

Strawberry Fields Condominium Owners Association

2018 SPECIAL "LOSS" ASSESSMENT NOTICE

September 12, 2018

Dear Strawberry Fields Owner,

As you are no doubt aware, the Association's roofs were damaged beyond repair from a hail storm on August 6, 2018. After filing a claim with Farmers' Insurance, the claim adjustment showed the insurance proceeds would be insufficient to pay for the replacement of the roofs. In addition to all new roofs, the claim also allowed for the replacement of all the gutters and the replacement of all the carport roofs. We anticipated this eventuality, which is why the Association has been sending out numerous newsletters encouraging owners to increase their individual policy limits.

The Board of Directors, as required and authorized by the Article XV, Section 15.3, of the Declaration of Covenants, Conditions and Restrictions for the Strawberry Fields COA, has adopted a Special "Loss" Assessment (**SLA**) to be effective for all homes on August 30, 2018:

Special "Loss" Assessment Figures

TOTAL ADJUSTED DAMAGES (approx.):	\$1,678,528.90 ++
Replace All Roofs:	Included
Repair/Replace Damaged Rain Gutter Systems:	Included
Replace all Carport Roofs:	Included
Repair/Replaced Some Damaged Windows:	Included *
<u>Total Projected Damages & Cost of Repairs:</u>	\$1,678,528.90
Insurance Proceeds (approx.):	(\$819,572.71)
TOTAL PROJECTED <u>SHORTAGE</u> :	\$770,800.00

SLA per home (232):	See Attached Spreadsheet
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The attached spreadsheet contains the calculations for the SLA distributed by your proportionate interest as required by the Covenants. **This SLA is due immediately, but no interest or late fees will be applicable until after October 15, 2018.** This should provide your insurance carrier plenty of time to settle your individual claim.

In order to assist uninsured Owners or hardship cases, six-month payment plan letters will be issued to all Owners who have not paid the balance by October 15th. Longer term plans will be considered on a case by case basis. All payment plans will include the late fees, interests and costs as authorized by the Policy for the Collection of Assessments as the Owners who pay by the 15th cannot be expected to subsidize payment plans as interest free loans.

Please forward a copy of this letter to your individual insurance agent and have it processed as a claim on your individual HO-6 policy. In the event there are surplus funds after the final costs have been determined, the surplus funds shall be deposited into the Association's reserve account. Any shortages will also be taken from the reserves.

In the meantime, the efforts at replacing the roofs, carports and gutters will commence shortly, weather permitting. I know this can be a confusing topic, so if you have questions I'll do my best to assist you and keep you updated on any current events. Thank you.

* IMPORTANT NOTE!!: Some units, not many, did have damage to select windows and Farmers' Insurance will be paying for some repairs. If you have damaged windows, the contractor will be in touch with you individually to handle the repairs.

At the Direction of the Board of Directors,
Strawberry Fields COA



Darren H. Burns
Property Manager

p.s. - ++ - The Farmers' settlement document is a very detailed 150+ page report that could not be summarized in this letter. If you desire a copy of this report, please email me and I'll be happy to release a copy to you. You can also find it at www.strawberrycoa.com.

Professionally Managed by:



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Strawberry Fields Condominiums
SLA Calculation Spreadsheet
 2018

Total Budget Requirement: **\$770,800** Insufficient Insurance Proceeds

<u>Unit</u>	<u># of Units</u>	<u>Owner %</u>	<u>Total</u>	<u>SLA Total</u>
2 bdr SMALL - \$214	88	0.0039	\$264,538.56	\$3,006
2 bdr LRG - \$242	88	0.0044	\$298,453.76	\$3,392
3 bdr - \$264	56	0.0048	\$207,191.04	\$3,700
Total:	232	100%	\$770,183.36	