

August 25, 2020

Dear Carillon House Unit Owner,

We wanted to take this opportunity to update you on a recently resolved legal matter involving the Association.

First, we would like to provide some background information. To address the high number of concerns filed by residents and threats of lawsuits related to dogs in the common elements, the Board issued an open invitation to residents to serve on a committee that would study the situation and make recommendations. This committee, which was led by a non-Board member, was comprised of dog owners and non-dog owners, included those who were threatening litigation against the association.

The committee identified that the Association's Handbook of Rules and Information included a section related to pets and reasonably thought that a Pet Etiquette Brochure would set a friendlier tone and help dog owners who were new to the building navigate the unfamiliar and often stressful situation when they encountered neighbors in the common elements. The committee worked on the brochure, presented it to the Board, the Board approved the brochure, and it was distributed to the community.

Immediately following that, we received a complaint from the Miami Valley Fair Housing Center related to the brochure. For the next few months, our attorneys attempted to work with the Miami Valley Fair Housing Center to resolve the matter and avoid further legal dispute. Despite our attempts at resolution, the Miami Valley Fair Housing Center nevertheless filed a lawsuit against the Association in Federal Court.

To protect the Association's interests, the Board filed a claim with the Association's insurance carrier, so that further substantial legal fees would not be incurred in defending this lawsuit. While the Board and the Association's attorneys have and continue to believe that the Association committed no wrongful or illegal activity, our insurance company was able to obtain a financial settlement in exchange for dismissing the lawsuit.

The Board then had to make the business decision to continue fighting the lawsuit and defend the Association's position, or to approve a small settlement that is to be paid by the Association's insurance carrier. Knowing that a prolonged legal dispute would likely have a substantial negative impact on our building, both practically and financially, the Board made the difficult decision to accept the settlement.

Enclosed, please find a copy of the final settlement agreement. As you can see, \$4,972.00 was paid to the Miami Valley Fair Housing Center in exchange for dismissing the lawsuit. The settlement agreement specifically agrees that there is no admission of liability or fault, and the Board maintains its position that the Pet Etiquette Brochure is a reasonable and acceptable document.

While given that, it was a difficult decision to resolve this matter, but we believe that ultimately doing so was in the Association's best interests, for both the short and long terms. While we could not comment on the merits of this baseless claim while the matter was in litigation, we now are happy to provide you with these details and share the final results.

As always, should you have any questions please do not hesitate to contact any Board members, or Gwyn Rotramel, our community association manager, at Apple Property Management.

Sincerely yours,

The Carillon House Association, Inc.

Board of Directors