GABRIEL COMMONS ASSOCIATION

Resolution of the Board of Directors

SPECIAL ASSESSMENT RESOLUTION

Background

A. Gabriel Commons is a condominium community in Multnomah County, Oregon. The community is governed by the Oregon Condominium Act, ORS Chapter 100.

B. Gabriel Commons Association ("Association") was created to oversee the affairs and operations of the condominium.

C. The condominium is also governed by the following documents:

   i. Amended and Restated Declaration of Unit Ownership, Gabriel Commons Condominium, recorded as document no. 2020-100336 in the official records of Multnomah County, Oregon, and any amendments thereto ("Declaration");

   ii. Amended and Restated Bylaws of Gabriel Commons Association, recorded as document no. 2021-038882 in the official records of Multnomah County, Oregon ("Bylaws"); and

   iii. First Amendment to Amended and Restated Bylaws of Gabriel Commons Association, recorded as document no. 2024-017634 in the official records of Multnomah County, Oregon ("First Amendment to the Bylaws").

D. Section 4.2 of the Declaration states that exterior walls are a part of the common elements.

E. Section 5.2 of the Declaration states that the cost of maintenance, repair, and replacement of the general common elements is a common expense, and the performance of such work is the responsibility of the Association.

F. Section 5.4.1 of the First Amendment to the Bylaws authorizes the Board of Directors to propose a special assessment for the purpose of defraying in whole or in part the cost of Capital Improvements or the maintenance, repair, and replacement of Common Elements.

G. Section 5.4.2 of the First Amendment to the Bylaws requires any special assessment for a Capital Improvement or for the maintenance, repair, and replacement of Common Elements that will cost $50,000 or more to have the assent of two-thirds of the owners who vote in person or by proxy at a meeting duly called for that purpose.

H. The Board of Directors has determined that maintenance and repairs to the common elements—in particular, replacement of the current cedar siding with Hardie Plank lap siding—are necessary in order to preserve the integrity of the building envelope.

I. The Board of Directors has further determined, with the advice and guidance of construction experts or engineers, that the balance in the Association's current reserve and operating accounts is insufficient to fund the repairs to the common elements.

J. Owners of Units in the condominium ("Owners") are obligated to pay 1/34th of the common expenses, based upon each Unit's percentage of ownership in the common elements.

K. Pursuant to Section 5.9 of the Bylaws, Owners who fail to pay their share of the assessment are liable for their amount of the assessment, as well as late charges, interest, costs, and attorney fees. Further, the Association shall have a lien on an Owner's Unit if they fail to pay their share of the assessment.

Resolution

1. **Financing**. The repairs will be financed through a bank loan from Northwest Bank, located in Lake Oswego, Oregon.

2. **Special Assessment Amount.** The Board adopts and imposes a series of special assessments over the next twenty fiscal years totaling $2,100,000, plus applicable interest and costs to be assessed against the individual Units and Unit Owners according to their percentage allocation of undivided interest in the common elements as provided in the Declaration. Pursuant to the Financing Proposal dated December 24, 2024, for the first twelve months of the loan term, there are twelve monthly consecutive interest-only payments at an interest rate equal to the Wall Street Journal Prime Rate + 0.75%, fully floating, with a floor rate of 7.75%. After which, all remaining payments will be monthly consecutive principal and interest payments at an interest rate equal to the Federal Home Loan Bank (FHLB) 5-year bullet rate + 2.50%, with a floor rate of 6.48%. The FHLB index is

subject to change based on market interest rates until the loan period begins, at which point the initial interest rate will be fixed for five years, with an adjustment every five years for the duration of the term. The final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts on the loan. Each Owner's 1/34th share of the assessment shall be $469.77 per month for each fiscal year from 2025 through 2045. Such amount will be levied individually and separately against each Unit. When considered on an annual basis, each Unit will be responsible for twenty distinct and separable special assessments as follows:

2025: $5,637.24
2026: $5,637.24
2027: $5,637.24
2028: $5,637.24
2029: $5,637.24
2030: $5,637.24
2031: $5,637.24
2032: $5,637.24
2033: $5,637.24
2034: $5,637.24
2035: $5,637.24
2036: $5,637.24
2037: $5,637.24
2038: $5,637.24
2039: $5,637.24
2040: $5,637.24
2041: $5,637.24
2042: $5,637.24
2043: $5,637.24
2044: $5,637.24
2045: $5,637.24

The series of special assessments reflected in this Section are in addition to the Association's regular annual assessments.

3. **Payment Due Date.** Each special assessment shall be immediately due and payable on the first of each month of each fiscal year from 2025 through 2045. The payment will be considered late if not received on the due date for each month of each fiscal year from 2025 through 2045.

4. **Prepayment**. An Owner may elect to prepay the entire amount of the special assessment levied against their Unit no later than June 30, 2025. If

an Owner elects to prepay, the amount due will be calculated at the time of the prepayment request. Owners who elect to prepay must contact the Association's managing agent for the full payoff amount. The payoff amount provided will be valid for 15 days from the date of issuance and may include administrative costs for the managing agent to calculate the payoff amount and loan re-amortization fees.

5. **Amount of Individual Payments.** The total amount due from each Owner shall be calculated based on the percentage of ownership in the common elements allocated to each Owner's Unit. Additionally, each monthly assessment shall include a $10 monthly administrative charge.

6. **NSF Fee**. In the event that a check purporting to pay the special assessment is returned due to non-sufficient funds or for any other reason, there will be levied against that Unit and Owner a charge in accordance with the Association's governing documents, plus any other additional charges established by the Association's governing documents.

7. **Late Fees and Interest**. A one-time late fee of $25.00 shall be assessed against any Unit if payment from that Unit is not timely received according to Section 3 above. The entire unpaid amount will accrue interest at a rate of 18% per annum until paid, beginning the first day of delinquency.

8. **Collections**. All unpaid sums due under this Special Assessment Resolution shall be collected in accordance with the Association's governing documents, resolutions of the Board of Directors, and ORS 100.

9. **Lien Rights.** In accordance with ORS 100.450(1), the Association shall have a lien on any Owner's Unit if that Owner fails to pay their assessments. The lien shall include the amounts of the delinquent assessment, interest, late fees, penalties, collection costs, and attorney fees. In addition, under ORS 100.475(1), the delinquent Owner shall remain personally liable for all delinquent assessments and associated charges and fees.

10. **Notice of Special Assessment Amount**. The Board of Directors shall distribute a copy of this Resolution to each Owner, which shall serve as notice of the special assessments payable by such Owner.

11. **Discretion to Record Notice of Special Assessment**. To the extent it is deemed necessary or appropriate, the Board of Directors may record a notice of the special assessment in the records of Multnomah County.

12. **True Up**. If the final amount due for the repairs is more than the stated special assessment amount, the assessment shall be "trued up" by adjusting the share of the assessments for each Unit to reflect the Owner's share of the final balance.

~~Joanna Ponce (Jun 9, 2025 14:03 PDT)~~ 06/09/2025

President Date

Laura Miller

Laura Miller (Jun 9, 2025 14:16 PDT) 06/09/2025

Secretary Date