

Section C - Sample Provision Excerpt (Public Preview)

If an action is filed by the Association to foreclose on a recorded Statement of Lien, payment of the delinquent account may be accepted and applied in accordance with this policy above at any time until completion of the auction of the property under foreclosure.

ISSUE #1



MARKUP #1 ->



MARKUP #1 · MANDATORY RESERVE & DEFICIT DISCLOSURE

BOARD & COUNSEL REVIEW

Sec. C (p. 4): 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:

If an action is filed by the Association to foreclose on a recorded Statement of Lien, payment of the delinquent account may be accepted and applied in accordance with this policy above at any time until completion of the auction of the property under foreclosure.

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...