

MERCER PARK CONDOMINIUMS CONDOMINIUM ASSOCIATION RULES AND REGULATIONS

*Effective April 15th, 2026
(approved 3/16/2026)*

I PREFACE AND DEFINITIONS

The Mercer Park Condominiums Condominium Association Rules and Regulations (“House Rules”) supplement, but do not supersede applicable statutes, the Declaration and Covenants, Conditions, Restrictions, and Reservations for Mercer Park Condominiums, A Condominium (the “Declaration”), the Association’s Articles of Incorporation, or Bylaws. The Board of Directors encourages cooperation from all Owners and the occupants of Units within the condominium, and their guests and invitees, in observing and adhering to these House Rules and the other Governing Documents of the Association.

The words “common areas” and “common elements” are used interchangeably herein.

The words “limited common areas” and “limited common elements” are used interchangeably herein.

The term “Declaration,” means and refers to the Declaration and Covenants, Conditions, Restrictions and Reservations for Mercer Park Condominiums, a Condominium, recorded under King County recording number 9006261288, and any and all amendments thereto.

The term, “Governing Documents,” as used herein, shall mean the Declaration, the survey map and plans for the condominium, the Association’s Bylaws, Articles of Incorporation, and rules and regulations, and any other written instrument by which the Association has the authority to exercise any powers provided for by applicable statutes or to manage, maintain, or otherwise affect the property under its jurisdiction.

The terms “homeowner,” “Unit Owner,” “apartment Owner” and “Owner” are used interchangeably herein but relate to all persons owning a Unit in Mercer Park Condominiums.

The term “Unit,” means a physical portion of the condominium designated for separate ownership, the boundaries of which are described in the Declaration and the condominium’s survey map and plans. The words “apartment,” “apartment Unit,” and “Unit” are used interchangeably herein.

The term “resident,” applies to any person occupying or residing in a Unit in Mercer Park Condominiums. The terms “resident” and “occupant” are used interchangeably herein.

II GOOD CITIZENSHIP

- A. **General.** Be respectful of your neighbors if you have an issue with a fellow resident’s conduct, your first step should be to address the issue with the resident in a polite matter. Whether this be a note left on their door or discussing the issue directly with them.
- B. **Secured Areas.** Unit Owners, residents, and their guest and invitees are not permitted to enter upon or otherwise access the buildings’ roofs, any sheds on the common elements, the clubhouse office, or storage areas (except for a storage locker assigned to a Unit as a limited common element), without the express written approval of the Board or the Association’s Manager.
- C. **Designated Quiet Hours.** Quiet Hours shall be in effect daily from **10:00 pm to 7:00 am**. During quiet hours, no noise originating from any Unit or the common elements shall be audible within the interior of any other Unit. This standard applies to, but is not limited to, the following sources of noise: (a) loud talking or shouting; (b) playing of music, television or other entertainment systems; (c) the use of large appliances, including but not limited to, washing machines, dryers, and compactors; (d) use of kitchen appliances, including dishwashers and garbage disposals; (e) the use of household equipment, such as vacuums or power tools; (f) loud stomping or repetitive foot traffic; or (g) the movement of furniture. Notwithstanding the foregoing, the following activities, when conducted in a normal and reasonable manner, are generally excepted from the “not audible in other Units” standard provided they do not become deliberately loud, annoying, disruptive, continuous or offensive: (1) normal human movements, such as walking (without stomping, running, or wearing hard-soled shoes); (2) activities related to personal hygiene and care, such as using the bathroom facilities, flushing toilets, and the use of bathroom or kitchen fans; (3)

consumption of food; (4) watching of television, listening to music or using entertainment systems if not audible within the interior of another Unit; (5) quiet talking that does not involve shouting yelling or is otherwise amplified.

- D. **Annoyances and Offensive Activities.** No resident shall make or permit any noxious or offensive activity or annoyance to be carried on in any Unit, the Common Elements or Limited Common Elements. This includes without limitation disturbing noises or disorderly conduct, which interferes with the rights or comforts of other residents or their enjoyment of the condominium property. No Owner or resident shall play or permit the playing of any musical instrument on condominium property nor operate any stereo, radio, television, or loudspeaker in any Unit or in the common elements in a manner that unreasonably disturbs or annoys other residents in the condominium.

III UNIT MAINTENANCE

- A. **Good Condition.** Each Owner shall, at such Owner's sole cost and expense, have the right and duty to keep the interior of such Owner's Unit and its equipment, appliances, and appurtenances in good order, condition and repair and shall do all cleaning redecorating and painting at any time necessary to maintain the good appearance and condition of the Unit. No noxious, offensive, or unreasonably annoying or disturbing odors, fumes, or smells are allowed to emanate from any Unit into the Common Elements, other Units, or the Limited Common Elements of Other Units.
- B. **Winter Maintenance. All Units must be heated during the winter to help prevent freeze incidents. This is a maintenance responsibility of the Unit Owner.** The minimum temperature in a Unit must be sufficient to prevent pipes in the Unit or in adjoining Units from freezing. The heat is recommended to be set at 60 degrees. Watch for "freeze alert" signage and promptly report any frozen pipes to the Association's Manager or the Board.
- C. **Common Elements.** Owners must immediately clean up any spills in the common elements. This includes, without limitation, the spillage of any garbage, waste, or trash on the common drives, pathways, or stairways in the condominium, and the spillage or leaking of oil, lubricants, or other fluids from a vehicle *See also Section IV.H below.*
- D. **Entryways and Blockages.** Decks and entrances to the Units are to be kept clean. Storage or accumulation of garbage, containers, firewood, ladders, or unsightly clutter at the entrances/doorways of a Unit or on decks is not permitted. Residents shall immediately report any blockage or obstruction of pipes, drains or conduits to the Association's managing agent (Manager). Except to the extent covered by insurance obtained by the Association, neither the Association nor the Board or the Manager shall be liable for injury or damage to person or property caused by the elements, or resulting from electricity, noise, smoke, water, rain, (or other liquid), dust or sand which may lead or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment or for any other places. Therefore, Owners should remove any blockages or obstructions from drains in or around such resident's Unit (such as drains near the entryway to a Unit), in addition to immediately reporting any such blockages, obstructions, or other issues with the drain to the Association's Manager. *See also Section III.H below.*
- E. **Decks.** Bedding, clothes, rugs, or other such items shall not be displayed or hung from decks or railings. In addition, no items shall be shaken out in the common elements or limited common elements. Dirt or other substances shall not be swept, dropped, or thrown from doors, decks, or windows. Residents must dispose of dirt, trash, and dust in appropriate trash receptacles. *See also Section VI.A below.*
- F. **Barbeques & Open Flames.** The use of charcoal barbecues and liquid fire starter products are expressly prohibited within the condominium. All open flames devices that use solid fuel or cannot be immediately switched off with a control valve are prohibited from being used on condominium property, including, without limitation, on decks, entryways, and the common elements. The prohibition against open flame devices includes, without limitation, charcoal grills, Sterno cans used for heating food, candles, oil lamps, tiki torches, campfires, and fire pits; provided that, candles may be used within the interior of a Unit (subject to close supervision by the resident) and propane grills with a lid are allowed to be used on decks and the common elements. All candles shall be extinguished if a resident is not present within the Unit.
- G. **Blinds & Drapes.** All Units shall have draperies, blinds, or window coverings installed in the windows. The window coverings must appear white when viewed from outside the buildings.
- H. **Drains.** Residents are prohibited from putting any type of grease (including from cooking), fat, oil, hair, condoms, sanitary products (except bathroom tissue), other trash, or wipes (even those labeled flushable wipes) down any drain or pipe connected to a Unit. Except to the extent covered by insurance maintained by the Association and to the maximum extent permitted by the Declaration, any resident who is found to have deposited any of the

above-referenced materials into drains or pipes is responsible, together with Owner of the Unit, for the cost of any materials, supplies, labor, services, maintenance, or repairs incurred by the Association to remove blockages or repair damage caused to the condominium ("Cost of Repairs"). Costs of Repairs which the Board deems necessary or proper for the operation of the Common Elements or for enforcement of the Declaration (such as clearing a drain at imminent risk of overflowing or a drain which has overflowed) may be assessed without prior notice to the Owner or resident of the Unit. *See section 10.4.1(f) of the Declaration.* Otherwise, the Board shall give reasonable notice of the necessity for the maintenance or repair and if such maintenance and repair is not performed within the time period specified in the notice, then the Board shall levy a special charge against the Unit and Unit Owner for the Costs of Repair, pursuant to section 10.4.1(g) of the Declaration. For more info see <https://mercerpark.org/drains>

- I. **Hard Surface Flooring.** Pursuant to Section 11.5.2 of the Declaration, "***no Owner shall install hard surface flooring within an Apartment except with the prior written consent of the Board.***" Consistent with the Board's authority to regulate hard surface flooring, hard surface flooring is not allowed except in first floor Units unless approved in writing by the Board prior to installation. Requests to install hard surface flooring must be submitted to the Board ***prior*** to installation of the hard surface flooring. The installation of hard surface flooring in a Unit without first obtaining the Board's written approval may result in the Association assessing violation fines and requiring such hard surface flooring be removed at the Owner's expense, in addition to any and all other rights or remedies available at law or in equity.
- J. **License, Covenant, and Hold Harmless:** Owners are required to sign the license, covenant and hold harmless agreement attached hereto as Exhibit A, as a condition to the Board approving any modifications, alterations, changes, additions, repairs, maintenance, replacements or other work (collectively "work") to the common elements or limited common elements. Nothing herein shall be construed as the Board having to approve such work if the Owner agrees to sign the license, covenant and hold harmless agreement.

IV PARKING, VEHICLES, AND EV CHARGING

- A. **Parking Permits.** The term, "common area parking spaces" means those areas of the condominium designated for vehicle parking, excluding the garages attached to Units and parking spaces reserved for the exclusive use of a Unit. All vehicles parked on "common area parking spaces" must display a valid Mercer Park Association parking permit. Each Unit has been issued two (2) parking permits by the Association. Parking permits must be displayed in a manner that allows the permit number to be clearly visible through the vehicles front windshield. ***Vehicles parked in a "common area parking space" without a valid parking permit may be towed immediately without warning.*** Please make sure to give your guests parking permits and ensure that the parking permits are validly displayed in any vehicle parked in a "common area parking space."
- B. **Parking Spots.** Parking is confined to designated areas only. Owners are allowed to use a maximum of two common area parking spaces, in addition to the garage attached to their Unit (if any) and reserved parking spaces assigned for the exclusive use of a particular Unit. There are no assigned parking spaces except for the parking spaces specifically reserved for the exclusive use of a Unit. Vehicle parking in common area parking spaces is on a first come, first served basis. Due to the limited number of parking spaces in the condominium, Owners are encouraged to use their garages and reserved/assigned parking spaces to park their vehicles. ***Under no circumstance are Owners, residents, or their guests and invitees, permitted to park in front of their garage or the common driveways in front of a Unit, except for temporary loading or unloading as provided in section IV.C below.***
- C. **Loading/Unloading.** At no time should any person park in such a manner that blocks, impedes, or interferes with the flow of traffic through the parking lot. Violating vehicles may be towed immediately. Vehicles may park in front of their Units temporarily for loading or unloading for no longer than fifteen (15) minutes; provided that their vehicle is not obstructing, blocking, or interfering with the flow of traffic.
- D. **Guest Parking.** Guests may park on designated parking areas within the condominium only if the resident whom the guest is visiting is not using more than the maximum two (2) common area parking spaces and the guest's vehicle has a properly displayed Mercer Park Association parking permit. Owners are responsible for ensuring compliance with these parking rules by their guests and/or any person renting or occupying such Owner's Unit and shall provide a copy of this Section IV of the House Rules to renters and /or guests prior to their use of a parking space in a condominium. By using the Association's common area parking spaces, each Owner, resident, and their guests and invitees are deemed to understand and agree to abide by all parking rules.

- E. **Street Parking.** Additional parking is available along 118th Ave. S.E. Be aware it is a city parking violation for any parked vehicle to have any part of the tire touching the paved surface along 118th. Please consult all city parking regulations. The Association does not regulate or enforce parking on public streets.
- F. **Lost Permit.** If, for any reason, an Owner needs a replacement parking permit, the Association will assess a replacement fee of \$75.00 for each replacement parking permit issued. Requests for parking permits shall be made to the Association's Manager.
- G. **Vehicle Repairs.** Major vehicle repairs are not permitted on condominium property. Minor vehicle repairs are allowed provided they are completed on the day work commenced:
- H. **Leaks.** Vehicle owners are responsible for maintaining their vehicles in manner that does not result in any motor oil, grease, gas, or other fluids leaking or spilling upon the common area drives or parking spaces. Unit Owners are responsible for all costs incurred by the Association for repairing damage to the common areas and/or for the cleanup of any vehicle fluids which have leaked from such Owner's vehicle, or from the vehicle of a tenant or resident of such Owner's Unit, or from the vehicle of any of their guests or invitees.
- I. **Security.** The Association is not responsible for items lost or stolen from vehicles. Owners are responsible for the security of their vehicles and their personal belongings in those vehicles.
- J. **Inoperable Vehicles.** Vehicles that are not capable of being legally operated on a public street are prohibited from being parked, stored, or kept in any parking space (except a fully enclosed garage). Vehicles with flat tires are considered inoperable vehicles and may only be parked, stored, or kept in a parking space (except for a fully enclosed garage) for a maximum of twenty-four hours to allow time to repair or replace the flat tire. Improperly licensed vehicles, which shall include vehicles without valid license plates or without current vehicle registration tabs, are not permitted to be parked, stored, or kept in any parking space (except a fully enclosed garage) The Board shall require removal of any inoperative, improperly licensed, or unsightly vehicle, and any other equipment or item improperly stored in parking spaces. If the same is not removed, after notice of the violation from the Association to the Unit Owner and resident (if applicable), the Board shall cause the vehicle to be removed from the condominium at the expense of the Unit Owner. The violation notice shall state a date by which the violation must be resolved, or the vehicle will be removed from the condominium property. The violation notice shall allow for an opportunity to be heard for the Owner or resident to contest the violation. For purposes of this paragraph "J," the date for compliance stated in a violation notice shall not be less than seven (7) calendar days from the date the notice is given.
- K. **Storage.** Common area parking spaces may not be used for long-term vehicle storage. Any vehicle which has not been moved from a parking space (except a fully enclosed garage) for more than 45 consecutive days is subject to violation fines. The Board shall require the removal of any vehicle parked for more than 45 consecutive days upon written notice to the Unit Owner and resident (if applicable). The violation notice shall state a date by which the violation must be resolved, or the vehicle will be removed from the condominium property and, it shall allow for an opportunity to be heard for the Owner or resident to contest the violation. For purposes of this paragraph "K" only, the date for compliance stated in a violation notice shall not be less than seven (7) calendar days from the date the notice is given.
- L. **Recreational Vehicles**
Trailers, boats, motor homes fifth wheels, jet-skis, watercraft, canoes, kayaks, ATVs, snowmobiles and other recreational vehicles, **are prohibited from being parked, stored, or kept anywhere on the condominium property (except fully enclosed garages).** Multi-purpose street legal vehicles including, but not limited to, vans, campers, or vehicles with collapsable rooftop tents may only be kept onsite when also used for ordinary personal transportation, commuting, errands, or work. No vehicle may exceed 21ft in length or the width of the space in use. The Board shall require the removal of Recreational Vehicles parked in violation of these Rules by written notice to the Unit Owner and resident (if applicable). The violation notice shall state a date by which the violation must be resolved, or the Recreational Vehicle will be removed from condominium property. The violation notice shall allow for an opportunity to be heard for the Owner or resident to contest the violation. For purposes of this paragraph "L," the date for compliance stated in a violation notice shall not be less than seven (7) calendar days from the date the notice is given.
- M. **Speed Limit.** The speed limit within the condominium property is 10 MPH.
- N. **Handicap Parking.** Any vehicle parked in a designated handicapped space must have a valid handicapped parking permit or placard displayed in a manner which allows it to be visible through the front of the windshield.

Vehicles without a valid handicapped parking permit will be fined \$250.00 (assessed to the Unit Owner's account). The rules for inoperable vehicles (See J above) still apply to handicapped spaces.

- O. **Electric Vehicle Charging.** No vehicle charging is allowed from original garage electrical circuits. Owners of violating Units may incur fines plus chargebacks of related emergency electrician costs related to vehicle charging. Car charging is permitted with board approved charger installs. Owners wishing to install dedicated charging stations must submit and obtain design approval from the Board prior to installing or modifying any electrical charging stations, electrical panels, circuit boxes, or electrical lines or conduits.

V PETS

- A. **Owner Responsibility.** Unit Owners are responsible for any violations of the Governing Documents, including, without limitation, fines, and costs to inspect, repair, and/or replace damage to the common elements caused by such Owner's pet, or the pet of a tenant or occupant of such Owner's Unit, or by the pet of any of their guests and invitees.
- B. **Number of Pets.** The number of pets per Unit is limited to three (3); with no more than two (2) dogs.
- C. **Breeding and Pet Services.** The keeping, breeding, or raising of animals within any Unit, or the common elements, or limited common elements, for any commercial purpose, profit, fee, or compensation is strictly prohibited. For purposes of this rule, "commercial purpose" includes but is not limited to:
 - 1. **Professional Breeding and Sale.** Operating a breeding program, kennel, or facility for the purpose of selling offspring (puppies, kittens, etc.), or advertising the Unit as a site for such activities.
 - 2. **Pet Services.** Operating a fee-based service, such as pet boarding, doggy daycare, pet grooming, or professional pet-sitting (where pets belonging to non-residents are habitually brought to or kept in the Unit for payment).
- D. **Leash.** Animals (including cats) must be on leash at all times while on the common elements, including any limited common element, except for a fully enclosed deck from which the animal is unable to escape.
- E. **Pet Waste.** There are designated stations with the condominium property for animals to urinate and defecate. Owners shall make reasonable efforts to use dedicated pet pee stations when on the common elements. It is the responsibility of the pet Owner to ensure that all pet feces is promptly bagged and disposed of properly (i.e., deposited in the garbage). In order to prevent plant and property damage, pets are not allowed to urinate or defecate in any of the planted areas or against buildings, sheds, or any structure. Owners are responsible for any damage caused by their pet. For more information refer to <insert MercerPark.org pet faq page here>
- F. **Nuisance.** Upon giving notice of the violation and an opportunity to be heard, the Board may at any time require the removal of any animal which it finds to be a nuisance or unreasonable disturbance to other residents.
- G. **Clubhouse.** Pets are not allowed in the clubhouse building at any time.

VI GARBAGE AND RECYCLING

- A. **Garbage.** All waste must be placed in the designated garbage bin provided by the local waste management service, lids closed, and garbage enclosure doors secured after use. Please consult MercerPark.org/waste for an approved list of items which may be disposed of in trash receptacles.
- B. **Recycling.** Cardboard boxes and large recyclable empty containers must be broken down and placed into the recycle bins for removal by the garbage disposal service.
- C. **Large Items.** The garbage service does not take large items (e.g., furniture, appliances, mattresses, Christmas trees) left in the garbage/recycling area. Owners will be fined and billed for expenses incurred by the Association to remove such items from the condominium property. Residents are responsible for their own removal, transportation, and disposal of these items. The nearest Recycling & Transfer Station is located at 13800 SE 32nd St Bellevue, WA 98005.

- D. **Electronics.** No Owner, resident, tenant, or any of their guests or invitees, shall dispose of or allow the disposal of electronic waste in any common element trash receptacle or dumpster. For purposes of this rule, electronic waste means any item that is designated "e-waste" or "electronic waste" by local or statute regulations or by the local garbage collection service provider. Computers, monitors, televisions (of any type including CRT, LCD, plasma, etc.) printers, scanners, fax machines, cellular phones, tablets, batteries (see E.5 below), and small household appliances (e.g. microwaves, toasters, etc.) are considered electronic waste.
- E. **Hazardous Waste Materials.** No Owner, resident, tenant, or any of their guests or invitees, shall dispose of or allow the disposal of hazardous waste in any common element trash receptacle, dumpster, or recycling container, or in any drainage system, sink, toilet, or any other area within the condominium property. For purposes of this rule, "hazardous materials" shall include, but it is not limited to, any substance that is corrosive, toxic, flammable, or reactive, or any substance designated as hazardous by local, state, or federal law or regulation. Examples of hazardous materials include:
1. **Paints, Stains, and Solvents:** Liquid or dried paint (latex or oil-based), paint thinners, turpentine, and varnishes.
 2. **Cleaning Agents:** Bleach, ammonia, strong acids or bases, oven cleaners, and drain cleaners.
 3. **Automotive Products:** Used motor oil, anti-freeze, brake fluid, gasoline, and car batteries.
 4. **Pesticides and Herbicides:** Insecticides, rodenticides, and lawn care chemicals.
 5. **Batteries:** Rechargeable, lithium-ion, and button-cell batteries (excluding common household alkaline batteries which should be disposed of in accordance with local guidelines).
 6. **Fluorescent Bulbs and Lamps:** Containing mercury.
 7. **Other:** Mercury-containing devices (thermometers, thermostats), and chemicals not intended for routine household cleaning.

The nearest Hazardous Waste Center is the Factoria Recycling & Transfer Station located at 13800 SE 32nd St Bellevue, WA 98005

VII LIMITED COMMON ELEMENTS and COMMON ELEMENTS

- A. **General.** Owners are encouraged to report any maintenance or repair issues with respect to the common elements or limited common elements to the Association's property management company. Owners are prohibited from initiating, commencing, or performing any maintenance, alterations, or repairs (or any kind or nature) to any limited common elements or common elements without the Board's prior written approval.
- B. **Definitions.** The term, "common elements," means all portions of a condominium other than the Units. Limited common areas mean the portions of common elements allocated by the Declaration, or applicable law, for the exclusive use of one but fewer than all of the Units. The limited common areas include the limited common facilities and those portions of the common areas identified in Article 7 of the Declaration.
- C. **Electrical.** No Owner, tenant, occupant, or guest shall, without the prior written consent of the Board of Directors or the designated Managing Agent, alter, tap into, interfere with, damage, or in any way modify any electrical wires, lines, conduits, raceways, junction boxes, panels, or other components which are located outside the boundaries of any individual unit or are part of the common element electrical system.
- D. **Accessibility.** Owners, tenants, occupants, and their guests are strictly prohibited from placing, storing, or leaving any personal property, trash, debris, clutter, or other items of any kind in or on the common element walkways, entryways, stairwells, landings, lobbies, corridors, or any other path designated for pedestrian access or emergency egress.
- E. **Railings.** Owners may not use the front entrance of their Unit or railings on decks/patios to store flowerpots or other items. Items stored on railings are not secure and pose a safety threat to residents from being knocked off accidentally or blown off in windy conditions. Items sitting on rails for extended periods also lead to deterioration of paint and wood as a result of water accumulation and abrasion.
- F. **Entryways.** Front entryways and rear decks shall not be used for storage. Front entryways must remain clear in the case of an emergency and for pedestrian ingress/egress. Rear deck storage is limited to outdoor furniture and gas or electric grills. Storage of other items on decks is prohibited. Owners are responsible for keeping the front entryway to an Owner's Unit and deck in a neat and clean condition, free of trash, debris, dead plants, etc. No Owner, tenant, occupant of a Unit, or their guests or agents shall modify, alter, replace, add to, paint, stain,

enclose, or in any way change the design, material, finish, or structural integrity of any deck or deck railing, without the Board's prior written consent.

- G. **Postings and Signs.** No posters, bills, notices, or signs of any kind or nature (collectively "signs") shall be displayed to the public view on or from any Unit, the common elements, or limited common elements with the prior written consent of the Board. Except, signs may be posted on the bulletin board provided in the Recreation Building and for sale and for rent signs can be posted in accordance with section VIII.K below. Any sign posted to the bulletin board that is deemed objectionable by the Board of Directors will be removed without notice.
- H. **Yard Maintenance.** Owners or residents shall not plant, trim, cut, relocate, or remove any planting, bush, tree, groundcover, flowers, or any other vegetation on the common elements, without prior written approval from the Board.
- I. **Air Conditioners.** Portable A/C Units that utilize a hose connection to the window must be mounted flush with the window and appear white from the outside. Windowsill mounted air conditioners must be installed in accordance with the manufacturer specifications and instructions.
- J. **Satellite Dishes.** No satellite dishes or any antenna structure shall be erected, installed, or maintained on the common elements or limited common elements, including but not limited to, decks, patios, or the siding or roofs of any building, without prior written permission from the Board.
- K. **Commercial Solicitation and Home Businesses.** Door-to-door solicitation for a commercial purpose, the selling of goods or services, and the distribution of commercial literature on condominium property is strictly prohibited. Nothing in this rule shall prohibit an Owner or occupant of a Unit from operating a "home-based" business or engaging in "remote office work" within their Unit, if all of the following conditions are met:
1. The business or office work is conducted entirely within the confines of the Unit.
 2. The business or office work does not involve or require any of the following:
 - a. The delivery or sending of goods, products, materials from the Unit.
 - b. Clients, customers, patrons, employees, or business-related invitees visiting the Unit.
 - c. The use of common elements or community resources (e.g., parking) for commercial operations beyond normal residential use.
 - d. Any activity that increases the insurance risk or rate of the Association or otherwise violates the Governing Documents or applicable law.
 3. The activity does not generate noise, odor, or traffic that would disrupt the peace and quiet enjoyment of other residents.
 4. The business or office work is consistent with the limitation in the Declaration that the Units shall be used "for residential purposes only."
- L. **Damage to Property.** Owners shall be responsible for any damage that they, or the occupants of their Units, or their guests or invitees cause to Mercer Park property including, but not limited to, damage to any trees, shrubs, and landscaped areas.
- M. **Pods.** Moving storage pods are allowed with the following limitations:
- i. *May occupy only one (1) non-handicap parking space
 - ii. *Allowed for up to 5 days in lieu of usage of one of the Owners parking passes

VIII SALE, RENTAL, LEASE, AND INSURANCE

- A. **"Renting or Leasing"** of a Unit shall mean the granting of a right to use or occupy a Unit, for a specified term or indefinite term, in exchange for the payment of rent (that is, money, property or other goods or services of value).
- B. **Written Lease.** Pursuant to Section 11.14.3 of the Declaration, all leases or rental agreements are required to be in writing. Owners must submit a copy of their lease to the Board, prior to occupancy of a Unit by a tenant. Please see rental policy sub-section VIII.J below.
- C. **Tenants Subject to Governing Documents.** The occupancy of a Unit in the condominium and every lease shall be subject to the Governing Documents of the Association. By taking occupancy of a Unit, a tenant agrees to be bound by the Governing Documents. Any default by a tenant in complying with the Declaration and/or Bylaws, or rules adopted pursuant to authority granted in the Declaration, constitutes a default under the lease or rental agreement. *See Section 11.4.3 of the Declaration.*

- D. Leases for Less than Six Months Prohibited.** With the exception of a lender in possession of a Unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease such Owner's Unit for hotel or transient purposes which shall be defined as renting for any period less than six (6) months. *See Section 11.4.1 of the Declaration.*
- E. Leases for Less than Entire Unit Prohibited.** No Unit Owner may lease less than the entire Unit. This means that leasing individual rooms in a Unit to different tenants, under separate leases, is prohibited. *See Section 11.4.2 of the Declaration.*
- F. Subletting.** Subleases are subject to the same rules, restrictions, and regulations as leases. Without limiting the foregoing, this means subleases must be in writing, must not be for less than six (6) months, and an Owner cannot sublease less than the entire Unit.
- G. Owner Responsibility.** Each Owner shall be personally liable for all violations of the Governing Documents, including but not limited to, fines assessed or costs incurred by the Association, which are caused by such Owner, or by the Tenant occupying the Owner's Unit, or by the family, servants, employees, agents, visitors, licensees, or household pet of that Owner or Tenant. Fines and maintenance and repair costs for which the Owner is responsible shall be collectable as are other Assessments. This section shall not be construed as a limitation of an Owner's liability to the Association as provided elsewhere in these Rules, or in the Declaration or Bylaws, or under applicable law.
- H. Move-in/Move Out Fee.** Each Owner shall pay the Association a fee of \$400 in connection with a change in occupancy of a Unit, which results in a new tenant or new Owner moving into a Unit. Such fee shall be paid to the Association prior to such tenant or Owner moving into a Unit. In the case of the sale or transfer of a Unit, the selling Owner shall be responsible for ensuring the \$400.00 move-in fee is paid through escrow. The move-in fee is to defray the administrative costs incurred by the Association with respect to changes in occupancy of Units.
- I. Notification of Sale:** Pursuant to section 22.5 of the Declaration, An Owner intending to sell a Unit shall deliver a written notice to the Board, at least two (2) weeks before closing, specifying: the Unit to be sold; the name and address of the purchaser, of the closing agent, and of the title insurance company insuring the purchaser's interest; and the estimated closing date. The Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and charges outstanding against the Unit, whether or not such information is requested.
- J. Rental Policies.**
- a. **Minimum Lease Duration.** Short-term rentals for less than 6 months are prohibited. (11.14.1). Renting for a term less than six (6) months will result in a fine of \$1,000 being assessed to the Owner for each violation.
 - b. **Rentals by Websites and Online Applications.** Under no circumstance may any Unit, or any portion thereof, be Leased through Airbnb.com, Homeaway.com, VRBO.com, or similar websites or internet-based applications, unless the Owner strictly complies with all provisions of the Declaration, these Rules, and such other Governing Documents. The advertisement on any peer-to-peer website or other rental service for the rental or lease of a Unit, without strictly complying with the Governing Documents, including, without limitation, any violation of the minimum lease term requirements, shall create a rebuttable presumption that an Owner has violated this section and shall result in a fine of \$1,000 being assessed to the Owner for each violation.
 - c. **Garage.** A Unit must be rented or leased in its entirety, which includes garages. (11.14.1)
 - d. **Notification.** Prior to the commencement of any rental agreement Owners shall be responsible for providing the Association's Manager a copy of the lease or rental agreement together with the a written statement setting for the following information: (i) the name, phone number, and e-mail address of the tenant, (ii) the Unit Owners' current telephone number, e-mail address and mailing address for purposes of receiving notices from the Association; (iii) the name, address, and telephone number of the property manager for such Owner's rental Unit or such other person the Owner may designate to receive notices from the Association, if different from the Owner; and (iv) the commencement date of the lease. Each Owner shall provide the tenants and any non-Owner occupants of a Unit, with a copy of the Declaration, these House Rules, and such other information as the Board may designate about the community, prior to such tenants or occupants taking occupancy of the Unit.

- e. **Move-in Fee.** The \$400 move-in fee shall be paid to the Association at the same time as submitting the information required by sub-section VIII.J.d above.
 - f. **Unreported Rentals.** If an Owner rents their Unit without reporting it to the Association's manager a fine of \$1,000 shall be imposed for the first violation. Subsequent violations of this rule shall result in fines of \$1,500 and may result in further legal action.
 - g. **Governing Documents Provided to Tenants.** Owners are responsible for providing their tenants with a link to the Association's website with the Governing Documents or copy of these House Rules and the Declaration. Prior to occupancy of a Unit by a tenant, the Unit Owner must provide the Association's manager with a signed acknowledgement from the Owner's tenant(s) that they have received and read the Rules and Declaration and agree to be bound thereby.
- K. Signage.** No signs, realtor information sheets, advertisements, or notices are allowed on any part of the exterior of any building or garage. Standard size "FOR SALE," "FOR RENT," and "FOR LEASE" signs are permitted in windows on the interior of the Unit. Real Estate signs at the entry of the property must be posted on the southbound side of 118th Ave Se. Any signage not in compliance with this rule may be removed immediately without notice to the Owner.
- L. HO-6 Insurance Policy.** An HO-6 policy, also known as condominium insurance, is a type of homeowners insurance for people who own a condominium. The purpose of requiring HO-6 insurance is to provide coverage for things that are not covered by the Association's master insurance policy such as personal property coverage, personal liability coverage, and loss of use/additional living expenses. In addition, an important feature of HO-6 policies is to provide for loss assessment coverage if the Association's master policy is exhausted and for an Owner's liability for amounts up to the deductible under the Association's policy.
- a. **HO-6 Policy.** All Unit Owners are required to maintain an HO-6 insurance policy or similar Owner's insurance policy.
 - b. **Proof of Insurance.** Unit Owners must provide the Association's Manager with a current Certificate of Insurance (COI) annually.
 - c. **Fines.** If an Owner fails to provide a current COI upon ten (10) days written request from the Association, the Board may issue a violation notice and assess daily fines in accordance with the fine schedule in these Rules until a current COI is provided to the Association.

IX CLUBHOUSE / RECREATION BUILDINGS AND FACILITIES

This section of the House Rules shall govern the use of the Mercer Park Recreation Building and its various amenities, which include, but are not limited to, a weight room with exercise devices, a steam room or sauna (collectively "spa"), an entertainment room with a fireplace and kitchenette, and cabana/clubhouse (the "Recreation Facilities").

Each Resident of a Unit in the condominium, and their family members, guests, and invitees, shall be governed by, abide by, and obey each of these House Rules (and any additional rules and regulations as promulgated from time to time by the Association) when using the Recreational Facilities.

Disclaimer of Liability. Except to the extent covered by insurance maintained by the Association, each Resident, and their guests and invitees, expressly waives, releases, and forever discharges the Association, and its Board members, directors, officers, committee members and the Association's management company and its employees and agents ("Released Party"), from any and all claims, demands, suits, causes, of action of whatever kind or nature (collectively, "Claims"), whether based on contract, tort or otherwise, which now exist or which arise or might arise out of or which are in any way connected to the Residents' use of the Recreation Facilities, unless such Claims result from the gross negligence or intentional misconduct of a Released Party. This provision shall not be interpreted or applied to waive or limit any insurance coverage available to the Association under any of its policies of insurance.

- A. **General.** The Recreation Facilities are reserved exclusively for use by the Residents of Mercer Park and their guests. Guests must be accompanied by a Resident at all times when such guest is using the Recreational Facilities. The Resident shall be responsible and liable for damages, and the conduct and actions of their guests while using any of the Recreational Facilities. Residents and their guests assume all risks associated with their use of the Recreational Facilities.

- B. **Rental of Recreation Building.** Residents are welcome to use the Clubhouse/Cabana to hold events but must reserve the Clubhouse/Cabana through the Association's management company prior to holding any events. In order to reserve the Clubhouse/Cabana, Residents are required to make a \$100.00 deposit and sign a statement of agreement. The deposit will be returned if no damage is found to the Clubhouse/Cabana and no additional cleaning costs are required following a post-event inspection. An Owner who has rented the Clubhouse/Cabana is responsible for any cleaning charges if required due to their event. All events must end by midnight and, all people attending the event must adhere to Association's rules and regulations, including, without limitation, with respect to parking and quiet hours.
- C. **Safety.** Residents shall not cause, create, or participate in violation of any health, fire or safety ordinance or regulation applicable to the Recreation Facilities. Running (except on treadmills), jumping (except in the weight room), fighting, boisterous or dangerous conduct, and/or any noisy behavior in or around the Recreational Facilities is strictly prohibited.
- D. **Personal Property.** Each person is solely responsible for safeguarding their own personal property brought into the Recreational Facilities.
- E. **Alcohol, Smoking, & Vaping.** Consumption of alcohol, smoking, and vaping is prohibited in the Recreational Facilities. A person who appears to be under the influence of alcohol or drugs shall not be permitted in the Recreational Facilities.
- F. **Exercise Equipment and Sauna:**
- a. **Permitted Use.** The Recreation Facilities are for the exclusive use of Residents and their guests. Usage by a nonresident guest shall be permitted only if such usage is in the then present company of a Resident. All users should acquaint themselves with any potential health hazard involved with usage of the Recreation Facilities and should be aware that use of such facilities is at their own risk.
 - b. **Rules.** Precautions are necessary for the safe use of the exercise equipment, the steam room, and sauna. Rules are posted either on or adjacent to the specific Recreation Facility amenity. Residents and their guests shall read and obey such rules. By Resident's use of the Recreation Facilities, Resident agrees to use caution and ordinary care while using any of the Recreation Facilities.
 - c. **Unauthorized Use.** Any non-resident guest using the Recreation Facilities shall be charged a fee of fifty dollars (\$50.00) per visit. Such fee shall be collectible by the Association from the host/homeowner. Any fees which remain unpaid shall be collected in same the manner as assessments under Article 12 of the Declaration.
- G. **Recreation Building Keys.** For the safety of all Residents and their guests, non-residents shall **not** be given possession of a key to the Recreation Building. Any Resident found to have violated such rule shall be subject to a fine equal \$500 or, if reasonably necessary in the discretion of the Board, the costs of re-keying the Recreation Building locks and providing new keys to all residents. **Do not give your keys to the Recreational Building to non-residents.** Any Owner or Resident who becomes aware of a violation of such rule shall immediately report such violation to the Association's management company or a member of the Board of Directors. A key replacement fee of \$75.00 will be charged for a lost key to the Recreational Building.
- H. **Indemnification.** By Resident's use of the Recreational Facilities, Resident expressly agrees to defend, indemnify and hold harmless the Association, and its Board members, directors, officers, managers, agents, and employees, (the "Indemnified Persons") from any and all claims, demands, losses, and liabilities (collectively "Claims") arising from, resulting from, or connected with Resident's use of the Recreational Facilities, to the fullest extent permitted by law and subject to the provisions and limitations provided hereinafter: (a) Resident's duty to indemnify shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the Indemnified Persons; and (b) Resident's duty to indemnify for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of Resident and the Indemnified Persons shall apply only to the extent of negligence of Resident. This provision shall not be interpreted or applied to waive or limit any insurance coverage available to the Association under any of its policies of insurance.
- I. **Resident Bears Risk.** By Resident's use of the Recreation Facilities, Resident expressly agrees that the Indemnified Persons (referenced in paragraph H above) do not guarantee, warrant, or assure Resident's safety or personal security. Resident agrees and acknowledges that personal safety and security when using the Recreational Facilities are Resident's sole responsibility.

- J. The Recreation Building shall remain locked at all times.
- K. The Recreation Facilities are specifically and expressly “smoke free” and “no smoking” areas. Under no circumstances, at any time, is any kind of smoking allowed on or in the Recreation Facilities premises. This ban shall also include the use of any type of electronic cigarettes, vaporizing and atomizing devices. Any violation of this paragraph “K” shall be grounds for expulsion from the Recreation Facilities, violation fines, and costs incurred to clean or repair the Recreational Facilities.
- L. A Resident and their guests shall strictly comply with any and all provisions of these rules and regulations when using the Recreational Facilities.

X RULES ENFORCEMENT AND DUE PROCESS

- A. **Fine Schedule.** The Board may impose fines for violations of the Governing Documents according to the following fine schedule.

- 1.1. **General Fine Schedule.** The following fine schedule shall apply unless a different fine amount is stated elsewhere in these Rules and Regulations or other Governing Documents of the Association:

For intermittent violations that are not of a continuing nature:

- 1st violation: \$100.00
- 2nd violation: \$150.00
- 3rd violation: \$200.00
- 4th violation and each subsequent violation: \$200.00 per violation

Violations that are of a continuing nature shall be subject to fines of \$50.00 per day and shall accrue from the date of the violation notice was issued by the Association until corrected.

- 1.2. **Specific Violation Fines.** The Board may also adopt, publish, and levy specific violation fines applicable to particular offenses/violations of the Governing Documents. If a specific fine amount or fine schedule is provided with respect to a particular violation, then that specific fine amount or fine schedule shall apply. In addition, if the Declaration, Articles, or Bylaws set forth a specific violation fine or penalty for a particular offense/violation, then the fine or penalty specified in the Declaration or Bylaws shall supersede and apply.
- 1.3. **No Duplication of Fines for Same Offense.** In no event shall the Board impose fines for the same violation under more than one of the above sub-sections (1.1 through 1.2).
- 1.4. **Warning Notice.** Nothing herein shall be construed as prohibiting the Board from issuing a warning notice prior to imposing fines; however, the Board has no obligation to issue a warning notice prior to imposing fines. The Board may decide to issue a warning notice in its sole discretion, depending on the violation.
- 1.5. **Maximum Fines in any Thirty-Day Period.** In no event shall the fines imposed for a violation of a particular rule or covenant under the General Fine Schedule (sub-section 1.1 above) exceed \$1,000.00 in any thirty-day period. This limitation shall not apply with respect to multiple offenses or violations to which the General Fine Schedule applies. In which case, each violation or offense shall be subject to the maximum amount of \$1,000 that may be levied in a thirty-day period (e.g., if there were two violations of different rules to which the General Fine Schedule applies, the maximum violation fines that can be levied in any thirty-day period would be \$2,000 (\$1,000 x 2 violations)).

1.6 **Specific Fines.**

- a. **Damage to Property.** If an Owner causes damage to the common elements, limited common elements, any Unit, or the buildings on the property, and such damage results in costs being incurred by the Association, the Association will assess a fine of \$1,000. Such fine is in addition to any liability the Owner has to the Association with respect to costs incurred by the Association to inspect, maintain, repair, or replace the damaged property.
- b. **Minimum Lease Term Violation.** \$1,000 per violation.
- c. **Rentals by Websites and Online Applications.** \$1,000 for each violation.
- d. **Unreported Rental.** Unreported Rental of Units - \$1,000-1,500.
- e. **Handicap Parking Violation.** Handicap Violation: \$250.00 fine, no warning.

- f. **Clubhouse Re-keying Fine:** \$500, or if necessary, in the Board's discretion, the costs of re-keying the Recreation Building locks and providing new keys to all residents.
- B. **Opportunity to be Heard.** Upon receiving a violation notice, an Owner [or Resident, if applicable per the Rules] shall be entitled to request a hearing to contest, defend, or otherwise offer information or testimony regarding the circumstances relating to the alleged violation. If an Owner [or Resident] does not request an opportunity to be heard (i.e., a hearing) to contest the violation within fourteen (14) days after the Association delivers notice of the violation, the violation will be deemed valid and the associated fines or charges will be assessed to the Owner's account.
- C. **Fees. The following is a non-inclusive list of fees that will be charged to Owners:**
- Move in/Move out Fee: \$400.00.
 - Parking Permit Replacement Fee: \$75.00 for each replacement
 - Clubhouse Rental: \$100.00 damage deposit (refunded if no damage or cleaning is required following inspection.)
 - Recreational Facility Replacement Key Fee: \$75.00 for each replacement
 - Recreational Facility Guest Fee: \$50.00

XI COLLECTION POLICY

- A. **Authority and Purpose.** The Association relies upon the payment of common expense assessments to conduct its operations, maintain common elements, pay for insurance, and otherwise manage and administer the affairs of the Association. The timely payment of assessments by all Owners is critical to the financial health of the Association and to preserve the property values of Units in the condominium. The Board has determined that it is in the best interests of the Association to adopt a collection policy regarding the procedures for payment and collection of Assessments. The Board further believes it to be in the best interest of the Association to refer delinquent accounts to the Association's attorney or collection agency so as to minimize the Association's loss of revenues from non-payment of Assessments.
- B. **Replacement of Prior Policies.** This collection policy shall supersede any previously existing policies, rules, regulations, or resolutions pertaining to collections of delinquent Assessments.
- C. **Definition of "Assessment."** As used in this collection policy, the term "Assessment" shall mean all sums chargeable by the Association against a Unit and/or its Owner, including without limitation, regular and special assessments, fines, fees, and other charges imposed by the Association, interest and late charges on any delinquent account, and costs of collection, including reasonable attorney's fees, incurred in connection with the collection of a delinquent Owner's account.
- D. **Assessment Lien.** The Association has a lien on a Unit for any unpaid Assessments levied against a Unit from the time the Assessment becomes due. The Association may record a notice of claim of lien for Assessments in the official records of King County, Washington, and the attorney's fees and costs thereof shall be collectable from the Unit Owner as an "Assessment."
- E. **Personal Obligation.** In addition to constituting a lien on the Unit, each Assessment is the joint and several obligation of the Owner(s) of the Unit to which the same are assessed as of the time the Assessment became due.
- F. **Attorney's Fees and Costs of Collection.** The reasonable attorneys' fees and costs incurred by the Association in pursuing the collection of unpaid Assessments are the personal obligation of the person who was the Owner of the Unit at the time the Assessment became due and are also a charge and continuing lien upon the Unit. Costs of collecting unpaid Assessments shall include, without limitation, the following: (a) postage and mailing costs; (b) costs of recording notice(s) of claims of lien and releases of lien; (c) court costs; (d) recording fees; (e) filing fees; (f) publication costs; (g) service of process costs; (h) title report fees or costs; (i) costs of foreclosure and Sheriff's sale fees; and (j) management fees for delinquency notices and delinquent account monitoring.
- G. **Due Date for Assessments.** Assessments for common expenses of the Association are assessed against each Unit on the first day of each month and become due and payable immediately. *See Declaration § 12.2.* All other Assessments (aside from monthly assessments for common expenses, whether special or regular) including, but not limited to, fines, fees, or other charges, are due on the date specified in these Rules or in a notice from the Board, and if not so specified on the 1st day of each of month
- H. **Notices.**

1.1 **First Delinquency Notice.** No later than 30 days after an Assessment becomes past due, the Association must provide a notice of delinquency ("First Notice") to the Owner by first-class mail that meets the following criteria. The notice of delinquency must:

(a) be mailed to the to the Owner's address in the Community and to any other address that the Owner has provided to the Association for transmission of notices, and by email if the Owner's electronic address is known to the Association;

(b) be provided in English and any other language indicated as a preference for correspondence by an Owner; and

(c) the First Notice shall include the language required by RCW 64.34.364 presently, or RCW 64.90.485(21) when such section becomes effective as to the Association.

Until the fifteenth (15th) day after providing an Owner with the First Notice, the Association may not: (i) take any other action to collect a delinquent Assessment; or (ii) charge an Owner for any costs related to the collection of the delinquent Assessment, except to assess:

(i) a late fee of not more than \$50.00 or five percent (5%) of the amount of the unpaid Assessment which triggered the fee, whichever is less, on the date the account becomes delinquent.

(ii) The actual cost of printing and mailing the notice of delinquency ("First Notice"); and

(iii) An administrative fee of no more than \$10 related to providing the First Notice, as adjusted for inflation pursuant to RCW 64.90.065.

1.2 **Second Notice.** If Assessments with respect to any Unit remain delinquent after sending the First Notice, the Association shall send a second delinquency notice ("Second Notice") to the Unit Owner by first-class mail pursuant to the criteria listed in sub-sections 1.1(a)-(c) above.

13. **Third Notice.** If Assessments with respect to any Unit remain delinquent after sending of the Second Notice and if the account is delinquent at least (60) days, the Association will send a written notice ("Third Notice" or "Final Notice") that unless the account is paid in full within ten (10) days of said notice, it will be turned over to the Association's attorney or collection agency for collection.

I. **Interest, Late Fees, Admin Fees, and NSF Charges**

1.1 **Late Fees.** If fifteen (15) days have passed since sending the First Notice, any assessment account which is not paid in full by the fifteenth (15th) day of next month, and each month thereafter, shall be assessed a late charge of fifty dollars (\$50.00) which the Treasurer or Association's Manager is authorized and directed to charge and collect from the delinquent Owner.

1.2 **Interest.** Interest will accrue and be assessed on the delinquent Assessment balance including, but not limited to, late charges and legal fees, at the rate of twelve percent (12%) per annum. Interest charges shall accrue from the original due date after the outstanding balance becomes due and shall be assessed each month until the account is brought current.

1.3 **NSF Charge.** A charge of \$50.00 will be imposed against the Owner and such Owner's Unit each time a check provided by or on behalf of the Owner is returned NSF (non-sufficient funds) or rejected by the bank or financial institution on any other grounds. The \$50 NSF fee is in addition to any costs charged to the Association by its bank as a result of such NSF check.

1.4 **Management Fees.** Subject to sub-paragraph 1.1 of section "H" above, the Association may also assess any fees associated with the collection of an Owner's delinquent account charged to the Association by its management company

1.5 **Billing for Late Fees, Interest, or NSF Fees.** The Association is not required to bill or otherwise send statements to Owners for late charges, interest, NSF fees, or management fees. These charges or fees will automatically accrue and be assessed to the Owner's account, as specified herein.

J. **Collections.** If the dollar amount owed to the Association for unpaid Assessments exceeds five hundred dollars (\$500.00), and the delinquent Owner has been sent the delinquency notices provided for by section "XI.H" above by the Association, and the Unit Owner has failed to satisfy the delinquency within ten (10) days of the Third Notice, the Board may refer the delinquent Unit Owner's account to a collection agency or attorney. The Association's attorneys are authorized to send demand letters, record claims of lien, file court documents, and represent the Association in legal proceedings as the authorized attorney for the Association.

K. **Payments.** All payments to the Association shall be made payable to Mercer Park Condominium Association. As a standard practice, payments will be applied to the oldest charges appearing on an Owner's Assessment

balance ledger first, then to newer charges (oldest to newest), regardless of the category of the Assessment. However, if a judgment has been obtained, payments will be applied first to any new Assessments that accrued after the date of judgment, and then to the judgment. If the Association receives payment from an Owner directly after such Owner's account has been referred to a collection agency or attorney, the Association shall only deposit such payment with the approval of the Association's collection agency or attorney handling the file.

- L. **Foreclosure, Bankruptcy, and Probate.** Notwithstanding anything to the contrary herein, the Board of Directors may consult with the Association's attorney at any time when: (a) the Unit Owner has filed for bankruptcy or is the subject of a petition for relief under the bankruptcy code; (b) a lender has started a foreclosure action against the Unit; (c) the Unit is the subject of a receivership; (d) any other legal proceeding has been commenced with respect to the Unit that may affect the Association's lien rights or ability to recover Assessments from the Owner or the Unit; or (e) a probate action has been commenced or a will filed with the Court with respect to a deceased Owner. All attorneys' fees and costs incurred pursuant to this section shall be collectable as Assessments against the Owner and the Owner's Unit.
- M. **Communications Regarding Delinquent Account.** After an account has been turned over to the Association's attorney or collection agency for collections, the Association shall cease sending delinquency notices and account statements to the delinquent Owner, and the delinquent Owner shall direct all communications through the Association's attorney or collection agency, unless directed otherwise by the Association, its attorneys, or agents.
- N. **Requests for an Accounting.** If the Association or its manager provide the Owner with an account ledger or balance while the Association's collection agency or attorney is handling the Owner's account, any such statement shall not bind the Association. The Owner may not rely on a statement of account from any source other than the Association's collection agency or attorney so long as the attorney or collection agency is handling the Owner's delinquency.
- O. **Payment Plan Policy.** The Board may consider payment plan requests on a case-by-case basis and with the advice of the Association's collection agency or attorney. All attorneys' fees and costs associated with communications with a delinquent Owner about a payment plan, negotiation of a payment plan, and drafting of a payment plan agreement shall be collectable as Assessments against the delinquent Owner and Owner's Unit. The Board is under no obligation to grant payment plan requests and payment plans shall not interfere with the Association's right to record a lien, or notice of claim of lien, against the Unit.
- P. **Rent Interception.** As provided in the Declaration, when a delinquent Owner rents out a Unit, the Board of Directors may demand that the tenant submit rent payments directly to the Association rather than the Unit Owner until the account has been brought current.
- Q. **Foreclosure.** In the event of nonpayment of Assessments, the Association may foreclose the Association's lien judicially (via the courts) against the Owner's Unit. Foreclosure of the Association's lien against the Unit could result in the Unit's Owner losing ownership of the Unit. Foreclosure will result in significant additional attorneys' fees and costs, which are collectable as Assessments against the Owner and the Owner's Unit. In such a foreclosure action, a receiver may be appointed pursuant to section 18.11 of the Declaration.
- R. **Security Deposit.** As provided by section 12.11 of the Declaration, the Association may assess and collect a security deposit of not less than two (2) months nor in excess of three (3) months estimated monthly assessments and charges, which may be collected as are other assessments and charges. Such deposit shall be held in a separate fund. The Association may resort to the security deposit when an Owner is ten (10) days or more delinquent in paying such Owner's monthly or other Assessments or charges, or to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Board. Said deposits shall not be considered as advance payments of Assessments. In the event the Board should draw upon said deposit as a result of an Owner's delinquency in payment of any Assessments said Owner shall continue to be responsible for the immediate and full payment of said delinquent assessment (and all penalties and costs thereon) and thus the full restoration of the deposit.
- S. **Acceleration of Assessments.** Section 12.9 of the Declaration provides, in part, as follows:

In the event any monthly assessment or special charge attributable to a particular Apartment remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days' written notice to the Owner of such Apartment, accelerate and demand immediate payment of all, or such portion as the Board determines, of the monthly assessments and special charges which the Board reasonably determines will become due during the next succeeding twelve (12) months with respect to such Apartment.

- T. **Non-Waiver.** Nothing in this collection policy limits or otherwise affects the Association's right to pursue collection of delinquent Assessments in accordance with the Governing Documents and applicable law. Specifically, the Association retains the right to refer a delinquent account to the Association's attorney or collection agency at any time. The failure of the Association, or its attorneys, or agents, to comply with any provision of this policy shall not operate to waive the Association's right to collect delinquent Assessments in accordance with the Governing Documents and applicable law.

Exhibit A

LICENSE, COVENANT AND HOLD HARMLESS

_____, hereinafter referred to as the "Owner", for his self, successors or assigns covenants with Mercer Park Condominium, hereinafter referred to as the "Association" and its members or successors assigns as follows:

This covenant shall bind the following real property, which is owned by Owner, commonly known as _____, hereinafter referred to as the "Unit".

This covenant benefits the real property commonly known as Mercer Park Condominium, as referred to in the Association's governing documents and any amendments.

Owner will make certain modifications to the condominium conform with the proposal previously submitted to the Association, the proposal being the basis upon which the grant of approval was made.

Owner, at his sole expense, shall install, maintain and keep in good repair and renew from time to time all components of the windows and doors. In regard to the above-described work, Owner shall employ contractors who, prior to commencing work, shall waive any/all lien rights against the Association. The contractor must also provide to the Owner and the Association satisfactory evidence that they are licensed, bonded and insured prior to commencing work.

Owner shall be responsible for any and all damages which may be done to the common elements or any other part of the condominium by Owner or his agents and contractors in connection with the window installation.

If the Owner fails to perform promptly and fully any obligations imposed by the covenant, the Association may perform such obligations and the entire amounts expended in performance thereof shall be payable by the Owner, and collectible by the Association, in the same manner as an assessment pursuant to the Declaration.

To the fullest extent permitted by law, Owner will indemnify, defend and hold harmless the Association from and against all claims, damages, liability, losses and expenses (including but not limited to attorney fees, expended by the Association to defend against any claim and/or to prove its right to indemnify under this covenant), arising directly or indirectly out of or incident to the construction, existence, use, maintenance or condition of work related to the window and door installation.

The burden and benefit of this covenant are intended to attach and become appurtenant to the real property described as the Unit, and to be binding upon each party of the covenant and their successors, heirs or assigns. This covenant will run with the land and shall be enforceable by the Association on behalf of its members or any member particularly aggrieved.

If either party to this covenant infringe or omit to perform the covenants, conditions, specifications or restrictions contained, and legal action is required to enforce the covenant or its terms, the prevailing party shall be entitled to relief and awarded costs, expenses and attorney fees whether such costs were incurred before litigation, during litigation, trial or in appeal.

Following termination for whatever cause or reason (example: decision to remove the windows and/or doors), the installation will be removed and the common areas restored to original condition at the sole cost and expense of the Owner or successor within 60 days. Except in the case of termination by Owner, Owner shall not remove, replace or alter the windows and/or doors without the prior, express written permission of the Mercer Park Condominium Board of Directors.

It will be the responsibility of the Owner to advise a successor or purchaser of the Unit of this License, Covenant and Hold Harmless agreement.

Dated this _____ day of _____, 20.

Mercer Park Condominium

By: _____

Its: _____

Dated this _____ day of _____, 20.

Owner (s)

