

Chesleigh Phase 6 HOA Board
1032 Butterfly Circle
Wake Forest, NC 27587

June 3, 2024

Dear Resident,

As you are aware, Phase 6 has the responsibility to maintain a retention pond located at the end of the cul-de-sac of Butterfly Circle and Lavender Lane. We are required, by Granville County, to have \$85,000 by the end of 2025 to cover the cost should the mechanics of the pond fail. Years of financial neglect by the previous management company has left us in a hole. This will require action to be taken by the current residents of Phase 6.

The HOA board is putting forth the need for a special assessment for the years 2025 and 2026. We are proposing an assessment of the amount of \$3,000 that can be paid over a two-year period.

Residents have the 3 options:

1. pay \$100.00 monthly starting 7-1-2024
2. pay \$125.00 monthly starting 1-1-2025
3. pay biannual \$750.00 due by the following dates: 1-01-2025; 7-01-2025; 1-01-2026; 7-01-2026

We anticipate this special assessment to raise capital in the amount of \$75,000 (\$3,000 paid by 25 residences). This amount coupled with the approximately \$30,000 we currently have will put us over \$100,000. This amount is just slightly over what the county required us to have back in 2015 and will also cover the \$12,500 budgeted for yearly maintenance of 2025 & 2026. This does not cover any increase in yearly maintenance costs or pond repair overage costs. If the pond should fail, and we fail to have this money, the county will pay for the repair/replacement and have us pay it back, with interest and other potential penalties being built into the overall payment to them.

We voted on this topic at the HOA meeting held on May 22nd. There were 9 yays and 1 nay. We would like to have a full 2/3 approval from all residents (16 yays), but the board does have the authority to pass this without the full 2/3 approval.

We welcome feedback from everyone. Please feel free to reach out to the board with any questions.

Sincerely,

Chesleigh Phase 6 Board

FAQ's:

Q: Why are we paying \$3,000 for a pond?

A: Rules were recorded in 2015 that stated Granville County requires us to have approximately \$85,000 to cover the cost in the event of a complete failure of the pond.

Q: Do I still need to pay the \$250 in annual dues?

A: No. The \$250 in annual dues is included in the \$3,000 for the years 2025 and 2026.

Q: Will pre-payment of the \$3,000 assessment ensure I won't have to pay anything else should the pond fail?

A: We cannot make that guarantee. For example, if one resident fails to pay the assessment, but the overall cost of the replacement of the pond goes over by \$6,000, should that one resident pay \$6,000? No. It wouldn't be fair to them. They would still owe the \$3,000 (plus their percentage of the overage cost) The overage would be split between all the residents of Phase 6.

Q: What will happen to future HOA dues?

A: Our previous management company should have been raising the HOA dues 3% annually which would have brought us to around \$330 for 2024. Once we have raised the needed capital for the retention pond we will address as a community our annually HOA dues.