



**COURTYARD AT THE POND A
CONDOMINIUM ASSOCIATION, INC.
FOREST HILL, MD**

Delegate Steve Johnson (District 34A)
House Office Building, Room 215
6 Bladen Street, Annapolis, MD 21401

Dear Delegate Johnson,

This letter is in support of the proposed amendments to House Bill 1519 entitled Homeowners Associations-Lien Priority.

Under the current law, associations liens have priority over a claim of the holder of a first mortgage or a first deed of trust that is recorded against the lot or unit on or after October 1, 2011. However, the priority is limited to four months of assessments and a limit of \$1,200. Under this provision our association can only collect \$880.00 where in certain situations unit owners are in arrears amounting to thousands of dollars.

The amended section (D) (1) and (2), in House Bill 1519 provides additional protection for homeowner and condominium associations when monthly assessments are not paid for several years. In the event of a foreclosure, the amendments provide for the amount of the remaining liens to be paid to the associations before the disposition of any funds to the unit or lot owner.

The Courtyard at the Pond A Condominium Association, Inc. in Forest Hill, Maryland consists of eight buildings and 96 units on two private streets. Our association has contracted for two Capital Reserve Studies by engineering firms since 2010 to guide us in allocating sufficient funds to maintain and make necessary repairs and replacements to the elements of our buildings and grounds. Approximately 22% of the monthly assessments are placed in the Reserve Capital Fund each year to achieve these goals.

Long-term delinquencies shortchange contributions to the reserve funds, affect the ability of the association to maintain common areas, and place additional financial burdens on unit owners in good standing. The passage of House Bill 1519 will fill

that financial gap and make it possible for homeowners and condominium associations to protect the investment of its members

Respectfully submitted,

John E. Barham

Treasurer

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