

Dear Sorano (Frisco) Homeowners Association Inc. Homeowner,

Over the past 18-24 months, the Sorano Homeowners Association Board of Directors, has been actively working to repair and/or replace the failing walls at the front of the community. The exterior wall, which was originally constructed when the neighborhood was originally established around 15 years ago, was built by a previous developer prior to bankruptcy, and prior to First Texas Homes acquiring the development. The wall was built based on outdated city code, where the standards for wall construction in Frisco were significantly less stringent than current guidelines. Over time, the wall has degraded structurally and aesthetically. The wall has now become a safety concern, as well.

In August 2020, the Board received estimates for this project, however due to the pandemic and restrictions in place at the time, along with the higher costs for construction materials, the Board made a conscious decision to make the best decision on a vendor when the pricing started to normalize or get back to as close to normal as possible. While the Board has seen some return to lower prices the extent of the damage to the community wall in several areas determined that the Board needed to move forward with the selection of a vendor to conduct this work. Each vendor was asked to provide an estimate to reconstruct and reinforce the wall, bring it up to code, provide safety for our homeowners and dramatically improve the aesthetics of the community with the following contingencies:

- Full wall replacement.
- Adherence to current City code.
- Full and robust warranty.
- No “band aid” fixes.

The Board considered updated estimates at the October meeting from the three vendors that submitted proposals. The proposals received were:

Vendor #1: \$434,750

Vendor #2: \$300,050

Vendor #3: \$743,145

Leading up to the Board meeting in October, Board Members learned that the city was now requiring an Engineering Report to be provided to the city and taken into account by the vendors to ensure that the work done was to the satisfaction of the city. The Board then engaged an engineering firm to provide this report, with the understanding that this would change the final cost (depending on the requirements in the report) by and estimated 10-20%.

Based on the foregoing (and as announced at the last Board meeting), the Board selected vendor #2, due to the pricing and adherence to the requirements set forth in the selection process. Vendor #2 provides a full re-build of the wall, will provide temporary fencing as needed to secure homeowners' backyards, and will be fully permitted by the City, along with leveraging the engineering report which the neighborhood was required to produce, prior to the commencement of construction.

As the HOA does not have the funds for this project, the Board approved a special assessment up to \$350,000 for this project, which includes an estimate for the additional costs expected to be included in the engineering report.

As the wall is community property outlined in the original planned development approval by the City of Frisco, and in accordance with the provisions of the Sorano CC&R's, when this assessment is approved, each homeowner will be assessed up to \$2,692.31 per property (or lot) to cover the cost of this work. Once a final cost is known that is inclusive of the requirements of the engineering report, the final amount per property (lot) will be determined.

We appreciate your vote on this special assessment.

Sincerely,

Sorano Frisco Homeowners Association Inc. Board of Directors