Section 3. - Sample Provision Excerpt (Public Preview)

In addition to keeping all lots maintained, grass must NOT exceed
(6) six inches in length. If the grass reaches (6) six inches in height, a letter will be mailed to the OWNER of the lot stating a date by which the grass must be cut. If the grass is not cut by this date, CPOA will have the right to hire a grass cutting service to cut the grass. The cost of this service and an additional ($25.00) twenty-five dollar penalty per cut will be added to the OWNER'S annual assessments. 4/17/2011

ISSUE #1

MARKUP #1 ->

MARKUP #1 · MANDATORY RESERVE & DEFICIT DISCLOSURE — BOARD & COUNSEL REVIEW

Sec. 3. (p. 3): Governing documents omit the Maryland HB 107 mandatory 5-year replacement reserve study requirement and statutory mandate to budget the full recommended reserve funding amount.

Statutory / Legal Reference: Md. Code, Real Prop. § 11B-112.2 & § 11B-112.3 (Maryland HOA Act)

Statutory Comparison: Under Md. Code, Real Prop. § 11B-112.2 & § 11B-112.3 (Maryland HOA Act) (Maryland HB 107), every Maryland condominium, cooperative, and HOA with common components costing at least $10,000 must obtain an independent replacement reserve study updated at least every 5 years and must budget the full annual reserve funding amount recommended in the most recent reserve study.

CURRENT WORDING IN DOCUMENT:

In addition to keeping all lots maintained, grass must NOT exceed
(6) six inches in length. If the grass reaches (6) six inches in height, a letter will be mailed to the OWNER of the lot stating a date by which the grass must be cut. If the grass is not cut by this date, CPOA will have the right to hire a grass cutting service to cut the grass. The cost of this service and an additional ($25.00) twenty-five dollar penalty per cut will be added to the OWNER'S annual assessments. 4/17/2011

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Pursuant to Md. Code, Real Prop. § 11B-112.2 & § 11B-112.3 (Maryland HOA Act), the Board of Directors shall obtain an independent replacement reserve study updated at least once every five (5) years and shall include in the annual budget the full reserve funding amount recommended in the most recent reserve study, notwithstanding any assessment cap in the Governing Documents.