ESQUIRE
ASSOCIATION MANAGEMENT, LLC

Kimberly Garland-Klopp
kgarland@esqmanagement.com

March 26, 2020

Dear Crossgates Master Homeowners:

I hope this letter finds you well!

On behalf of the Crossgates Master Homeowners Association Executive Board of Directors, attached is a resolution that was adopted for capital reserve funding. Please place this resolution with your community documents (Covenants, By-Laws, etc.) as it is necessary to provide this information upon the resale of your home.

In your association capital reserve are monies set aside for the future maintenance of the common areas. This maintenance is Crossgates Master Association's responsibility.

Taking into consideration the aging of the common areas, the Executive Board of Directors unanimously approved adopting this resolution at the meeting held March 11, 2020. Effective May 1, 2020, any NEW owner will need to contribute this one-time fee of $265 at closing. If your home is currently on the market, please pass this information along to your realtor.

As always, if you have any questions regarding this letter, please do you not hesitate to call us at (717) 824-3071 or email me at kgarland@esqmanagement.com.

Sincerely,

Kimberly Garland-Klopp
Community Manager

RESOLUTION OF THE EXECUTIVE BOARD OF DIRECTORS
CROSSGATES MASTER HOMEOWNERS ASSOCIATION
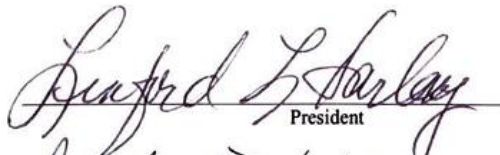## ESTABLISHING A CAPITAL RESERVE FEE

BACKGROUND

A. The Crossgates Master Homeowners Association does not presently collect a Capital Reserve Fee from incoming purchasers of homes. The Association's Executive Board of Directors, by unanimous vote, has determined that it is in the best interest of the financial future of the Association to impose a Capital Reserve Fee on resale or transfer of units in Crossgates Master Homeowners Association in order to fund the capital reserve, for maintenance of common areas.

B. Article VI, Section 1 (c) The Association shall provide the following services: operate and maintain, or provide for the operation and maintenance of all the Common Areas designated by the Declarant on the duly recorded final subdivision/land development plan or in which it owns easements either for operation and maintenance purposes or for the benefit of Association members; and to keep all improvements of whatever purpose from time to time located thereon in good order and repair.

C. Article VI, Section 2 authorizes the Executive Board of Directors to exercise all powers, duties necessary for the administration of the affairs of the Association.

D. Section 5302(A)(2) of the Act authorizes community associations to adopt & amend budgets for revenues, expenditures and reserves and collect assessments for common expenses. ("capital reserve")

NOW THEREFORE, IT IS HEREBY RESOLVED by the Executive Board of Directors of Crossgates Master Homeowners Association as follows:
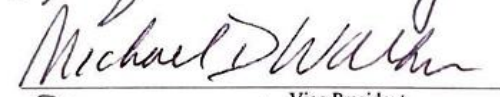
1. **A Capital Reserve Fee of one-half of the annual Master HOA dues is hereby imposed on the resale or transfer of a unit in the Crossgates Master Homeowners Association.**
2. Notice of the amount of the Capital Reserve Fee shall be given in the "5407 Certificate" to be collected at the time of settlement.
3. In the event that the Association does not receive notice of a sale or transfer and the Capital Reserve Fee is not collected at the time of such transfer, the Capital Reserve Fee shall be a lien on said unit, enforced in the same manner as liens for assessments.
4. Capital Reserve Fees shall be maintained in a separate capital account ("reserves") and shall be expended only for maintenance, repair, and replacement of common areas.
5. Notice of the adoption of this Resolution establishing a Capital Reserve Fee and the amount thereof shall be given to unit owners in the Crossgates Master Homeowners Association upon adoption of this resolution.
6. **This Resolution is effective as of <u>MAY 1, 2020</u>.**

RESOLVED AND ADOPTED BY UNANIMIOUS VOTE OF THE EXECUTIVE BOARD OF DIRECTORS OF CROSSGATES MASTER HOMEOWNERS ASSOCIATION THIS <u>11th</u> DAY OF <u>March</u>, 2020.
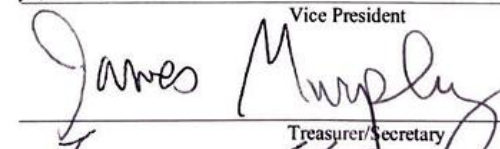
ATTEST:

_____
President

_____
Vice President

_____
Treasurer/Secretary