



**Hansen Park Homeowner's Association  
6855 West Clearwater Ave A101-160  
Kennewick, WA 99336  
June 10, 2017**

Dear Homeowner:

The Hansen Park Declaration of Covenants, Conditions, Easements, and Reservations was established in September 2002 with the opening of the first phase of the Hansen Park development. The Declaration established a Homeowners Association to exercise the powers and functions of an Association. The homeowners association (HOA) functions through a Board of Directors which is elected by the homeowners.

The original Declaration in 2002 set an initial annual assessment of \$240.00 (\$20.00/month) which has remained unchanged since that time. The purpose of the annual assessments is stated in Section 7.1 of the Covenants: “...*The assessments levied by the Board shall be used exclusively to promote the recreation, health, safety and welfare of the Lot Owners and for the improvement and maintenance of the Common Areas, as well as for the orderly and efficient administration of the Association.*” Hansen Park has grown to more than 500 homes since 2002 with less than five undeveloped lots remaining. As the development matures, we can expect costs to maintain the development to increase. For example, although there have been no major repairs/maintenance done to the common areas irrigation system since original construction, any future maintenance/repair cost could be substantial.

Changes in Revised Code for Washington (RCW) State that apply to Homeowners Associations have established new requirements since 2012 that institute additional financial standards on a HOA to include an annual study of reserves and to establish a reserve fund. The RCW states in Section 64.38.070: “*the association shall estimate the anticipated major maintenance, repair, and replacement costs, whose infrequent and significant nature make them impractical to be included in an annual budget*”. Although the Association maintains a reserve fund of approximately \$35,000 at this time, a formal study is required to define the amount of the reserve appropriate for this HOA. A formal study utilizing a qualified consultant has never been done for our HOA. The cost of the study could be substantial and must be formally updated every three years.

To cover the additional expense an increase to the annual assessment is necessary over the next three years. The Covenants authorizes the Board to increase the annual assessment up to 15 percent per year: Section 7.3: “*Commencing on the first January 1 following the Transition Date, and continuing each year thereafter, the annual assessment shall not be increased by more than fifteen percent (15%) without the approval of a majority of the members voting at a meeting duly called for such purpose*”. This modest increase will be scheduled over the next three years beginning in 2018 with new annual assessment amounts as follows:

2018: \$275 (\$23.00/month)  
2019: \$315 (\$26.25/month)  
2020: \$360 (\$30.00/month)

The Board appreciates that some homeowners may have objections to increasing the annual assessment levy. But the change is necessary if the Association is going to continue to be viable and to meet the needs of the community as well as legal requirements imposed by Washington state law.

For a full text version of the Declaration of Covenants and Restrictions for Hansen Park, please visit the following website: [www.hansenparkhoa.com](http://www.hansenparkhoa.com). For the text of the Washington code, please visit: [apps.leg.wa.gov/rcw/](http://apps.leg.wa.gov/rcw/).

Hansen Park Homeowners Association  
Board of Directors