

**OLNEY OAKS SINGLE FAMILY
HOMEOWNERS ASSOCIATION, INC.
P.O. Box 293, Olney, MD 20830**

**RULE NO. 2008: 1
MAINTENANCE ASSESSMENT COLLECTION PROCEDURES**

WHEREAS, Article VI, paragraph (A) of the Amended Declaration of Covenants and Restrictions of the Olney Oaks Single Family Homeowners Association, Inc. (hereinafter the "Association") dated March 25, 2004 and recorded on May 3, 2004 in Liber 27334 at Folio 736, (hereinafter the "Declaration") states that each member, by acceptance of a deed conveying title to property subject to this Declaration, whether or not it shall be so expressed in any deed or conveyance, shall be deemed to covenant and agree to pay the Association, in advance, the member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expense; and

WHEREAS, Article VII of the Declaration dated March 25, 2004 and recorded on May 3, 2004 in Liber 27334 at Folio 738, states that any assessment levied pursuant to this Declaration, or any installment thereof, which is not paid on the date when due shall be called delinquent and shall, together with a late payment penalty set by the Board of Directors, the cost of collection thereof and reasonable attorneys' fees, become a continuing lien upon the lot or lots belonging to the member against whom such assessments is levied and shall bind such lot or lots in the hands of the then owners, his or her heirs, devisees, personal representatives and assigns, and the Association may place a lien on the property or foreclose on the lien against the Lot in the name provided in the Maryland Contract Lien Act, or as may otherwise from time to time be provided by law; and

WHEREAS, in furtherance of these provisions of the Declaration, the Board of Directors for the Association is desirous of adopting a rule defining maintenance assessment collection procedures, and repealing and replacing any previous statements of procedures.

NOW, THEREFORE, the Board of Directors for the Association hereby adopts the following procedures:

1. The fiscal year for the association is defined as July 1 to June 30. The annual maintenance assessments are collected at the beginning of the fiscal year.
2. The Board of Directors will establish the amount of the assessments due at a Board meeting prior to the start of the next fiscal year. The assessment amount will be based on the annual budget approved at the meeting, including both short-term and long-term maintenance requirements. Each member of the association will pay an equal proportionate amount. A differential may be assessed for townhouse members to cover any common maintenance costs that are unique to the townhouse area.
3. Members will be notified in writing on or about June 1 that the assessments are due by July 1. The notification will include the amount owed, any amount owed from a prior period, the payment procedures, and a copy of the approved annual budget.

4. A late fee of \$15 applies to any payment postmarked after July 1. A second letter will be sent on or about July 2 to any member whose payment has not been received prior to the date of the mailing. The letter will include notification of the assessment of the late fee and state that payment is due immediately.
5. A third and final notice will be sent on or about August 1 to any member whose payment has not been received prior to the date of the mailing. This letter will specify that it is the final notification to be sent by the Association and that failure to pay the assessment and late fee will result in legal action up to and including placement of a lien against the homeowner's property. The letter will include an estimate of the additional costs that may be incurred if legal proceedings are initiated.
6. Collection will be turned over to the Association's attorney if payment is not received by August 31. The homeowner will be liable for all costs associated with the attorney's collection procedures. If the delinquency remains unpaid thirty days after a lien has been placed on the property, the Association may pursue other legal remedies, including but not limited to a suit to recover a money judgment for non-payment of the assessment, including the costs of collection, late fees and any attorney fees incurred by the Association.

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This is to certify that a meeting of the Board of Directors for the Olney Oaks Single Family Homeowners Association was duly called on November 5, 2008, and a majority of the Board voted in favor of this Rule.