

Section C - Sample Provision Excerpt (Public Preview)

The immediate past-President shall become a member of the Board for a one-year term, unless they decline the role or were removed from office.

ISSUE #1



MARKUP #1 ->



MARKUP #1 · MANDATORY RESERVE & DEFICIT DISCLOSURE

BOARD & COUNSEL REVIEW

**Sec. C (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:**

The immediate past-President shall become a member of the Board for a one-year term, unless they decline the role or were removed from office.

**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...**