

Frequently Asked Questions

(updated 9/2/2025)

General Questions

1. How was the transition committee formed?

The developer, Mark, asked Allen Dobson to assemble a group of owners to serve on a transition committee as he considered a potential transition of Chinquapin to the owners in Oct. He asked that the work be confidential until he decided to proceed. Allen assembled a group of owners based on recommendations and needed experience to meet to evaluate a conversion. The committee has no authority and recommended to Mark that the first step if he decided to proceed was to allow the owners to elect their own board. (It is within the developer's right to appoint the first board.) Our duty was to prepare a report and recommendation to you, the owners.

2. It seems the transition committee will be elected as the board. Why was there not a more open process?

As discussed, the developer came to Allen for help in July and this group was formed on a volunteer basis to help come up with a plan to present to the homeowners. You do not have to elect the transition team. There is a process for self-nominations that was published to our owner site on 8/26. The bio's of new candidates will be published to our owner site on 9/6. Additionally, we will ask for nominations from the floor on the day of the meeting.

3. What's in it for the transition team?

Mark approached Allen at the end of May and asked him to assemble a group of owners to help work through the transition. This is a group of volunteers and all of us had some level of anxiety about the time commitment and the amount of work that needed to be done in such a short time frame. Regardless, we all love this community and decided to serve in the transition. Chinquapin is a special place to all of us as we are sure it is to you. Our first gathering together was in July - you can imagine from July to now how much work it was to get us all educated, identify tasks, and begin putting together resources to help. Many of us did not know one another but now we do and we have a huge amount of respect for what each one of us brings to the table. We hope you can find our actions and intentions as one of a community that wants to help.

4. Is the developer going to complete the water system and assure it works?

Yes, that will be required even if after turnover and a reasonable warranty period

is typical. We know that it will go beyond October 1 and our current timeline with the developer is to have it completed by the end of the calendar year.

5. Is the developer going to clean up the lumber yard?

Yes.

6. How about all the street signs that have not been installed?

Yes, that will be a developer expense.

7. There is a lot of road and shoulder repairs needed. Who is responsible for these?

Road and shoulder maintenance is budgeted in the HOA and is typically funded from HOA funds or reserves. This is a standard practice of developers and their HOAs.

8. Why is Mark selling things and why do we have to pay for them? We thought they were amenities or part of the neighborhood?

Until the developer transfers the property to the HOA, he has the ability to change things, decide what are amenities, what is greenspace and what he deeds to the HOA. All the assets and property are the developer's property until he decides to deed it to the HOA. He is generally required to follow the approved development plan for greenspace unless he changes it with the county. As the declarant, the developer has full control of the community.

9. After turnover, what will be Mark's role?

Mark will retain developer rights on the Pack Creek area and the additional lot section at Cow mtn across from the logging area. To ease in the transition, because of his knowledge and history, the transition committee recommends him for a 2-year ex-officio board seat (above the elected number of owner board members). After his two year term, he could run for a board seat as a regular property owner if he qualifies.

10. I hear that when the developer bought Chinquapin, the HOA had a large reserve fund close to what it is now?

No, According to Katie, who was the manager while the Carltons owned it, and our checking, before Mark and Waterfront bought the development, the Carltons had to supplement the HOA significantly each year for operations because there were very few lots paying dues. There were no reserve funds to our knowledge transferred with the HOA when the community was purchased.

Governance and Management Questions

1. Who is paying the employees and if the HOA is paying them, why are they working on developer projects?

Employees were moved to HOA this year but we are unclear if all have been moved or how that is being handled. It is therefore hard for us to see how things are accounted for on non-HOA activities. Once turnover happens, the board will work to get an accounting system in place that monitors and allocates time appropriately to fully understand how employees are paid.

2. Will current employees have to interview for a job?

Since current employees are already employed the proposed process will be as follows: The new Board will create job descriptions. Some have already been created. Current employees will be evaluated and their willingness and ability to do the defined duties will be determined.

3. If Katie is hired, how will potential conflicts with her real estate business be handled?

The avoiding potential conflicts of interest should be spelled out in the contract. Expectations are that there will be no preferential signage or promotional material for her real estate business at the Trading post or other Chinquapin property. She will not maintain a real estate office in the Trading post. Any listing of real estate agents affiliated with Chinquapin will include all agents and give no special attention to Katie as an agent. She will be expected to concentrate on Chinquapin business while onsite. Potential conflicts should be reported to the Board.

4. Why haven't we interviewed for a GM or considered a management company?

The job market for talent in the area is difficult and the transition committee thinks that Katie will be a stabilizing influence and can do the job with little training since she has served in the role prior. In terms of management companies, the advice we have received was that such a service costs more and is not as effective as your own employees. We also envision a community where the owners take a more active role.

5. Why do we do our own maintenance rather than contracting it all out?

Our initial evaluation indicates the costs to outsource is too expensive compared to current arrangement. The availability of companies willing to bid on such a contract are small.

6. There are lots of things left undone that need to be fixed. Is the developer going to take care of it?

We've had very productive conversations with the developer and hope that many items will be fixed. That said, the transition committee recommends we go ahead and convert to an owner-led HOA and begin to tackle all the items on the list ourselves because many of these items would be paid from HOA funds anyway. We recommend creating a list, prioritizing it by quarter and getting it done.

7. Why does Nature's Walk have their grass cut for them and do they pay more for it?

This was an agreement Mark made with owners in order to maintain the appearance of the neighborhood. This was done as the overall additional cost was considered minimal and because that area is such a visual focal point to the community because of its proximity to the outpost and amenities. Future considerations would be at the board discretion.

8. Isn't a 11-member board too big?

We recommend a larger board to make sure all parts of the neighborhood, full time, part-time, rental and lot owners are represented. We would use an executive committee to manage day to day issues.

Business Review

1. Who is paying for upkeep of Discos, booking and rental expense? Who gets the money?

That should be a developer expense however we have not audited the HOA books for prior years to see how it has been handled. Going forward such activities would be separate and accounted for.

2. Who pays for the parties?

The HOA pays, however, we are told the developer has contributed in the past to the expense. We have not audited the prior year books to determine the exact amount or how it was handled.

3. Why haven't you done a full audit of the books?

IPM is the management organization used by the developer and they do all of the accounting for the developer. Until the developer turns over his declarant rights, we do not have access to the books to do an audit with IPM. The transition has to take place first. That said, we have done an initial accounting in good faith with the developer to put together our best understanding of the current budget.

4. Who pays for gate maintenance?

The HOA pays although installation should be a developer expense.

5. Who pays for upkeep of the ponds (aeration and stocking)

The HOA pays, there is a contract for that service.

6. Who paid for all the water system repairs last year?

The replacement pumps were paid from HOA funds.

7. Will we have a functioning water system when it is turned over?

It is not likely to be completed by turnover but the goal is the end of the year. It will remain the developers responsibility until complete.

8. What kind of monitoring system will we have?

There will be radio communication between the tanks and the pumps and a water level monitoring system. While we would like a state of the art monitoring system, this is beyond what we will get at turnover.

9. Do we have enough money in reserves? How much do we need?

We have a healthy reserve. We recommend we do a reserve study to determine the correct amount of reserves needed and recommended annual contribution rate.

10. At our current dues rate, do we have enough to operate?

It will be hard to know for sure until we have operated a year under owner management but we believe the budget published to be accurate.

11. Mark promised us an exercise facility. Will we have one?

It is not something that will be built in the near term. The new board can evaluate capital and operating costs and can report back to the members. The Teepee village is being transferred which could serve as a future location as those concrete pads have been described as being structurally sufficient.

12. What is Mark planning to do with the parcel next to pickleball?

Unsure

The Metal buildings?

We believe he is going to use it to mill the lumber from the Cow mtn lumber yard.

The Logan's Gap overlook?

He wants that as part of his personal lot and will give the HOA a usage easement.

13. If he continues to rent the Discos and Wilderness Cabins, what will be HOA involvement?

There will likely be little involvement from the HOA.

What if he sells them? He has agreed to do a deed restriction on their use. This is particularly important for the Wilderness Cabins to maintain their appearance. Restrictions on rentals so they can only be rented to owners or their guests. He has agreed that the Discos and Wilderness cabins will pay dues. If the HOA is involved in rentals, he has volunteered a revenue split.

14. The report has Mark offering for purchase the Trading post, the Triangle property and the Maintenance facility. Does the transition committee recommend we buy them?

We do.

Who decides? *The new Board will need to negotiate the details of a purchase agreement.*

Will it require an owner vote? *Yes. Any loan or special assessment needed to purchase would require a member vote by proposed new bylaws.*

15. What about the stables?

Mark proposes to sell the stables again with a deed restriction (no subdividing and must be maintained as stables) with a portion of the proceeds to be shared with the HOA.

16. What about the equipment?

It is already owned by the HOA. Mark sold it to the HOA earlier this year.

17. It appears the dues are increasing again?

Yes, Mark had planned a dues increase of 10% this year mainly due to rising cost of labor. For instance, our basic seasonal maintenance labor costs has risen from \$15 per hour to almost \$25 per hour. We will see how the budget looks after a year of managing.