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Dear Resident of Fairway Lakes at Duran:

Congratulations on nearing the community milestone of resident control of your District Association. It is always a source of pride for The Viera Company when a community that began as a concept transitions to a self-governing and financially sound homeowner's association.

During this transition, it is important that The Viera Company provide context and background relating to the Duran Benefit Fee. As you are likely aware, each resident of the Fairway Lakes at Duran and Wyndham at Duran neighborhoods pays an annual fee to the Duran Golf Club.

As background, The Viera Company observed the challenges borne by golf course operations in surrounding courses such as the Viera East Golf Course and Baytree National Links where residential property adjoining the course required enhanced levels of maintenance and infrastructure in order to meet the expectations of the residents.

The origin of the Duran Benefit Fee is based on the lessons learned by those golf courses. In addition to the costs of maintenance borne by Duran on boundary areas adjacent to, or visible from, Fairway Lakes, Duran is also required to accept and treat storm water from Fairway Lakes and address related drainage issues as they arise from time to time.

The underlying premise of the Duran Benefit Fee is that the appearance and reputation of the Duran Golf Course are inextricably intertwined with value of the residential homes in the adjoining communities. Duran Golf Course utilizes the funds from the Benefit Fee to maintain the buffer areas and applicable storm water lakes and to operate, maintain and repair the storm water drainage pipes and structures and the irrigation facilities serving the buffer areas.

The question has been asked if there is a budget for such fees and the simple answer is that there is no separation of funds or separate accounting of funds for the Duran Benefit Fee. The Duran Golf Course does not generate a profit and the maintenance budget for this course is in excess of \$1,000,000 annually. Other golf courses in the area are spending approximately half of what Duran spends per year on maintenance. It is the quality of the turf maintenance crew and the extra money that Duran spends on maintenance that has garnered Duran its 9th consecutive year ranking as Brevard's Best Public Golf Course by the readers of Florida Today.

While there is no discrete budget delineating the precise expenses paid for by the Duran Benefit Fee, there are clearly areas of maintenance that are solely attributable to the boundaries of the golf course abutting residential communities and associated storm water maintenance. In addition, many other maintenance expenses of the golf course enhance the desirability and value of each residence.

Approximately \$40,000 per year is spent by Duran for irrigation maintenance, turf maintenance, aquatic weed control and water quality maintenance and drainage maintenance in out-of-play areas that would otherwise not be maintained by Duran. The additional money from the Duran Benefit Fee is utilized to help offset the costs of maintaining the overall course at a high level including such practices as over-seeding in the winter, aeration of the greens, expanded mowing/fertilization/weed and insect control and detail work - all practices that set Duran apart from other golf courses and enhance the surrounding residential communities.

That aside, however, Duran has heard and understands Fairway Lakes at Duran's concerns about the escalating nature of the Benefit Fee. Also, Duran recognizes the importance of fostering and maintaining a direct relationship with Fairway Lakes at Duran and its residents. Therefore, effective immediately and for each year hereafter, Duran is waiving and foregoing any increase in the Benefit Fee which would otherwise result by the adjustment process set forth in the District Declaration for Fairway Lakes at Duran. The result of this waiver is that the Benefit Fee, while it may decrease due to the adjustment process, it will never increase over its current amount.

In addition, as an expression of its appreciation for Fairway Lakes' support, Duran Golf Club will provide the following additional benefits to the residents of Fairway Lakes commencing June 1, 2015 and continuing concurrently with the Duran Benefit Fee. These benefits are for Resident "Owners", Resident "Tenants" and their immediate family residing within the same household. Accompanied guests are provided special pricing for daily golf as identified with the Crown Card item below. Please visit Duran Golf Club (or contact Duran at info@durangolf.com) for additional details and to obtain your Resident Member Card which will entitle you to the following:

- 5% off Signature Membership Fees
- Complimentary Crown Card pricing for all residents and guests of residents when playing with resident – 15% off booked rate.
- Complimentary upgrade to next size on Practice Balls at the Duran Development Center.
- 10% off food at the Tradewinds Restaurant for dine-in lunch and brunch service
- 10% off non sale – in stock merchandise at the Duran Professional Golf Shop
- \$500 discount on room rental at the Tradewinds Restaurant based on a minimum food and beverage purchase.
- Complimentary Annual Private Community Golf Clinic and Par 3 Event.

Congratulations again on the success of Fairway Lakes at Duran and on behalf of The Viera Company and The Duran Golf Club, we look forward to maintaining a long and mutually beneficial relationship as our town continues to grow.

Sincerely,



Scott Miller

Vice President Sales and Community Management