

**RESOLUTION OF THE BOARD OF DIRECTORS OF
SNOWDEN OVERLOOK COMMUNITY ASSOCIATION**

(Procedures Relative to Assessments, Collection of Routine
and Special Assessments as well as Delinquent Payments)

WHEREAS, Article Vi, Section 6.1 of the Declaration creates an assessment obligation for the owners of Units within Snowden Overlook Community Association ("SOCA"), which is a continuing lien on the unit and a personal obligation of the owner; and,

WHEREAS, Article V, Section 5.19 of the By-Laws grants the Board of Directors the authority to fix an assessment to each unit and enforce payment of assessments by means of, inter alia, foreclosing the lien against any Lot for which assessments are not paid.

WHEREAS, Article VI, Section 6.13 of the Declaration provides that Board of Directors has the authority to charge interest, when unit owner has not paid the community assessment 30 days after the "Delinquency Date". Such interest shall be at a rate of eighteen percent (18%) per annum, charging a late fee in the amount of fifteen dollars (\$15.00), or one-tenth (1/10) of the amount of the assessment, whichever is greater, and bringing an action at law against the owner personally obligated to pay the same, whereby the owner would be responsible for the reasonable attorney's fees and costs associated with such action, and,

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

WHEREAS, the Board of Directors desires to establish these procedures in conformity with the Declaration, the By-Laws, the Maryland Contract Lien Act, and as otherwise provided by law.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors, on behalf of Snowden Overlook Community Association duly adopts the following assessment and collection procedures:

1. **ASSESSMENTS**: Each owner's annual assessment is due on the first day of January; however, for the convenience of owners, the annual assessment may be paid in equal monthly installments on the first day of each month, unless otherwise permitted by the Board of Directors.

Notices, documents and all correspondence relating to assessments shall be mailed to the address which appears on the books of the Association. It is each owner's responsibility to inform SOCA's management agent, in writing, of any address change.

2. **DELINQUENCY**: If an owners chooses to pay the annual assessment by means of the monthly payment plan, an owner's account is delinquent if the monthly installment is not received by SOCA's managing agent within fifteen (15) days after the installment due date. If payment in full is not received within fifteen (15) days after written notice of such default, the owner will not be permitted to utilize the monthly payment plan for the remainder of the fiscal year in that event the owner's entire annual assessment will become immediately due and payable.

3. **LATE FEES AND INTEREST**: A delinquent account which is not paid within thirty days after the installment due date will be assessed a late fee charge of fifteen dollars (\$15.00) or one tenth of the total amount of any delinquent assessment or installment, whichever is greater. A late fee shall be charged on the monthly assessment each month that the account remains delinquent. A delinquent

account shall bear interest on the unpaid balance from the due date, until paid, at the rate of eighteen (18%) per annum. In the event that a check submitted by a Unit Owner is dishonored, a \$25.00 returned check charge and any related bank charges will be assessed against the account of the unit owner responsible for payment if the payment is returned. In addition, Unit Owners will be assessed fees, pursuant to the Schedule which may be adopted by the Board of Directors from time to time, for correspondence which is sent by SOCA's management agent notifying the Unit Owner of the delinquency and for correspondence referring the matter to the SOCA's legal counsel for collection.

4. LATE NOTICES: If full payment of an assessment is not received by SOCA's managing agent within (15) days after the due date, the managing agent will send a delinquency notice to the owner by first class mail requesting immediate payment, advising the owner of the late fee and advising the owner that interest has begun to accrue on the unpaid balance at the rate of eighteen percent (18%) per annum. The late notice shall also inform the owner that if payment is not received within (15) days of the date of the letter, the owner's assessment will be accelerated through the fiscal year and the account will be forwarded to SOCA's attorney for collection.

5. NOTICE OF INTENT TO CREATE LIEN AND ATTORNEY'S FEES: If an account is forwarded to SOCA's attorney for collection, a Notice of Intent to Create a Lien will be forwarded to the delinquent owner by means of first class and certified or registered mail, return receipt requested, to the owner's address on SOCA's books or by personal delivery or as set forth in the Maryland Contract Lien Act.

The Notice of Intent to Create a Lien will inform the delinquent owner of the amount of the outstanding balance, including all past due assessments, interest, late fees, costs of collection and all attorney's fees actually incurred. The Notice of Intent to Create a Lien will conform with the requirements of the Maryland Contract Lien Act and all other applicable laws.

6. LEGAL ACTION: Once a delinquent owner has been served with the Notice of Intent to Create a Lien, the delinquent owner must, within 30 days of service of the lien warning letter, either forward payment in full or file a complaint in the Circuit Court for Howard County to determine whether probable cause exists for SOCA to file a Lien.

Once a lien has been filed, SOCA's attorney will proceed with further legal action, including but not limited to, foreclosing on the owner's property, and/or filing a lawsuit against the owner in order to collect the past due amounts owed to SOCA.

7. PAYMENTS CREDITED: Payments received from an owner will be credited to the outstanding balance in the following order:

- a. Court costs, attorney's fees and other costs of collection
- b. Fines, late fees, accrued interest, and other charges as applicable
- c. Special assessments
- d. Annual assessments.

8. PARTIAL PAYMENTS: In the event an owners attempts to make a payment of less than all monies due and owing to SOCA after collection proceedings have commenced, SOCA's attorney may send a letter by first class mail to the owner advising the owners that the payment was applied in accordance with Paragraph 7, hereof, and that his or her account remains delinquent as to all remaining monies owed to SOCA. SOCA's retention of the partial payment does not constitute a waiver of the

Board's authority to foreclose on the owner's property or take action against the owner to collect the outstanding balance.

1/23/2012
Date

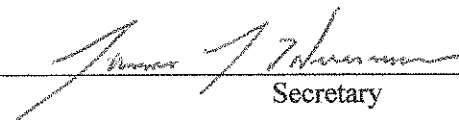

President

I hereby certify this Policy Resolution was duly adopted by the Board of Directors on _____ and that I caused this Resolution to be mailed, or hand delivered to the Unit Owners within the Snowden Overlook Community Association on this _____ day of _____, 20__.

This policy resolution shall become effective on _____, 20__.

Attest:

1/23/2012
Date


Secretary