

AMERICANA CENTRE CONDOMINIUM, INC.

POLICY RESOLUTION Collections

(Policy and Procedures Concerning the Collection of Charges, Fees, and Assessments)

WHEREAS, Article V, Section 3 of the By-laws of Americana Centre Condominium, Inc. (hereinafter referred to as "By-laws" and "Council" or "Corporation," respectively) states that "The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Corporation and the condominium project and may do all such acts and things as are not by law or by these By-laws directed to be exercised and done by the members; and

WHEREAS, Article IX of the By-laws states that all members shall pay an annual assessment in monthly installments to the Council to pay each members proportionate share of the Corporation's annual expenses; and

WHEREAS, Article IX, Section 2 of the Bylaws authorizes the Board of Director so levy a special assessment or assessments; and

WHEREAS Article IX, Section 4 of the By-laws states that if an assessment or installment thereof not paid when due shall, together with the interest and cost of collection thereof shall be a lien on the unit and shall be the personal obligation of the member; and

WHEREAS, Section 11-110(e)(2) of the Maryland Condominium Act states that a late charge of \$15.00 or one tenth of the total amount of any delinquent assessment or installment, whichever is greater, may be assessed once for each delinquent payment and the delinquency has continued for 15 days; and

WHEREAS Article IX, Section 4 of the By-laws states that any assessment levied pursuant to the Master Deed or By-laws which is not paid within 5 days of the due date shall bear interest at a rate not to exceed eight percent (8%) per annum; and

WHEREAS, Article IX, Section 4 of the Bylaws further provides that interest, costs and reasonable attorneys' fees of not less than 20% of the sum claimed shall be added to the amount of each assessment; and

WHEREAS, Article IX, Section 6 of the Bylaws states that upon the default in the payment of any one more installments of any assessment levied pursuant to the Master Deed or By-laws, the entire balance of the assessment may be accelerated at the option of the Board of Directors and declared due and payable in full; and

WHEREAS, the Board has determined that it is in the best interest of the Council to update its formal collections policy, and;

WHEREAS, there is a need to establish orderly procedures for the billing and collection of said assessments;

NOW THEREFORE, BE IT RESOLVED THAT the Board duly adopts the following assessment procedures:

I. ROUTINE COLLECTION PROCEDURES

- A. All Assessments shall be due and payable on or before the 1st of each month, and all installments of any special assessments shall be due and payable on the date or dates specified in the notice of such assessment delivered or mailed to the members (collectively "Due Date"). The Board shall retain authority to permit the payment of any special assessment on a monthly, quarterly, semi-annual basis or annual basis.
- B. All documents, correspondence, and notices relating to assessments or other charges shall be mailed to the address which appears on the books of the Council or to such other address as is designated in writing by the member. Each non-resident member shall furnish the Council's managing agent with an address where the member will at all times promptly and regularly receive mail. Any failure by a member to claim a certified mailing sent by the Council will not invalidate the notice issued by the Council.
- C. Non-receipt of payment coupons shall in no way relieve a member of the obligation to pay the amount of any assessment by the applicable Due Date.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

- A. Any assessment, or installment thereof, not paid within fifteen (15) days after the applicable Due Date shall incur a late fee in the amount of one tenth (1/10) of the installment, or the assessment if it is due in one payment, and interest shall be assessed at eight percent (8%) per annum until the balance is paid in full.
- B. A "Late Notice" shall be sent to any member who has not paid any assessment in full by the close of business 10 days after the applicable Due Date.
- C. No additional notice of the imposition of interest, late fees, and cost of collection charges will be provided to a member other than the Late Notice. Any interest, late fees, and/or cost of collection charges imposed shall be the member's personal obligation and shall constitute a lien upon the Unit of the defaulting member.
- D. If a check is returned to a member because it has been improperly filled out (including, but not limited to missing signature, amounts do not match, postdated) and is not resubmitted to the Council within 15 days after the applicable Due Date, the late fee, interest and any cost of collection charge will be assessed to such member's account.
- E. If a member defaults in paying any sum properly assessed by the Council against such member's unit, which default continues for a period in excess of 15 days after notice

from the Council or counsel for the Council, all remaining installment payments for that assessment shall be accelerated, and the entire balance of the applicable assessment shall be due and payable in full.

- F. If a member's check is not honored and is returned to the Council, a \$25.00 returned check charge shall be assessed against such member which shall be in addition to any applicable late fees, interest and cost of collection charges.
- G. Counsel for the Council shall take appropriate legal action as reasonably directed by the Board, including but not limited to filing a lawsuit and foreclosing on the Council's liens.
- H. If the Council receives from any member, in any accounting year, two or more returned checks for payments of such member's assessments or other payments, the Board may require all future payments to be made by certified check or money order for the remainder of such accounting year.
- I. All costs of collection incurred by the Council as a direct result of any default specified herein shall be specifically assessed against such member and such member's unit as permitted herein. Such costs include, without limitation, actual legal or administrative expenses, including costs for letters sent by management and private process server charges (regardless of whether suits or liens are filed) resulting from a member's failure to pay any assessment when due or from any other default by such member as provided herein.
- J. Once an account has been referred to the Council's attorney for collection, payments received towards the account will be credited in the following order of priority:
 - 1. Charges for attorney's fees and costs.
 - 2. Late fees.
 - 3. Cost of collection charges.
 - 4. All interest accrued.
 - 5. All other charges incurred by the Council as a result of any default hereunder.
 - 6. Any assessment due for each unit, including any special assessment thereon.
- K. This resolution supersedes and replaces all prior resolutions related to the collection of assessments.

The effective date of this Resolution shall be November 19, 2015

This resolution was adopted pursuant to §11-111 of the Maryland Condominium Act.

AMERICANA CENTRE CONDOMINIUM, INC.

RESOLUTION ACTION RECORD

Resolution Type Policy Collections

Pertaining to: Policy and Procedures Concerning the Collection of Charges, Fees, and Assessments

Duly adopted at a meeting of the Board of Directors of Americana Centre Condominium, Inc. held November 19, 2015.

Motion by: George Franklin Seconded by: Don Andrews

OFFICER	TITLE	YES	NO	ABSTAIN	ABSENT
Virginia Olney	President	X			
John Becker	Board Member	X			
Patricia Gill	Vice President	X			
George Franklin	Treasurer	X			
Michael Bowen	Secretary				X
Debbie Jackson	Board Member	X			
Don Andrews	Board Member	X			

ATTEST:

Virginia Olney 11/19/2015
Secretary, Date
Board President