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admitted in WA and ID

November 11, 2024

Dover Bay Property Owners Association, Inc.
1110 W. Park Place, Suite 101
Coeur d'Alene, ID 83814
Attn: Board of Directors

Re: Dover Bay Property Owners Association, Inc.
Blocks 6-B1, 6-B2 and 6-B3
Dover Bay Planned Unit Development

Dear Board:

This letter is being sent on behalf of the owners, as specifically referenced at the end of this letter, who are the owners of certain real property located in the Dover Bay development, which is part of the Dover Bay Property Owners Association, Inc. ("DBPOA" herein). Specifically, this group of property owners are the owners of parcels located in the Dover Bay Planned Unit Development area commonly known as Blocks 6-B1, 6-B2 and 6-B3 ("Block 6B" herein). The purpose of this letter is to address the concerns of these property owners as they relate to the relationship between DBPOA and the common area located within Block 6B. These concerns have manifested themselves as a direct result of the recent change in the make-up of the DBPOA Board of Directors and various positions taken by the Board of Directors, as it relates to the management of DBPOA.

By way of history and for purposes of this letter, it should be noted that the Dover Bay Planned Unit Development was formed by the Declarations of Covenants, Conditions, Restrictions and Reservations filed by Dover Bay Development, Inc. dated July 20, 2005 (Recorded with Bonner County on July 20, 2005 as No. 682107) ("Dover Bay CC&Rs" herein). This created the master association which governed the development, use, and management of the areas contained within the purview of the Dover Bay CC&Rs, generally consisting of the Dover Bay property development. Since recording and formation of Dover Bay, the development of the area as well as the management of the common areas, including all real estate (roads, parks, trails and common areas other than those maintained by 5 longstanding and active sub-associations), have been overseen by the Board of Directors of DBPOA.

On August 16, 2005, Dover Bay Development, Inc., as the developer of the Dover Bay area recorded the Supplemental Declaration of Covenants, Conditions, Restrictions and Reservations for Blocks 6-B1, 6-B2 and 6-B3 of the Dover Bay Planned Unit Development (Recorded with Bonner County on August 16, 2006 as No. 684381) ("Block 6B CC&Rs" herein). While the Block

6B CC&Rs have been recorded and generally apply to the rights and obligations of the property owners subject to this filing, no formal action was ever taken to establish a separate organization, act independently of Dover Bay or otherwise be an independent organization. I understand, that these property owners were not given any indication there was a requirement or need to form a sub-association when they built or bought their homes/lots. Note that the First referenced lot purchased in 2008.

Rather, it is my understanding that DBPOA has overseen the management of the roads, trails and common areas within Block 6B. In addition, DBPOA has collected assessments in line with the management and oversight of such areas.

In reviewing the current recorded documents, the prior agreements regarding road management and expectation with regard to the City of Dover, and gaining an understanding of the current management of the properties, it appears that while there were certain expectations when the development was occurring, many of them were not followed through with and/or different directions were taken. This created a course of practice that was within the spirit of the documents, but not necessarily as fully envisioned.

The eighteen-year course of practice and the lack of a separate organization being formed and implemented by Dover Bay Development, Inc. would appear to result in Block 6B being a defacto subsidiary subset of DBPOA. DBPOA Board of Directors has exercised all control over management, decision making and all other aspects of Block 6B since the execution and recording of the Block 6B CC&Rs, has collected all assessments from the Block 6B property owners, and has taken all actions to oversee and manage the common areas, roads and trails within the area covered by Block 6B. This practice is expected to continue going forward.

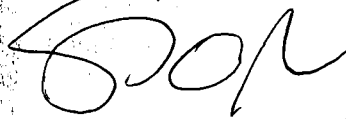
With the foregoing in mind, it should be noted that Section 5.4.1 of the Block 6B CC&Rs sets out obligations of the association, in this case DBPOA, with regard to the management and maintenance of the Common Areas as reflected on the Plat as Lots A, B and C common area, as well as the ingress and egress easements and streets named Bergstrom, Slaveck and Spangle. It is expected that DBPOA will continue its course of practice and historical action, which would include the obligations set out in Section 5.4 of the Block 6B CC&Rs. Furthermore, the homeowners in Block 6B have paid their share of assessments to Dover Bay to be applied to the cost of operations, roads, common areas, and other related expenses, which would include the cost to maintain the roads and common areas within Block 6B.

As indicated, the purpose of this letter is not to create issues or otherwise change the operations of DBPOA and the management of the property within Dover Bay, but rather to ensure that the status quo is maintained given the changes in Board personnel and the Board's ongoing exploration of operational practices.

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If you would like to discuss further, I would be happy to do so and look forward to the opportunity.

Very truly yours,



STEVEN O. ANDERSON

The 6-B Property Owners are as follow:

Dan and Kim Bowton
Wayne and Mary Brewster
Bruce and Karen Burnett
Bill and Suzanne Deobald
Curt Hammond
Dave and Gina Hopper
Jay and Marcia Johnson
Chris Judd
Tom and Barbara Lally
Dan and Jill Murphy