

Twenty-One Irvington Condominiums
Fine Policy
(Approved March 18, 2015)

This Fine Policy accompanies the Collection of Unpaid Charges Resolution adopted on March 13, 2007.

Fine Policy Overview

The goal of the Fine Policy is to insure compliance with Twenty-One Irvington Condominium's Rules and Regulations and Bylaws; to promote unity and harmony within the complex and to maintain cohesive community relationships in a manner that is fair and equitable for all residents and unit owners; and to enhance the aesthetic appearance of the complex and to promote its general welfare.

Violations will be determined by the Community Manager and/or the Board of Directors in accordance with the Rules and Regulations and the Bylaws.

Fining Process

The unit owner in violation shall be notified in writing of the specific violation, correction requested, length of time for correction, and consequences of noncompliance. The fines may be imposed on a one-time, per occurrence, or continuing daily, weekly, or monthly basis as determined by the Board of Directors.

Violators have 10 calendar days from the date of the rules violation letter to attempt reconciliation with the Association or request a hearing.

If the corrections as requested by the Association have not been made as detailed in the letter, a Rules Enforcement Fee will be levied against the owner as follows:

- \$50 for the first notice of offense;
- \$100 for the second or follow-up notice of offense;
- \$150 for the third or follow-up notice of offense;
- \$25/day for offenses not resolved after the third notice.

All fines are in addition to any property damage(s) or expenses incurred with the related offense.

Payment of Assessed Fines

All assessed fines must be paid within 30 days of notification. After 30 days, the unit owner fined shall be obligated to pay all expenses by the Association in collecting any unpaid fine; including attorneys' fees.

Violations

Violations of the Twenty-One Irvington Condominiums Rules and Regulations and Bylaws include, but are not limited to:

Use of Condominium Property

1. Use of unit for non-residential purposes
2. Installation of satellite dish(es) or telephone antennae(s) on common elements not in the exclusive use and control of the unit owner without Board approval
3. Installation of electrical or telephone wiring, machines, air conditioning units, or similar devices on or protruding through the common elements without Board approval
4. Installation of window guards, awnings, or window treatments (such as shades, blinds, glass coverings) without Board approval
5. Unsightly appearance of unit visible from exterior
6. Unsightly exterior items and/or appearance
7. Installation of exterior lighting or noisemaking devices without Board approval
8. Failure to timely remove seasonal holiday lighting and decorations

9. Hanging garments, rugs, laundry, sheets, reflective surfaces, and other similar items from windows, facades, patios, or decks
10. Unauthorized display of signs
11. Any other addition or damage to or alteration, obstruction, or change of appearance of the Common Elements*
12. Violations of the Association's Rules and Regulations relating to use of the Common Elements* and Limited Common Elements**

Noise and Nuisance

1. Noise violations
2. Non-noise nuisance violations, including intimidation and threats

Parking

1. Parking of vehicle in "extreme state of disrepair"
2. All other parking violations

Pets

1. Animals not attended; animals not on their leash or tethered
2. Failure to keep animal waste off landscaping, pick up animal waste, or dispose of animal waste properly
3. Other violations of pet covenants and rules

Trash

1. Using unit or Common Elements* as a dumping ground
2. Discarding items, including cigarettes and ashes, from windows, patios, or decks

Rentals

1. Rental violations
2. Failure to provide updated Rental Leases and renter contact information to the Community Manager
3. Violation of another provision of the Declaration or Bylaws by a renter or owner, including the First Amendment to Bylaws for the Leasing and Renting of Units (passed April 17, 2010 and recorded with Multnomah County on May 19, 2010)

Insurance

1. Failure to maintain insurance coverage for unit, Limited Common Elements**, and personal property
2. Failure to provide proof of insurance to Association

Other

1. Failure to maintain unit or keep in repair
2. Other violations of the Declaration, Bylaws, or Rules and Regulations, of Twenty-One Irvington Condominiums not set forth above

As referenced in Articles 5 and 6 of the Declarations:

* **Common Elements** include the land, pathways, fences, grounds, storage/laundry facilities, parking area (not assigned spaces), roofs, foundations, bearing and shear walls, perimeter walls, beams, columns, girders, landings, stairways, hallways, walkways, landscaped areas, and driveways.

****Limited Common Elements** are areas outside the units but reserved for the exclusive use of designated units (i.e. decks, patios, assigned parking spaces, and assigned storage units).

TWENTY-ONE IRVINGTON CONDOMINIUMS OWNERS ASSOCIATION

Resolution of The Board of Directors

COLLECTION OF UNPAID CHARGES

WHEREAS, "Declaration" is the *Declaration Submitting Twenty-One Irvington Condominiums to Condominium Ownership*, "Bylaws" is *Bylaws of Twenty-One Irvington Condominiums Owners Association*, "Act" is the *Oregon Condominium Act, Oregon Revised Statutes, Chapter 100*, and "Association" is the *Twenty-One Irvington Condominiums Owners Association*;

WHEREAS, "assessments," as used in this Resolution, includes all amounts validly assessed against a Unit Owner ("Owner") pursuant to the Declaration, the Association's Bylaws, Rules and Regulations, and any Board of Director Resolution, including, but not limited to common expenses, interest, fees, fines, attorney fees and all collection costs;

WHEREAS, Article 7, Section 7.5(m) of the Bylaws allows the Association to adopt rules and enforce compliance with the Declaration, Bylaws, and Administrative Rules and Regulations;

WHEREAS, Article 3, Section 3.6(n) of the Bylaws authorizes the Board to enforce provisions of the Declaration; Bylaws and Rules and Regulations, including action to collect unpaid assessments;

WHEREAS, Article 5, Section 5.6 and Article 7, Section 7.7(c) of the Bylaws and the Oregon Condominium Act authorize the Board to establish late charges and fines;

WHEREAS, Chapter 100, Section 100.450 of the Oregon Condominium Act provides that all assessments, together with interest, attorney fees and costs of collection shall be a continuing lien upon the unit against which each such assessment is made;

WHEREAS, Article 5, Section 5.6 and 5.7 of the Bylaws authorize the Board, on behalf of the Association, to bring suit to foreclose the lien against the unit and/or to bring an action to obtain a money judgment against an Owner for damages and/or for unpaid assessments;

WHEREAS, Article 5, Section 5.6 of the Bylaws, and the Oregon Condominium Act provide that Owners shall be obligated to pay reasonable fees and costs

including, but not limited to, attorney fees incurred in connection with efforts to collect delinquent and unpaid assessments, regardless of whether suit or action is commenced, and/or to enforce the provisions of the Declaration, Bylaws, rules and regulations or the Act;

WHEREAS, assessments are currently due and payable monthly in advance on the first day of every calendar month;

WHEREAS, from time to time Owners become delinquent in the payments of their assessments and fail to respond to the demands from the Board to bring their accounts current, and it is imperative assessment payments are timely received;

WHEREAS, pursuant to Article 5, Section 5.6 of the Bylaws interest at the rate of twelve percent (12%) per annum on all unpaid charges shall accrue;

WHEREAS, the Board deems it in the Association's best interest to adopt a uniform and systematic procedure for the collection of unpaid assessments in a timely manner, and further believes it to be in the Association's best interest to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue.

NOW, THEREFORE, IT IS RESOLVED, that pursuant to Article 5, Section 5.6 of the Bylaws and the Oregon Condominium Act, there is hereby levied a late fee against any assessment account for any assessment which is not paid in full within ten (10) days of the date such assessment is due; and such late fee shall be five percent (5%) of the unpaid assessment;

NOW, BE IT FURTHER RESOLVED, that the following steps be adopted to provide for the uniform and systematic procedure for the collection of unpaid assessments:

1. All assessments shall accrue interest at the rate of twelve percent (12%) from the date such assessment is first due.
2. If any assessment remains unpaid by an Owner for more than thirty (30) days from the due date for its payment, the Board shall send a notice to the Owner indicating the amount due, including notice of the late fees and interest, and demand for immediate payment thereof. See Exhibit "A" attached hereto.
3. If any assessment remains unpaid by the Owner for more than sixty (60) days from the due date for its payment, the Board may turn over for collection to the Association's attorney ("Attorney"), who shall (a) send a written demand for payment and any notice as required by the federal Fair Debt Collection Practices Act, if applicable; (b) prepare and record a lien against the Owner's unit; (c) notify the Owner within twenty (20) days of recording

lien has been recorded; and (d) may notify any first mortgage or trust deed holder of the Owner's default; if applicable. The lien amount shall include all collection costs to date, including attorney's fees and the cost of preparing and/or recording the lien, any notice of lien required by law, and any notice to a first Mortgage holder, if applicable. The demand for payment shall notify the Owner of the Owner's liability for payment of charges imposed by Attorney to cover fees and costs associated with all collection efforts. The demand for payment shall include all collection costs to date.

4. If any assessment remains unpaid by the Owner thirty (30) days after the date of Attorney's demand, Attorney shall send Owner a ten (10) day demand letter for payment notifying the Owner that if full payment is not received within ten (10) days of the date of the letter the Association intends to file suit to either obtain a money judgment or foreclose on the lien. The demand shall include the updated amount owing, including all collection costs to date.

5. If any assessment remains unpaid by the Owner ten (10) days after the attorney's ten-day demand letter/notice of intent to file suit, the Attorney shall file suit for a money judgment, unless the Board, after recommendation by Attorney, determines that lien foreclosure is advisable under the circumstances. In such cases, the attorney may file a lawsuit for a money judgment, for foreclosure, or for both a money judgment and foreclosure, as permitted by applicable law.

6. If the Association is successful in obtaining a money judgment, Attorney shall collect on the judgment in this order, unless Attorney determines other actions or another order of collection is appropriate under the circumstances: (1) file and send a ten (10) day demand to pay judgment; (2) garnish accounts, wages and/or rents; (3) levy against any personal and real property; and (4) levy against the unit. Additional steps may be necessary to determine the availability and location of the judgment debtor's assets. If the Association is successful in a suit to foreclose on the lien, Attorney shall proceed as necessary to complete the foreclosure unless otherwise directed by the Board.

NOW, BE IT FURTHER RESOLVED, that all legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Owner and shall be collected as an assessment as provided in the Bylaws, the Declaration, and/or the Oregon Condominium Act.

NOW, BE IT FURTHER RESOLVED, that all contacts and/or contracts with the delinquent Owner shall be through Attorney. Neither the Board nor any of its agents shall discuss the collection of the account directly with the Owner after it has been turned over to Attorney, unless one of the attorneys is present or has consented to the contact and/or contract.

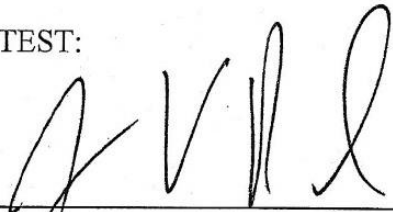
NOW, BE IT FURTHER RESOLVED, that Attorney shall have the discretion to enter into an installment payment plan with a delinquent Owner in appropriate circumstances. In all cases in which a law suit has been filed, any such plan must be secured by a Stipulated Judgment. Any payment plan providing for a down payment of less than the greater of one-third (1/3) of the delinquent balance or twice the current monthly assessment, or a duration in excess of twelve (12) months shall require approval of the Board chairman.

NOW, BE IT FURTHER RESOLVED, that Attorney, in its initial demand notice, shall communicate to Owner that the account has been turned over to it for collection, and that all payments are to be made to Attorney until the account has been brought current. The Association hereby grants to Attorney its limited power of attorney to endorse for deposit checks made payable to the Association (or its agent management company, if any) in satisfaction of accounts sent to Attorney for collection. Attorney shall deposit all payments in its trust account. All amounts collected shall be disbursed by Attorney according to the provisions of the Association and Attorney representation agreement.

NOW, BE IT FURTHER RESOLVED, that nothing in this Resolution precludes the Board from taking further action in the collection of unpaid assessments permitted by the Association's governing documents or applicable law, including, but not limited to, adopting or enforcing rules regarding the termination of utility services paid for out of assessments of the association and access to and use of recreational and service facilities available to owners and, after giving notice and an opportunity to be heard, terminate the rights of any owners to receive such benefits or services until the correction of any violation covered by such rule has occurred.

NOW, BE IT FURTHER RESOLVED, that a copy of this resolution shall be sent to all Owners at their last known address.

ATTEST:



Chairperson, Board of Directors,
Twenty-One Irvington
Condominiums Owners Association



Secretary, Board of Directors
Twenty-One Irvington
Condominiums Owners Association

Date: 3-13-07

EXHIBIT "A"

**SAMPLE DEMAND LETTER TO BE SENT BY BOARD OF DIRECTORS ONCE
ASSESSMENTS ARE 30 DAYS PAST DUE**

[Date]

John Doe
111 S.W. 11th Avenue
Portland, OR 97111

RE: NOTICE OF UNPAID ASSESSMENTS

Dear Mr. Doe:

The records of Twenty-One Irvington Condominiums Owners Association show that your assessment account is now past due. Our records reflect the following:

Principal Assessments Due:	\$ _____
Accrued Late Charges:	\$ _____
Accrued Interest:	\$ _____
Total Due:	\$ _____

Demand is hereby made for immediate payment of the balance in full. If you have any questions, please contact the undersigned.

Your prompt payment of the balance due is appreciated.

Sincerely,

Jane Smith
Chairperson, Board of Directors