

FOREST HEIGHTS HOMEOWNERS' ASSOCIATION, INC..

ADMINISTRATIVE RESOLUTION NUMBER 1

Assessment and Compliance Payment Policy

WHEREAS, Article VIU, Section 8.4, Powers and Obligations, of the Declaration of Protective Covenants, Conditions and Restrictions for Forest Heights Homeowners' Association, Inc., and Article ID, Section 3, Powers and Obligations, of the Bylaws of Forest Heights Homeowners' Association, Inc., provide for the management of the affairs of Forest Heights Homeowners' Association, Inc., a nonprofit corporation formed under the laws of the State of Oregon;

AND WHEREAS, Article V, Section 1, Genera, of the Bylaws of Forest Heights Homeowners' Association, Inc., charges the Board of Directors of Forest Heights Homeowners' Association, Inc., to acquire and manage the necessary funds to manage said affairs;

AND WHEREAS, the economic well being of the Association is dependent on the timely payment by lot owners of all assessments, fees and charges payable to the Association;

AND WHEREAS the Board of Directors has the responsibility and authority to collect funds owed to the Association based on the Bylaws and Declaration of Protective Covenants, Conditions and Restrictions for Forest Heights and the Oregon Planned Communities Act, ORS 94.550-94.785, lien law, ORS 87.352 to 87.382 and foreclosure of liens per ORS Chapter 88, the Board of Directors hereby adopts the following payment policy as it applies to all areas where lot 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 lot owner's responsibility applies; 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 annual maintenance fee/assessment fee will be payable within thirty (30) days of mailing of statements to lot owners unless stated otherwise in the statement.
- ❖ Late Charges and Invoice Charges. A late charge equal to 15% (minimum charge of \$5.00) of the amount due will be assessed when funds are not paid by the due date. In addition to the late charge, a \$10.00 invoicing charge per lot will apply to each invoiced statement provided to an owner, regardless of amount due, for all matters where the Association issues a bill to collect for a delinquency.

- ❖ Interest Charges. Interest at the rate of 9% per annum will be charged for past due accounts effective with the thirty-first (31st) day of the due date).
- ❖ Lien Filing. The Association reserves the right to file a lien for delinquent funds at such time as the Board of Directors deems appropriate. However, a lien will be filed for all accounts that are 60 days delinquent and having a balance due of \$100 or more. All costs for handling the processing, preparation, recording and satisfying liens shall be paid by the lot owner. The first mortgage holder, if any, will be notified of any lien filing.
- ❖ Collection/Compliance/Legal Services. In the event the Association refers a delinquent account to its attorney for collection or enforcement of the Association's rules, Bylaws or Declaration, the lot owner will be responsible for the Association's reasonable attorneys fees whether or not a lien is filed or a lawsuit is commenced. If a lawsuit is commenced, the lot owner shall pay the Association's reasonable attorneys fees in connection with that lawsuit, including fees 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 lot owner.
- ❖ Association Administrative Fees. The Association will charge, in addition to the abovementioned charges and fees, the following: a minimum \$10.00 administrative fee for the preparation and distribution of each late notice and other invoices and notices to lot owners, \$30.00 for each certified letter, \$25 for each NSF check, and will assess charges for filing fees, postage, facsimile charges, mileage and time-related charges of personnel. Additional administrative charges are to be reimbursed to the Association by lot owners for the following: fees charged by the Managing Agent to collect funds payable to the Association; foreclosure action or deed in lieu of foreclosure, unit 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 lot owners and their tenants and guests; 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.

This resolution was passed by the Board of Directors on October 6, 1999.

ATTEST:

October 6, 1999
DATE

/George Marshall/
FHHA Board of Directors

