

April 28, 2023

Reold May 12, 2023

[unit owner info redacted]

RE: [unit redacted]

Dear

Water's Edge Homeowners Association (HOA) has initiated Phase I of the roof replacement project for our community and as a unit owner with a skylight you will need to make a decision regarding the disposition of your unit's skylight during the project. After consulting with our project engineer, roofing contractor and legal counsel, the HOA has determined that you have two options for addressing the skylight:

Option 1: Accept that the skylight is your responsibility to repair, replace and maintain, per the current condominium declarations and bylaws, and decide which of the three choices presented on the attached Acknowledgment of Skylight Responsibility Form you would like to proceed with.

Option 2: Do not accept that the skylight is your responsibility to repair, replace and maintain thus deferring the decision for the disposition of the skylight to the HOA. If you choose this option by not returning the Acknowledgement of Skylight Responsibility Form, the HOA will arrange for the skylight to be closed in and sealed during the roof replacement project, at no additional cost to you.

To proceed with the roof replacement project efficiently, we kindly request your decision by May 22. If you are selecting Option 1, please complete the enclosed Acknowledgment of Skylight Responsibility Form and return it to the HOA by May 22 via mail or email. If we do not receive a completed Acknowledgment of Skylight Responsibility Form by May 22, the skylight will be treated as a limited common element and the Board will proceed with closing in the skylight during the roof replacement project.

If you have any questions or concerns, please email them to Kelly Lang at klang@kpamgmt.com. Thank you for your attention to this matter and for your continued support in maintaining the quality of our community at Water's Edge Condominium.

Sincerely,

The Water's Edge Board of Directors

Enclosures: Acknowledgment of Skylight Responsibility Form, Engineer's Skylight Inspection Report, Unit Owner's Options for Existing Skylights Memorandum

Water's Edge, Roof Replacement Project Unit Owner's Options for Existing Skylights

Water's Edge has always considered the electively installed skylight on twenty-two units to be part of the individual unit that the individual unit owner is responsible to repair, replace, and/or maintain at their own expense. Based on the Association's Engineer (Reliable Engineering), the forthcoming roof replacement project will require the removal of the existing skylights to properly install and flash the new roof at the skylight to roof interface. To that end, the Association has been advised that some of the skylights may not be able to be reinstalled as they are beyond their useful service life. The association recognizes that some owners of the units with skylights may not wish to pay for the replacement of their skylight or believe that the skylight is not part of the unit and therefore they will not pay for the replacement. In anticipation of this, the Association has developed the following procedure for units with skylights.

Procedure for Unit's with Skylights

At the start of the roof replacement project, each unit owner with a skylight is given the opportunity to sign an agreement acknowledging that the skylight is part of the individual unit, and it is the individual unit owners sole fiscal responsibility to maintain, upkeep and/or replace the skylight, as required.

If unit owner does not sign the acknowledgment, the Board shall inform the unit owner that the skylight will therefore be treated as a limited common element and to limit financial liability to the community, the Board has voted to proceed with the alteration of said limited common element. This includes removal of the skylight and roofing in the opening (the unit will no longer have a skylight).

If the unit owner signs the acknowledgement, the in-situ (as currently installed) condition of their skylight will be fully inspected and documented with photos; and an opinion of the skylight's viability will be provided by Reliable Engineering and the selected roof replacement contractor (NV Roofing). The report will be provided to the unit owner and then they will have the choice of the following:

- HOA covers cost for removal of the skylight and closing in the roof (unit will no longer have a skylight). This includes interior finishing work (drywall and primer) at ceiling where skylight was originally located.
- 2. Unit owner covers the material cost for a new skylight (\$22,975 for 76"x108" or \$27,270 for 76"x143"). HOA covers the labor cost for removal and installation on new skylight during and in conjunction with the roof replacement project. HOA will purchase the skylight prior to the roof replacement project and assess the cost for the skylight materials to the unit owner. A separate document shall be provided to the unit owner signing acknowledgement that they must pay for the skylight within 30 days of the work being complete.
- 3. Unit owner chooses to keep existing skylight. This will be at the unit owner's risk. If the skylight is not viable due to its condition after removal, the unit owner must choose from the following options, prior to starting the roof replacement project:
 - a. HOA pays for removal of the skylight and closing in the roof (unit will no longer have a skylight).
 - b. Roof replacement contractor installs a temporary cover over the skylight opening. The unit owner is then responsible for both material and labor cost of a new skylight. This includes finding a contractor to perform the work. This work must be performed within 90 days of the temporary cover being installed.

Amending the Association's Declarations

On a separate but related matter, the Board of Directors has instructed our counsel to prepare an amendment to our Association's governing documents adding clarifying language that the repair, replacement, and maintenance of skylights are the *individual unit owner's responsibility*. While this does not represent any change to current policies, it has been determined that this is the best course of action to assist with future third-party reviews of our governing documents.

What is the timeline for the amendment?

It is expected to take 1 to 2 months to draft. The draft will then be mailed to all owners for review and a townhall held to answer any questions. We will then need 2/3 of unit owners to vote for ratification before proceeding with the amendment process. When requisite number of ratifications are collected it will take approximately 90 days to allow for the mortgagee notice period and recording of the amendment.

Will the amendment change any current policies?

No, the amendment will not change any of the Association's current policies. It has always been the Association's policy that individual unit owners are responsible for the repair, replacement, and maintenance of their skylight. All individual unit owners with skylights have repaired and/or replaced their skylights at their own expense. The Association has never paid for the replacement of skylights, and it is not in the current, or previous, budgets or reserve studies for the Association.

Why prepare an amendment if the Board believes that the current governing documents support this policy?

The Board believes that the governing documents do support our policy. However, the Associations Legal Council has advised us that third parties such as insurance companies can attempt to deny unit owner's coverage as our governing documents do not *specifically* state whose responsibility skylights are. While we believe we would prevail in the courts if this was disputed, the most economical and efficient way to proceed is to add clarity now.

What happens if I do not support this amendment to Water's Edge's declarations?

As this amendment does not change any of that Association's current policies it will have no immediate effect on the Association or owners. However, the amendment will protect the Association from incurring any future legal expenses explaining or defending the Association's position that the skylight is part of the individual unit. If this amendment is not passed there may be increases in unit owners' dues required to cover the costs of potential litigation.

Water's Edge, A Condominium Acknowledgment of Skylight Responsibility Form

Acknowledgment of Skylight Responsibility

I/we accept that Water's Edge's governing documents require that skylights serving only the Unit are the unit owner's responsibility to maintain in good repair including all financial responsibility for repair, replacement, and maintenance.

Unit Owner's Selection	for Disposition of Skylight (ple	ease initial one)
the roof (unit w		he cost for removal of the skylight and closing in his includes interior finishing work (drywall and riginally located.
(\$22,975 for 76 and installation purchase the sk cost for the sky	"x108" or \$27,270 for 76"x143' on new skylight in conjunction kylight on the owner's behalf pr light materials to the unit owner unit owner acknowledging tha	pay for the material cost for a new skylight "). The HOA will cover the labor cost for removal with the roof replacement project. The HOA will for to the roof replacement project and assess the er. A separate document for signing will be at they must pay for the skylight within 30 days of
unit owner's ris roofing in the sl skylight is not v	k and the owner acknowledges kylight is only available during t iable for reinstallation after rer company to proceed with after	nooses to keep existing skylight. This will be at the sthat the option for the HOA to cover the cost of the current roof replacement project. If the moval, the unit owner selects the following option the removal of the skylight: (please check one if
	HOA to pay for closing in the r	oof (unit will no longer have a skylight).
	owner is then responsible for lateral This includes finding a contract	nporary cover over the skylight opening. The unit both material and labor cost of a new skylight. tor to perform the work. This work must be he temporary cover being installed.
Unit Address:		
Unit Owner Name (prin	ted):	·
Unit Owners Signature:		Date:
Unit Owner Name (prin	ted):	
Unit Owners Signature		Date