LETTER FROM THE PRESIDENT

February 2015

Summer House Owners:

The Board of Directors and Staff at Summer House have embarked on a set of aggressive and ambitious plans for 2015. Here's a quick rundown.

Golfside Re-Pipe

Eight of the twenty one buildings on the Golfside have been re-piped in their entirety. The minor everyday issues that accompany any major construction project are inescapable [we have not escaped them], and such a highly disruptive undertaking is bound to ruffle a few feathers along the way [yes, there has been some ruffling]. But the pace of the project is good [about two weeks per building], and our staff is working hard to communicate early and often with everyone. When this project is complete in 2015, a constant source of difficult maintenance issues and significant expense will be tamed.

One matter of concern does deserve mention. We are surprised at the low number of owners who are choosing to replace their water heaters and re-plumb their hot side while the HOA re-plumbs the cold side. Many of these hot water lines and water heaters are at the end of their useful lives and the failure of owners to replace them will inevitably result in a number of water disasters. Such disasters can be shockingly expensive. When these disasters happen in the next few years in substantial numbers, the HOA will not be the responsible party. If you are a Golfside owner, we urge you to consider this wise, preventative investment in your property. And if you are a Beachside owner, take a moment to examine whether your water heater is approaching its tenth birthday, the time when most plumbers recommend replacement.

Building 13

All of the St. Johns County interior building permits except one have been pulled, most of the interiors are finished, and we have residents enjoying their new condos. It's a very sound building. We still have claims before the insurance company as we continue to attempt to recover the maximum amount available under our policy.

Landscaping

It is still a fairly crisp temperature outside so it's not yet time to begin an attempt at refreshing the appearance of the greenery and trees. Nonetheless, our staff has been

meeting with the landscapers, walking the property with the landscaping supervisor and "laying the groundwork" for spring. Constructive input is welcomed.

Hardiboard Project

Planning continues. Because the ultimate scope of work is impossible to ascertain in advance, the Board has decided to take a little extra planning time and write the most specific Request For Proposal possible so that change order needs can be anticipated and priced in advance. We believe that this careful planning will reduce expense in the long run. To that end, the Board is currently working with an expert to obtain a better understanding of how to require our bidders to structure their proposals.

Golfside Color Change Proposal

The initial proposal to change the Golfside siding colors to a four color palette did not garner the necessary supermajority of favorable votes from owners. However, a simple majority of the owners did express a positive interest in changing the color scheme. Due to this interest, the Board has decided to utilize the extra time created by the delay in beginning the Hardboard project to alter the color change proposal and resubmit it to the owners. The new proposal will be responsive to the many constructive suggestions received during the process. In addition, the procedures used to contact owners will be systematic, controlled and will emphasize informing owners of their choice without overly intrusive communications.

Lanterns

As part of our ongoing effort to ensure that our maintenance routines are as preventative in character as possible [of course, we will always have to respond to the daily issues arising unexpectedly], the Board has approved the replacement of all the lanterns on the Beachside. The existing lanterns are beginning to experience difficulties and their piecemeal replacement over the next couple of years would be far more costly than a wholesale changeout at this time. I think you will find the new, updated lantern style pretty spiffy and in keeping with the neighborhood.

Tenants

For those of you who lease your units, please be reminded that your tenants have no standing with the HOA to complain about rule enforcement. Please do not expect the staff to handle rental matters for you. As the landlord, it is your responsibility to provide rental management services, such as interior repairs and maintenance, to your tenants. You also have a responsibility to provide current lease information to the HOA and register your tenants. Please be mindful of the authority of the HOA to fine owners for failure to register tenants and additionally to evict tenants who consistently refuse to observe the rules of the community. As a landlord, I often remind myself that tenants come and go, but I will have to rely on the HOA to support my property values forever.

Contact Information

Please take a moment to ensure that the office staff has up-to-date contact information for you and, if applicable, your tenants. Especially important are phone numbers and email addresses because they allow the staff to contact owners quickly and inexpensively. With 463 condos, we have a regular stream of minor emergencies that require instant communication [water infiltration into other units, for example]. The HOA is often very effective at mitigating small disasters but we need to be able to communicate quickly and effectively with residents. Also, please make sure the HOA has a key to your unit, another effective tool in an emergency.

Property Management Staff

As most everyone knows, we have experienced some turnover in the office personnel on whom we rely to manage our property on a daily basis. Lucy is still available to us and we utilize her knowledge and skill regularly, but she supervises the Property Managers of quite a number of properties now, so she is not often physically present at Summer House. Shannon Kolacz, an experienced CAM, is now our permanent Property Manager, and she brings a wealth of experience and a calm and thoughtful presence to our office. Kirsten Fox, who is also a licensed CAM, is now the Assistant Property Manager. Kirsten's construction experience has already proved helpful as she has taken the lead on Golfside re-pipe matters. So, we now have two licensed CAMs with extensive experience at other properties on staff - a first for Summer House. Take a moment to introduce yourself to these fresh faces when you see them. They are bringing energy and new ideas to our operations. Working with them is a pleasure. Summer House's potential has never been higher.

Thanks for your trust and support.

Sincerely,

Joe Gill