

# Eastern Gardens

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## MEMBERSHIP SURVEY

The Board is conducting a non-binding survey to provide us with guidance on what next steps to take regarding approval of a management company. **Please submit your survey responses to the Clubhouse Inbox by Friday, November 13<sup>th</sup> to be considered.** The Board wants to inform the members as follows in connection with this survey:

1. **The Board did its due diligence in vetting and provisionally approving Arrowhead.**

The Board terminated FPI for numerous reasons, including their failure to properly insure our community which subjects each member to potential personal liability. Following the Board's vote to terminate FPI, we conducted an extensive search for potential candidates and reached out to 64 companies, but only 5 responded. The Board selected the company we felt was the most qualified and could provide Eastern Gardens with the best service at the best price. **Arrowhead has agreed to a 2-year contract which ensures our monthly charges will not increase during this term.** Arrowhead will remain in place until they are either approved or the members approve a different management company.

2. **HUD did its due diligence in vetting and approving Arrowhead.**

HUD approved Arrowhead for a 2-year term on September 25, 2015. Eastern Gardens received a 97 on our most recent REAC evaluation, 10 points higher than our prior score under FPI. Our HUD Project Manager advised the Board that most management companies charge \$50/unit and Arrowhead agreed to \$25/unit for 2-years. **Our monthly management charges will not increase for 2 years if Arrowhead is approved.**

3. **The vast majority of Eastern Gardens voted to approve Arrowhead.**

**54 members voted to approve Arrowhead, just 3 votes shy of the majority approval needed.** Unless the members approve Arrowhead, the Board will have to restart the interview process. There is no guarantee the 5 prior companies remain interested in our community and it is highly likely our monthly charges will substantially increase under a new management company. Please keep in mind that both HUD and the members will have to approve a new company if a different management company is selected.

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- I want the Board to send another ballot to approve Arrowhead?      YES      NO
- I want the Board to start interviewing new management companies?      YES      NO

COMMENTS: