

**OAK HILLS HOMEOWNERS ASSOCIATION**  
**Resolution of the Board of Directors**

**SPECIAL ASSESSMENT RESOLUTION**

**RECITALS**

- A. The Oak Hills Home Owners Association (“**Association**”) is charged with the operation and management of the Oak Hills Subdivision located in Washington County, Oregon.
- B. The Association is governed by the following documents recorded in Washington County, Oregon
  - a. The *Amended and Restated Declarations of Restrictions of Oak Hills Home Owners Association (Covenants, Conditions & Restrictions)* recorded as document number 2013-038732 as amended and supplemented from time to time (“**CCRs**”); and
  - b. The Bylaws of the Oak Hills Home Owners Association as amended and supplemented from time to time (“**Bylaws**”).
- C. The Association is also governed, in certain respects, by the Oregon Planned Community Act, ORS Chapter 94 (“**Act**”).
- D. Pursuant to ORS 94.640 and Article III, Section 4 of the Bylaws, the affairs of the Association are governed by the Association’s Board of Directors (“**Board of Directors**”).
- E. Pursuant to ORS 94.640 and Article III, Section 4 of the Bylaws, the Board of Directors has all the powers and duties necessary for the administration of the affairs of the Association. These powers include the responsibility for the operation, care, upkeep, maintenance, repair of the Common Property, Association Property and any other item within the Association’s maintenance responsibility pursuant to Article XI, Section (a)(1) of the CCRs. This includes the authority to determine amounts required for the maintenance and improvement of Common Property and Association Property pursuant to Article IX, Section (f) of the CCRs.

- F. Pursuant to Article IX Section 2(b), as amended, the Board of Directors may levy a series of separate and distinct individual monthly special assessments to fund maintenance, repair or replacement of Association Common Property or Association Property or to fund a capital improvement. This assessment shall not be enforceable until after the Board of Directors has secured a two-third (2/3) authorizing vote from the members of the Association cast at an annual meeting or special meeting called for that purpose.
- G. Pursuant to ORS 94.630(1)(n) and Article IX(d) of the CCRs, the Association previously adopted a resolution titled "Collection of Unpaid Charges" dated April 1, 2009. Pursuant to the Act and this resolution, the Board of Directors may charge interest in the amount of 18% per annum on delinquent assessments in addition to a late fee of \$50.
- H. Pursuant to ORS 94.630(n), ORS 94.719, Article IX(d) of the CCRs and, the Association may assess any delinquent owner an amount equal to the actual attorney fees for collecting or attempting to collect delinquent assessments, whether or not suit is filed.
- I. The Board of Directors previously tasked the Association Building Committee with investigating the current condition of the Oak Hills Gymnasium, Pool and Recreation Center facilities ("Community Center"). The Committee has determined, with the assistance of a structural engineer, project architect and contractor that the Community Center Facilities are in need of a substantial repair and overhaul. The Committee also investigated options for upgrading the facilities.
- J. The Building Committee's total project estimate for the Community Center renovation and upgrade project, including legal, consulting and management fees is \$4,225,000.00. To fund this project, the Association has received a loan commitment from Mutual of Omaha Bank . This loan will be fully funded into a controlled disbursement account with construction draws being made from this account.
- K. The Board of Directors finds it to be in the best interests of the Association and all homeowners at Oak Hills to levy a series of individual monthly special assessments as provided in this Resolution to service the loan covering the costs of the renovation.

## RESOLUTION

**NOW THEREFORE IT IS RESOLVED THAT**, pursuant to the authority under Article IX, Section 2(b) of the Bylaws, the Board of Directors hereby adopts and imposes a series of individual monthly special assessments totaling \$4,225,000.00 ("Project Cost") or \$6,500.00 per owner per lot ("Per Owner Project Cost") plus any applicable interest and costs to be assessed against the individual lots and Lot Owners. Owners who opt for paying a series of monthly special assessments rather than prepaying the entire sum shall be charged a fixed rate of 4.5% interest over a fifteen (15) year term to cover the Association's interest obligation on the loan. Those Owners who prepay the Per Owner Project Cost, in its entirety, will not be charged interest.

### 1. **Monthly Assessments.**

- (a) **Separate Monthly Assessments.** There shall be levied one-hundred and eighty (180) separate and distinct individual monthly special assessments commencing on **December 8, 2015** and continuing monthly **November 8, 2030**.
- (b) **Amount.** The amount of each monthly special assessment shall be **\$49.73**. Every home owner in Oak Hills shall be obligated to pay this monthly special assessment, in addition to their regular yearly assessment until their Per Owner Project Cost is paid in full with any accrued interest.
- (c) **Due Date.** The first special assessment shall be due on **December 8, 2015**. Following the first monthly special assessment, each special assessment is due on the eighth day of each month. Each monthly special assessment shall be due and payable on the eighth day of the month and is considered late in accordance with the timelines in the Association's Collection of Unpaid Charges Resolution.
- (d) **Amount.**
  - (i) **Principal Amount.** The total principal amount of all special assessments on every Lot within the Association shall be \$6,500.00.
  - (ii) **Interest.** For those Lot Owners who do not opt to prepay under Section 3 below, the amount of interest and the amount of each separate monthly special assessment shall be four and one-half percent or 4.5% interest amortized over fifteen (15) years.

### 2. **Prepayment Individual Monthly Special Assessments.**

- (a) **Partial Prepayment.** Any lot owner may make a partial prepayment of future individual monthly special assessments at any time. A partial prepayment that does not pay off the entire remaining balance of the \$6,500.00 Per Owner Project Cost does not qualify an owner for an interest credit. Separate individual monthly

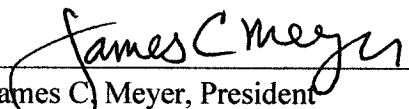
assessments shall continue until the Per Owner Project Cost is paid in full with any interest accrued through the Prepayment date.

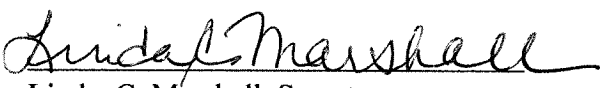
- (b) **Prepayment in Full.** Any lot owner who makes a prepayment in the amount of the entirety of the \$6,500.00 Per Owner Project Cost still owing along with interest accrued through the date of prepayment shall receive a credit in the amount of the unpaid interest on all remaining monthly special assessments as of November 9<sup>th</sup> of the applicable year in which prepayment is received by the Association. To receive the interest credit, owners must make their payment on or before **November 9<sup>th</sup>** of the applicable year.
3. **Collection of Unpaid Special Assessments.** All unpaid sums due under this Special Assessment Resolution shall be collected in accordance with the Association's Collection of Unpaid Charges Resolution.
4. **NSF "Non-Sufficient Funds" Fee.** In the event that a check purporting to pay a monthly special assessment or prepayment is returned for reason of non-sufficient funds or for any other reason, there will be levied against that Lot and Owner a charge in accordance with the Collection Resolution plus any other additional charges established by the Collection Resolution.
5. **Acceleration of Assessment and Interest.** In addition to the rights under the CCRs, Bylaws, and Collection Resolution, pursuant to Article VIII, Section 5 of the Bylaws, in the event that an owner fails to pay a monthly special assessment when due, the Board of Directors may accelerate the total sum of all future monthly special assessments, and interest on the entire sum shall accrue at a rate of eighteen percent (18%) per annum.
6. **Notice of Monthly Special Assessment Amount.** The Board of Directors shall advise each Lot Owner in writing of the amount of assessments payable by such Owner and of the date by which the lump sum or first monthly assessment is to be paid. The Board of Directors shall furnish a copy of the budget on which such assessments are based.
7. **Discretion to Record Notice of Special Assessment.** To the extent they deem it necessary or appropriate, the Board of Directors may record a notice of special assessments in the deed records of Washington County, Oregon against all Lots.

**BE IT FURTHER RESOLVED** that a copy of this Resolution be provided to each Lot Owner within the Association either via regular or electronic mail.

**CERTIFICATION**

The undersigned Chairperson and Secretary of the Oak Hills Home Owners Association hereby certify that the above resolution was duly adopted in accordance with Article IX Section 2(b) of the Association CCRs, as amended. The Chairperson and Secretary further certify that, prior to their signature, the Association secured not less than a two-third (2/3) authorizing vote of the homeowners.

  
James C. Meyer, President  
Board of Directors  
Oak Hills Home Owners Association

  
Linda, C. Marshall, Secretary  
Board of Directors  
Oak Hills Home Owners Association

DATED this 5<sup>TH</sup> of AUGUST, 2015.