

Oceanside Terrace Condominium Association, Inc.

c/o Sea Breeze Community Management Services, Inc.

4227 Northlake Blvd.

Palm Beach Gardens, FL 33410

Phone: (561) 626-0917 Fax:(561) 626-7143

www.seabreezecms.com

IMPORTANT NOTICE

October 20, 2017

Dear Oceanside Terrace Owners:

Straight To The Point:

The report has been received from the Association's insurance adjuster with the recommendation that the perimeter fence and all roofs in Oceanside Terrace be replaced.

Why Replace All Roofs?

1. The cedar shakes and sheathing were compromised as a result of wind speeds during Hurricane Irma in the Jupiter area that were reported up to 91 miles per hour. Airborne debris, including shards of glass, tree branches, and other debris, as damaging as the wind itself, was a contributing factor.
2. Multiple units lost large sections of the roof. Other units lost fewer shakes, while some units did not lose any shakes. However, it was determined that the strong winds and airborne debris not only compromised the integrity of the roofs and sheathing, but also increased stress points.
3. Having said this, note that under the Florida Building Code, if 25% of a roof needs to be replaced, the entire roof must be replaced. Under Florida's Insurance Statutes, even if less than 25% of the roof needs to be replaced, the insurance company must replace the entire roof if the repaired area won't "match" the existing shingles.

What Has Been Done So Far?

1. Roofing contractors have been contacted. Preliminary estimates have been received.
2. Roofing consultant has been obtained. The consultant will:
 - a. Perform additional inspections
 - b. Write specifications
 - c. Submit to roofing contractors
 - d. Met with roofing contractors

- e. Closed bids – Board will review
- 3. Legal consultation regarding the Association’s Governing Documents

What Is The Most Immediate Issue?

Change the roof materials.

In accordance with the Oceanside Terrace Declaration, a vote by the Membership is required to approve this material alteration in the event of a casualty. The approval of all the owners is required to change the roofing from cedar shingles to either asphalt shingles or metal roof.

We must have 100% approval

Why Change?

In addition to the cost of cedar shake roofs, as illustrated below, the Association pays higher premiums due to the limited availability of insurance carriers willing to cover cedar shake roofs. Now that the Association has a claim, there will be even fewer underwriters willing to take the risk. The fewer underwriters and carriers mean increases in insurance premiums.

Estimated Oceanside Terrace roof replacement numbers:

Material	Approximate cost per roof	Warranty
• Cedar Shake	\$14,500 to \$16,500*	
• Metal - Aluminum	\$10,500*	25 to 50 years +

** Prices may be adjusted, potential to obtain Wind Mitigation Reports*

What If I Have A New Roof?

Call your insurance company and file a claim. Should you need assistance providing information to your insurance company, the Association will assist you as much as possible.

What Cost Will I Have With This Association Claim?

The Board of Directors will use allowed reserves to offset the deductible. The hurricane insurance deductible is \$261,800, based on 3% of the building limit per building per policy. As soon as more information is available, owners will be notified in advance.

Are Owners Required to Be A Part of this Claim and the Process?

Yes, in accordance with the Association's Declaration. Owners are part of the claim. All roofs have to be the same.

What Now?

VOTE.

Enclosed with this letter is a Written Consent in lieu of a Membership Meeting form for the purpose of approving the material alteration to change the roofing materials from cedar shingle to metal roofing materials. Please carefully review, complete, and return the Written Consent to the Association using the following methods:

Mail: Please use the address provided in the header of this letter

Fax: 561-626-7143

Email: courtney@seabreezecms.com

The approval of the unit owners to change the roofing material by Written Consent must be achieved within ninety (90) days of the Association's receipt of the first completed Written Consent. Once received, the Board will tally the Written Consents at a duly noticed Board meeting.

The Board hopes that you will support the change of roofing materials by voting FOR the change and by promptly returning your completed Written Consent.

Sincerely,

Courtney Peace Hagins LCAM
On behalf of the Oceanside Terrace Board of Directors