

**Annehurst Village Residents Association**  
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February 26, 2015

Dear Annehurst Village Residents Association (AVRA) Member:

We are writing today to inform you that revisions to the Warranty Deeds that apply to all of the 904 homes within the Annehurst Corporation boundary have been approved by a majority of the residents and filed with the Franklin County Recorder.

This mailing you can find:

- An explanation of why revisions to the warranty deeds was needed plus a historical account of the process that led to the end result.
- Notice calling for nominations for the 2015 – 2016 officers of the Board of Trustees for the AVRA.
- A copy of the deed revisions.
- A remittance envelope for paying of the \$60.00 annual dues for 2015. Please review your information on the envelope and make any necessary corrections.
- A copy of the AVRA collection policy. The dues are mandatory and this outlines procedures that are in place to collect past due accounts.

Annehurst was originally developed by the Nationwide Development Corporation. In 1964 they set up the Annehurst Village Residents Association, (the AVRA) as the not for profit corporation designed to protect the integrity of the neighborhood. The original trustees of the AVRA developed verbiage and specific restrictions in the form of warranty deeds that were applied to every property. These original warranty deeds, were developed for the decade in which they were written, but 50 years later they did not meet the needs required by Ohio State law. These are the Warranty Deeds that you accepted when you closed on your home and required you to join the Annehurst Village Residents Association.

The trustees did a fairly good job of setting everything up, however they fell short on how the AVRA was to be funded. They projected that a one-time \$50 membership fee paid on each home sale would adequately cover all expenses incurred to run the association. They forgot to include any clause to help keep up with inflation. Their decision may have been influenced by the fact many residents were employed by Nationwide Insurance and owners were only here briefly for training before moving out to other field assignments. There were many more annual home sales per year then than we currently experience today. Based on inflation \$50 in 1964 is equal to \$478.00 today. By the 1990's the underfunded financial situation started impacting any reserves that the AVRA had built up. In 1999-2000, the board of trustees tried to remedy the situation by increasing the one-time membership fee from \$50 to \$200. Another attempt to help increase revenue was to impose a one-time \$75 assessment in 2006. Concerned residents also helped to fund the AVRA by raising money with fundraisers and other money making projects. Many repairs to the common property were completed by volunteers to help save money. While these so called fixes helped at the time, the real issue of lack of proper funding remained.

An Ohio state law was passed in 2010 which provided a framework and common rules for how Homeowners Associations (HOA's) are to operate. The primary reason this law was enacted was because many HOA's were underfunded and not managed with an eye to the future. The Board of Trustees realized they needed to focus on getting the AVRA on a solid foundation and bring it into compliance with the new Ohio law. A public meeting to cover the issue was held at Annehurst School in April 2011. This meeting helped the board come up with a plan that included getting input from the residents, investigating the current requirements and hiring outside professionals as needed. At the annual board meeting in June of 2011, it was voted to engage an attorney that specialized in Home Owner Association Law. This gave us much insight as to the task at hand and work began to come up with a proposed set of revisions to the warranty deeds. Once we had a proposed set of revisions it was decided to have an open meeting to present the plan to the residents. Notices were sent out and the meeting had over 200 residents in attendance. In this meeting the revisions were explained and comments were heard from the attendees. At this meeting a review committee made up of residents was formed to provide guidance to the board. Their input was beneficial and helped the board come up with a new set of proposed Warranty Deed revisions. The Board of trustees hired an independent consultant/engineer that specialized in reserve studies to determine what amount of money was needed to fund the now required reserves. This 20 year reserve study of the common property gave us the data needed to determine the amount needed for the annual dues. April 2014 we held an open meeting at Annehurst School. This is where the final proposed revisions were presented to the residents. All materials presented at that meeting, a copy the proposed warranty deed revisions plus the video are posted on [www.annehurst.com](http://www.annehurst.com)

June 2014, the proposed Warranty Deed revisions were ready to distribute to the residents and collect signatures. The required signatures were collected and the revisions to the warranty deeds were filed with the Franklin County Recorder.

Below is a brief summary about the warranty deed restriction revisions that have taking effect:

1. Aligns the previous text of the multiple versions of warranty deeds found in the 12 phases of construction of Annehurst. Delete text that is discriminatory.
2. Allows for voting for future amendments be able to be collected via public meeting, door to door and by proxy
3. Increased the current \$200 transfer fee paid by the purchasers of homes to \$500. In addition each new member will receive a free pool membership to be used within the first 2 pool seasons
4. Detailed how the Annual Assessment that will be collected. The following are the major points.
  - The Annual Assessment for 2015 will be set at \$60.
  - The assessment may increase no more than 5% annually (over the previous year's rate). This increase is at the discretion of the Board of Trustees but must be based on need as indicated by the annual budget
  - The assessment may decrease at any time at the discretion of the Board of Trustees as indicated by the annual budget.
  - Any other changes to the Annual Assessment would require a 51% vote of all members in good standing.
  - The assessment can only be adjusted once annually.
  - Every five years and engineering study will be conducted.
  - In addition, all members in good standing will receive (2) free ONE DAY family passes to the pool. Members in good standing will have the opportunity to purchase a day pass.
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5. Enables a way to collect assessments. An account will be delinquent after 30 days of non-payment. Various methods up collecting can be used up to and including the placing of a lien on the property.
6. Requires operational expenses of the pool to be paid by the pool membership fees. These fees are used for operational costs, like electric, gas, pool chemicals and staff wages during the 3 month operational period.
7. Indemnifies the officers of the AVRA Board and any other members acting on its behalf from liability due to its actions. This protection does not apply if one of these persons does something illegal, in bad faith, etc... This is a requirement of the Ohio Revised Code.
8. Requires adequate insurance of common property and maintain officers and trustee personal liability insurance We have always had adequate insurance and our policy is posted on Annehurst.com. This is also a requirement of the Ohio Revised Code
9. Includes the power to adopt rules and regulations if approved by 51% of members. Currently there are no rules being adopted but should the need arise in the future the members would have a mechanism to do so.

Enclosed is your invoice in the amount of \$60.00 for the 2015 annual dues. Annehurst now has a new foundation designed to last well into the future. If for some reason you need any additional information, all materials are on posted [www.annehurst.com](http://www.annehurst.com) or if you need to talk to a board member you can email us at [info@annehurst.com](mailto:info@annehurst.com).

Sincerely,

Annehurst Village Resident Association Board of Trustees

Jeff Inskeep      Bill Streetman      Wes Gerbick      Renee Hunt      Karen Spiller

#### **OTHER NEWS**

**NOTICE: Nominations for offices on the Board of Trustees for the AVRA are open March 1<sup>st</sup> and will be accepted until May 31<sup>st</sup>.**

There are two positions open for 2015 – 2016. If you, or another AVRA member you know, would like to get more involved in neighborhood events, please send name, address and phone number to [info@annehurst.com](mailto:info@annehurst.com) or mail to the address below. Once nominees are certified by the secretary and confirmation that individuals accept the nomination, their names will be included on the election ballot to be mailed to members in early June.

**Our next neighborhood event is quickly approaching: The AVRA Egg Hunt will be on Saturday, March 21<sup>st</sup>.** We scatter candy-filled plastic eggs around the grounds of Annehurst Elementary, divide the children into age groups and watch hours of volunteer work get gobbled up in about one minute! It is a fantastic time for all ages. Please come and watch even if you don't have a little one interested in "hunting" for eggs. Look for more details on [www.annehurst.com](http://www.annehurst.com) and <https://annehurstvillage.nextdoor.com>.