

RULE NO. 1994-6

A Rule Pertaining to Delinquency Procedures

WHEREAS, Article III, Section 1(D)(c) of the By-Laws for the Stockbridge at Tanglewood Condominium ("Condominium") provides that the Board of Directors shall make assessments against the owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments, and establish the period of the installment payment of such assessments; and

WHEREAS, Article VI of the By-Laws for the Condominium provides that the Board of Directors shall make assessments on an annual basis payable in twelve (12) equal monthly installments, but may accelerate said assessment upon default in the payment of any one or more installments; and

WHEREAS, the Board or Directors has found it advisable to memorialize its delinquency procedures for the benefit unit owners in the Condominium; and

WHEREAS, these Rules were adopted at a regularly scheduled monthly meeting of the Board of Directors for the Condominium.

NOW, THEREFORE, it is resolved by the Board of Directors that the following delinquency procedures are adopted by the Condominium:

1. Monthly Assessments.  
Assessments shall be paid in twelve (12) equal monthly installments on the first day of each month beginning with the first day of the first month of the fiscal year for which the budget applies.
2. First Month Late Fee.  
A late fee of Fifteen Dollars (\$15) shall be assessed against any homeowner whose monthly installment is not received within fifteen (15) days from the first day of the month.
3. First Month Late Notice.  
The management agent will send a late notice for any assessment which is not received within fifteen (15) days after the first day of the month in which it is due.
4. On-Going Late Fees.  
On-going late fees of Fifteen Dollars (\$15) monthly will be assessed on the fifteenth day of each month during which a delinquency remains outstanding.
5. Second Month Late Notice.

The management agent will send a second late notice for any monthly installment which is not received within forty-five (45) days after the first day of the month on which it is due.

6. Third Month Referral to Attorney.  
The management agent will refer any assessment which is not received within seventy-five (75) days after the first day of the month on which it is due to the Association's attorney for collection.
7. Third Month Notice of Lien.  
A certified notice of intent to create a lien will be sent by the Association's attorney to the unit owner for any assessment which has not been received within seventy-five (75) days after the first day of the month on which it was due and the costs of collection and attorney's fees will be added to the unit owner's account.
8. Acceleration Notice to Chronic Delinquents.  
An acceleration notice will be sent by the Association's attorney to the unit owner for any assessment which has not been received within seventy-five (75) days after the first day of the month on which it was due where the unit owner's account had previously been sent to the Association's attorney for collection activity within the previous twenty-four (24) months. The acceleration notice will advise the unit owner receiving such notice that their dues have been accelerated through the end of the fiscal year and the entire balance of the unpaid annual assessment shall become due and payable.
9. Acceleration Notice to Non-Chronic Delinquents.  
In the case of unit owners whose accounts have not been sent to the Association's attorney for collection activity within the previous twenty-four (24) months, an acceleration notice will be sent by the Association's attorney to the unit owner if payment is not received within thirty (30) days of receipt of the certified notice of intent to create a lien. The acceleration notice will advise the unit owner receiving such notice that their dues have been accelerated through the end of the fiscal year and the entire balance of the unpaid annual assessment shall become due and payable.
10. Lien Filing.  
If any assessment remains due and payable thirty (30) days after receipt of the certified notice of intent to create a lien, a lien will be initiated on the property and the unit owner will be responsible for any attorney's fees and filing fees incurred in collecting said dues, pursuant to the provisions of Article VI, Section 7 of the By-Laws for the Condominium.
11. District Court Suit and/or Foreclosure.  
If payment is not received within sixty (60) days from the date the lien has been filed against the property for which a delinquent assessment remains unpaid, a District Court suit will be initiated by the Association's attorney to collect any

monies owed by said unit owner, including any attorney's fees and filing fees incurred in collecting same. In addition the Association retains the option of pursuing foreclosure or other legal remedies against any property on which a lien has been filed to enforce collection of any unpaid assessments.

Adopted by the Board of Directors on the \_\_\_\_\_ day of \_\_\_\_\_, 1994.

Robert Hamilton, President  
Stockbridge at Tanglewood, Council of Unit Owners

STATE OF MARYLAND )  
COUNTY OF MONTGOMERY ) TO WIT:

I HEREBY CERTIFY that on this \_\_\_ day of \_\_\_\_\_, 1994, before the subscriber, a Notary Public of the State and County aforesaid, personally appeared ROBERT HAMILTON, known to me to be the person who has placed his mark to the within instrument, and did acknowledge that he is the President of the Stockbridge at Tanglewood Condominium and that the foregoing Rule No. 1994-6 was adopted by a majority vote of The Board of Directors at a regular meeting of the Board of Directors for the Stockbridge at Tanglewood Condominium on the \_\_\_\_\_ day of \_\_\_\_\_, 1994.

IN TESTIMONY WHEREOF, I have affixed my official seal the date above written.

Notary Public

My Commission Expires: