



NOTICE OF 2026 INSURANCE ASSESSMENT

December 1, 2025

Dear Homeowner(s):

The Board of Directors, in an open meeting held on November 25, 2025, reviewed the current insurance premiums and the premiums for fiscal year 2026 and voted to approve an Insurance Assessment.

The Board of Directors approved an Insurance Assessment effective January 1, 2026, in the amount of \$148.65, to be paid monthly. **Payments for your Insurance Assessment will be due monthly beginning January 1, 2026 in the amount of \$148.65.**

The Association Regular Assessments will remain the same at \$156.25 monthly. **Payments for your assessments will be due monthly beginning January 1, 2026 in the amount of \$156.25.**

Article 9, Section 9.4.1. Regular Assessments. In part, Regular Assessments are based on the annual budget. If the Board does not approve an annual budget or fails to determine new Regular Assessments for any year, or delays in doing so, Owners will continue to pay the Regular Assessment as last determined. In part, if during the course of a year and thereafter the Board determines that Regular Assessments are insufficient to cover the estimated Common Expenses for the remainder of the year, the Board may increase Regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency up to twenty-five percent (25%) without a vote of the Owners as set forth in Section 9.3.1 above.

Article 9, Section 9.4.3. Insurance Assessment. The Association's insurance premiums are Common Expenses that must be included in the Association's annual budget. Nevertheless, the Board may levy an Insurance Assessment – separately from the Regular Assessment – to fund (1) insurance premiums, (2) insurance deductibles, and (3) expenses pertaining to the Fire Riser Closets and the fire sprinkler system for the Townhomes. If the Association levies an Insurance Assessment, the Association must disclose the Insurance Assessment in Resale Certificates prepared by the Association.

To address the outstanding balance for the irrigation system, we are presenting two possible funding options. We ask all homeowners to review these approaches and consider which best supports the community's long-term needs. A formal vote on these options will take place in January. All homeowners will have the opportunity to participate in the decision.

Option 1: Special Assessment

A one-time special assessment of approximately **\$398.92 per household**, varying on the date we decide to pay it in full. This option allows us to pay the remaining balance in full, close out our commitment with the current vendor, and immediately begin soliciting bids from new contractors—potentially at a more competitive rate.

Option 2: Monthly Maintenance Increase

An increase of approximately **\$23.47 per month** added to regular maintenance dues until May 2027. This spreads the cost over the next 18 months, easing the immediate financial impact. However, it requires us to remain under contract with the current vendor until the remaining balance is fully paid.

The total amount due for both assessments is \$304.90 each month. If you have auto pay set up, please be sure to update the amount of your payment prior to the January 1, 2026 effective date.

Should you have any questions, please contact Essex Association Management, L.P. by visiting www.huntingtonvillastoa.com and follow the prompts to submit a web submission under the "Contact Us" tab.

Sincerely,

Essex Association Management, L.P., Managing Agent,
for Huntington Villas Townhome Owners Association, Inc.

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