

## Stronger Lochmere: Correcting a Few Inaccuracies In the Recent “No” Leaflet

We want to correct the record on inaccurate information recently distributed by leaflet, entitled “Why Vote No”. We believe the Lochmere Community will benefit by ensuring that the amenities of the swim and tennis facilities remain in the community and are used by all. These facilities will be run by the HOA, not by the current club ownership and our homeowners will determine the operating policies.

|   |  |               |                  |               |         |           |               |               |           |               |       |           |               |
|---|--|---------------|------------------|---------------|---------|-----------|---------------|---------------|-----------|---------------|-------|-----------|---------------|
| Lochmere Swim and Tennis Club’s History | The Lochmere Swim and Tennis Club has been run successfully for 25 years. MacGregor Development sold it in 1998 to the members to free up capital for other investments and to put the ownership in the hands of those who would care for it moving forward. Only in the last 3-4 years have financial conditions been challenging and membership dropped below 650. Between 1998 and 2006 the membership ranged from 715 families to 898 families. There are hundreds of alumni of the club throughout Lochmere whose children may have grown but who have fond memories of the club.   |               |                  |               |         |           |               |               |           |               |       |           |               |
| Year Round Use of the Facilities        | The use of the swim facilities currently extends from April through October for unguarded adult swimming in the lap pool. The guards and formal season, and pool programs generally start on Mother’s Day (May 9) and extend through the 3 <sup>rd</sup> week of September. Tennis play occurs all 12 months of the year and is particularly active in the cooler months. Additionally the clubhouses are underutilized today and could be used by homeowners year-round for garden clubs, book clubs, Bunco, bridge, poker, lectures, wine tastings, etc.   |               |                  |               |         |           |               |               |           |               |       |           |               |
| HOA Assessments                         | Lochmere covenants tie dues increases to the cost of living index. Specific “large” increases in homeowner assessments beyond the cost of living were voted on by the members and implemented only in a small number of years, including a special assessment for Hurricane Fran and an assessment increase of \$50 in 2008 to increase our reserves.  |               |                  |               |         |           |               |               |           |               |       |           |               |
| Resale                                  | <p>A \$260 annual increase is a small number relative to the strong resale values which Lochmere has traditionally enjoyed. This is partly because of its total amenity package, including the lakes, paths, buffers and, yes the swim and tennis facilities, plus available golf. This applies to both detached homes, condos and cluster homes. If an owner were to sell their 1985 sq. ft cluster home in the following areas, they would need to consider what they might get for their house in...</p> <table border="1" data-bbox="467 1339 1385 1465"> <tr> <td>Lochmere</td> <td><b>\$272,000</b></td> <td>\$137 / sq ft</td> </tr> <tr> <td>Regency</td> <td>\$234,000</td> <td>\$118 / sq ft</td> </tr> <tr> <td>Kildaire Farm</td> <td>\$208,000</td> <td>\$105 / sq ft</td> </tr> <tr> <td>Troon</td> <td>\$236,000</td> <td>\$119 / sq ft</td> </tr> </table> <p>The proposed total assessment of \$578 is considerably less than the average assessment of \$648 of twelve other area communities with swim and tennis facilities in the HOA. Studies show that having a swim and tennis club available as part of the community can mean a quicker sale, more showings and an average 5-8% higher resale value.</p> | Lochmere      | <b>\$272,000</b> | \$137 / sq ft | Regency | \$234,000 | \$118 / sq ft | Kildaire Farm | \$208,000 | \$105 / sq ft | Troon | \$236,000 | \$119 / sq ft |
| Lochmere                                | <b>\$272,000</b>   | \$137 / sq ft |                  |               |         |           |               |               |           |               |       |           |               |
| Regency                                 | \$234,000  | \$118 / sq ft |                  |               |         |           |               |               |           |               |       |           |               |
| Kildaire Farm                           | \$208,000  | \$105 / sq ft |                  |               |         |           |               |               |           |               |       |           |               |
| Troon                                   | \$236,000  | \$119 / sq ft |                  |               |         |           |               |               |           |               |       |           |               |
| Proposed Budget                         | The increase in the assessment of up to \$260 has been prepared cautiously with contingency funds and reserve funds. The Covenants of Lochmere do not allow the assessment to be raised more than the Cost of Living index without a vote of the members.  |               |                  |               |         |           |               |               |           |               |       |           |               |
| Facilities Maintenance Plan             | The swim and tennis facilities have been well maintained over the years. They are among the nicest, cleanest facilities in the triangle. The dues increase includes both an operating maintenance budget and a Reserve Fund based on a professional Reserve Study done in April of this year. Lochmere has always maintained a Reserve Fund to make capital repairs. The proposed budget follows that same policy.   |               |                  |               |         |           |               |               |           |               |       |           |               |

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| Noise Ordinances                       | We propose to purchase the facility from the bank and will have no liability related to previous owners. We intend to operate within the noise ordinances of the City of Cary. Lochmere HOA has never had lawsuits related to noise violations.  |
| Lochmere Homeowner Amenities           | The 14.5 acres of open space, 10 tennis courts, 3 pools, 2 clubhouses, changing rooms, showers and snack bars are ultimately an asset to the community. Every asset in our Common Area needs maintenance and we are prepared for that with our operating budget and reserve fund projections.  |
| Market Wants Options Lochmere Provides | The vast majority of new neighborhoods being developed in the Triangle which have 100 homes or more include pools as part of the HOA. In order to remain a vibrant, thriving community we want to continue to offer the “Lochmere lifestyle” that has drawn young and old to our PUD since its inception.  |
| LHOA Board                             | The board has studied this issue since December, 2008. The Board has commissioned a Professional Business Appraisal and a Professional Engineering Reserves study and, based on this information, has presented a projected budget and the required maximum dues increase. The Board feels securing these facilities as part of our common property is in the best long term interest of the community. The ultimate decision will be made by the homeowners and requires a 2/3 vote to pass. There is no “they” here. It is only a “we”. This is our community making a collective decision that will directly influence our quality of life and property values. |
| Pricing Options                        | For predictability, the Board decided to implement “universal dues” and “universal access” as the initial way of operating the club. The Board has stated that it will consider “tiered pricing” or “usage fees” for heavy users in future years. This would lower the assessment for the other homeowners who are not heavy users. It would not be added on top of the \$260, but would reduce it. Many who say they would never use the facilities have asked for this approach to funding.  |
| Capacity                               | The facilities include 3 pools, not 2. There are few private neighborhoods in the Triangle with larger or nicer facilities. We have very ample square footage of water and square footage of deck for our community size. Experienced club managers we have consulted do not anticipate a capacity problem. The Board will closely monitor capacity utilization in the first 2 years and employ appropriate controls as warranted.   |
| Parking                                | The Lochwood facility has 163 parking spaces. Parking is available on the street. The Highlands facility has 94 parking spaces. Most people come 3-4 to a car. Many walk or bike to the pools. It is rare to have attendance of over 500 at any given hour. People come and go throughout the day in accord with their family schedules.   |
| Swim Team                              | The swim team practices from 4:30-7:00 PM 3 days per week from May 24 to July 19 in part of one of the Lochwood Pools. The deep end and “kiddie” portions of that pool are still available. The entire other pool at Lochwood and the pool at Highlands are available during those hours for the enjoyment of those not on the swim team.  |
| One Vote                               | Once a homeowner has mailed in a ballot, it cannot be changed. This is a meeting by mail and as such, is conducted within the dictates of the NC Non-Profits Statute. This law does not allow revocation of an earlier ballot. It is not the same as an annual meeting with a revocable proxy.   |

This leaflet has been published by the “Stronger Lochmere Task Force” appointed by the Board of the Lochmere Homeowner’s Association

More information is available at [www.strongerlochmere.com](http://www.strongerlochmere.com)