



Date: February 21, 2024

To: All Homeowners of Park Premiere South Townhouse Association

Subject: Urgent Special Assessment for Capital Improvements

Dear Homeowners,

We hope this letter finds you well. As dedicated members of the Park Premiere South community, we share a common responsibility to maintain and enhance our shared living environment. This communication is to address a significant concern regarding our community's financial health and future.

1. The Necessity of the Reserve Study

Our Reserve Study, conducted by expert financial assessors, has determined our Reserve Fund is critically underfunded at only 3.8%. This poses a high risk of special assessments and deferred maintenance, which can lead to escalated costs if not addressed promptly. Implementing the Special Assessment now is a proactive step to avoid more substantial expenses and maintain our property values.

2. Proposed Special Assessment

We propose an annual Special Assessment of \$1,800 per unit over the next ten years (2024 – 2033). This amounts to \$262,800 per year and is essential for crucial maintenance and improvement projects, including roof replacement, exterior painting, asphalt paving, and pool resurfacing. Delaying these projects could result in higher future costs and unnecessary property devaluation.

3. Voting Participation and Quorum Requirements

Your vote in this matter is crucial. As per our Declaration, a quorum of sixty percent (60%) of members is required for the vote to be valid. We need a two-thirds majority of this quorum for the Special Assessment's approval. Your participation ensures that your voice is heard in this critical decision.

An Absentee Ballot has been attached for your convenience. Please review, complete, and return it by April 1, 2024.

4. Payment Details

If passed, Assessment payments will start beginning July 1, 2024. Payments by check shall be made to:

**Park Premiere South Townhouse Association,
c/o Kinney Management Services
P.O. Box 25466
Tempe, AZ 85285-5466**

Kinney Management Services
P.O. Box 25466
Tempe, AZ 85285-5466
(480) 820-3451 Office (480) 820-7441 Fax
www.kinneymanagement.com



Payment can be in the form of check, online payment, or other specified methods. Payment options include:

- Monthly: \$150
- Annually: \$1,800
- Full Amount: \$18,000

While everyone's finances are different. Typically, homeowners consider various financial avenues, such as savings, 401K withdrawals, home equity lines of credit, or personal loans to fund these expenses.

5. Legal Implications and Transferability of Assessments

Under our CC&Rs and Arizona state law, the responsibility for unpaid assessments typically rests with the seller at the time of property transfer unless explicitly assumed by the buyer.

This means:

- **For Sellers:** Unpaid assessments must be settled at closing unless the buyer agrees to assume them.
- **For Buyers:** Awareness of any existing assessment obligations is crucial before purchase.

For any queries or further information, please reach out to Jayna Van Den Einde at the contact options listed below.

Together, we can tackle these financial challenges and maintain the quality and value of our community. Thank you for your attention, participation, and commitment.

Sincerely,

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