

ANDOVER FOREST HOA

FREQUENTLY ASKED QUESTIONS (FAQs)

Regarding the Vote on the Purchase Agreement/Framework for the Andover Golf Course Property Purchase

The following are some of the most frequently asked questions since the public meeting on Wednesday, June 6, 2018. We have endeavored to collect and answer these for our Members' benefit.

1. When is my homeowners' association meeting to vote to approve the purchase?

Andover Forest HOA's Special Meeting will be held on Tuesday, June 19, 2018, at 6:30 p.m. at Crossroads Christian Church, 4128 Todds Road, Lexington, Kentucky.

2. I definitely want to vote to "APPROVE" the purchase (to buy/borrow/assess) as proposed. Should I vote at the meeting or by the designated alternate ballot?

You can vote either way. YOU DO NOT NEED TO BE PRESENT TO VOTE, BUT YOU WILL NEED TO SEND IN YOUR DESIGNATED ALTERNATE BALLOT IN ADVANCE.

We expect a significant turn-out for the meeting and we encourage people to hand-deliver or mail their Designated Alternate Ballot in advance. If you would like to cast your Designated Alternate Ballot in advance, you may do so at: Allpoints Community Management, 141 Prosperous Place, Suite 21, Lexington 40509 or Billings Law Firm, 111 Church Street, Suite 300, Lexington KY 40507. Your Proxy Ballot / Designated Alternate Ballot must be returned before—or at—the HOA Special Meeting.

3. Who can be a proxy? Who can be the witness?

Any person over 18 can be assigned a proxy. The person holding a proxy DOES NOT need to be a Member of the Association.

Anyone can be a witness, even your spouse. Only one spouse who is on the Deed needs to sign the proxy. This "witness" line is intended to validate the signature on the ballot.

4. Can a person have more than one Designated Alternate Ballot to vote for others? And do Designated Alternate Ballots count toward the quorum?

Yes, a person can be assigned any number of Designated Alternate Ballots. Also, Designated Alternate Ballots count towards the quorum requirement.

5. How can I help the Association with voting?

We are asking Members to talk to their seven (7) nearest neighbors to the right, and the seven (7) nearest neighbors to the left, with copies of the Designated Alternate Ballot, and ask them to vote in advance. Our greatest challenge is not the handful of “NO” votes, but the lack of information or interest from some owners.

6. If a Member is delinquent (such as they are not current in their 2018 Dues and Assessments), are they eligible to cast a ballot or assign a proxy?

Yes.

7. Is the Maintenance Assessment for each Association set going forward, or will it be reevaluated following a certain period of time?

The Maintenance Assessment will be set for the fiscal year beginning July 1, 2018 by this vote. Each year, the Board will establish a Budget for the Maintenance Assessment, which will be presented to the Members.

8. I originally voted “no” but now I want to change my vote to “Yes”. How do I do that?

Call Billings Law Firm and ask for Sherry Collier or Amy Duncan. They will ask you to send them a confirmation email and will collect your original Designated Alternate Ballot. They will need a new Designated Alternate Ballot to be delivered to the firm or Allpoints.

9. What happens if the golf course property does not appraise for the purchase price?

Nothing. As discussed for over a year, this is not a commercial real estate purchase, and we do not need an appraisal to close the purchase/loan. In fact, the HOAs will be placing servitudes/restrictions the property as set forth in the PowerPoint (available at andover.org)

These servitudes make Holes 1-18 and the 200-foot buffer largely of no commercial/resale value. The Clubhouse Parcel and Driving Range parcel have economic value (see PowerPoint on andover.org), which is driven by adjacent property sales.

Thus, the question is not whether the land will appraise for the purchase price, but rather how much of your home’s value will be preserved/increased by this purchase.

10. In the presentation there is mention of potential sale of a portion of Holes 7 and 8 along Pleasant Ridge. Would this be for development purposes and if so why those sections?

Potentially. As the PowerPoint presentation indicated, the areas where these holes intersect with public roads would be closed off. This could be by sale to adjacent owners, or for a very limited number of single family residential lots, which would be used to pay down the debt for that Common Property. These have not been finalized or agreed upon by anyone yet; however, the Board believed that full disclosure of this *possibility* was the best course of action. The Board would not take any action on these until after the closing, and even then, they would discuss with the adjacent owners.

11. I have a question someone asked on social media - Who will be managing the land? Are we definitely making it green space or still thinking of a possible golf course? Who is going to manage and oversee the sale of the Clubhouse and Driving Range?

As indicated during the proposal, each HOA will separately own parcels and the new Master Association (Andover Common Property) will own the Clubhouse and Driving Range until those are sold. The Master Association is run by a representative from each of the 6 participating HOAs, which will oversee those parcels.

While each HOA is willing to lease back the Holes it purchases to a golf course operator, without a driving range, it may not be possible to have a golf course. If there is a golf course, the GC operator will “maintain” the golf course. If we are unable to find a GC operator, each HOA will separately maintain its property as a common area.