LAKE HONDAH PROPERTY OWNERS ASSOCIATION
200 Hondah Blvd, BREVARD, NC 28712

Special Board Meeting (Public: open to all POA members)
November 5th , 2026 – 17:35
401 Spring Water Dr, Brevard NC 28712

Attendance:

Desmond Duncker (President)
Jason Karol
Frank Kralik
(& approximately 12 property owners, including 3 via Zoom, as observers only)

Opening Remarks: Desmond explained this special Board meeting was called to:

1) Inform the Board of the recent resignations of two Board members
2) Appoint new Board members to replace those who have resigned
3) Inform the new Board of the garage dispute with the Schultzes and the pending lawsuit against the POA.

Those homeowners who were present were advised that they were not to participate or ask questions during the meeting, but that they could ask questions after the Board meeting was officially adjourned.

Minutes & Treasurer's Report: The President stated that the minutes of the last meeting & the Treasurer's report would be skipped for this special Board meeting.

Board Officer Appointments:

- Desmond introduced all remaining members of the Board: Himself, Jason Karol & Frank Kralik.
- He then introduced two potential new board members: Darren Wilson & Nick Verlotta.
- He then made a motion to appoint both members, which was seconded and unanimously approved.
- With the new full board (5) in place Desmond then moved to dissolve all officer positions so new officers could be elected by the Board. This was approved unanimously.
- Nominations for officers were requested. The following officers were nominated:
    - President: Desmond Duncker
    - Vice-President: Darren Wilson
    - Treasurer: Nick Verlotta
    - Secretary: Parker Moore (Staff, non-Board member)
- All officer positions were voted on and unanimously accepted. All positions were declared now official.

Board Resignations: Desmond explained & read from email correspondence the history behind the abrupt resignations:

- The attempt to influence Jason to resign.
- The attempt to give Jason the false impression that the Board had approved the appointment of Suzanne Schultz to the Board.
- The appointment of Suzanne Schultz would result in two members of the same family being on the Board, and would make three non-resident homeowners a majority of the Board.
- To make the POA aware of the above actions, Desmond made this special meeting of the Board public and invited all POA members to observe the meeting, in person or via Zoom.
- Subsequent to the announcement of the special Board meeting, John Hogarth and Rob Schultz both resigned from the Board and asked that their resignation emails be read at the meeting.
- The two resignations were read aloud, and they are attached to these minutes.

Lawsuit and Encroachment Agreement: Desmond explained the dispute between the Schultzes and the POA.

- Rob and Suzanne Schultz threatened legal action over a proposed encroachment agreement for their already-built garage and later filed a civil lawsuit against the President and the POA.
- Desmond disputes allegations that he improperly canceled an October 5 signing appointment and read aloud email exchanges indicating that, in fact, both Rob and Suzanne had asked to cancel it.
- The summons was served on November 4, 2026. (An attempt to serve it on November 3, Election Day, was unsuccessful as Desmond was at the East Fork polling place serving as an Election Judge.)
- The complaint must be answered within 30 days, with a possible 30-day extension.
- Desmond reported contacting State Farm, the POA's insurer, and consulting a local attorney. The attorney quoted a $5,000 retainer and legal fees of $350 per hour. The POA has a total budget of $15,000. The POA's State Farm policy has $2 million in lawsuit coverage.
- Desmond and Jason will review the complaint and prepare a point-by-point response for the Board and State Farm.
- Desmond stated that there will be no further direct interaction with the plaintiffs while the matter is in litigation, except through counsel.

Garage Construction and lack of Board Review:

- Desmond explained that the bylaws require plans and building permit information to be submwhen referring to multiple people itted to the Board before construction begins on a garage. Board members confirmed that the Board did not receive plans before construction began.

- Desmond recalled that the Board became aware of the structure's impingement on the right-of-way after the foundation was in place and a neighbor complained. At That time the Board had debates whether to seek removal of the structure or pursue a compromise, such as allowing the structure to remain and levying fines.
- The garage has now been built, with a foundation about four feet high and the structure extending 15 feet into the Spring Water Drive right-of-way.
- Board Members raised questions & debated about permits, the association's authority, possible fines or removal, and whether allowing the structure to remain could set a dangerous precedent.
- The Board was in the process of negotiating a mutually acceptable resolution of the problem to avoid the Schultzes having to tear down the garage, when the Schultzes filed suit against the POA.

Meeting Adjournment: The President asked for a motion to end the board meeting, which was made was made and seconded. The president declared the meeting over.

Association members were now allowed to have an informal question and answer session.

Special Board Meeting on November 5th.

Rob Schultz <rob.schultz11@gmail.com> 29 October 2026 at 14:02
To: Desmond <duncker57@gmail.com>
Cc: Board@lakehondah.com, treasurer@lakehondah.com

Dear Members of the Board,

Please accept this letter as formal notification that I am resigning from my position on the Board of Directors, effective immediately.

My decision to step down is due to an ongoing pattern of governance violations and unauthorized actions by the President. The President continues to issue correspondence, make decisions, and take executive action outside the boundaries of our bylaws without the knowledge, consent, or authorization of the full Board.

Because of this continued disregard for standard legal and corporate protocols, I can no longer ethically or effectively fulfill my fiduciary duties to the community.

Please ensure that this letter is entered into the official corporate records and included in the minutes of the upcoming Special Meeting on **November 5, 2026**.

Sincerely,

Rob Schultz

Special Board Meeting on November 5th.

JOHN HOGARTH <northcoastair@hotmail.com> 29 October 2026 at 15:29
To: Desmond <duncker57@gmail.com>
Cc: "board@lakehondah.com" <board@lakehondah.com>

I wish for my resignation email to be read at the next meeting and attached to the minutes.

John Hogarth
North Coast Air Care Inc
Summit Airport Services LLC

This message is for the named person's use only. It may contain confidential, proprietary or legally privileged information. No confidentiality or privilege is waived or lost by any mistransmission. If you receive this message in error, please immediately delete it and all copies of it from your system, destroy any hard copies of it and notify the sender. You must not, directly or indirectly, use, disclose, distribute, print, or copy any part of this message if you are not the intended recipient.