DERWOOD STATION HOA II
OBSTRUCTION/ENCROACHMENT POLICY

In accordance with Article XII of the bylaws, entitled Common Areas, obstructions/encroachments, either structural (sheds, patios, swing sets, fences, etc.) or nonstructural (gardens, storage of boats, wood piles, trees, etc.) shall not be permitted on common areas owned by the Association (as designated in the Declaration of Covenants as Parcel 2), unless approved by a majority of the Board of Directors. If an obstruction/encroachment is permitted by the Board, a charge (fee) for the use of the property shall be paid to the HOA by the party obstructing/encroaching on HOA property. The fee shall be equal to the fair market rental of the obstructed/encroached property.

A complete record of all permitted obstructions/encroachments shall be kept by the HOA manager.

ENFORCEMENT

1) When a suspected obstruction/encroachment is observed or brought to the attention of the Board of Directors, an inspection will be made at the location of the obstruction/encroachment by the manager or other designated association member.

2) If an obstruction/encroachment does in fact exist, then at least a two (2) member committee consisting of Board members, manager, or other designated persons shall have an initial meeting with the violating party at the location of the obstruction/encroachment.

3) If the homeowner that is in violation can not be contacted within two (2) weeks, then a certified letter with return receipt shall be sent to the homeowner rather than an initial meeting with the homeowner.

4) The homeowner that is in violation and the two (or more) members of the Association shall discuss the obstruction/encroachment. The homeowner shall be required to do one of the following:
   a) Request in writing within 14 days after the initial meeting that the obstruction/encroachment be permitted. In this case, the Board shall take action on the request and if allowed, the Board shall determine the fair rental price for allowing the obstruction/encroachment to continue. Each approval shall be for no longer than one year.
   b) Immediately remove the obstruction/encroachment and restore the area to its original condition within 14 days after the initial meeting.

   A written report of the meeting shall be prepared by the committee, including photo documentation, if possible.

5) If the resident in violation does not remove the obstruction/encroachment and restore the area to its proper condition within 14 days, then a cerified letter with return receipt (sample attached) shall be sent to the homeowner informing them of the obstruction/encroachment and advising them that it must be restored to its original condition.

6) If the obstruction/encroachment is still not removed, then the Board shall direct the removal of the obstruction/encroachment and restoration of the area.

7) The cost of the removal of the obstruction/encroachment and the restoration of the area shall be incured by the person(s) in violation of the Obstruction/Encroachment Policy. A bill shall be drawn up and sent to the person(s) for the actual costs.

8) Any and all costs to the Association for the removal of obstructions/encroachments shall be recoverable from the person(s) in violation of the aforementioned policy.

Approved by Derwood Station HOA II, Inc. Board of Directors on August 19, 1986

President - William Y. Frentzel, II

Attest

Secretary - Gary T. Palmer