

December 19, 2018

NOTICE OF INCREASE IN SPECIAL ASSESSMENT due April 30, 2019

Dear Pembroke Homeowners:

In September, we sent a notice regarding a special assessment amount intended to cover the failure/repair of three ponds within the community. Unfortunately, since the time of that letter, Tropical Storm Michael moved through our area and caused additional damage at another pond located on Middlegate. The Middlegate damage required emergency repairs as there was a METCOM manhole that was in danger of collapse.

At our annual meeting, we discussed the Middlegate pond issue in greater detail. While there are additional repairs that will be required for the Middlegate pond, we must first retain professionals to provide further guidance on how best to repair this pond. We are actively working this situation. However, the costs to fully repair the Middlegate pond are not yet known. That being said, the emergency repairs at Middlegate were required to be completed immediately. Therefore, the cost for these emergency repairs (totaling approximately \$10,000) is being added to the initial special assessment amount.

In addition, the pond repair estimate for the initial three ponds was insufficient to cover the actual costs. Tropical Storm Michael, coupled with this year's excessive amounts of rainfall and unforeseen issues at these ponds, caused the need for additional repairs. The actual invoice for the cost of repairs for these three ponds was approximately \$35,000 higher than what was initially estimated and budgeted.

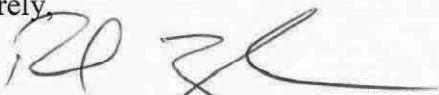
This letter serves as notification that the Pembroke Board of Directors is amending the special assessment amount and will now require a special assessment fee of \$421.54 from each homeowner to cover the cost of these repairs (the actual costs for the initial three ponds and the emergency repairs for the Middlegate pond). These additional amounts were voted on and approved by the Board on November 17, 2018, and December 12, 2018. In order to save on postage, this amount is being included on the statement with your annual dues. In accordance with our By-laws/CC&Rs, we are providing the required 30-day notice. Again, please note that the Middlegate pond repairs are not yet complete and we do not have the full details available regarding the costs or timing of these repairs.

The **special assessment** of \$421.54 will be due on **April 30, 2019**.

The **annual dues** of \$242 must be received no later than **February 1, 2019**.

The Pembroke HOA Board of Directors is committed to thoughtful and justified budget planning and spending that reflects the needs of the community. We understand that a special assessment is not favorable. However, it is the Board's responsibility to ensure that these ponds remain in compliance with regulations so as to avoid any fines that may otherwise be levied by the State. If you have any questions regarding this increase in the special assessment, please do not hesitate to contact the Board at bod@pembrookehoa.org. You can visit our website at www.pembrookehoa.org for before and after pictures of the ponds.

Sincerely,



Rich Zellner, President
Pembroke Homeowners' Association