

COLUMBIA ASSOCIATION, INC. POLICY ON COVENANT ENFORCEMENT WITH RESPECT TO VACANT AND ABANDONED RESIDENTIAL PROPERTY

This document sets forth the Columbia Association, Inc. ("CA") policy and procedure for enforcement of architectural covenants with respect to vacant and abandoned residential properties. It replaces any prior CA policies with respect to vacant and abandoned homes.

A home is vacant and abandoned when there is no one residing in or occupying the home and no sign of any resident activity on the property. (This policy does not apply to any property that is only seasonally vacant.)

1. A Village Community Association ("Village") Board of Directors may by written resolution directed to the Chairperson of CA's Architectural Resource Committee ("ARC") request that CA enter onto property pursuant to the Village's and CA's Deeds and Declarations of Covenants and perform certain exterior work to remedy architectural covenant violations existing on vacant and abandoned residential property that is subject to the CA annual charge. The Village shall specify the requested work, which may consist of:

- a. Lawn maintenance;
- b. Trash removal;

c. Correction of an exterior condition presenting a clear safety hazard to anyone entering onto the property (e.g., exposed bare wiring, broken glass, sharp equipment left in yard, dead tree, etc.); and/or

d. Repair, replacement or removal of an exterior condition that constitutes a significant architectural covenant violation causing a substantial negative impact on the visual appeal of the property as viewed from the street or the adjoining residential properties. Examples of such violations are listed on Exhibit A attached hereto and made a part hereof. The determination as to whether a violation causes a substantial negative impact, for purposes of CA's decision whether to accept a property for action under this policy, is at the absolute discretion of CA.

2. The following preconditions must be met by the Village before the Village may submit a resolution requesting the work described above in section 1(a), 1(b) or 1(c):

a. The Village must have sent to the property owner at least two (2) covenant violation notices and have not received any response from the property owner; and

b. The Village, over a period of at least thirty (30) days following the expiration of the first violation notice period, must have made significant efforts to

(i) locate the property owner and received no response to such efforts, and

(ii) locate the mortgagee, property management company or other person responsible in the absence of the property owner for the repair and maintenance of the property and been unsuccessful in such efforts.

3. The following preconditions must be met by the Village before the Village may submit a resolution requesting the work described above in section 1(d):

a. The Village must have sent to the property owner at least three (3) covenant violation notices and have not received any response from the property owner; and

b. The Village, over a period of sixty (60) days following the expiration of the second violation notice period, must have made significant efforts to

(i) locate the property owner and received no response to such efforts, and

(ii) locate the mortgagee, property management company or other person responsible in the absence of the property owner for the repair and maintenance of the property and been unsuccessful in such efforts.

4. In the case of all requests for work described above in section 1, the Village Covenant Advisor must inspect the property no more than two (2) business days prior to the submission of the request to the ARC Chairperson so as to verify the current condition of the property and the accuracy of the request.

5. Village requests submitted under this policy shall be accompanied by:

a. a memorandum prepared by the Covenant Advisor

(i) listing any communications or attempted communications to or with the property owner, mortgagee, property management company or other persons relating to covenant violations existing on the subject property, and

(ii) detailing all other efforts made to locate such persons; and

b. Color photographs of the covenant violations taken during the Covenant Advisor's inspection just prior to the submission of the request.

6. The ARC will consider the request at its next regularly scheduled monthly meeting and determine whether to recommend to the CA President that CA's Department of Open Space and Facility Services ("DOSFS") be directed to enter upon the property to perform the requested work.

7. The President in his or her absolute discretion will determine whether to accept the ARC's recommendation in part, in whole or at all. If accepted, the President will give written authorization to the DOSFS Director to perform the approved work and send a copy of such authorization to CA's General Counsel, CA's Assessments Department and the appropriate Village Board and Covenant Advisor.

8. In addition to the discretion vested in the President referenced in section 7 above, CA also may limit the number of cases that it will accept under this policy or the amount or types of work to be done on a particular property based on any budgetary limits CA may set on the costs of maintenance and repair work on vacant and abandoned residential properties or any limitation on the amount and types of work that CA may reasonably perform given its current staffing and expertise.

9. The ARC and President in making the determinations set forth in sections 6 and 7 above may consult with CA's General Counsel and consider relevant legal, financial and other factors, including but not limited to those factors identified in section 8 above and the degree of the significance of the covenant violations in proportion to the costs of the requested maintenance and/or repair work.

10. Following acceptance of a request by the President, the Village must and CA may continue to make efforts to locate any mortgagee, property management company or other person with responsibility for the maintenance and repair of the property. If such a person is identified by the Village, it will so notify CA within five (5) business days. CA will inform that party of its obligation to make any repairs not completed by CA and for ongoing maintenance, and will advise the DOSFS Director and the village that the repair and maintenance obligations have been referred to that party.

11. Upon completion (or partial completion pursuant to section 10 above) of the approved work, the DOSFS Director shall notify the ARC Chairperson, CA's General Counsel, CA's Assessments Department and the Village Covenant Advisor of the completion (or partial completion) and cost of the work. CA will send the property owner (and the mortgagee if one has been identified) a Special Assessment invoice for the cost of the work and place a notation of the Special Assessment, CA may proceed to create a lien and file a statement of lien, pursuant to the Maryland Contract Lien Act, Maryland Code, Real Property, Section 14-202, *et seq.*, in order to recover its damages (*i.e.*, the cost of the work) and any other amounts (such as collection costs, late charges and attorneys' fees) permitted by law. CA also reserves its rights under law to foreclose on the abandoned property.

12. At the end of each fiscal year, the General Counsel will provide a report to the CA Board of Directors stating the number of cases accepted by CA under this Policy during that fiscal year and the total cost of the repairs performed in those cases.

Approved April 9, 2015 Columbia Association Board of Directors

Exhibit A

EXAMPLES OF SIGNIFICANT COVENANT VIOLATIONS FOR PURPOSES OF SECTION 1(d)

- 1. Broken windows
- 2. Broken doors
- 3. Missing or dangling gutters
- 4. Missing siding
- 5. Siding grossly overgrown with algae
- 6. Missing roof shingles
- 7. Broken or missing shutters
- 8. Missing or rotted trim
- 9. Broken exterior light fixtures
- 10. Broken fencing
- 11. Broken or rotted decks
- 12. Broken front porch pillars
- 13. Broken lantern poles
- 14. Missing or broken exterior vent covers allowing animals to enter home
- 15. Significant amount of peeling paint

The decision as to whether it is most appropriate in the circumstances to repair, replace or remove the item constituting a covenant violation will be at the absolute discretion of CA.