

Nowland Estates Subdivision Homeowners Association, Inc.

P.O. Box 871764, Canton, MI 48187

April 27, 2023

Dear Homeowner,

This letter is directed to all homeowners in our subdivision. The purpose of this communication is to inform you about several maintenance activities that need immediate attention, and the related special assessment process needed for paying the costs of these repairs.

Why is this being proposed?

Since the beginning of 2022 our pond and pump systems have had several failures that required very extensive maintenance activities. These repair costs have been a severe drain on the 2023 budget. As of the beginning of April 2023 the association has spent or committed to \$22,483 in pond and pump system maintenance activities. This is \$13,483 over the original budget of \$9,000. As of April 21, 2023, the association has only \$7,485 remaining to cover subdivision services until February 2024. If we do not replenish the bank account, we will not be able to conduct normal activities such as grass cutting, insurance, snow removal, pond and pump system maintenance, etc.

Further, we have been advised to complete additional maintenance activities in the ponds and pump stations. These systems are 30 years old. Some items are routine maintenance and others are repairs to damaged features in the storm water management system. Also, several trees in the Commons areas were severely damaged by the ice and snowstorms in February 2023. These trees are a hazard and need to be cut down and taken away. Finally, the board believes a reserve account needs to be established that will provide a cushion for unexpected or high-priced service items all over the subdivision.

How will the maintenance and repairs be funded?

The subdivision association can only get funding from the members of the association (the residents). According to the bylaws the board can ask for a special assessment to cover additional maintenance activities when needed. The board would like to ask for funds to cover the remainder of the 2023 budget, complete recommended pond and pump station maintenance, damaged tree removal, and establish a maintenance reserve fund. Be aware the maintenance costs we have are estimates and will need to be quoted before work begins. The estimated total for this special assessment is \$43,000. Dividing this amount over the 86 residents in the subdivision amounts to \$500 per homeowner. The board would like to ask that this special assessment be assessed as soon as possible after approval.

Board Recommendation:

The board believes it is in the best interest of the subdivision residents to pursue this initiative to support the needed maintenance activities and establishment of a reserve fund. The reasons for this are: the association bank account ended 2022 with only \$495; we are already severely short of funds for this year due to expensive pump system failures; prices for service projects and pump station equipment are high and increasing; we cannot predict pump failures or damage to the storm water piping systems; and, the subdivision storm water management

system is 30 years old and is in need of additional maintenance. We need to have a reserve account to cover unforeseen repairs. Since our annual assessments of \$355 have been inadequate to cover our constantly rising costs and increasing maintenance activity list, it is necessary to collect a special assessment of \$500 from each homeowner in the subdivision. ***If the association does not approve this special assessment and provide the needed infusion of funds, we won't be able to remove the damaged trees from the February storms, mow the commons areas lawns, add mulch, water/fertilize the commons areas lawns, plow the snow next winter, or service another pump if it fails.***

Special Assessment Requirements:

Per our subdivision's Declaration of Covenants and Restrictions, Article IV, Sections 5-7, special assessments need to be approved by our residents via a meeting. **This meeting must be attended by at least 60% of the 86 homeowners --which equals 52 homeowners-- (either in person or by proxy) to constitute a quorum.** If a quorum is met; then, two-thirds of the votes of the homeowners, present in person or by proxy, need to be "yes" votes for the special assessment to pass.

Next Steps and Process:

- **At least one homeowner from each residence of the association must attend the Special Assessment Meeting that is scheduled for Tuesday, May 23, 2023, from 7-8pm in the Canton Administration Building, Meeting Room Freedom, 1150 S. Canton Center Road, Canton, MI 48188.**
- **If you cannot attend the meeting on May 23, 2023, you must complete the enclosed proxy. The proxy can either be mailed to the HOA address (below), or it can be sent as an email attachment to *nowlandboard@aol.com*. The Board needs to receive each proxy prior to our meeting on May 23, 2023. The proxy can also be given to a neighbor or a Board member to bring to the meeting.**
- **If the special assessment passes, the board requires that each homeowner send a check for the special assessment of \$500 to the HOA address (below). ***The check must be received by June 23, 2023.*****
- **If the special assessment passes, then the Board will proceed with getting the work done as soon as possible.**

If you have any questions, please email the board at nowlandboard@aol.com.

Sincerely,
Board of Directors

**Nowland Estates Subdivision Homeowners Association, Inc.
P.O. Box 871764
Canton, MI 48187**

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**PROXY FORM
Special Assessment Meeting
May 23, 2023**

One homeowner per lot may vote on Association business. Any homeowner wishing to vote by proxy (authorizing someone else to vote in your place) must complete this form, or other transmission, electronic or otherwise. This form or other transmission may be given to either a neighbor who will attend, to any current Board Member who will attend, or to any other competent person who will attend, prior to the **May 23, 2023**, Special Assessment Meeting of the Association. Any forms mailed to the Association's P.O. Box or sent via email must be received prior to this meeting. Proxy forms received after the meeting will not be accepted. A photocopy, facsimile copy, scanned and email copy, or other reliable reproduction of the signed Proxy Form or transmission may be substituted or used in lieu of the original writing or transmission for any purpose for which the original writing or transmission could be used.

Your (Homeowner) Name:

Your Address (One vote per address/home):

The individual or person you want to act as your Proxy (Agent) to vote in your place:

The manner in which you want your Proxy (Agent) to vote:

Regarding the Nowland Estates Subdivision Homeowners Association Special Assessment of \$500 to fund the 2023 budget, storm damaged tree removal, maintenance and repairs to the ponds and pump stations.

Check only **ONE** of the following: I vote "yes" I vote "no"

Your Signature:

Signature

Date