Dear Catawba Shores North Homeowners:

I have two issues I want to address with you at this time. It is with a heavy heart that I address the first and most critical issue with you all. In the process of starting Building 1 with the siding of Diamond Kote this past November, it was discovered that there appeared to be rotting wood at the edge of the roof and at the soffits of the garages. Ben Kluding stopped the siding project on Building 1 and moved to the garages. Tim Keys and Mike Colatruglio contacted 4 roofing contractors that are 5 star rated in the Sandusky/Toledo area and all four of the roofing contractors agreed that the roofs needed to be replaced. The Board also sought out the expertise of an independent roofing specialist that was out of Indianapolis, Indiana called Alliance Consulting & Testing, Inc. The roofing consultants were on the campus of CSN on February 20 and 21<sup>st</sup>. The official independent survey recommended that due to the deficiencies of curled shingles; exposed fasteners; improper or inadequate flashings, especially at roof intersections along the chimneys; lack of ice and water shields; drainage design that allow large amounts of water to flow to dead areas with little drainage; perforated valleys; and internal leaks and rotting wood the roofing system on the entire property needs to be replaced.

Due to this discovery, the Board has done tremendous amount of discussion and research with roofing companies and Alliance Consulting & Testing to determine the best choices for new roof system. It has been decided that Certainteed Roofing Shingles will be used, and are rated number one of the best roofing shingle at the present time. The Board is meeting next Wednesday, March 15, 2023 to determine the final selection and final roofing contractor to complete the project as soon as possible. Once the final figures are established, all owners will be notified and an additional assessment will be allocated to all unit owners most likely at the same percentages as the siding. The roofing assessment will be a separate invoice and will be divided over 6 payments. Our initial thought is to begin the roofs as soon as possible, which will be contingent on getting supplies ordered and delivered. We are considering a shingle that offers the dimensionality of wood shake roof in the form of a durable, polymer-modified asphalt. The shingle stands up very well to the Ohio climate and weather conditions and offers Class 4 impact resistance, cold weather flexibility, increased granule adhesion, enhanced crack resistance and shrink resistance.

I know this is not an easy to accept, especially coming on the heels of our recent siding assessment. However, it is important that we replace all of the roofs as soon as possible, due to the shingles failing and multiple problems with rotting wood, leaks, flashing and poor roof drainage. In addition, the siding project was suspended on building 1, to not jeopardize in any way, the warranty of the Diamond Kote siding due to water damage from the roofs. We will be sending out information on the roofs as soon as we have final numbers and documentation from the many bids from roofers.

The one thing that keeps myself and the Board positive through all this, is that we all enjoy CSN so much and we purchased our units because of the beautiful location and the beautiful views. We will continue to have those views and when our construction projects are completed, once again, CSNCA will be the most beautiful and relaxing place along the shores of Lake Erie.

The second item I want to address with you all is that today you may have received an email from Unit 24, David and Kerry Kramer regarding the change in our Amendments that were mailed to all unit owners to separate Unit 29 from all maintenance, repair and assessments to the house and garage. Unit 29 would continue to support any maintenance, repair and assessments to all common areas of CSNCA. For the past 10-15 years, Unit 29 has improved their home and surrounding area with their own funds

and have signed waivers to take full responsibility for all future repairs and maintenance for any of the work that was done. New siding, new brick fronting, new back patio and many, many more additions have been completed by this Unit owner at their own expense. Receipts for this work have been submitted to the Board of Trustees over the years and documents many thousands of dollars spent to improve the look of Unit 29.

At our Annual Meeting this past September, I specifically addressed Unit 29 and informed all present that Unit 29 was not going to be included on the siding renovations due to the fact that new cedar siding and new stone fronting had been installed on Unit 29 in recent years and the unit owner paid for all repairs. This was addressed at the Annual meeting and owners were informed that Unit 29 would not be included when the assessments were calculated for the total cost of the new Diamond Kote siding.

The process that the Board has gone through to find the very best quality of materials for the siding, decks and railings was thorough and complete. Hours of work, research and discussion with multiple contractors and vendors were completed before final decisions were made. All of this was thoroughly presented at the Annual Meeting and the response from owners was overwhelmingly positive. Of course, no one is happy about the cost of the individual assessments, however, CSNCA could not continue with the multiple problems the siding, flashing, gutters and the resulting water flow damage. Our lawyer, Jeff Kaman, from Kaman & Cusimano was present for the entire Annual Meeting. He answered questions regarding the process we were proposing and answered all questions owners had regarding the Board's ability to act on these matters. All owners and those present were given every opportunity to initiate discussion regarding any matters they wanted to discuss with the Board, the CSNCA attorney and with any other owners.

The Board has made the decision to attempt to separate Unit 29 for any maintenance and repair on Unit 29 house and garage due to the fact that there was no need to include this Unit in current repairs, and past repairs that were already completed with Unit 29 assuming all costs. It did not need any renovations. It would have only increased the total cost of the project when it was not necessary, which clearly would not have been a responsible or fair decision. The Board followed the recommendations of Kaman & Cusimano in developing the Amendment to separate Unit 29. The Amendment and the process for approval were prepared by Kaman & Cusimano

The Board has been very transparent in all our dealings and negotiations over the past 2 years. We have shared all information with owners. We have included people in discussions and have met individually with owners who requested further information or meetings. The Board organized and conducted an Open House in Primrose Hall for all unit owners to meet the contractor, the supplier and to see all products that were going to be used in the siding and deck project. I do not think it is accurate to accuse the Board of not sharing or hiding information to CSNCA members. We tried to be up front and open throughout the process and we informed everyone at the Annual Meeting that Unit 29 would not be included in the siding project. With Unit 29 not being included in the siding project, the total renovation project amount of \$3,266,400 was divided according to the same calculations used in the By-laws, but dividing Unit 29 percentage, which is the smallest percentage, among the other units appropriately. The calculation that was used is: .0288571 for Garden Units and .0384571 for Townhouse units. The Board stated at the Annual Meeting that the assessment would be handled in a fair and equitable way for the other 28 owners.

I know that I have burdened you all with a lot of information. My goal was to send out the letter regarding the roofs after our meeting on March 15<sup>th</sup>, however, I felt I could not address the email regarding separating Unit 29, without also addressing the issue of the water leaks and the damage that the roofs have caused with leaks and rotting wood. I do hope this letter explains the CSNCA Board's position. Please know we are here to serve all homeowners and work to provide the very best and safest environment for CSNCA. If you have any further questions, please do not hesitate to contact the board. We urge everyone to vote yes or no on the Amendment to Separate Unit 29, and return your consent ballot to Ley Property Management,

Sheila Flannery, President of CSNCA Board