

October 31, 2006



Dear Neighbor,

As you are aware, the Avocet Board of Directors called a vote on a new Special Assessment initiative. We had the first vote on October 30, 2006. While we had an excellent turnout, we did not achieve quorum. We required 131 votes cast by our community for quorum. We received 113. We will have a second meeting on November 30, 2006 to vote again for the Special Assessment

Please note: Even if you cast a ballot in the October 30 vote, you will still need to cast a new ballot for this vote.

Avocet is very much in need of repairs and improvements. We have a roadmap for maintenance now with the Capital Reserve Analysis (CRA) that will guide this board and future Avocet boards. We have implemented a spending limit bylaw that caps a board's ability to spend Avocet funds without input from approval by our community. Now, we need to ensure we have adequate funding to implement these plans.

To meet this need, we are asking for a \$325 Special Assessment. This will go most of the way to meet our financial needs over the next three years. However, we will still need a \$10/month increase in our dues to ensure we have sufficient funding to maintain our community to a high standard and preserve our common assets. The projected financials through 2010 are available on our website, <http://www.avocet-hoa.org>. You will also find links there to join our forum, where we will post additional information.

We realize this is asking all of us to dig deep into our pockets. If the Special Assessment passes, this Board will pass a resolution requesting that future Boards hold fees stable until 2010.

Special Assessments require a super majority of our community to a) vote and b) pass the assessment. This second vote requires ballot to be cast by 67 of our neighbors. A majority of 2/3's voting YES is required to pass this. As you can see, there is a very high threshold required to pass a Special Assessment.

The Special Assessment will be payable in four (4) installments of \$81.25 with the first payment due January 1, 2007. You can also choose to pay the amount in full.

We have had several questions about the Special Assessment that we wanted to address. The biggest question is why we increased the amount of the assessment. When we received the preliminary CRA, almost all of the maintenance was shown in 2007. We looked at where we could safely postpone needed maintenance and distributed these maintenance projects over a three year period, through 2010. The financial burden for Avocet homeowners would have been too great to attempt to do all in a given year. However, we could not stretch these projects any further out than we did. In many cases,

safety was an issue. We had to increase the Special Assessment to ensure that there were sufficient funds to allow some of these projects to be completed in early 2007.

Another question that has been asked is why we will increase dues by \$10/month even though we increased the amount of the Special Assessment. We wanted to balance the burden created by the Special Assessment while ensuring we had adequate funding for the identified maintenance projects. With a small increase in dues, we were able to keep the Special Assessment reasonable and still provide adequate funding.

The last question was why a Special Assessment when we could have achieved the same result by raising dues. We did look at raising dues. In order to achieve the funding necessary for the short term, it would have required a minimum increase of \$25/month. Over 4 years, this would have cost Avocet homeowners almost \$500 more than the combined \$325 Special Assessment and the small dues increase. And it would have raised more money than we truly needed to meet our needs. In addition, dues and taxes have one thing in common. Once raised, they are rarely lowered.

Please take the time to vote on this issue. Your proxy is enclosed. There are many ways to vote. You can enclose your proxy in the self-addressed envelope and return it to Heritage by November 27. You can place your ballot in the locked ACC mailbox at the entry to the amenities area. You can give your ballot to a neighbor, committee or Board member who will be attending the meeting for the vote on November 30. Or you can attend the meeting and get to ask questions before casting your ballot in person.

If you have any questions that you would like to have answered before you cast your ballot, please e-mail us at bod@avocet-hoa.org and/or finance@avocet-hoa.org. We will be happy to respond via-mail, telephone or even meet in person with you to ensure all of your questions are adequately addressed.

The Board and the Finance Committee strongly recommend a vote FOR the Special Assessment.

Avocet Board of Directors

Jeanne Aulbach, President; Lara Foreman, Vice President; Dave Spanjers, Vice President; Julie Dominguez, Secretary, Sean Bennett, Treasurer

Finance Committee

Barry Sharp, Neal Gonsalves