

January 24, 2016

Dear Mr. Hitchcock & Mr. Phillips:

This letter is in follow up to your email dated December 1, 2015 regarding Weaver Village Walk turn-over agreement.

Based on your email, it is our understanding that we have mutual agreement regarding the following:

- 1) Ensure that the HOA property being conveyed is released from the 2 deeds of trust prior to conveyance. This agreement will be added to the turnover agreement, and implemented prior to transfer of the property.
- 2) Ensure that the HOA property being conveyed is free and clear of liens and encumbrances.
- 3) Record a joint maintenance agreement for the retaining wall, indemnifying owners of any damage to the wall caused by the failure of another owner. You will prepare a draft of this agreement – please send the draft to us for review.
- 4) Provide the HOA with \$3,000.00 for the 'North Slope'.

There are two items that we do not have agreement on that need to be reconciled:

- 1) The HOA does not have adequate access to maintain and repair the North Slope without access from the commercial property along the toe of the slope. Since the commercial lots below the North Slope are still in the control of Weaverville Partners, LLC, it would be timely to establish a nominal easement for maintenance and repair of the slope. Here is proposed language that would satisfy our concern in this regard:

“Contemporaneously with the conveyance of the residential common elements to Weaver Village Residential Association (“WVRA”), Weaverville Partners LLC (“WP”) will cause permanent non-exclusive easements to be executed and recorded in favor of WVRA, from WP and from Goodwill Industries of NW NC Inc. These easements will enable WVRA to enter into the lands of WP and Goodwill, along the southernmost 15' of each tract, only as required for the maintenance or repair of the slope with separates the WVRA common areas and the properties of WP and Goodwill. After entering onto the property of either WP or Goodwill, WVRA shall restore the property of WP or Goodwill to the condition existing before such entry.”

- 2) The drainage from the HOA property is released downhill onto the commercial property below #82, and private property behind #86 owned by Mr. and Mrs. Lasher (PIN #97-42-29-7577-00000). There are buried drain pipes installed by the developer which are not part of the catchment system but which openly drain water onto these other properties. If damage occurs to these properties, the property owners could file damage claims against the HOA. See attached map showing direction of water flow, and photos.

As stated in your 12/1/15 email, "In North Carolina an owner of property has a duty at common law not to damage their neighbor's property". Weaverville Partners, LLC's installed this drainage outside of planned catchment system, affecting these private property owners without their consent. Since the commercial and private property is downhill from the HOA property, the HOA would be liable for any damage that may occur due to the drainage onto these properties. We need an agreement/easement, particularly with the private property owner, confirming that they agree to have Weaverville Partners, LLC divert drainage onto their property. The agreement/easement needs to delineate the boundaries of the drainage area, protecting the HOA into the future.

Certainly, it is important that we have agreement on all items in order to proceed with a smooth transition of HOA properties to the homeowners at Weaver Village Walk. Please be so kind as to let me know what you can do to resolve these last 2 items.

Sincerely,

*Monica J. Schwalbach*

Monica Schwalbach, for

Weaver Village Walk HOA