

LITTLE WHALE COVE HOMEOWNERS ASSOCIATION, INC.

Resolution of The Board of Directors

COLLECTION OF UNPAID HOA ASSESSMENTS RS: 26-02

RECITALS

A. The Board of Directors of the Association is charged with the responsibility to establish, assess, and collect homeowner assessments.

B. The Board deems it in the best interest of the Association and the owners to adopt a uniform and systematic procedure for the collection of unpaid assessments that assures that unpaid assessments are timely and efficiently collected to minimize the loss of assessment revenue.

C. To ensure that unpaid assessments are efficiently and effectively collected, the Board of Directors has entered into an agreement ("CFE Agreement") with Vial Fotheringham LLP ("VF") to undertake the collection and enforcement of delinquent assessments on behalf of the Association.

NOW, THEREFORE, IT IS RESOLVED that:

I. The rules governing the collection of delinquent assessments set forth below be adopted to provide for the uniform and systematic procedure for the collection of all unpaid assessments.

II. A copy of this Resolution be sent to all owners at their address as shown in the records of the Association.

III. This Resolution supersedes any resolution regarding the collection of assessments currently in place.

ARTICLE I

**AUTHORITY, DUTIES AND OBLIGATIONS
UNDER GOVERNING DOCUMENTS & ACT**

1.1 "Declaration" is the 2025 Amended and Restated Declaration of Conditions, Restrictions, Easements, Reservations and Regulations Little Whale Cove Homeowners Association, Inc. recorded October 09, 2025, as Document No. 2025-07203, Records of Lincoln County, Oregon, including any amendments thereto.

1.2 "Bylaws" is the 2025 Amended and Restated Bylaws of Little Whale Cove Homeowners Association, Inc. recorded on October 09, 2025, as Document No. 2025-07204, Records of Lincoln County, Oregon, including any amendments thereto.

1.3 "Act" is the Oregon Planned Community Act, Oregon Revised Statutes 94.550 to 94783.

1.4 Specific Authority and Duties.

(a) Article 6, Section 6.2 of the Declaration and ORS 94.630(a) allow the Association to adopt rules.

(b) Article 7, Section 7.2 of the Declaration and Article 3, Section 3.5 (c) and (j) of the Bylaws authorizes the Board to enforce provisions of the Declaration, Bylaws, and Rules and Regulations, including action to collect unpaid assessments and enforce liens.

(c) ORS 94.630(1)(L)(n) authorizes the Board to establish late charges for delinquent assessments.

(d) Article 7, Section 7.5.1 of the Declaration, Article 5, Section 5.3 of the Bylaws, and ORS 94.704(5)(b) authorize the Board to establish interest on delinquent assessments.

(e) Article 7, Section 7.2 of the Declaration, Article 5, Section 5.3 of the Bylaws, and ORS 94.709(5) provide that late charges, fines, interest, and attorney fees and costs of collection are enforceable as assessments.

1.5 Obligations.

(a) Under Article 7, Section 7.2 of the Declaration and Article 5, Section 5.3 of the Bylaws, owners are obligated to pay assessments.

(b) Article 7, Section 7.2 of the Declaration specifies that assessments are currently due and payable monthly and due by the tenth day of each month, unless paid annually.

(c) Under Article 7, Section 7.2 of the Declaration, Article 5, Section 5.3 of the Bylaws, and ORS 94.709(1), all assessments, together with interest, attorney fees, and costs of collection, are a continuing lien on the lot against which the assessments are imposed.

ARTICLE II
INTEREST LATE FEES AND OTHER COSTS

Pursuant to Section 1.4 above, the following apply to delinquent and unpaid assessments:

2.1 Interest. In accordance with Article 7, Section 7.5.1 of the Declaration, interest at a rate of nine percent (9%) per annum shall accrue on all delinquent assessments.

2.2 Late Charge. In accordance with ORS 94.630(1)(L)(n), any assessment that is delinquent (i.e., over 30 days past due) will be charged a late charge in the amount of ten percent (10%) of the assessment.

2.3 Other Costs. All costs of collection as set forth in Subsections (a), (b), and (c) of this section are imposed against the owner and are due when incurred in the amounts incurred, regardless of whether suit or action is commenced. Collection costs include, without limitation, the following:

(a) **Association or Management Company Charges.** Collection charges imposed by the Association or management company, including reasonable mailing costs, recording fees, time spent for account maintenance, and other similar expenses.

(b) **Attorney Fees.** Any attorney fees for work performed with respect to the assessment account such as file intake; preparing calculations; consultations and telephone calls with the Association, owners, court, witnesses and other individuals involved in the process; legal research; drafting, and preparing legal documents; drafting and preparing letters; depositions; trial preparations; travel time; investigations; court appearances; analyzing the account to determine the appropriate action; and preparing and attending post judgment proceedings.

(c) **Other Costs.** All expenses such as recording fees, postage costs, copy costs, service costs, court costs, filing fees, paralegal fees, private investigator fees, garnishment fees, and other similar expenses.

ARTICLE III **PROCEDURE**

3.1 Association Lien. When an assessment is levied against a lot and owner, the Association or an agent of the Association may cause a lien to be recorded in the Records of Lincoln County, Oregon.

3.2 Association Payment Demand Letter. When an assessment is delinquent, the Association or its agent shall send the owner a written payment demand letter ("Association Payment Demand Letter") in substantially the form set forth in attached Exhibit A that includes a:

(a) Statement of the amount due under the assessment account.

(b) Demand for immediate payment.

(c) Notice if the stated amount due is not paid by the turnover date, the assessment account will be turned over to VF for collection in accordance with the Collection Resolution.

(d) Statement that the owner is responsible for the payment of all costs for collection incurred, as specified in the Collection Resolution, and the costs constitute assessments against the owner and the lot.

3.3 Turnover of Assessment Account to VF.

(a) Subject to Subsection (b) of this section, when an assessment remains unpaid after the turnover date specified in the Association Payment Demand Letter given under Section 3.2 above, Association or its agent shall turn over the assessment account to VF in accordance with the

CFE Agreement. VF shall proceed as provided in the VF Agreement and this Resolution.

(b) After the assessment account is turned over to VF, all contact and communications with the owner regarding the assessment account must be with VF, unless VF gives written consent otherwise.

3.4 Initial Notice; Recording of Lien. When an assessment account is turned over to VF, VF shall:

(a) **Initial Notice.** Send a written notice for payment ("Initial Notice") to the owner. The Initial Notice must include a notice that all moneys due under the assessment account be paid within thirty (30) days.

(b) **Association Lien.** If an Association lien has not been recorded in the Records of Lincoln County, Oregon, prepare an Association lien against the lot and cause the lien to be recorded in the Records of Lincoln County, Oregon.

3.5 Final VF Payment Demand. If the total amount due is not paid by the date stated in the Initial Notice under Section 3.4 above, or arrangement for payment made in accordance with Section 3.8 below, VF shall send a final demand letter ("Final VF Payment Demand") that demands payment of all moneys due under the assessment account within ten (10) days.

3.6 Legal Action. If the assessment, including all costs specified in Section 2.3 above, are not paid by the date specified in the VF Final Payment Demand given under Section 3.5 above, or arrangement for payment made in accordance with Section 3.8 below, VF, on behalf of the Association, shall initiate a lawsuit for a personal money judgment against the owner or foreclose the Association's lien against the lot.

3.7 Execution/Enforcement of Judgment. After VF obtains a judgment, VF may begin collection of the judgment by any one or combination of the following:

- (a) Garnishing the owner's bank account.
- (b) Garnishing the owner's wages.
- (c) Executing a writ against the owner's real or personal property.
- (d) Any additional methods authorized by law.

3.8 Payment Plans. A payment plan proposed after the assessment account is turned over to VF must be approved by VF and the Board of Directors of the Association.

3.9 Payments. After the assessment account has been turned over to VF, all payments must be made to VF.

3.10 Owner Responsibility; Other Remedies.

(a) **Owner Responsibility For Payment of Assessments.** Regardless of any procedure prescribed under this Resolution, it is the responsibility of the owner to ensure that assessments are paid when due.

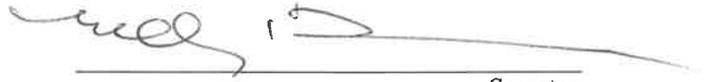
(b) Owner Responsibility To Update Address. It is the sole responsibility of the owner to notify the Association in writing of any change of owner mailing address.

Other Association Remedies. Nothing in this Resolution prevents the Association from taking any other actions against the owner, including preventing the owner from access to recreational or service facilities, if provided under the Declarations, Bylaws, Rules and Regulations, or the Act.

CERTIFICATION OF ADOPTION

The undersigned, Secretary of the Association, hereby certifies that the foregoing resolution is a true record of a resolution adopted by the Board of Directors at a meeting of the Board of Directors held in accordance with the Bylaws of the Association on 27 February, 2026

Dated this 27th day of Feb, 2026.



Secretary
Board of Directors
Little Wahle Cove Homeowners Association, Inc.
An Oregon nonprofit corporation

EXHIBIT A
ASSOCIATION
PAYMENT DEMAND LETTER

April 5, 2026

John Doe
111 S.W. 11th Avenue
Portland, OR 97208

RE: NOTICE OF UNPAID ASSESSMENTS
DEMAND FOR PAYMENT

Dear Mr. Doe:

The records of Little Whale Cove Homeowners Association, Inc. 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 in full of the above Total Due. If payment in full is not made within thirty (30) days of the date of this letter, your assessment account will be turned over to Vial Fotheringham LLP for collection in accordance with the Little Whale Cove Homeowners Association, Inc. Collection Resolution. A lien will be recorded against your property in the Records of Lincoln County, Oregon.

All charges, including attorney fees, associated with collection of your assessment account are imposed against you and your lot as provided in the Collection Resolution.

NOTICES

I. BEFORE THE END OF THE 30-DAY PERIOD:

You may request a hearing if you disagree with the calculation of the above Total Due. To request a hearing, you may contact the undersigned in writing to voice your challenge. The Board must receive any written challenge of the calculation of these charges no later than the expiration of the 30th day after the date of this letter. If a hearing is not requested by the end of the 30-day period, your right to a hearing is forfeited.

If you would like to set up a payment plan, arrangements must be made with the contact below before the 30 days expires.

II. LENDER FORECLOSURE:

If a first trust deed or mortgage on your lot is being foreclosed, **DO NOT EXPECT** that delinquent assessments (including cost and fees) will be paid from the proceeds of the foreclosure sale. Assessments (including costs and fees) that are not paid from the proceeds of the foreclosure

sale remain the personal responsibility of the owner. The Association will proceed to collect all moneys owed to the Association by seeking a personal judgment against the owner.

Your prompt payment of the balance due is appreciated.

Sincerely,

President, Board of Directors
541-765-2489 Board@lwcha.org
15 SW Singing Tree
Depoe Bay, OR 97341