

March 6, 2019

Hello Amanda,

There is a stub road that is a portion of Timber Falls Court within BOUC. This stub serves only 2 parcels. The town of Mineral Springs, via its zoning authority, required the original developer to include this stub in order to grant approval of the development. Although this stub was required by the town and is a public road owned the NCDOT, the HOA is responsible for its maintenance. This HOA responsibility is covered in our CCRs, and is confirmed by the town of Mineral Springs and NCDOT. Since we have 70 individually owned parcels and because of the attendant deed restrictions (CCRS), each parcel owner/HOA member has a 1/70th share of the liability obligation for the cost to maintain this stub.

Please consider this email official notification to Red Rock Management (RR) and explicit instruction to RR, as our property manager, to affirmatively disclose this obligation and corresponding liability to every closing attorney or realtor inquiry relating to any pending sales/closings in Brantley Oaks Union County. The Board directs RR to include this disclosure regardless of the absence of any specific question or inquiry on the subject.

This request is made in attempt to shield the Board of Directors and the HOA – and perhaps our property manager - from liability for failure to disclose this obligation. The Board cannot control what individual sellers disclose on the North Carolina Residential Property and Owner Association Disclosure Statement, but we are notifying our residents of our action in this regard and, by extension, advising residents of their obligation to disclose should they decide to sell.

This liability is offset by an asset in the form of a dedicated road maintenance reserve. Currently this dedicated reserve is set at \$5,000. While this specific amount is insufficient to address the worst-case potential liability, our total reserves are. The Board will address reallocating our reserves and will provide direction to RR in the near future.

If you have any questions or need further clarification, please contact me. As an aside, the Board would welcome any relevant input from Chris Beatty or someone else in your operation on this matter.

On behalf of the BOUC Board of Directors

Greg Gauen, Board President