

COLLECTION POLICY

In Accordance with Mutual 14 Bylaws Article VIII,
Sections 5, 6, 7 & 8, pages 17 - 21.

Recurring Assessments (e.g. condominium fees):

The following steps will be taken in the event of non-payment of condominium fees, late fees, and penalties assessed against the unit owner:

1. The condo fee is delinquent on the 16th day of the month. The Mutual Accountant will send a 15-day demand for payment.
2. When the account is 30 days delinquent, the Board of Directors will vote at the next scheduled board meeting to initiate lien proceedings.
3. The attorney of record will send a Notice of Intent to File a Lien, which allows the unit owner 30 days from the date of the Notice to satisfy the delinquency.
4. If the amount due is not satisfied within the 30 days specified in the Notice, a Lien will be filed for the delinquent amount, interest on the delinquent balance, accelerated fees as allowed by law, attorney's fees, and all other collection costs.
5. If the lien is not satisfied within 15 days of the filing and recording, the Board of directors, at its next meeting, will consider filing a civil suit or foreclosure on the property.

Non-Recurring assessments (e.g. repairs or insurance claims):

In the event the Board of Directors passes a resolution to charge the unit owner with the costs of repairs as permitted by the Maryland Condominium Act, Section 11-114 (g)(2)(iii), *Insurance coverage/Repair or reconstruction*, or Mutual 14 Bylaws, Article, XIV, Physical Management, Section 1, *Management and Common Expenses*, and those costs are not paid by the due date, the following steps will be taken:

1. A letter will be sent citing the occurrence and including the supporting governing document(s), demanding payment within 30 days and offering the owner the opportunity for appeal and/or a payment plan.
2. During this 30-day period,
 - a) The owner may appeal the charge in accordance with the procedures listed in the Mutual 14 Rules and Regulations (2019 edition), "Resolution of Disputes brought by Owners", page 21.
 - b) The owner may request a payment plan that requires:
 - i. payments in equal monthly installments,
 - ii. payment in full within six months of the time the plan was approved. An extension of an additional six months may be considered.

- iii. a confessed judgment Promissory Note signed by all legal owners of the unit before a Notary Public,
 - iv. acknowledgment that any breach in the payment plan will occasion the immediate filing of a lien, and
 - v. the approval of the Board of Directors;
3. If there is no action and the account remains delinquent after 30 days, the Board of Directors at its next regularly scheduled meeting will vote to initiate lien proceedings.
4. The attorney of record will send a Notice of Intent to File a Lien, which allows the unit owner 30 days from the date of the Notice to satisfy the delinquency.
5. If the amount due is not satisfied within the 30 days specified in the Notice, a Lien will be filed for the delinquent amount, interest on the delinquent balance, accelerated fees as allowed by law, attorney's fees, and all other collection costs.
6. If the lien is not satisfied within 15 days of the filing and recording, the Board of Directors, at its next meeting, will consider filing a civil suit or foreclosure on the property.

Approved by the Mutual 14 Board of Directors
Resolution #156
December 17, 2019