

FAQs Regarding the Purchase of 2264 Clarkson Road

1. *Where is the property at 2264 Clarkson Road?*

For those not familiar with the property, the parcel at 2264 Clarkson Road is located immediately south of our south entrance at the corner of Clarkson Road and Clarkson Woods Drive. It is the vacant lot between Clarkson Woods Drive and Clarkson Wilson Center. The street address is 2264 Clarkson Road and it is not part of Clarkson Woods Subdivision. For whatever reason when the property was originally platted it was left out of the Subdivision by the developer. The lot is approximately one acre which includes the road to Clarkson Wilson Center. It is zoned about one-third commercial (C8) and two-thirds residential (R2) with the area closest to the shopping center zoned commercial.

2. *What is the history of this property?*

The history of this property is quite lengthy but has been a topic of discussion since the inception of the subdivision over 40+ years ago. In the past 3 years, there have been two attempts to rezone the property and have it developed. Homeowners have spent countless hours attending City Council meetings, speaking with the parcel owners and lobbying our City Council members to ensure that the destiny of the land is in the best interest of the Clarkson Woods homeowners. While there have been varying opinions amongst neighbors about the best use of the land and what should be built there, there is general consensus that the land will not remain vacant forever.

3. *Who currently owns it and how did they come to own it?*

Hutkin Group, owners of the Clarkson Wilson Shopping Center, recently purchased the land in an attempt to help control its destiny. Steve Hutkin, President of Hutkin Group, has put forth significant time and money (including traffic studies and legal fees) to ensure that the same parcel of land is not developed in a way that would have a negative impact on the shopping center. He purchased the property for \$250,000.

4. *Why is Hutkin Properties offering to sell the land to Clarkson Woods?*

Hutkin's interest aligns with the homeowners in that he desires that the land not be developed in a way that would negatively impact the shopping center. He has offered to sell the property to our subdivision for \$150,000. Although he would be selling it at a loss, he stated at our Annual Homeowners Meeting that he anticipates saving more than the \$100,000 difference in no longer having to fight developers. He also made his intentions clear. If Clarkson Woods does not wish to purchase the property, he does intend to sell it. He is giving Clarkson Woods the first right of refusal.

5. *What are our options as homeowners?*

We have several options

- 1) Do nothing. This would mean that Hutkin will sell the property and our neighborhood will continue to fight future development. We anticipate that our pleas to the City Council will have less credibility after Hutkin gave us the first right of refusal.
- 2) We can purchase the property as Common Ground.

6. *Why should I care?*

Many homeowners are concerned about development of the property. If developed as commercial, it could detract from the appearance at our entrances and also cause traffic problems including parking problems if enough space is not available on the lot as part of the development. Any development of the parcel which would be outside of R2 zoning would require a zoning change which has been attempted on two occasions in the last several years.

7. *How does the HOA Board propose to purchase the property? What other costs need to be planned for?*

The indentures allow the Board to borrow money and purchase common ground. The Board proposes to finance the purchase and offer fundraising opportunities to the community.

8. *What are the terms of the loan?*

Purchase amount: \$150,000.00
Down payment: \$20,000.00 (we have this available above and beyond our reserves)
Amount Financed: \$130,000.00
Term: 10 year
Interest: 4%
Monthly payments: \$1,316.19 (\$15,794.28 annually)
Number of payments: 120
Total Interest: \$27,942.42
Total cost of the loan: \$157,942.42
Loan fees/closing costs - \$500

Estimated annual maintenance of the lot with no improvements - \$1500

9. *How will we pay for the loan?*

The Board intends to make our monthly loan payments out of our current assessments. There is no early payment penalty on the loan so we also intend to fundraise in parallel to accelerate the time to pay off the loan.

10. Will my assessments go up?

There will not be a special assessment for the purchase of the property. Assessments will be reviewed and adjusted per the current indentures which allows for assessment increases every 5 years.

11. What happens if we don't make payments?

If the HOA Loan payments were to default, the assets of the Association (including the common ground) could be seized. Liens are not placed on individual homes.

12. What is "my share"?

If each of the 283 homes in Clarkson Woods voluntarily contributed \$530, the property would be paid for in full. Homeowners will have an opportunity to contribute voluntarily.

13. Where can homeowners view the neighborhood's financials?

The easiest way to access our neighborhood financials is by following the links to CPM's site at www.clarksonwoods.com.

14. Has the HOA Board communicated about this purchase?

The HOA Board has communicated on many occasions about this significant concern facing our neighborhood. During the rezoning attempts, homeowners were notified about City Council meetings, Zoning meetings and opportunities to write to City Council Members. Since the offer by Hutkin has been made to the Subdivision, the HOA sent out a survey to understand homeowners willingness to pay a special assessment to purchase the property. Articles were included in our Newsletter on multiple occasions. The Board also included this topic on the agenda at our Annual Homeowners Meeting and also invited Steve Hutkin to speak while answering homeowners questions. The board then included information in the Election mailing (and on Facebook) to notify homeowners that there will be an open Q&A session via Zoom to answer any additional questions. As always, you can reach out to the Board directly at cwshomeowners@gmail.com. Board Meeting minutes and Financials can be found on the CPM website or at www.clarksonwoods.com. The Board has been transparent at every step of the process and commits to continuing to do so.

15. How/Where/When can I share my opinion about the purchase of the property?

Homeowners can contact the Board directly at cwshomeowners@gmail.com or post to the Clarkson Woods Homeowners Facebook group to engage with the broader community. The Board will also be hosting a Q&A session via Zoom on December 2 at

7:30pm. The Zoom link will be posted to the Facebook page and www.clarksonwoods.com.

16. How can I help?

We want to hear your opinion! Email us!

Run for the Board! We hold elections every year and we want more homeowners to participate in the governance of the neighborhood.

Help us fundraise! If we move forward with the purchase, we want to create a fundraising committee to plan events and campaigns.