

KF II HOA Community Group

Special Assessment - as stated in our February Town Hall and again at our March HOA meeting, we are delaying the vote about our Special Assessment options until at least May of 2026. There are several reasons for this delay including:

1. FEMA guidelines require us to put out a new RFQ (Request for Quote) for job completion now that we have been awarded the HHPD (High Hazard Potential) Grant.
2. *WithersRavenel* is putting together a more accurate and complete cost basis for the dam breach option. The initial figures shared only covered the actual cost of the breach and did not include all of the required follow up required by organizations such as NCDEQ (Dam Safety), Army Corps of Engineers, Wake County and the Town of Cary. Once these figures are included, we expect the breach option to be much more expensive than either of the spillway replacement options. We should have the report from *WR* in the next 7-10 days.
3. We are scheduling follow up meetings with our KFII HOA legal team to confirm if our Covenants allow us to vote for the breach option or if a separate vote to change the Covenants is first required.
4. We are still reviewing if there are other grant opportunities available as well as if there is any type of assistance we can get from the Town of Cary.

Special Assessment (cont.) - I have been contacted by several realtors representing both potential buyers and sellers about the Special Assessment. Please note, as reported in both Town Hall meetings (Jan and Feb of 2026), NCDEQ (Dam Safety) is requiring that we take action to replace our spillway (or breach the dam). Therefore, it will be necessary to have an assessment. As stated above, we are still reviewing any and all options for assistance (so that we can lower the cost per homeowner). That being said, based on the information and figures we currently have in place, we expect the assessment to be between \$1,300 - \$1,500. We also expect that the assessment can be paid out over a two year period.

With Warm Regards,