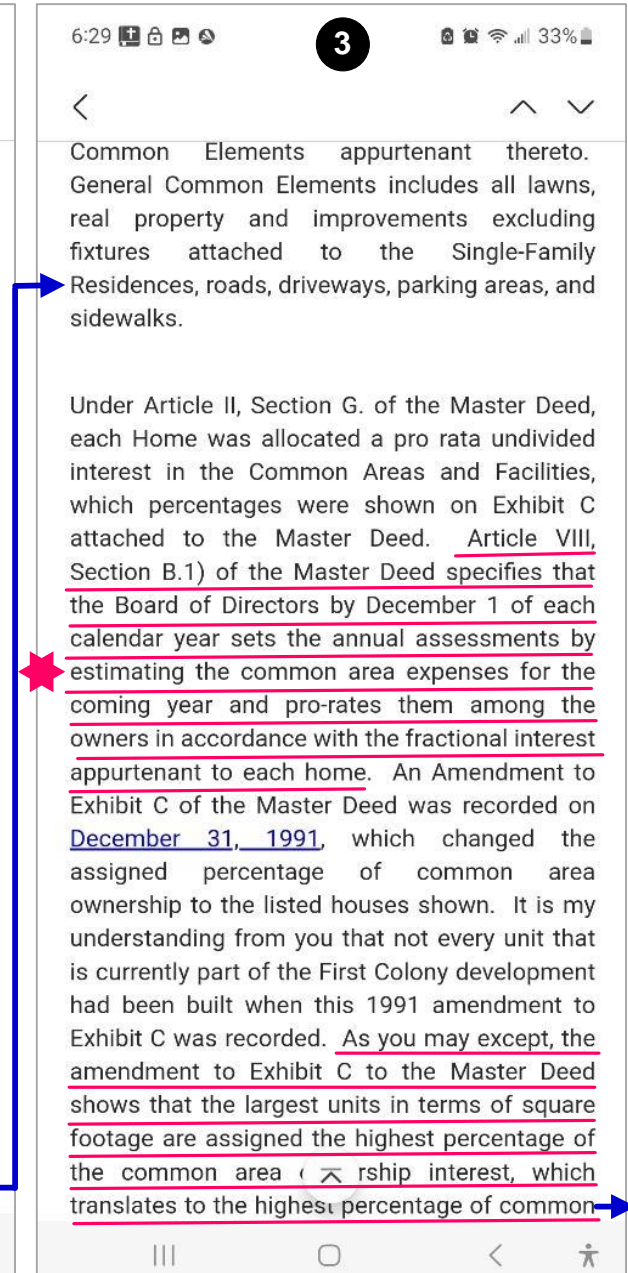
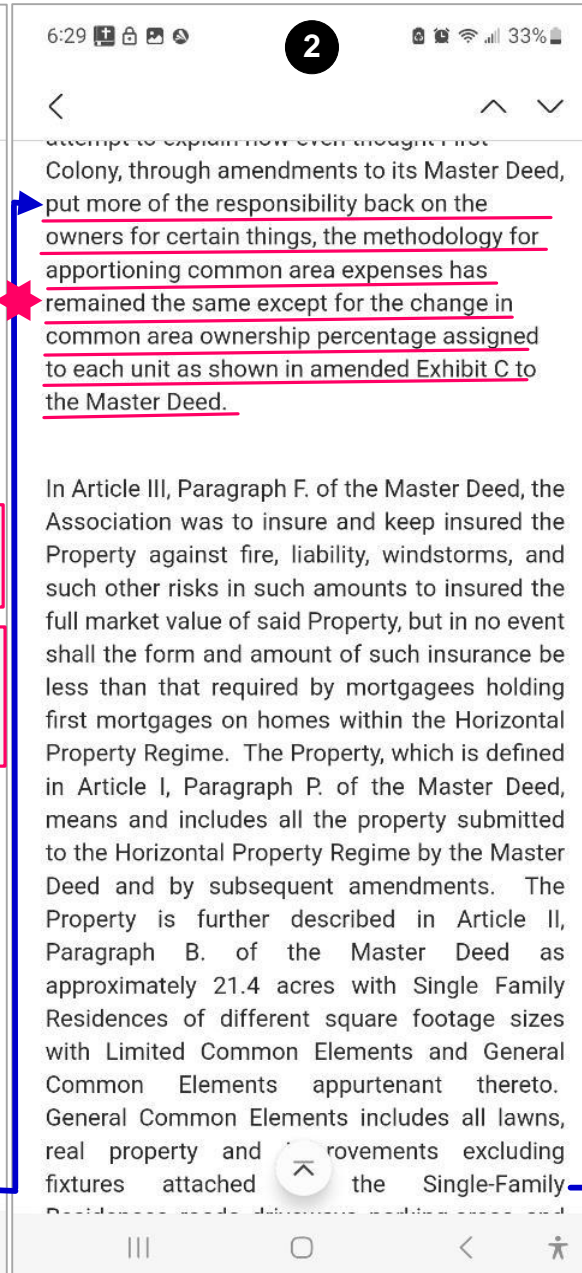
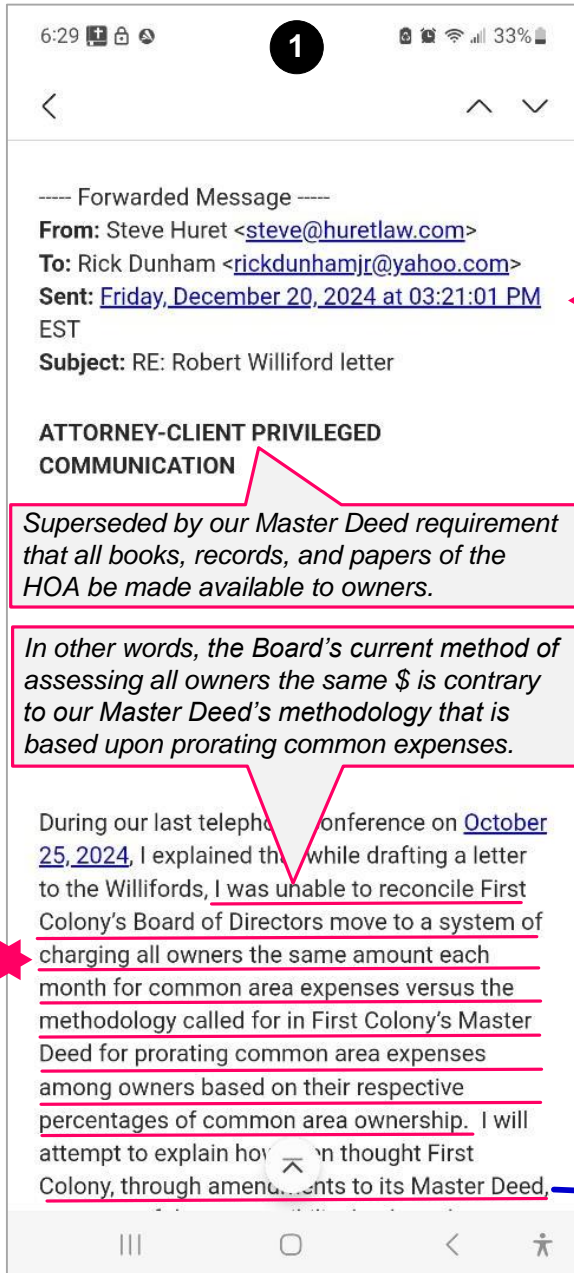


Below are numbered image snapshots of an Email from attorney Steve Huret to Rick Dunham (HOA President) in Dec/2024 paid from FC HOA funds. Rick asked the attorney to consider any reason to justify continuing to assess all owners the same \$: 1) Amendment 1 (Jul/1989) made owners responsible for the exterior of homes, 2) Amendment to Exhibit C (Dec/1991) listed only the 23 units built at that time, and 3) Amendment 4 (Feb/2019) changed name from FC Condominiums to FC Townhouses. The attorney confirms below (ref. red underlines) no exception exists for violating the Master Deed's methodology that requires assessments be prorated based upon the sq. ft. of homes. Blue lines connect the text from one image block to the next since they overlap. This Email made possible by Exhibit E, Article XIV of our Master Deed that requires that all books, records, and papers of the HOA be made available to owners.



6:29 4 shows that the largest units in terms of square footage are assigned the highest percentage of the common area ownership interest, which translates to the highest percentage of common area expenses.

In Article V, Paragraph D of the Master Deed, each Owner shall, at his sole cost and expense, keep and maintain the exterior and interior of his home and any balcony or patio to which he has sole access, in a good state of repair, preservation and cleanliness, and shall not change the color of any exterior portion of any building without written approval of the Architectural Committee. The First Amendment to the Master Deed and By-Laws dated July 3, 1989, which was recorded in the Register's Office for Sullivan County in Book 286, Page 777, amended Article V, Paragraph D of the Master Deed to state the following:

Exterior of homes to be maintained by Owners is defined as being all of the outside walls, roofs, skylights, windows, guttering, and any and all other parts either attached to or belonging to the outside of a home building.

The Third Amendment to the Master Deed and By-Laws dated May 5, 1995, which was recorded in the Register's Office for Sullivan County in Book 364, Page 370, amended Article

6:30 5 to the outside of a home building.

The Third Amendment to the Master Deed and By-Laws dated May 15, 1995, which was recorded in the Register's Office for Sullivan County in Book 364, Page 370, amended Article III, Paragraph F. of the Master Deed, among others, to the following:

F. INSURANCE:

(1) *The Association shall insure and keep insured the common areas (including the gatehouse, gate, and fencing as necessary) against fire, liability, and such other risks in such amounts as deemed necessary by the Board, provide that liability insurance shall be maintained in an amount not less than \$1,000,000. The Association shall also carry insurance to indemnify officers and directors for liability in such amount as*

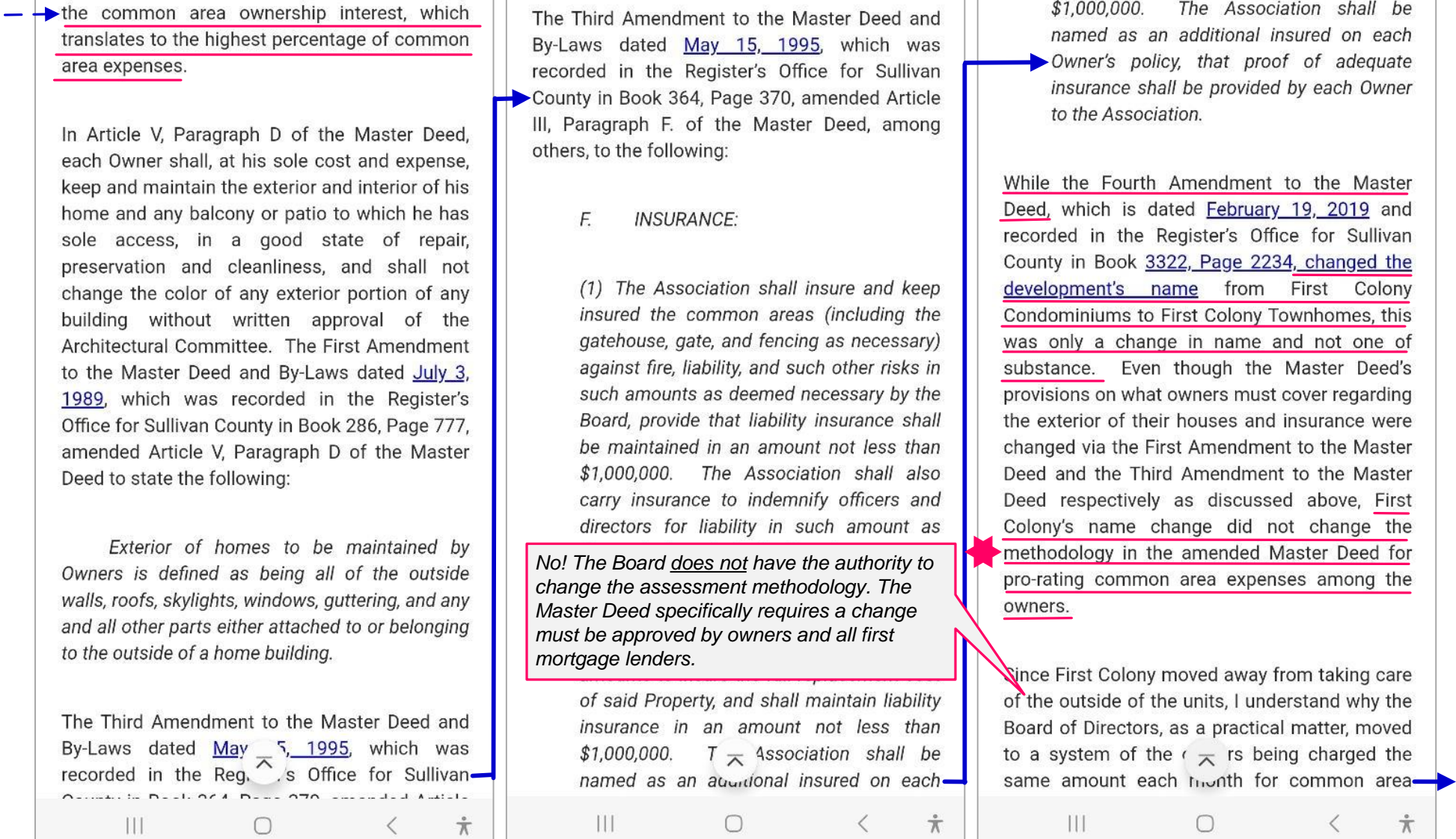
No! The Board does not have the authority to change the assessment methodology. The Master Deed specifically requires a change must be approved by owners and all first mortgage lenders.

of said Property, and shall maintain liability insurance in an amount not less than \$1,000,000. The Association shall be named as an additional insured on each

6:30 6 of said Property, and shall maintain liability insurance in an amount not less than \$1,000,000. The Association shall be named as an additional insured on each Owner's policy, that proof of adequate insurance shall be provided by each Owner to the Association.

While the Fourth Amendment to the Master Deed, which is dated February 19, 2019 and recorded in the Register's Office for Sullivan County in Book 3322, Page 2234, changed the development's name from First Colony Condominiums to First Colony Townhomes, this was only a change in name and not one of substance. Even though the Master Deed's provisions on what owners must cover regarding the exterior of their houses and insurance were changed via the First Amendment to the Master Deed and the Third Amendment to the Master Deed respectively as discussed above, First Colony's name change did not change the methodology in the amended Master Deed for pro-rating common area expenses among the owners.

Since First Colony moved away from taking care of the outside of the units, I understand why the Board of Directors, as a practical matter, moved to a system of the owners being charged the same amount each month for common area



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to a system of the owners being charged the same amount each month for common area expenses regardless of the size of their units since everyone is getting the same benefits from the common areas. The decision whether to continue charging owners the same amount each month for common area expense versus returning to a pro-rated amount based on a percentage of each owner's common area percentage is up to the Board of Directors. The Board of Directors, however, must understand that a legal challenge, whether from the Willifords or other owners, to the current method of charging all owners the same monthly amount for common area expenses, is possible, if they have the willingness to do so. I think any challenging owners would spend more in attorney's fees than what they would save by moving back to a pro-rated common area expenses system, but the same is true for First Colony if it must spend money to defend itself against such a lawsuit. Since only one owner does not like the everyone pays the same for common area expenses, the Board should consider leaving well enough alone but keep sending this disagreeable owner invoices each month for the same amount charged to all the other owners for common area expenses.

I hope that you, the rest of the First Colony directors, and your families have a Merry Christmas!

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month for the same amount charged to all the other owners for common area expenses.

I hope that you, the rest of the First Colony directors, and your families have a Merry Christmas!

Regards,

Steve

Steven C. Huret
Rule 31 Listed General Civil Mediator

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In other words, the Board may continue to violate the Master Deed if they wish.

Again, the Master Deed states the Board (alone) does not have the authority to change the assessment methodology.