Circuit Court for Montgomery County Case No. 451529-V

UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 2119

September Term, 2019

RICHARD P. THORNELL, ET AL.

v.

LEISURE WORLD COMMUNITY CORPORATION, *ET AL*.

Nazarian, Arthur,

Ripken,

JJ.

Opinion by Nazarian, J.

Filed: March 1, 2021

^{*} This is an unreported opinion, and it may not be cited in any paper, brief, motion, or other document filed in this Court or any other Maryland Court as either precedent within the rule of stare decisis or as persuasive authority. Md. Rule 1-104.

Three residents and homeowners of a senior housing community known as Leisure World filed a putative class action complaint seeking a judgment declaring that the selection process used by the community's homeowners association to elect directors to its Board of Directors violates the Maryland Homeowners Association Act ("HOA Act"), Maryland Code (1974, 2015 Repl. Vol.) § 11B-101, *et seq.* of the Real Property Article ("RP"). The directors are elected, not by the individual owners of the over 5,000 housing units in Leisure World, but instead by "Mutuals," the twenty-nine separate ownership communities that comprise the larger community.

In their initial complaint, the residents alleged that the selection process is improper because it results in "indirect governance" of the community, which they assert violates the HOA Act. The residents filed amended complaints that added counts seeking declarations that certain fees imposed by Leisure World's homeowners association also violated the HOA Act, as well as counts for breach of fiduciary duty and violation of the Maryland Consumer Protection Act. The Circuit Court for Montgomery County granted summary judgment in favor of Leisure World on all counts, and entered judgments declaring that the selection process for the directors and the imposition of the fees do not violate the HOA Act. The Residents appeal and we affirm.

I. BACKGROUND

Richard P. Thornell, Jordan Harding, and Priscilla Chenoweth (the "Residents") are residents and homeowners of the senior housing community known as Leisure World, which is located on 610 acres in Silver Spring and has approximately 5,660 housing units

and 8,000 residents. The community is divided into twenty-nine common ownership communities known as "Mutuals," twenty-seven condominium associations, one homeowners association, and one homeowners cooperative. Each Mutual has its own board of directors, bylaws, and budget.

Leisure World has an unconventional ownership and management structure that predates the HOA Act. Two Leisure World trusts (the "Trusts") own the common property and facilities of Leisure World that are not part of any Mutual. Leisure World Community Corporation ("LWCC") is the Trustee of those Trusts. LWCC also operates as a homeowners association. The twenty-nine Mutuals are both the beneficiaries of the Trusts and the members of LWCC. The LWCC Board of Directors consists of thirty-four directors representing the twenty-nine Mutuals. The LWCC Bylaws, Article III, Section 1, provide that each Mutual is entitled to select its LWCC directors according to its own procedures:

Section 1. <u>Directors and Alternates</u>. Each Mutual is entitled to select Directors, qualified under the provisions of Section 2 of this Article, to cast its votes and otherwise represent it on the Board of Directors. Each Mutual may also select Alternate Directors who, in accordance with Section 5 of this Article, may represent the Mutual when its Director is absent. Such selections shall be made in accordance with procedures established by the Mutual. A Mutual may select more than one alternate for each Director; if it does so, it shall specify in writing any conditions governing the service of the alternates, including their order of precedence.

Leisure World of Maryland Corporation ("LWMC") is LWCC's subsidiary and provides management services for the Leisure World community. According to Leisure World, LWMC "employs more than 200 staff members who work in a variety of departments

including administration, property management, educational and recreation programming, security, and maintenance and repair services."

Three fees (the "Fees") are at issue in this case. Two are imposed at the time homeowners sell their property: a two-percent resale fee and a resale administrative fee. The third is a community facilities fee, which is imposed on the Mutuals and is used to maintain the Trust properties. The Mutuals, in turn, impose fees on the individual unit owners to cover their obligation to the Trust.

Mr. Thornell, Mr. Harding, and Ms. Chenoweth filed their original putative class action complaint on July 19, 2018, and their First Amended Complaint on December 17, 2018. The First Amended Complaint named LWCC and LWMC as defendants and sought a declaration that the procedure by which Mutuals elect directors to LWCC's Board of Directors violates the HOA Act. Specifically, the First Amended Complaint sought a declaration "adjudicating the rights of the parties with respect to the legality of Article III, Section I of the Bylaws of the LWCC" and a declaration that Article III, Section 1 "violates the rights of the Plaintiffs and Class Members, under the Maryland Homeowners Association Act, to elect a governing board" It also sought various forms of injunctive relief.¹

¹ The First Amended Complaint sought an order enjoining LWCC and LWMC from enforcing Article III, Section 1, requiring a special election for the Governing Board; requiring LWCC and LWMC to pay for an impartial election consultant to design and implement procedures for the special election, and enjoining LWCC and LWMC from taking "extraordinary action," including expending funds on a proposed development, until the special election had taken place.

LWCC and LWMC moved for summary judgment on February 11, 2019. The trial court scheduled a hearing on the motion for April 18, 2019.

On April 16, 2019, the Residents filed a second amended class action complaint. The new complaint added as defendants the Trusts and thirty-three members of the LWCC Board of Directors. It kept the same declaratory judgment and injunctive relief counts as the First Amended Complaint and added counts seeking declarations that the Fees violated the HOA Act. It also added counts alleging breach of fiduciary duty and violation of the Maryland Consumer Protection Act.

The circuit court proceeded with the summary judgment hearing on April 18, 2019, and treated the motion for summary judgment as directed at the Second Amended Complaint. On April 22, 2019, the court issued an oral opinion on the record, granting in part and denying in part the summary judgment motion. It denied the motion insofar as LWMC had requested dismissal on the ground that it was not a necessary party. The court granted the motion on the declaratory judgment claim (Count I of the Second Amended Complaint), and on April 26, 2019, entered a written declaratory judgment declaring that the election procedure for LWCC directors as set forth in Article III, Section 1 of the LWCC Bylaws does not violate the HOA Act.

In its ruling, the court interpreted the language of RP § 11B-106.1(a), a provision that lies at the heart of the Residents' arguments in the circuit court and here:

- (a) A meeting of the members of the homeowners association to elect a governing body of the homeowners association shall be held within:
 - (1) 60 days from the date that at least 75% of the total

- number of lots that may be part of the development after all phases are complete are sold to members of the public for residential purposes; or
- (2) If a lesser percentage is specified in the governing documents of the homeowners association, 60 days from the date the specified lesser percentage of the total number of lots in the development after all phases are complete are sold to members of the public for residential purposes.
- (b) (1) Before the date of the meeting held under subsection (a) of this section, the declarant shall deliver to each lot owner notice that the requirements of subsection (a) of this section have been met.
 - (2) The notice shall include the date, time, and place of the meeting to elect the governing body of the homeowners association.
- (c) The term of each member of the governing body of the homeowners association appointed by the declarant shall end 10 days after the meeting under subsection (a) of this section is held, if a replacement board member is elected.
- (d) Within 30 days from the date of the meeting held under subsection (a) of this section, the declarant shall deliver the following items to the governing body at the declarant's expense:

[list of items omitted]

- (e) (1) This subsection does not apply to a contract entered into before October 1, 2009.
 - (2)(i) In this subsection, "contract" means an agreement with a company or individual to handle financial matters, maintenance, or services for the homeowners association.
 - (ii) "Contract" does not include an agreement relating to the provision of utility services or communication systems.
 - (3) Until all members of the governing body are elected by the lot owners at a transitional meeting under subsection (a) of this section, a contract entered into by the governing body may be terminated, at the discretion of the governing body and without liability for the termination, not later

than 30 days after notice.

(f) If the declarant fails to comply with the requirements of this section, an aggrieved lot owner may submit the dispute to the Division of Consumer Protection of the Office of the Attorney General under § 11B-115(c) of this title.^[2]

The Residents relied on this, and other, sections of the HOA Act to argue that LWCC's directors are required to be elected "directly" by individual homeowners, rather than "indirectly" by the Mutuals. But the circuit court held that the procedure by which the Mutuals elected their respective representatives to LWCC's Board of Directors did not violate this section or any other section of the HOA Act. In its oral ruling, the court reasoned that under its plain language, RP § 11B-106.1 applies only during the period when control of a development transitions from the developer to the community:

In looking at that statute, to me, the plain meaning of that is that that was essentially a static time at a time when control was transferred from developer to homeowner. It was at a time when 75 percent of the lots were sold, or less, if the governing documents required otherwise, or 60 days after that. But it certainly did not establish a requirement of selection of a governing body over and over and over again on an annual basis year in, year out, going forward.

On June 20, 2019, the Residents filed a third amended class action complaint that

Maryland Code (1974, 2015 Repl. Vol., 2020 Supp.). The previous subsections (e) and (f) were redesignated as (f) and (g), respectively. *Id*.

² In 2020, RP § 11B-106.1 was amended to add the following subsection (e):

⁽e) In Prince George's County, the replacement reserves delivered under subsection (d)(13) of this section shall be equal to at least the reserve funding amount recommended in the reserve study completed under § 11B-112.3 of this title as of the date of the meeting.

was substantially similar to the second amended complaint—it removed one of the individual defendants and added a declaratory judgment claim that largely duplicated the first declaratory judgment claim, and otherwise was the same. On November 4, 2019, Leisure World moved for summary judgment on all remaining counts. The Residents opposed the motion and filed a motion for partial summary judgment. On November 26, 2019, the circuit court held another hearing, and at the conclusion issued an oral ruling denying the Residents' summary judgment motion and granting summary judgment in favor of Leisure World on all remaining counts. On December 18, 2019, the court entered a written declaratory judgment order.

In its oral ruling, the circuit court declared that the two-percent resale fee, resale administrative fee, and community facilities fee do not violate the HOA Act. The Residents had alleged that the Fees were unlawful because 60% of Leisure World lot owners have not approved them, which they argued was required by RP § 11B-116(c). The circuit court rejected that and the Residents' other arguments, and the Residents do not raise them again on appeal. Instead, they argue that the Fees were illegal because the process by which directors are elected to the LWCC Board of Directors is unlawful. Finally, the circuit court held that, because the challenged Fees and board selection procedures do not violate the HOA Act, Leisure World also was entitled to summary judgment on the Residents' claims for injunctive relief, breach of fiduciary duty, and breach of the Maryland Consumer Protection Act. The Residents also do not challenge those holdings on appeal.

II. DISCUSSION

The Residents raise two questions, the answers to both of which depend on whether the procedure by which directors are elected to LWCC's Board of Directors by the Mutuals as opposed to by individual owners violates the HOA Act.³ We hold that it doesn't.

"The standard of review for a declaratory judgment entered as a result of the grant of a motion for summary judgment is 'whether that declaration was correct as a matter of law." Catalyst Health Solutions, Inc. v. Magill, 414 Md. 457, 471 (2010) (quoting Olde Severna Park Improvement Ass'n, Inc. v. Gunby, 402 Md. 317, 329 (2007)). The outcome of this appeal depends in large part on the interpretation of a statute, a question of law that we review de novo. Johnson v. State, 467 Md. 362, 371 (2020). "The cardinal rule of statutory interpretation is to ascertain and effectuate the real and actual intent of the

1. Did the trial court err in holding that Leisure World's indirect governance structure does not violate the Maryland Homeowners Association Act?

2. Did the trial court err in holding that fees imposed by Leisure World without the direct approval of a majority of homeowners did not violate the Maryland Homeowners Association Act?

Leisure World phrased the Questions Presented this way:

- 1. Did the circuit court err in holding the Maryland Homeowners Association Act does not prohibit the process by which board members take their seats on the Board of Directors of Leisure World community Corporation?
- 2. Did the circuit court err in holding that the Maryland Homeowners Association Act does not prohibit a two percent resale fee, a resale administrative fee, or a community facilities fee in accordance with the terms of the Trusts?

³ The Residents phrased the Questions Presented as follows:

Legislature." *State v. Bey*, 452 Md. 255, 265 (2017) (*quoting State v. Johnson*, 415 Md. 413, 421–22 (2010)). "[W]e begin 'with the plain language of the statute, and ordinary, popular understanding of the English language dictates interpretation of its terminology." *Blackstone v. Sharma*, 461 Md. 87, 113 (2018) (*quoting Schreyer v. Chaplain*, 416 Md. 94, 101 (2010)). But we "do not read statutory language in a vacuum, nor do we confine strictly our interpretation of a statute's plain language to the isolated section alone." *Johnson*, 467 Md. at 372 (*quoting Wash. Gas Light Co. v. Md. Pub. Serv. Comm'n*, 460 Md. 667, 685 (2018)). We view the plain language "within the context of the statutory scheme to which it belongs, considering the purpose, aim or policy of the Legislature in enacting the statute." *Johnson*, 467 Md. at 372 (*quoting State v. Johnson*, 415 Md. at 421).

In short, in construing a statute, we consider and analyze three factors:

[I]ssue[s] of statutory construction . . . [are] resolvable on the basis of judicial consideration of three general factors: 1) text; 2) purpose; and 3) consequences. Text is the plain language of the relevant provision, typically given its ordinary meaning, Breslin v. Powell, 421 Md. 266, 286 (2011), viewed in context, Kaczorowski v. City of Baltimore, 309 Md. 505, 514 (1987), considered in light of the whole statute, In re Stephen K., 289 Md. 294, 298 (1981), and generally evaluated for ambiguity. Kaczorowski, 309 Md. at 513. Legislative purpose, either apparent from the text or gathered from external sources, often informs, if not controls, our reading of the statute. *Kaczorowski*, 309 Md. at 515. An examination of interpretive consequences, either as a comparison of the results of each proffered construction, Christian v. State, 62 Md. App. 296, 303 (1985), or as a principle of avoidance of an absurd or unreasonable reading, Kaczorowski, 309 Md. at 513, 516, grounds the court's interpretation in reality.

Town of Oxford v. Koste, 204 Md. App. 578, 585–86 (2012), aff'd 431 Md. 14 (2013).

A. The Procedure By Which The Directors Of LWCC Are Elected Does Not Violate The Homeowners Association Act.

The Residents allege in their complaints that Article III, Section I of LWCC's Bylaws—the section setting forth the procedure by which the Mutuals elect representatives to LWCC's Board of Directors—violates the HOA Act. But the Residents identify no section of the HOA Act that prohibits such a procedure or requires some other procedure explicitly. Instead, they rely on RP § 11B-106.1 and other provisions of the HOA Act that refer to "lot owners" to argue that those provisions collectively prohibit Leisure World's election procedure. Their arguments do not succeed.

First, RP § 11B-106.1 does not prohibit Leisure World's election procedure. We agree with the circuit court that RP § 11B-106.1, by its plain terms, imposes voting requirements that apply when a community transitions from developer control to homeowner association control. Subsection (a) requires the members of a homeowners association⁴ to hold a single meeting sixty days after the developer has sold at least 75%

⁴ "Homeowners association" is a defined term under subsection (i) of RP § 11B-101, the definitions section of the HOA Act, and "means a person having the authority to enforce the provisions of a declaration" and "includes an incorporated or unincorporated association." A "declaration" is also defined in subsection (d) as "an instrument," recorded in the county land records, "that creates the authority for a homeowners association to impose . . . any mandatory fee" on lots, lot owners, or another homeowners association:

⁽d)(1) "Declaration" means an instrument, however denominated, recorded among the land records of the county in which the property of the declarant is located, that creates the authority for a homeowners association to impose on lots, or on the owners or occupants of lots, or on another homeowners association, condominium, or cooperative housing corporation any mandatory fee in connection with the provision of services or otherwise for the benefit of some or all

(or less) of a community's lots for the purpose of electing a governing body⁵:

- (a) A meeting of the members of the homeowners association to elect a governing body of the homeowners association shall be held within:
 - (1) 60 days from the date that at least 75% of the total number of lots that may be part of the development after all phases are complete are sold to members of the public for residential purposes; or
 - (2) If a lesser percentage is specified in the governing documents of the homeowners association, 60 days from the date the specified lesser percentage of the total number of lots in the development after all phases are complete are sold to members of the public for residential purposes.

RP § 11B-106.1(a). But neither subsection (a) nor the remainder of § 11B-106.1 requires any other homeowner association meetings or elections to occur, nor does it prescribe any particular procedure when this initial election is held. The other subsections of RP § 11B-106.1 relate as well to the transition of control and funds from developer to homeowners:

- Subsection (b) requires the declarant⁶ to deliver, before the meeting held under (a), notice to each "lot owner" that the requirements of subsection (a) have been met;
- Subsection (c) requires that the terms of the previously appointed

of the lots, the owners or occupants of lots, or the common areas.

^{(2) &}quot;Declaration" includes any amendment or supplement to the instruments described in paragraph (1) of this subsection.

^{(3) &}quot;Declaration" does not include a private right-of-way or similar agreement unless it requires a mandatory fee payable annually or at more frequent intervals.

⁵ A "governing body" is "the homeowners association, board of directors, or other entity established to govern the development." RP § 11B-101(h).

⁶ A "declarant" is "any person who subjects property to a declaration." RP § 11B-101(c).

governing body members end ten days after the meeting in (a);

- Subsection (d) requires that the declarant deliver enumerated items (e.g., bylaws, meeting minutes, financial records, insurance policies, and operating funds, and replacement reserves) to the newly elected governing body within thirty days of the meeting held under (a);
- Subsection (e) requires that, in Prince George's County, a minimum level of replacement reserves be delivered pursuant to subsection (d);
- Subsection (f) requires that, until all members of the governing body are elected at the "transitional meeting under subsection (a)", any contract for maintenance or service may be terminated by the governing body without liability not later than 30 days after notice; and
- Subsection (g) provides an enforcement mechanism for a developer's failure to comply with the requirements set forth in (a) through (f) by allowing a "lot owner" to submit a complaint to the Division of Consumer Protection of the Office of the Attorney General.

Subsection (f)'s reference to a "transitional meeting" reinforces § 11B-106.1's connection to one period of time, *i.e.*, that during which control of a development transfers from developer to residents. And contrary to the Residents' argument, the references to "lot owners" in subsections (b), concerning notice, and (g), concerning OAG complaints, do not create a requirement that the governing board must be elected by individual homeowners. Reading subsection (a) in the context of § 11B-106.1 as a whole lends no support to the Residents' reading of the statute.

Second, and similarly, the Residents' reading of § 11B-106.1 finds no support in the HOA Act as a whole. They identify numerous other provisions of the HOA Act that refer to "lot owners" to support their contention that "the legislature's intent was to provide for ongoing and direct governance of homeowners associations by the homeowners themselves—not by 'Mutuals' or any other intermediary entity." But again, none of the

sections the Residents identify prohibit indirect elections of HOA board members via the Mutuals or a governing structure in which the Mutuals, as opposed to individual lot owners, are the members of the homeowners association (bold emphasis supplied):

- RP § 11B-106.2 (which was enacted in 2017, Maryland Code (1974, 2015 Repl. Vol., 2020 Supp.) provides that "the governing body of a homeowners association or, if control of the governing body has not yet transitioned to the **lot owners**," the developer, must give notice to each lot owner of the sale of any common area no less than thirty days before the sale;
- RP § 11B-111 contains requirements for homeowner association meetings, including that:
 - o meetings of the governing body "shall be open to all **members of the homeowners association** . . ." (subsection (1));
 - o "[a]ll **members of the homeowners association**" must be given notice of regularly scheduled open meetings of the association (subsection (2));
 - o the governing body must provide a designated time during a meeting to provide "**lot owners**" the opportunity to comment, except during meetings held before the time that the "**lot owners**" have a majority of votes in the homeowners association (subsection (3)); and
 - o closed session meetings of the governing body or a committee of the homeowners association may be held for certain enumerated purposes and with certain restrictions (subsections (4 and 5));
- RP § 11B-111.3 contains requirements for distribution of certain materials to lot owners, but states that it does not apply "at any time before the **lot owners**, other than the developer, have a majority of votes in the homeowners association . . ." (subsection (a));
- RP § 11B-112.2 contains, among others, the requirement for the governing body to prepare and submit an annual budget to "the lot owners" (subsection (b));
- RP § 11B-113.2 permits the governing body of the homeowners association to "authorize **lot owners** to submit a vote or proxy by

- electronic transmission . . ." (subsection (a)) and preserves voting by electronic transmission where "**lot owners**" have the option to cast anonymous printed ballots (subsection (b)); and
- RP § 11B-116 (which was amended in 2017, Maryland Code (1974, 2015 Repl. Vol., 2020 Supp.) allows amendments to the homeowners association's governing document to be made "by the affirmative vote of **lot owners** in good standing having at least 60% of the votes in the development, or by a lower percentage if required in the governing document" (subsection (c)).

The Residents argue as well that "[i]n general, the HOA Act uses the phrase 'lot owner' and 'members of the homeowners association' interchangeably." We don't read it that way, as the summary above illustrates. We read the references to "lot owner(s)" as having the opposite effect—they distinguish between the governing body or the members of the homeowners association, on the one hand, and the lot owners, on the other. *See* RP §§ 11B-111, 11B-112.2, 11B-113.2. The Residents make much of the phrasing in § 11B-106.2 and § 11B-111.3 that qualifies or excepts the requirements of those sections to the period of time before control of the homeowners association is transferred to "lot owners." But again, nothing in those sections imposes the affirmative requirement that individual lot owners must be the members of a homeowners association and must maintain control of the homeowners association indefinitely.

In addition, as Leisure World points out, RP § 11B-115.1 supports the reading of RP § 11B-106.1 as not requiring any particular election or governing procedure. Section 11B-115.1 provides that "[a] lot owner who believes that the board of directors or other governing body of a homeowners association has failed to comply with *the election procedures provisions of the governing documents of the homeowners association* may

Submit the dispute to the Division of Consumer Protection of the Office of the Attorney General "This section does not refer to any election procedures of *the HOA Act*—instead, it indicates that whatever election and governing procedures a homeowners association might have are set forth in *its governing document*. In addition, the definition of "declaration" gives the homeowners association the authority to impose fees, not just on individual lot owners and occupants, but also on other homeowners associations, condominium or homeowners cooperatives, all of which supports the notion that the members of a homeowners association can be other homeowners associations or cooperatives, as the Mutuals are here. RP § 11B-101(d)(1).

Finally, the legislative history supports the view that the General Assembly intended RP § 11B-106.1 to apply to the transition of control of a community from a developer to a homeowners association, and not to the election procedures or the governing structure of a homeowners association going forward. The Residents also rely on the legislative history to support their position, but it doesn't in fact support them. The Residents cite the testimony of Senator Delores Kelley, the bill's sponsor, to the effect that the bill "establishes timelines and procedures for the transition of control from developer to the elected board of unit owners of a condominium or homeowners association." The Residents take Senator Kelley's reference to "the elected board of unit owners" as support for their position that a homeowners association's members must be individual unit owners. But again, the testimony they cite references a transition, and Senator Kelley also testified that the bill was needed to make the transition from developer control "as orderly and as

transparent as possible." In addition, the Fiscal and Policy Note for the bill stated that "This bill establishes the procedure for the transition of control of a condominium or a homeowners association from a developer to the governing body of each community that is elected by its owners." Maryland Fiscal and Policy Note, S.B. 742, 2009 Sess.; Maryland Fiscal Note, H.B. 667, 2009 Sess.

The Residents didn't cite, and we haven't found, any other provision of the HOA Act that addresses voting requirements or limits the organizational structure of homeowners associations in the time after transition. Section § 11B-106.1 comes the closest, but neither it nor any other provision of the HOA Act prohibits the election procedure set forth in Leisure World's bylaws or the resulting governing structure.

B. The Challenged Fees Are Not Illegal.

Beyond challenging the voting rules and organizational structure of Leisure World, the Residents also challenged the legality of the Fees. They base this challenge primarily on the argument that 60% of Leisure World lot owners had not approved them, in violation of RP § 11B-116(c) (1974, 2015 Repl. Vol., 2020 Supp.). That section, as noted above, allows amendments to the homeowners association's governing document to be made "by the affirmative vote of **lot owners** in good standing having at least 60% of the votes in the development, or by a lower percentage if required in the governing document" (emphasis added). The circuit court rejected that argument and held that although RP § 11B-116(c) permits amendments to the governing documents as that statute allows, it doesn't *preclude* amendments to the governing documents by any other methods set forth in the governing

documents themselves. The court went on to find from the undisputed evidence that the Fees "were the subject of proper amendments to the trust documents over the years consistent with the amendment procedures of the trust documents," which are the governing documents of LWCC.

The Residents do not challenge that holding. Instead, they argue that the fees are unlawful because they "were imposed by a board which . . . was in violation of the HOA Act at the time it approved the fees." In other words, and as they acknowledged at oral argument, their challenge to the Fees rests entirely upon their challenge to the election procedure and governing structure of LWCC. Because that challenge does not succeed, as discussed above, neither does their challenge to the Fees.

JUDGMENT OF THE CIRCUIT COURT FOR MONTGOMERY COUNTY AFFIRMED. APPELLANT TO PAY COSTS.