

NORBECK HILLS HOMEOWNERS ASSOCIATION
ADMINISTRATIVE RESOLUTION FOR THE
COLLECTION OF DELINQUENT ASSESSMENTS

Adopted: November 18, 2004
Amended: February 10, 2011
Effective: April 1, 2011

Whereas, Article V, Section 3 of the By-Laws grants the Board of Directors the power to conduct the affairs of the Association which are granted by law and the Norbeck Hills Homeowners Association Documents; and

Whereas, Article VI, Section 1 of the Declaration of Covenants, Conditions and Restrictions establishes remedies for the nonpayment of assessments; and

Whereas, there is a need to establish orderly procedures for the collection of assessments which remain unpaid past their due date; and

Whereas, it is the intent of the Board to establish steps for the collection of delinquent assessments in accordance with the Maryland Contract Lien Act;

Now Therefore, Be It Resolved that the procedure for the collection of delinquent assessments be as follows:

1. Any assessment payment not received by the management company by the due date shall be termed delinquent. The due date is defined as the first day of each calendar month.
2. If the assessment payment is not received by the management company within fifteen (15) days after the due date, a Notice of Delinquency shall be mailed by the management company to the owner of the property to the owner's last known address. A late charge (currently \$10.00) and an administrative fee for the issuance of the Notice of Delinquency (currently \$5.00) will be due in addition to the assessment.
3. If payment in full of the balance due is not received by the management company within forty-five (45) days of the original assessment due date, a Notice of Intention to Create a Lien shall be mailed by the management company or a designated representative of the Association to the owner of the property by certified mail, return receipt requested, to the owner's last known address. In addition, the management company or the designated representative of the Association will assess an administrative fee (currently \$35) as a cost of collection.
4. The Certified Notice of Intention to Create a Lien shall include:
 - The name and address of the party seeking to create the lien;
 - A statement of intent to create a lien;
 - An identification of the contract;
 - The nature of the alleged breach;
 - The amount of damages;
 - A description of the property against which the lien is intended to be imposed sufficient to identify the property, and stating the County or Counties in which the property is located; and

- A statement that the party against whose property the lien is intended to be imposed has the right to a hearing under Subsection (C) of Section 14.203 of the Maryland Contract Lien Act.
5. Within thirty (30) days of receipt of the Certified Notice, the property owner may seek to obtain judicial determination as to the appropriateness of the intended lien. If the management company or the Association's designated representative has not received full payment of delinquent assessments or has not been notified by the Circuit Court of the County within thirty (30) days of receipt of the Certified Notice, a Statement of Lien will be filed among the Land Records of the County or Counties in which the property is located.
 6. The Lien will secure the payment of:
 - Damages as defined in Section 14-201(C)(1) of the Maryland Contract Lien Act;
 - Costs of collection;
 - Late charges permitted by law; and
 - Attorney's fees.
 7. Payments made by homeowners or their agents to their Association accounts shall be applied in the following order regardless of any notations on the payment stub, check or other correspondence accompanying payments:
 1. Administrative Fees
 2. Collection Costs
 3. Attorney Fees
 4. Miscellaneous Charges (e.g. reserved parking revocation fees)
 5. Late Fees
 6. Interest
 7. Special Assessments
 8. Assessments
 8. Property owners whose assessments are delinquent may be turned over to counsel for legal proceedings as specified in Article VI, Section I of the Norbeck Hills Homeowners Association Declaration. Delinquent property owners will be responsible for all costs associated with legal proceedings.
 9. Pool passes will be withheld prior to the pool season and/or pool privileges will be revoked for those owners with an account balance equal to or greater than two months' assessments. Pool privileges will be restored after the owner's account is brought current.
 10. Reserved parking privileges may be revoked if any balance is due to the Association equal to or greater than the amount of two months' assessments. The cost to revoke and reinstate reserved parking privileges will be assessed to the unit owner and must be paid before reserved parking privileges are reinstated.

Adopted by the Board of Directors this 10th day of February, 2011.

/s/ Jacque Labovitz, Secretary
Board Signature

2/10/11
Date