

# SUNDANCE (San Antonio) HOME OWNERS ASSOCIATION

## THE SUBJECT OF EARLY EXITS

***The Sundance Board of Directors (BOD) seeks to gain an economic advantage with the membership's help, please.*** We ask those that can, contribute 3 years of advance assessments by the end of 2017. In addition, remain current for the next 3 successive year's obligations. Repayment will then commence for the following 3 consecutive years, depleting the CD balance.

We thank all who have sought to assist the BOD with the advance payment plan to help manage our current Reserve Account. We understand that we must be flexible to deal with change so we want to consider carefully, potential exit demands.

All of the advance payment funds will be placed in a CD, thus the plan is capable of returning funds in a timely manner should an emergency occur in a participants life. The BOD choses to seek an application (Abandonment of Participation in the 2017 Advanced Payment Plan) from the exiting participant to validate their need so as to manage any unexpected "run" on the plan once in place. Any exit will be a total loss of all benefits or credits anticipated by the participant during the plan's payback period and each account becomes due the same as all other accounts. There is no prorated payout!

Each application for exit should seek to be mitigated reasonably, if possible. Example – If the exit is a request due to a pending sale, the value of the advance payment could be negotiated as terms of the sale. Thus managed in the escrow process. The BOD wishes to be successful in their pool remodel plans. It has made this request with the smallest potential impact to the membership in mind. Any retreat can result in a chilling and compound effect. Therefore, we politely ask for the opportunity to examine each exit carefully.