

Statement to Board of Knollwood Terrace HOA:

Aurora Proper Services (APS) was contracted by the Board of Directors of Knollwood Terrace HOA to begin managing the association effective December 1, 2012. At that time, APS received no documentation or records of any nature from the previous property management company, Hudson Property Management. APS did receive Articles of Incorporation, Bylaws, Conditions Covenants and Restrictions, and the Rules & Regulations, after the contract was signed, from the Board of Directors. APS also received documentation that the Board of Directors put together in relation to the criminal investigation of Hudson Property Management.

In order to file 2011-2012 tax returns, a period of time which APS was not under any contract or obligation to perform, but was required in order to file any future tax returns which APS would need to do moving forward. APS contacted the former CPA and received a password protected Quickbook file ending 9/30/11. APS then hired another firm to remove the password protections and enable access to gather enough information to file the 2011-2012 returns that Hudson Property Management had failed to file.

This review, investigation and filing of past due returns for the period of time prior to the beginning of the contract with APS, was provided to Knollwood Terraces HOA as a professional courtesy without additional fee or cost. APS is not liable for and cannot guarantee anything that was provided by Hudson Property Management or others related to the 2011-2012 as well as the first 2 months of the 2012-2013 tax year, prior to the commencement of our management contract on December 1, 2012.

At this time, APS is providing all the financial records related to Hudson Property Management's oversight of Knollwood Terrace HOA to the Board of Directors to keep in the storage area for Knollwood Terrace HOA. With the financial review completed and the past due tax returns up to date for the years prior to APS's management of Knollwood Terrace HOA, these records are the purview and responsibility of Owners Association and the Board of Directors. APS was not contracted with to be a forensic accountant and cannot perform that service.

All records related to APS's management beginning December 1, 2012 are available for member review at any time with notice. In accordance with our management contract, reports are distributed to all board members on a monthly basis along with copies of the reconciled bank statements. We look forward to providing outstanding service in this time of recovery for the Association.