

ASSOCIATION

TEMPORARY FINANCIAL HARDSHIP ACCOMMODATION FOR PAYMENT OF  
COMMON EXPENSE ASSESSMENTS

Recitals

**WHEREAS**, as a result of the outbreak of disease ("COVID-19"), on March 5, 2020 (renewed on March 17, 2020), the State of Maryland issued a proclamation that a state of emergency and catastrophic health emergency exists within the entire state of Maryland; and

**WHEREAS**, on March 30, 2020, the Governor of the State of Maryland issued an executive order (amending and restating the prior March 23, 2020 Order) closing all non-essential requiring all persons to stay at home in accordance with the Order; and

**WHEREAS**, as a result of COVID-19, the state of emergency, the closing of non-essential businesses, and the stay at home order, many of the Members within \_\_\_\_\_ Association, \_\_\_\_\_. (the "Association") have undergone extreme hardship; and

**WHEREAS**, Article\_\_\_\_, Section \_\_\_\_\_ of the Declaration of Covenants. Or Article\_\_\_\_, Section \_\_\_\_\_, of the By-Laws, provides in pertinent part that in regards to the Annual Assessment, the Board of Directors shall set the Annual Assessment at a level which is reasonably expected to produce revenue for the Association equal to the total budget Common Expenses; and

**WHEREAS**, the fiscal year for the Association is a calendar year; and,

**WHEREAS**, the Board of Directors, in light of the state of emergency, has deemed it necessary to offer a temporary accommodation to Members experiencing a financial hardship as a result of the pandemic affecting their ability to pay Common Expense Assessment installments during the pandemic emergency;

**NOW THEREFORE**, IT IS HEREBY RESOLVED THAT, the Board of Directors adopts the following resolution:

- I. Members seeking a temporary deferment of their obligation to pay Common Expense Assessment installments due to the pandemic emergency must submit a written request for a temporary financial hardship accommodation to the Board of Directors in the form attached as **Exhibit A** or a substantially similar document. Members shall submit documentation to support a financial hardship such as letter from an employer detailing a layoff, furlough or termination; proof of an unemployment filing and determination; ownership interest in and closing of a non-essential business; or other substantiating documentation. Only one hardship exception request will be considered per household. The Board of Directors may

ask for additional representations from the Member if documentation submitted is insufficient to support the request.

- II. Requests for temporary accommodation for a financial hardship will be considered promptly and responses sent consistent with the following general formula:
  - a. Members who are not already delinquent or have not already been turned over to counsel for collection action will be provided with a limited waiver of late fees and a reasonable repayment plan for Common Expense Assessment installments they cannot pay based upon their individual circumstances related to the pandemic emergency.
  - b. At the end of the pandemic, the Association will review further accommodation requests for payment of Common Expense Assessment installments due to a financial hardship resulting from the pandemic emergency on a case by case basis.
  - c. If the Association grants an accommodation to a Member, the Member will be required to sign a written agreement detailing plans of repayment of the Common Expense Assessment installments in a form provided by the Association.
  - d. The Association will not undertake any foreclosure actions based upon non-payment of Common Expense Assessment installments until emergency orders related to the pandemic issued in Maryland have been suspended.
- III. This Resolution shall only affect the Common Expense Assessment installments that come due between April 1, 2020 and December 31, 2020. Any amounts owed prior to this period are not deferred and the Association shall continue to collect these amounts in accordance with its collections policies.
- IV. This Resolution shall only apply to the Common Expense Assessment and shall not be applicable to any other type of assessment, fee, or cost under the Association's governing documents, such as, but not limited to, additional assessments and individual assessments.



## **EXHIBIT A**

### **Request Form for Temporary Financial Hardship Accommodation for Payment of Common Expense Assessments**

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Amount of Monthly Assessment:** \_\_\_\_\_

**Reason for Request for Financial Hardship Accommodation for Payment of Common  
Expense Assessments:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Please attached supporting documentation for your request such as a letter from an employer detailing a layoff, furlough or termination; proof of an unemployment filing and determination; ownership interest in and closing of a non-essential business; or other substantiating documentation.**

\_\_\_\_\_

#### **Member Certification**

By my signature below, I acknowledge that I, \_\_\_\_\_, am a member of \_\_\_\_\_ Association \_\_\_\_\_ and that the information provided above is true and accurate. I am unable to pay my Common Expense Assessment installments for the reasons provided above. There is no other member of my household that can make the required payments. I understand that my temporary financial hardship accommodation request applies only to Common Expense Assessments that become due from April 1, 2020 through December 31, 2020.

\_\_\_\_\_  
Member's Printed Name

\_\_\_\_\_  
Member's Signature & Date

ASSOCIATION,

**RESOLUTION ACTION SHEET**

**POLICY RESOLUTION NO.** \_\_\_\_\_

**TEMPORARY FINANCIAL HARDSHIP ACCOMMODATION FOR PAYMENT OF  
ASSESSMENTS**

Resolution No.: \_\_\_\_\_

Duly adopted at a meeting of the Board of Directors held on \_\_\_\_\_, 2020

Motion By: \_\_\_\_\_ Seconded By: \_\_\_\_\_

	<b>Vote:</b>	Yes	No	Abstain	Absent
_____ Director		_____	_____	_____	_____
_____ Director		_____	_____	_____	_____
_____ Director		_____	_____	_____	_____
_____ Director		_____	_____	_____	_____
_____ Director		_____	_____	_____	_____

ATTEST: \_\_\_\_\_ Date: \_\_\_\_\_  
Secretary

File:

Book of Minutes: \_\_\_\_\_, 2020

Resolution Effective: \_\_\_\_\_