

TITLE: LPOA POLICY NO. 11 – PARCEL PROCEDURES
Guide for Parcel Chairman and Lakewood Board of Directors

PURPOSE:

This policy provides general guidelines for Parcel Chairs and LPOA Board of Directors

- (A) **SETTING OF PARCEL ASSESSMENTS:** The maximum parcel assessments shall be prepared annually by the Parcel Committee and shall be provided to the Lakewood Board of Directors by its November Board meeting. The maximum parcel assessment shall be set by the Board of Directors of the Lakewood Property Owners Association by a two-thirds (2/3) vote of those Directors present and voting. Parcels currently setting parcel assessments at this time are as follows:
- (1) Lakewood Bay Parcel
 - (2) Lakeshore Townhomes Parcel
 - (3) Lakeshore Condos Parcel
 - (4) The Landings Parcel
 - (5) Water's Edge Parcel
 - (6) Lakewood Forest (s/f) Parcel
 - (7) The Orchards at Lakewood (s/f) Parcel
 - (8) Lakewood Shores (s/f) Parcel
 - (9) Lakewood Pointe Villas (s/f) Parcel
 - (10) Southpointe (s/f) Parcel
 - (11) The Falls at Lakewood (s/f) Parcel
 - (12) Lake Pointe (s/f) Parcel
 - (13) Clubhouse Cottages at Lakewood (s/f) Parcel
 - (14) Lakewood Oaks (s/f) Parcel
- (B) **SPECIAL PARCEL ASSESSMENTS:** In addition to the parcel common ground there may be unique features or improvements such as street signs, entry ways, fountains or other improvements principally used by the residents of the parcel which shall be maintained by parcel assessments to be set by the Board of Directors upon two-thirds (2/3) vote of the Directors present and voting upon recommendation from the Parcel.
- (C) **PARCEL INSURANCE:** A general comprehensive liability insurance policy of at least \$250,000 per person and \$500,000 per occurrence and \$50,000 property damage in coverage shall be obtained for those parcels for which insurance is required and administered by the Lakewood Property Owners Association, and an insurance trustee shall be appointed for handling of major claims in said parcel where required by the terms of the Supplementary Parcel Declarations in the cases of multi-family parcels.
- (D) **MULTI-FAMILY INSURANCE ESCROW:** Below is the policy for collecting insurance escrow for all multi-family units within Lakewood:
- LPOA contracts with a certified real estate appraiser to perform an annual replacement cost estimate of each multi-family unit. Every six (6) years, a physical appraisal must be performed to assure an accurate replacement cost. These appraisals are used to base the annual insurance premium for each unit.

- A master spreadsheet is prepared incorporating the current appraisal estimate for each unit. Also included in the spreadsheet is the multi-family property insurance premium from the master policy. The spreadsheet takes a cost per \$100 figure (based from the total multi-family premium) and multiplies it times the appraised value of each property which then gives the annual premium for each multi-family unit.
- Upon notification of multi-family unit closings, LPOA collects one (1) year of insurance premium (based on the current premium cost) for the unit being purchased. This premium is then held in escrow by LPOA until that purchaser sells the unit.
- Additionally, at time of closing, LPOA will refund to seller of multi-family unit the amount of his insurance escrow premium held unless default of payment of insurance premiums (6 months or more) had occurred anytime during term of ownership. In that event, LPOA applies the seller's amount of insurance escrow premium toward insurance cost included in any bad debt write-off.

(E) **RENTAL OPTIONS:** In cases of certain multi-family parcels, townhouses or units are to be individually owned, but may be rented as an exception to the general policy pending sale; upon approval by the Board of Directors of the Lakewood Property Owners Association of a written application stating the reasons, length of rental requested, and steps being taken to sell the unit. Such approval shall not be withheld capriciously, but shall be voted upon at the next meeting of the Board of Directors following submission of the written application, with recommendation from the Parcel Committee. Those parcels containing such rental approval clauses are as follows:

- (1) Lakewood Bay Parcel
- (2) Lakeshore Townhomes Parcel
- (3) The Landings Parcel
- (4) Water's Edge Parcel

(F) **PARCEL COMMON GROUND:** In certain parcels of the Lakewood Property Owners Association, there exists common ground, which is unique to and is used solely by the residents of the aforesaid parcel. Improvement and maintenance of said property owned by the Association and principally used by the residents of the parcel shall be funded by a parcel assessment to be set by the Board of Directors with a two-thirds (2/3) vote of those Directors present and voting upon recommendation by the parcel. There are certain unique amenities, such as the Lakewood Bay Clubhouse and tennis courts which are open to all residents, and hence are maintained and paid by the Lakewood Property Owners Association, although located within a certain parcel.

(G) **GRINDER PUMP SYSTEMS:** In certain lots and upon certain parcels, due to the unique topography, it shall be necessary to install and maintain grinder pump systems in lieu of gravity sewers. Said grinder pump system shall be installed pursuant to engineering specifications and the maintenance and repair of the force main shall be the responsibility of the parcel. The maintenance and repair of the individual grinder pump system shall be the responsibility of the owner of each lot and its successors and assigns. The owners of parcels of the of the lots of real estate, in order to provide for future maintenance and repair of the system, have agreed to pay special parcel assessments for repair of the force main grinder pumps and the Lakewood Property Owners Association has agreed to serve as collection and disbursement agent of said funds. Further the Lakewood Property Owners Association may carry out maintenance requested by the owner or made necessary or made necessary by public emergency.

- (1) The Orchards at Lakewood Parcel - Declarant has paid \$3,000 into a fund for maintenance of the force main and lot owners have agreed to pay the sum of \$15.00 per month to the LPOA to begin distribution of same at the end of the second year

following installation of said grinder pump systems, and keep extended warranty policies in effect on said equipment. Parcel assessments shall be set annually by two-thirds (2/3) vote of the Board of Directors with the advice of the Parcel Committee and/or Lot Owners.

- (2) Lots 731-742 (Birkdale) - Declarant has paid \$3,000 into a fund for maintenance of the force main. Declarant shall provide a five year extended warranty policy for each grinder pump system. Subsequent owners have responsibility for maintenance repair of said force main and grinder pump system and LPOA shall disburse parcel assessments initially set at the sum of \$15.00 per month, beginning the fifth (5th) year following installation of the grinder pump systems. The parcel assessment shall be set and collected by the Association and set annually by a two-thirds (2/3) vote of the Board of Directors voting on the question and in accordance with the advice of the Parcel Committee and/or Lot Owners.

Effective 5/13/93
Revised 3/9/06