



Monday, September 25, 2006

Dear Homeowner,

The homeowners association is an elected volunteer body that was established to maintain the overall appearance of our community. It was established by Sherrick Management Limited (SML) through the placement of an encumbrance on all properties that were managed by SML in the Grange Community. It is the responsibility of the legal representation of the potential homeowner at the time of purchase to notify them of the encumbrance placed on the property. This encumbrance is used to generate funds for the homeowners association to maintain the community.

The board of directors is voted in on a two-year term at the annual general meeting and is empowered through the bylaws to establish budgets, actions and improvements. If the members of the community wish to participate they are more than welcome to volunteer their time to the board or become a board member at the next annual general meeting.

A full detailed copy of the bylaws, annual general meeting minutes, budget and other information is maintained on our website, www.thegrangecommunity.ca.

Of note, the Grange homeowners association had sent notification to the homeowners in the area to the same addresses as the invoices three weeks prior to the annual general meeting of May 5, 2005. Unfortunately at that time only 24 households attended the AGM. There was a decided lack of participation or interest and it is unfortunate that people only take notice of the Association now. We hope that the community will take an interest and active participation in maintaining our beautiful community going forward. The GHOA will endeavor to maintain updates and communication of new developments and GHOA activities through our website and news letters. We hope you are able to assist and support us.

Regarding salaries for the Homeowners Association, there are none. We are a volunteer organization and conduct the affairs outside of our regular work hours. Our meeting times are not formalized apart from the fact that we try to have at least six or as many as are required to conduct our business. All of us care about our community and that's why we are involved.

2005 was the first year that we had begun to collect the Homeowners Association Fee and there were a significant number of questions regarding the reason for the fee collection from other members of the community. We are trying to answer all of them.

As stated above, in May 2005, the Annual General Meeting was held to provide residents of the community an update on the progress of the association, to review the proposed budget, and to elect new members to the Board of Directors. Unfortunately for all of us, greater attendance at our 2005 Annual General Meeting would have prevented the need for numerous similar inquiries.

We have summarized additional questions and our responses below in an attempt to address the concerns you and others have raised in previous communications.

Once again the 2005 budget discusses where the monies from the Association Fee are allocated. The budget can be found on our website.

Further to the budget:

- The \$3,500 costs for insurance outlined in the budget are intended to cover such things as directors' liability, Grange community property (i.e. entry treatments) and to protect the GHOA from other losses should an accident occur at the Tot Lot/entrance ways etc.
- The \$600 legal fees were intended to cover the annual cost of maintaining the association's minute books - this includes filing all necessary annual returns with the province of Alberta. In addition, these fees are intended to cover any property title searches that would be required in 2005 for invoicing the GHOA fees and any associated follow up and incidentals.
- The \$550 allocated to room rental & sundry represents the costs incurred by the association to organize the annual general meeting - renting the sizable space required to hold the meeting and provide refreshments including coffee/donuts/muffins etc.
- The fence staining on a go forward basis is the responsibility of the community not the developer; after the developer pulls out of the substantially completed community they are no longer responsible for painting the outer fencing perimeter in the community. We have based our estimate of the total cost and annualized share on actual costs incurred by the developer in prior years.
- The \$4,000 additional community maintenance is intended to cover additional community upkeep; grass cutting/entry treatment maintenance/weed management etc. The intention is to go beyond the limited/infrequent grounds maintenance provided by the City of Edmonton in an attempt to further beautify and elevate/promote our community.
- The \$1,600 the GHOA allocated to the newsletter is in fact less than half the actual cost of producing the product. Our intention was to cost share with the Glastonbury Community League in an attempt to save our association monies over the long run, while at the same time keeping our community apprised of various issues affecting our community - such as the date/time/location of the Annual General Meeting.

I hope that we have adequately addressed your concerns above, should you have further questions please join us at the AGM on Wednesday, October 25, 2006 at River West Christian Church. We look forward to your input, and if you wish to become a board member we would welcome the assistance at the next annual general meeting. You may also forward your suggestions to us via mail or e-mail.

Regards,



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President
The Grange Homeowners Association
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