

**WELLINGTON-MORRIS
CORPORATION**

10335 Main St., Suite 8
Bellevue, WA 98004
(425) 455-2929
Fax: (425) 451-2649

March 26, 1998

Mr. and Mrs. Steven R. Hollasch
27928 N.E. Quail Creek Drive
Redmond, WA 98053
16

Reference: Quail Creek Homeowners Association
Management Turn Over

Dear Quail Creek Homeowner:

The Community of Quail Creek is established and the Development Period has come to an end. Wellington-Morris Corporation, developer of Quail Creek, hereby notifies you that it is relinquishing its management of your Homeowners Association effective July 1, 1998. Homeowners should expect to take charge of all responsibilities on that date. It is important that each Homeowner understand that his/her involvement is necessary to assure a strong and properly governed Association. Therefore, I suggest taking the time and effort to help initiate an effective beginning.

With receipt of this notification, you will have approximately 90 days within to meet and elect a governing body, whether it is temporary or permanent. Your neighbor, Kirstin Briggs has volunteered to act as the *organizational liaison* for Quail Creek. You may reach her at (425) 880-4189. I'm sure she would appreciate and welcome your assistance in arranging meetings and/or serving on a nominating committee for Board elections. Wellington Morris will provide a proposed Operating Budget for the remaining year of 1998 and will turn over pertinent documents relating to Quail Creek for the Board's safe keeping to Mrs. Briggs.

A copy of the recorded Quail Creek Bylaws & CC&Rs is enclosed for your personal file. As homeowners, you will be responsible for the continuing upkeep of your community. As a body, you should set up various committees such as an Architectural Control Committee, a Finance/Budget Planning Committee, and a Landscape Committee, etc. to administer and enforce the CC&Rs. There may be among you, individuals with backgrounds in finance/ accounting, law, architecture/ construction/design, and/or are generally knowledgeable or experienced in discharging the duties involved with the management of a Homeowners Association. As a potential committee person, your skills will be a valuable resource in setting up the beginning structure of your Association.

Wellington-Morris Corporation will continue to cooperate during this transition period, however, will end its involvement as of July 1, 1998. Should you have any questions or concerns, please direct your inquiries to Mrs. Briggs.

Sincerely,

WELLINGTON-MORRIS CORPORATION



Aimee Mathews
Office Administrator/Project Coordinator

Enclosures: Bylaws of Quail Creek Homeowners Association
Declaration of Covenants, Conditions, and Easements for Quail Creek