

SHONGUM LAKE DREDGING PROJECT SPECIAL ASSESSMENT FAQ SHEET

1. How are special assessments determined?

The special assessment is determined by estimating the benefit/enhancement value due to the lake dredging for each property that has a license or lake rights to use Shongum Lake. Randolph Township and the SLPOA relied upon a preliminary appraisal report prepared by Holzhauer & Holenstein, LLC to estimate the anticipated benefit and calculate a preliminary special assessment for each of the 801 properties included in this project. Once the project is completed and the total costs are certified, a final analysis and determination of assessments will be conducted.

2. How is the special assessment billed?

The special assessment will be billed in twenty (20) annual installments.

3. When will the first installment and subsequent payments be due?

The first installment will be due within 60 days of confirmation of the assessments by the Randolph Township Governing Body. The confirmation of the assessments will occur once the project is completed, the final costs are certified, and the final assessments are determined by the Assessment Committee. Subsequent installments are due within 30 days after billing. The special assessment shall remain a lien upon the property until the assessment with all installments are paid and satisfied.

4. Can I pay off the assessment balance at any time?

Yes. Any property owner so assessed shall have the opportunity of paying any balance of installments at one time.

5. Will my mortgage company be responsible for paying the annual installment payments?

No, property owners are billed directly by the Township.

6. Is there a grace period and what happens if a payment is not made?

If the Township does not receive the annual installment within the 30 days of billing, the full amount of assessment becomes due and the Township shall draw interest at the rate imposed upon the arrearage of taxes in the Township and shall be collected in the same manner as provided by law for the other past due assessments. The Township shall have the right to waive default as may be permitted by law.

7. What happens if I sell my property prior to the confirmation of the assessments?

Once the initial ordinance is adopted by the Randolph Township Governing Body to go forward with the loan agreement and prior to the confirmation of the special assessments, an "unconfirmed assessment" will be reflected on any tax and assessment search, putting a potential new buyer on notice that they will be responsible for the pending special assessment if they buy the property.

8. What happens if I sell my property after confirmation of the assessments?

Provided the account is not in default, Randolph Township will not require that the assessment be paid in full on the sale or other transfer of the property. The full amount of the balance of the assessment however remains a first lien on the property if not paid in full. In advance of transfer, the assessment will be noted on the tax and assessment searches provided by the Township to the title insurance companies confirming the existence of the first lien and the amount remaining on the account. The liability to pay the balance due on the assessment may be negotiated between the buyer and seller. However, members should realize that a buyer, or their title company, mortgage lender or attorney, may require the assessment be paid in full in order to provide clear title at closing.

9. Will my property taxes increase as a result of the special assessment?

No, your property assessment will be unaffected by the special assessment.