

NORTH GATE COMMUNITY ASSOCIATION, INC.

Policy and Administrative Resolution (Assessment Collection Procedures)

WHEREAS, Article 8, Section 1 of the Declaration of Covenants, Conditions and Restrictions ("Declaration") creates an assessment obligation for Owners; and,

WHEREAS, Article 8 of the Declaration empowers the Board of Directors to make assessments against Owners; and,

WHEREAS, Article 8, Sections 9 and 8(b) of the Declaration provides that any Monthly Escrow Payment not paid when due on the first of each month shall be delinquent and shall bear interest at twelve percent (12%) per annum and shall cause the immediate acceleration of the entire unpaid Estimated Annual Assessment, which shall be a lien; and further that the Board of Directors has previously established a late charge of Fifteen Dollars (\$15.00), and desires to maintain the late fee at that level; and,

WHEREAS, the Board of Directors has determined that it is in the best interest of the Association to set forth a collection policy and set forth the time at which an account is referred for legal actions; and

WHEREAS, Article 12, Section 12.1 (e) of the Declaration provides that if an Owner defaults in paying any sum assessed against his Lot, interest from the due date at a rate of twelve percent (12%) per annum shall be imposed on the principal amount unpaid from the date due until paid; and,

WHEREAS, the Board of Directors believes that it is in the best interests of the Association to adopt a policy establishing a uniform set of procedures for the collection of assessments and delinquent accounts.

NOW THEREFORE, the Board of Directors duly adopts the following assessment procedures which supersede and replace all prior resolutions and policies regarding the collection and enforcement of assessments.

REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

A. Any assessment, or installment thereof, not paid within 10 days after the Due Date shall accrue a late charge on the 11 day of each month in the amount of \$15.00. A late fee shall only be imposed once for the same delinquent period. The assessment shall bear interest from the due date at a rate of twelve percent (12%) per annum.

B. A "Late Notice" shall be sent to Owners who have not paid assessments in full within thirty (30) days after the Due Date. If the account is not brought current within thirty (30) days of the initial notice, a second late notice (the "Second Late Notice") will be sent. The Second Late Notice shall advise the Owner that the following actions will be taken if the account is not brought current within the thirty (30) days following: (i) the account will be accelerated (meaning that the remaining dues for the year will be immediately due and owing in full); (ii) the account will be referred to the Association's legal counsel for collection; and (iii) the Owner will be held liable for the legal fees and costs incurred in collection. Additionally, the Board shall suspend the voting rights of such owner and use of the recreational and common facilities until the account is paid in full.

C. If a check is not honored, and is returned, and an assessment due and owing is not otherwise received in the applicable time period, the account shall be deemed late and the late fee and interest shall be added. In addition, a \$25.00 return check charge and any bank service fees will be added to the account.

D. If payment in full of any assessment payable in installments including annual assessments, special assessments, late fees, and returned check charges and interest is not received by the Association or its appointed agent by the sixtieth (60th) day after the Due Date, the account will be accelerated for the balance of the annual assessment, and the account will be referred to an attorney for collection and a "Notice of

Acceleration and Intent to File Lien" shall be mailed to the Owner at the address listed on the books of the Association, or other address as furnished by the Owner, via Certified Mail, return receipt requested, with all attorney's fees and costs added to the delinquent Owner's account. Counsel shall in due process file a Statement of Lien with the Circuit Court for Washington County. The cost of filing the statement of lien will be added to the account.

E. Counsel for the Association shall take other appropriate legal action as requested by the Board or its managing agent, including but not limited to suit and foreclosure.

F. The Board may grant a waiver of any provision herein upon petition in writing by an Owner alleging a personal hardship. Such relief granted an Owner shall be appropriately documented in the files with the name of the person or persons representing the Board granting the relief and the conditions of the relief. Waiver shall be made on a case-by-case basis upon review of particular circumstances. Further, waiver on one occasion shall not be deemed or construed as a waiver in any future instance of delinquency.

J. The Board hereby authorizes the managing agent to waive the imposition of interest and late fees on payments received by the managing agent 10 days after the Due Date only if, in the judgment of the managing agent, the delinquent Owner has owned the Lot for less than one month at the time of the delinquency and the managing agent determines the delinquency was the result of a misunderstanding of the correct procedures relative to payment of the assessment. Further, such a waiver may be granted only once to any delinquent Owner.

K. Payments received from an Owner will be credited in the following order of priority:

1. Charges for attorney's fees and costs.
2. Late Fees.
3. All interest accrued.
4. All other charges incurred by the Association as a result of any violation of the Declaration, Bylaws, Rules and Regulations or Resolutions, by an Owner, his family, employees, agents or licensees.
5. The assessment(s) due for each Lot, including special assessment due, as applicable.

NORTH GATE COMMUNITY ASSOCIATION, INC.

By: _____

Ronald Neff, President

I hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the Board of Directors of North Gate Community Association, Inc., this 14th day of JUNE, 2010.

Sally Reid, Secretary

A Summary of the North Gate Community Association Declaration of Covenants, Conditions, and Restrictions

As published in Northgate Townhomes of Distinction Maryland Homeowners Association Act Disclosures

This summary of the Covenants, Conditions and Restrictions includes, but is not limited to, the following rules. Further information is available at www.northgatetownhomes.com or you may contact the Site Manager, Bill Clowser at _____ or 240-675-0171.

1. All residences in the North Gate Community are to be used as single family dwellings only.
2. The owners of each lot shall keep all town homes in good repair, free of debris, and painted exterior surfaces repainted, and in a manner in keeping with good property management.
3. ALL exterior property changes must be approved by the North Gate Community Association Board of Directors. This includes, but is not limited to, paint color changes, fence construction, satellite dish installation, patio/ deck remodeling, roof replacement, and landscaping.
4. All HOA dues must be kept up to date to avoid collection proceedings and expense as well as suspension of Association privileges.
5. No more than two pets may be kept on a lot, provided they are not bred or maintained for any commercial purpose, and they do not become a nuisance to neighbors or adjoining property owners.
6. Always clean up after pets. All dogs and cats shall be under the owners control at all times. Pets shall not be allowed to run loose in the neighborhood. Nuisance pets shall be reported to the Humane Society for further action.
7. No nuisance can be maintained or permitted on any part of the property, and no use permitted that becomes noxious or detrimental to residents health or property values.
8. No structure, other than town homes, may be used as residences at any time, either temporarily or permanently. No boats, trailers, or recreational vehicles may regularly be parked or stored on any street or lot, except in a garage. No commercial vehicles may be parked on any street or lot longer than needed to perform their business functions.
9. No advertising or display signs may be kept on any property without written consent of the Board of Directors, except for the customary "for sale" or "for rent" signs no larger than 28"x 28".
10. Parking at the curb in front of homes is prohibited, as requested by emergency services agencies. Be respectful of your neighbors. Request guests to park on Lindsay Lane to allow adequate parking spaces for residents.
11. All recreational equipment shall be stored at the rear of the property or in the garage, not in an area that can be viewed from the street.
12. All trash cans and bags must be stored at the rear of the property or in the garage out of public view, and set out only in accordance with City of Hagerstown ordinance and scheduling. Please identify trash and recycle receptacles with your house number.
13. Observe and obey all traffic signs. Speed limits and stop signs are here to protect our children and pets....PLEASE DRIVE CAREFULLY!

Amendment to the "Summary of the North Gate Community Association Declaration of Covenants, Conditions, and Restrictions. "

Rule 7: amended to add the following;

"Yard sales, auto/ vehicle repair, wood work or metal work shops, hair/ nail salons, warehousing/ sales activities or similar activities/ businesses deemed unsuitable by the Board of Directors of the Association are prohibited endeavors."

AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, as of the 4th day of February, 2009, by DRR, LTD., and NORTH GATE COMMUNITY ASSOCIATION, INC., (the "Association").

WHEREAS, by a Declaration of Covenants, Conditions and Restrictions (the "Declaration") dated February 8, 1989, and recorded among the Land Records of Washington County, Maryland, at Liber 904, folio 744, all of the real property described therein and commonly known as North Gate Townhomes was subjected to the legal force and effect of said Declaration as appears by reference thereto; and

WHEREAS, by that North Gate Townhomes Supplement to Declaration of Covenants, Conditions and Restrictions (the "Supplement") dated September 28, 1989, and recorded among the aforesaid Land Records at Liber 930, folio 1068, certain additional lands were subjected to the legal force and effect of the Declaration as appears by reference to said Supplement; and

WHEREAS, by that North Gate Townhomes Second Supplement to Declaration of Covenants, Conditions and Restrictions (the "Second Supplement") dated April 3, 1992, and recorded among the Land Records of Washington County, Maryland, at Liber 1035, folio 833, certain additional lands were subjected to the legal force and effect of the Declaration as appears by reference to said Second Supplement; and

WHEREAS, acting pursuant to Article IX, Section 3, of the Declaration, the Association amended certain of the provisions of the Declaration as hereinafter set forth.

NOW, THEREFORE, WITNESSETH: The Declaration of Covenants, Conditions and Restrictions dated February 8, 1989, and recorded among the Land Records of Washington County, Maryland, at Liber 904, folio 722, as supplemented by that North Gate Townhomes Supplement to Declaration of Covenants, Conditions and Restrictions dated September 28, 1989, and recorded among the Land Records of Washington County, Maryland, at Liber 930, folio 1068, and further supplemented by that North Gate Townhomes Second Supplement to Declaration of Covenants, Conditions and Restrictions dated April 3, 1992, and recorded among the Land Records of Washington County, Maryland, at Liber 1035, folio 833, be and the same hereby are AMENDED as set forth in the resolution of the Association and duly approved hereinafter set forth in its entirety as follows:

NORTH GATE COMMUNITY ASSOCIATION, INC.
AMENDMENTS TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

Upon recommendation of the Board of Directors of North Gate Community Association, Inc., (the "Association"), the following resolutions for amendment of the Declaration of Covenants, Conditions and Restrictions dated February 8, 1989, as amended to date, are hereby amended as follows:

Article IV

SECTION I

Article IV, Section 1(c) is hereby amended to read as follows:

- (c) No animals may be kept, maintained, or bred on any Lot or in any dwelling house or structure erected thereon, except that no more than two dogs, cats, or similar domestic household pets may be kept on a Lot provided they are not kept, bred or maintained for any commercial purpose and provided further that they are kept in such a manner as to avoid becoming a nuisance to neighbors or adjoining property owners. All permitted pets shall be maintained on the owner's lot and/or shall be leashed and under the owner's control at all times. Pets shall not be permitted to run free in the neighborhood. Pets that run free or are unleashed out of the control of the owner shall be deemed a nuisance. Dogs that constantly and continuously bark shall be considered a nuisance.

Article IV, Section 1(j) is added as follows:

- (j) Recreational equipment shall be stored in the rear yard, garage or in areas that cannot be seen from the street. Recreational equipment includes but is not limited to: swing sets, gymnastic sets, volleyball nets and poles, portable and collapsible basketball backboards, soccer nets, jungle gyms, bicycles, scooters, skate boards, etc.

Article IV, Section 1(k) is added as follows:

- (k) Permitted motor vehicles shall be parked in a garage, driveway, or designated on-street parking spaces. There shall be no parking of any vehicle of any type on the lawn of the lot or in any of the common areas of the Association. Unlicensed vehicles shall be garaged.

Article IV, Section 1(l) is added as follows:

- (l) Except for designated pick-up or set-out times, all trash and garbage and trash and garbage containers or bags must be stored in a garage or in the rear yard of a lot out of public view. All trash, trash receptacles, trash bags or any other container containing or intended to contain trash for pick up shall be stored and set out for pick up in accordance with regulations established by the City of Hagerstown. No tires, trash, garbage, and/or building materials, shall be stored in driveways, or in the front yard of any lot or in common areas of the Association.

Article IX

GENERAL PROVISIONS

SECTION 1

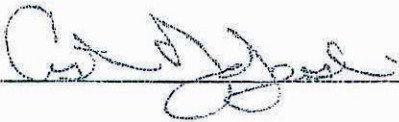
Article IX, Section 1 is amended to read as follows:

- (a) Enforcement of any of the covenants or restrictions set forth herein shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain the violation or to recover damages resulting therefrom, or both. If the Association prevails, it shall be entitled to recover all reasonable attorney's fees incurred in any action for the enforcement of any of the covenants and restrictions in any proceeding at law or in equity against any lot owner.

WITNESS our hands and seals.

WITNESS:

NORTH GATE COMMUNITY ASSOCIATION
INC., a Maryland corporation

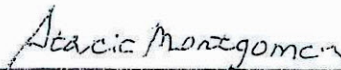


By: Ann Holtzman (SEAL)
Ann Holtzman, Vice President

STATE OF MARYLAND, WASHINGTON COUNTY, to-wit:

I HEREBY CERTIFY, That on this 4th day of February, 2009, before me, the subscriber, a Notary Public, in and for the State and County aforesaid, personally appeared Ann Holtzman, Vice President of North Gate Community Association, Inc., and acknowledged that she, as such officer, being authorized to do so, executed the foregoing instrument as the voluntary act and deed of said corporation.

WITNESS my hand and Official Notarial Seal.



Notary Public

My Commission Expires: 3-5-2012

STACIE MONTGOMERY
Notary Public-Maryland
Washington County
My Commission Expires
March 05, 2012

Homeowners Assn. Disclosure Record

THIS DEPOSITORY CERTIFICATE, Made this 14th day of April,
2005 by North Gate Community Association, Inc., a Maryland corporation.

Pursuant to the provisions of §11B-012(c) of the Maryland Homeowners Association Act (Maryland Real Property Code §11B-101, *et seq.*), the said North Gate Community Association, Inc., does hereby offer for deposit and record into the Homeowners Association Depository maintained by the Clerk of the Circuit Court for Washington County, Maryland the attached Supplemental Disclosure for North Gate Townhomes.

The undersigned North Gate Community Association, Inc., does hereby certify that all disclosures contained therein are current to the date hereof.

In witness whereof, the undersigned has caused its hand and seal to be affixed this 14th day of April, 2005.

North Gate Community Association, Inc.

Stacie Montgomery

BY: Ronald Neff (SEAL)
Ronald Neff
President

RECORDING FEE	20.00
TOTAL	20.00
REC'D MAR 14 2005	
CLERK OF CIRCUIT COURT	
WASHINGTON COUNTY	

STATE OF MARYLAND, COUNTY OF WASHINGTON, To-Wit:

I HEREBY CERTIFY, that on this 14th day of April, 2005, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Ronald Neff, President of North Gate Community Association, Inc., who did acknowledge that he is authorized to execute this document on behalf of the corporation and also acknowledged that he executed the same as his voluntary act and deed.

In witness whereof, I have hereunto subscribed my name and affixed my official notarial seal the day and year first above written.

Stacie Montgomery
Notary Public

My Commission Expires: 3/5/08

Homeowners Assn. Disclosure Record
Clerk of the Circuit Court
Washington County

AMENDMENT TWO TO THE CERTIFICATION OF
NORTH GATE COMMUNITY ASSOCIATION, INC.
AS REQUIRED BY REAL PROPERTY ARTICLE,
SECTION 11B-112, ANNOTATED CODE OF MARYLAND

THIS SECOND AMENDMENT TO THE DEPOSITORY CERTIFICATE (the "Second Amendment") is furnished to the Clerk of the Circuit Court for Washington County, Maryland in accordance with the provisions of Real Property Article, Section 11B-112, Annotated Code of Maryland (1988 Replacement Volume, as amended from time to time), this 14th day of April, 2005.

NOW THEREFORE, THIS SECOND AMENDMENT WITNESSETH: The Certification of North Gate Community Association, Inc. as required by Real Property Article, Section 11B-112, Annotated Code of Maryland (the "Depository Certificate is amended as follows:

3. Names and Addresses of Principal Officers of the Declarant:

- | | | |
|-----|-----------------|--|
| (a) | President: | Ronald Neff
1161 Fairchild Avenue
Hagerstown, Maryland 21742 |
| (b) | Vice President: | Ann Holtzman
1076 Lindsay Lane
Hagerstown, Maryland 21742 |
| (c) | Secretary: | Sarah Reid
1072 Lindsay Lane
Hagerstown, Maryland 21742 |
| (d) | Treasurer: | Ronald Ross
1067 Lindsay Lane
Hagerstown, Maryland 21742 |

DECLARATION OF COVENANTS, CONDITIONS, AND CONSTRUCTIONS

Article IV

SECTION 1

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Article IV, Section 1(j) is added as follows:

Liber 2 Folio 0353

Homeowners Assn. Disclosure Record
Clerk of the Circuit Court
Washington County

- (j) Recreational equipment shall be stored in the rear yard, garage or in areas that cannot be seen from the street. Recreational equipment includes but is not limited to: swing sets, gymnastic sets, volleyball nets and poles, portable and collapsible basketball backboards, soccer nets, jungle gyms, bicycles, scooters, skate boards, etc.

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Article IX

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SECTION I

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Except as amended, the Depository Certificate which is recorded in Homeowners Disclosure Record Liber 1, folio 93 and the First Amendment to the Depository Certificate which is recorded in Homeowners Disclosure Record Liber 2, folio 36 is incorporated herein by reference and republished.

NORTH GATE COMMUNITY ASSOCIATION, INC.

Liber 2 Folio 0354

Homeowners Assn. Disclosure Record
Clerk of the Circuit Court
Washington County

BY: 
Ronald Neff, President

E:\Coreldoc\Client\Northgate Community Association, Inc\Changes to covenants & Restrictions 4.13.05.wpd

Mail to:

Clair BAKER

28 W. Washington St.

Hagerstown, MD.

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