you can put your remodeling materials in the dumpster area as long as they do not prohibit the city's pick up for recycling or garbage. Materials can be stored for a short time awaiting your junk removal. As a reminder we have pick up's on Mon/Tue/Fri.
e) Prior to the start of remodeling you need to give your neighbors notice that there will be excess noise coming from your unit. You need to notify residents above, below and to all sides (next to and across the hall).
    i. The board recommends 1 week notice to give those home during remodeling hours ample time to make other arrangements if they work from home, if children/pets need to be moved to off-site care, or if they decide to leave the building during remodeling hours.
f) Contractor lockboxes are prohibited on the exterior to the building.
g) Owner or their designated agent(s) are responsibly to supervise contractors and ensure compliance with the house rules.
h) Contractor is responsible to clean all common areas from construction debris, grime, and dust.
i) Contractor must install a protective shield over the common area carpet, outside the unit door and inside elevators (Plastic, Paper, Cardboard, etc.).
j) Remodel application MUST include a start and end date before work will be approved. Extensions may be granted on a case by case basis.

12.1. Flooring

k) The board prohibits the installation of hardwood or other hard surfaces (such as tile) where the current flooring is carpet or cork.
l) The board must approve the installation of cork in units prior to installing.
m) Article 25.3 of the Declaration mandates the board approve the installation of hard surface flooring in units that are directly above another unit.
n) Grandfathered Hardwood Flooring Installed by the Developer are on file with The Board.