

January 31, 2015

Dear Neighbor:

Happy New Year! The purpose of this letter is to inform you of current events in the Association and to provide your 2015 Assessment Statement.

Actions from the December 2014 Annual Meeting

At the December 10, 2014 Annual Meeting, the members elected two new officers of the Association Board: Paul Viscontini, President, and Mike Smith, Secretary. Steve Bryant was re-elected as Vice-President and Treasurer. The Association thanks Curtis Austin and Josh Wesley for their service as our President and Secretary, respectively, for the past three years. Their work guided the Association through a difficult transition period to organizational and financial health.

Current Finances

Your Board continues to take positive actions to put the Association finances in order by collecting past dues from 2008 through 2014 and making needed improvements in the neighborhood. The results of these actions are reflected in the Association Annual Financial Report included with this letter. Through cost-cutting measures and the collection of payments, the Association ended 2014 with a bank balance of \$67,672.92; the 2013 balance was \$63,711.39. Your assessments paid for significant repairs to our major roadway, McClure Drive, as well as routine costs such as our electric utility costs for our street lights, landscaping maintenance, and also for replacements of some of our entrance-way lights. However, our Association faces significant costs to repave our portions of McClure Drive, McClure Court and Maclean Road. Through repairs, we have extended the useful life of these roads, but it has been almost 20 years since our roads were repaved and they are nearing the time when repairs are not sufficient or cost effective.

2015 Assessment Statement

Enclosed is your Association Billing Statement for the 2015 assessments along with a **special assessment survey**. Your payments may be made now but are due no later than **April 1**. All payments should be sent to our Association Kerry Forest UPS mail box listed below:

McBride Hills Association
2910 Kerry Forest Parkway
D-4, #305
Tallahassee, FL 32309

Special Assessment Survey

At our annual meeting in December, it was suggested that we survey our households about their willingness to pay a special assessment for this repaving capital expense. Because oil prices are a major factor in driving the cost of asphalt, your Board is interested in taking advantage of the current

drop in oil prices and avoid future price increases that would raise the overall repaving costs. As a result, your 2015 assessment statement has a line for you to indicate your willingness to pay for a special assessment. Based on a current repaving proposal, we estimate that a one-time special assessment in 2015 to be around \$220.00 per household. That assessment would leave the Association with about \$5,900.00 in reserves after paying our other 2015 expenses.

This survey is non-binding; it does not constitute an official vote of the members. However, if there is an indicated willingness on the part of members to pay for the Special Assessment, in a later action a binding election will be held. If a special assessment is approved by a 2/3 vote of the households and collected in 2015, the repaving would be started this year. Otherwise, the Association probably will not be able to pay for the repaving until 2018 at the earliest, and even then the repaving costs may require a special assessment. Furthermore, we have contacted the other homeowner associations in this subdivision, McBride Estates and Maclean Hills, and they have expressed a willingness to cooperate in repaving these roads. Therefore, we need to find out the preferences of our members as well as collect all of our current assessments and conserve our capital for this future, major expense.

The Board will examine options for paying for future capital needs. In order to avoid special assessments in the future, the Board will look into alternatives, including raising our dues, in order to assure that we have sufficient funds to pay for repaving and other needs. Of course, any of these changes will be fully discussed with the Association members before being put to a vote.

Collection of Past Assessments

We have 8 homeowners from whom we are collecting past assessments. If you owe any past assessments and need to arrange periodic payments on that amount, please contact me as soon as possible to do so. Although some of those past assessments have been paid, beginning April 1, 2015, the Board will enforce the requirements of our Covenants and invoke liens and financial penalties for non-payment of 2015 assessments and past due assessments. Section 9 of Article 28 of our Covenants states:

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18) per cent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of such action.

The Board intends to collect the full amounts of all assessments, current and past. Thank you in advance for your payments.

Architectural Review

If you are planning any major exterior changes to your house or property such as an addition to your house, please remember that our Covenants include requirements for an architectural review. Those requirements are listed in the Covenants in Article 6. Your Board serves as the Architectural Review Committee; therefore, you may contact anyone on the Board in regard to your plans. Contact information for Board members is included at the end of this letter.

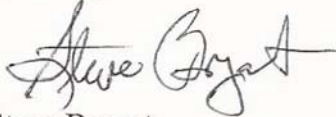
Maintenance of Street Lights

Our Association pays the electricity for 12 street lights in our subdivision as well as for the large street light on Bannerman Road at the entrance to our neighborhood. If a light in your area needs maintenance, please contact the City of Tallahassee Utilities at 850.891.4968. Please call during business hours and you can leave information about an address near the light and your name as a point-of-contact. There is no need to contact the Board about the issue.

Request for Email Addresses

Finally, in order for the Board to communicate with our Association members via email, we need your email address. If you do not already receive our Association emails, please fill out that line on the 2015 assessment form. From time to time, we send out information about items of interest to our members such as Association Meeting Minutes, land use changes, road changes, and even current crime warnings. We look forward to your participation in our Association activities.

Sincerely,



Steve Bryant
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Mike Smith, Secretary
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Enclosures: 2014 Association Annual Financial Report & 2015 Billing Statement