

To: All Stone Hill Owners

From: The Stone Hill Board

Date: September 20, 2011

RE: RESIDING PROJECT / INCREASE IN ASSESSMENT  
NOTICE OF MEETINGS

Dear Fellow Member:

The 15 buildings in our community need to be re-sided. We would like to do this on an orderly basis over the next three years.

Under our Covenants the Association is the party responsible for making these repairs. (Covenants, Article V). Because the Association has the responsibility to maintain the exterior surfaces of the buildings (which is not a part of the "Common Area"), the proper method for assessing the necessary costs for this project is through the Annual Assessment (Covenants, Article IV).

As you know, the present Annual Assessment is approximately \$1,185. In order to offset the cost of the re-siding project, your Board deems it necessary to increase the Annual Assessment fairly substantially for the next three years. The Board proposes to do this by following the procedures in the Covenants for increasing the Annual Assessment and by subdividing the Annual Assessment into Part A (regular Annual Assessment) and Part B (additional temporary portion of Annual Assessment for the siding project). The proposed new Annual Assessment is as follows:

2012: \$4,185 (Part A: \$1,185; Part B: \$3,000) 2013:  
\$4,185 (Part A: \$1,185; Part B: \$3,000) 2014:  
\$3,185 (Part A: \$1,185; Part B: \$2,000)

Under the Board's plan the Part B portion of the Annual Assessment will only exist and be imposed while needed to raise the funds necessary to complete the residing job. This will be a period of three years: 2012, 2013, and 2014. Once those funds have been received it is the Board's intention to delete Part B from the Annual Assessment and revert back to an Annual Assessment similar in size to the present Annual Assessment — subject to the need for usual annual adjustments driven by cost of living factors and any increased maintenance needs.

In order to properly implement this new Annual Assessment and plan the Board is required to follow the procedures set forth in the Covenants. This requires a meeting of the members, and a vote authorizing the adoption of the new Annual Assessment amount. An informational meeting will be held Monday, October 17, 2011 at 7:00 P.M. at Mt. St. Francis. Reps from banking, finance, legal, covenants, and construction will be there. The voting will take place at the Annual Meeting on Monday, November 21, 2011, also at St. Francis.

Members should feel free to contact any Board Member with questions.

Thank you for your anticipated cooperation.

STONE HILL OWNERS BOARD

By: 

Harold Konzett