

Quail Hollow Homeowners' Association

Homeowners,

We hope this letter finds you well. We want to take a moment to express our appreciation for your ongoing support and involvement in our community. Maintaining the quality of our neighborhood is a shared commitment.

As you are aware, the past year has presented a range of economic challenges, including significant cost inflations for services that we have been lucky enough to keep well below average market prices in the last several years. The Board is in the process of reviewing additional bids from other vendors and cost comparisons. However, due to these increases to the cost of service with the current vendors the association has fallen behind with some of its invoices. After a thorough review of our financial situation, it has been determined that a special assessment is required.

After careful consideration, it has been determined that effective May 25, 2025, a one-time special assessment will be implemented of \$500. This assessment is crucial to cover the increased cost of services, maintenance, and other essential aspects of managing our community while continuing to provide the level of quality you have come to expect.

As part of this notice, we wanted to provide more information regarding the finances of the association and where your money is used. There are 4 major expenses that the association takes on each year. Those four expenses and their percentage of total expenses are as follows:

- Roof Loan (28.19%)
- Water, Sewer, and Garbage Utilities (28.10%)
- Grounds Maintenance (19.66%)
 - o Grounds maintenance includes mowing/trimming, sprinkler maintenance, and snow removal.
- Insurance (14.94%)

These 4 expenses make up 90% of the total expenses for the association. The dues were covering the cost of grounds maintenance, but the vendor changed their pricing to be more competitive with the market which caused a huge disruption for the financials of the association. As the board, we are diligently working to find a new vendor who will be more suitable to our financial needs as an association.

We understand that any increase in dues or the implementation of a special assessment can be challenging, and we want to assure you that this decision was not made lightly. Thank you for your understanding and continued support. Should you have any questions or concerns regarding this change, please direct your questions to Five Star.

Sincerely,

The Board of Directors