

Candler Hills Neighborhood Association, Inc.

8445 SW 80th Street
Ocala, Florida 34481

Board of Directors:
Kenneth D. Colen, Chairman
Philip Faranda, Vice Chairman
Robert Stepp, Secretary-Treasurer

November 16, 2017

Re: NOTICE OF ANNUAL MEETING OF THE MEMBERS; and
NOTICE OF MEETING OF THE BOARD OF DIRECTORS

Dear Owner:

This letter serves as notice of the Annual Meeting of the Members of Candler Hills Neighborhood Association, Inc. ("Neighborhood Association") to be held at The Lodge at Candler Hills, 8575 SW 87th Street Ocala, FL 34481, on Wednesday, December 13, 2017, beginning at 2:00 p.m.

This letter also serves as notice of the Meeting of the Board of Directors (the "Board") of the Candler Hills Neighborhood Association to be held at The Lodge at Candler Hills, 8575 SW 87th Street, Ocala, FL 34481, on Wednesday, December 13, 2017, beginning immediately after the conclusion of the Annual Meeting of the Members. The Agenda for this Board meeting includes, among other things, consideration by the Board of the Neighborhood Association's 2018 Operating Budget and of the levying of an Annual Assessment against each home in accordance with the Operating Budget as adopted. A copy of the proposed Operating Budget is enclosed with this letter. In addition, this meeting includes consideration by the Board of changes to the Third Amendment to the Third Amended and Restated Rules and Regulations (the Rules"). A black-lined copy of the proposed changes to the Rules will be posted, for your review, on www.otowinfo.com on or before November 29, 2017.

The Agendas for the Annual Meeting and the Board Meeting are as stated below.

Agenda for the Annual Meeting of Members:

1. Call to order and invocation
2. Introduction of Board
3. Verification of quorum
4. Proof of notice of meeting or waiver of notice
5. Reading of or waiver of reading and approval of minutes of last meeting of Members of minutes
6. Board Reports:
 - (1) 2018 Operating Budget
 - (2) Community Updates
 - (3) Review of proposed changes to the Rules
 - (4) Delinquent Community Service Fees
7. Written questions and answers
8. Other business and discussion
9. Adjournment

Agenda for the Board of Directors Meeting:

1. Call to order
2. Reading and approval of minutes of last Meeting or waiver of reading of the minutes
3. Consideration of Resolution 2017-01 adopting the 2018 Neighborhood Association Operating Budget and levying of assessments based thereon
4. Consideration of Resolution 2017-02 Adopting Proposed Changes to the Third Amendment to the Third Amended and Restated Rules and Regulations
5. Consideration of Resolution 2017-03 implementing the Neighborhood Association's statutory powers to suspend rights of unit owners, occupants and guests to use common facilities and to suspend rights of members to vote when payments due the Neighborhood Association are more than 90 days delinquent, as provided in Section 720.305, *Florida Statutes*
6. Consideration of Resolution 2017-04 Amending the Bylaws of the Neighborhood Association conforming to Florida law
6. Other business and discussion
7. Adjournment

There will be a question and answer period at the Annual Meeting. Please be reminded that all questions must be submitted in writing.

The proposed Operating Budget reflects the Board's estimate of the operating expenses to be incurred by the Neighborhood Association during calendar year 2018. Please note that the Developer, On Top of the World Communities, Inc., continues to provide substantial financial support to the Neighborhood Association.

The landscape and common area maintenance remains substantially the same as the 2018 budget increased mainly by the increase in homes. Included in that line item is a community wide road restriping project. Maintenance obligations for homes in default of the community service fee or under bank foreclosure will continue to be a common expense of the Association. Fortunately, there are very few homes in any kind of default. The largest increase falls within the Operating Expenses pass through representing the addition of recreational amenities including the Lodge and all its indoor and outdoor furnishings as well as the new pool furniture at Candler Hills Community Center, and the new dog park. The Developer, On Top of the World Communities, Inc., continues to offset a portion of the Operating Expenses by underwriting approximately 26% of the costs of the Neighborhood Association.

Your Board's goal is to serve all members of the Neighborhood Association by providing services in a cost-effective and efficient manner. Your Board worked hard to pare down this Operating Budget and believes it fairly reflects the anticipated costs of the extensive scope of services to be provided during 2018 by the Neighborhood Association.

The Board believes it is in the best interest of every Member that the Neighborhood Association enforces collection of assessments. Accordingly, your Board of Directors pursues suspension of the voting rights and common facilities use rights of unit owners who are more than 90 days delinquent in any payment due the Neighborhood Association.

To ensure we have a quorum for the Annual Meeting, a Proxy is enclosed for your use if you do not attend the Annual Meeting. If you cannot attend the Annual Meeting, please complete the Proxy and return it to the Neighborhood Association at your earliest convenience by mailing it, dropping it in the Lock Box located at The Lodge at Candler Hills and Candler Hills Community Center, faxing it to 352-854-0815, or emailing it to Associationinfo@otowfl.net.

Anyone requiring reasonable accommodations for this meeting as provided for in the Americans with Disabilities Act should contact Patty Soriano at (352) 854-0805 ext. 7505 at least one week in advance of the meeting.

We would like to take this opportunity to extend our wishes for a very Happy Thanksgiving to you and your families. We look forward to seeing you on December 13.

Sincerely,



Kenneth D. Colen
Chairman

Enclosures