

ASSOCIATION OF UNIT OWNERS OF RIVERBEND ON THE WILLAMETTE CONDOMINIUM

Resolution Number Two - Assessment and Compliance Payment Policy

WHEREAS, Article 3.7, Powers and Duties and Article 5.3 Assessments of Common Expenses of the Bylaws, and Article 8.1, Allocation of Common Profits and Expenses of the Declaration describes the general powers, obligations, and duties of the Board of Directors and other passages of the Declaration and Bylaws describe the duties and obligations of the lot owners of the Association of Unit Owners of Riverbend on the Willamette Condominium, a nonprofit corporation formed under the laws of the State of Oregon (see Articles of Incorporation), and responsibility of owners to meet the financial obligations of the Association;

AND WHEREAS, each owner shall be deemed to pay to the Association all assessments or other charges as may be fixed, established, and collected from time to time; and whereas the economic well being of the Association is dependent on the timely payment by owners of all assessments, fees, and charges payable to the Association;

AND WHEREAS, the annual assessment is due on the first day of the fiscal year, any delinquency in meeting the agreed deferment of payment, whether monthly, quarterly or semi-annually, will result in the entire annual assessment coming immediately due;

AND WHEREAS the Board of Directors has the responsibility and authority to collect funds owed to the Association, based on the authority bestowed by the Bylaws and Declaration, the Oregon Condominium Act, ORS 100.440, lien law, ORS 100.450 foreclosure of liens, and ORS 100.475 Liability for unpaid share of common expenses, the Board of Directors hereby adopts the following payment policy as it applies to all areas where Unit Owners owe monies to the Association, including, but not limited to the following areas: maintenance fee/assessments; special assessments; fines for rules violations; fines for architectural and landscaping violations; repairs to the common areas where an individual Unit Owner's responsibility applies; and fees charged by those representing or acting on behalf of the Association (e.g., including, but not limited to: managing agent, accountants, attorneys, and collection agencies, as well as court costs, arbitration fees, or other costs associated with collection of funds owed to the Association).

NOW, THEREFORE, BE IT RESOLVED THAT the following shall apply:

- Payment Schedule. The Board of Directors will identify payment schedules for various assessments and fees payable to the Association. The regular maintenance fee/assessment fee is payable on a monthly basis, in advance, on the first day of the month, and becomes delinquent after the 10th day of the payment due month. The Association provides coupons for mailing with their payments. Owners have the option of direct debit in lieu of using coupons.
- Payment Application. Funds received are applied to the oldest balance first.
- Late Fees/Interest/Other Charges. A late fee of \$50 is applied when a delinquency first occurs. A minimum \$50 invoice/statement charge will apply each month to the outstanding delinquency, regardless of the amount due. The Association may also begin assessing interest at the rate of 12% per annum, in addition to the normal late fees and charges. NSF check charges

are \$50 each occurrence. Certified and/or Registered letters are also \$50 each. These fees and charges are set to offset expenses to the Association. It is the policy of the Association not to grant relief for late payments.

- Liens. The Association has an automatic lien position against an owner's property for funds owed to the Association. The Association reserves the right to record a specific lien or judgment. All costs for handling the processing, preparation, recording and satisfying of liens shall be paid by the owner. The first mortgage holder, if any, may be notified of a delinquency.
- Collections. In the event the Association refers a delinquent account to its attorney for collection of funds or enforcement of the Association's Rules, Resolutions, Policies, Bylaws, or Declaration, the owner will pay for the Association's costs whether or not a lien is recorded or a lawsuit is commenced. If a lawsuit is commenced, the owner shall pay the Association's costs in connection with that lawsuit, including costs incurred on any appeal. The Board may also authorize the collection of funds by other legal means with collection costs to be paid by the owner, including the costs associated with accounting and administrative charges, attorneys, court proceedings, collections agencies, garnishment, and other collections costs the Association may incur.
- Association Administrative Fees. The Association will charge, in addition to the above-mentioned charges and fees, the following: charges for filing fees, postage, facsimile charges, mileage and time-related charges of personnel, fees charged by the Managing Agent to collect funds payable to the Association; foreclosure action or deed in lieu of foreclosure, lot owner or vendor bankruptcy, including but not limited to notification, filing and satisfying liens; enforcement of Association's Declaration and Bylaws, rules and policies; litigation (pre-, court and post-); coordinating services and repairs to the Association's common areas that result from the acts of Unit Owners and/or their tenants, guests, contractors, business invitees, etc.; special projects and items that are not part of the routine activities of the Association and/or as provided in the Association's contract with the Managing Agent. The Association also charges a fee for change in Association records due to name changes and transfer of ownership, completion of forms required by mortgage lenders and others, with the fee(s) typically paid by the new Owner.
- Utility Shutoff. In addition to any other remedies the Association may seek, the Association also has the right to terminate utility service(s) provided by or through the Association to an owner until such a time as that owner's account has been brought current.

Effective January 1, 2007