

November 16, 2017

During the Budget process Council reviewed the expense projections for our Common Area Components, which include, building exterior brick pointing and painting, building windows, building doors, driveway repair and replacement, elevator mechanics, etc. Our Operation Expenditures not only include the cost of our Common Areas; they also include the cost of unit utilities for television cable \$123,463.00, stormwater fee \$9,012.00, and water and sewer charges \$129,000.00. After completing our review, we deliberated and agree that the present monthly Condominium Fees will sustain the proposed 2018 Operating Expenses and will also allow for Contingency Funds and savings toward our Repair and Replacement and Central Hot Water Reserves.

<p>Condominium Fees are due on the 1st of each month. A Late Fee of \$29.00 for a One – Bedroom or \$37.00 for a Two – Bedroom will be imposed if the Condominium Fee is not received on or before the 10th of the month. The Returned Check Fee is \$25.00 plus all applicable Bank Charges.</p>			
<p>2018 Monthly Condominium Fees</p>			
Unit Size	Buildings #56, 60, 64, & 68	Buildings #72, 76, 80, & 84	<p><i>Upper Building units pay an additional monthly Fee of \$11.00 for a 1 BR or \$14.00 for a 2 BR for gas cost to heat the Central Hot Water Boiler.</i></p>
1 Bedroom	\$ 213.00	\$ 224.00	
1 Bedroom Deluxe	\$ 226.00	\$ 237.00	
2 Bedroom 1 Bath	\$ 279.00	\$ 293.00	
2 Bedroom 2 Bath	\$ 293.00	\$ 307.00	
<p>2018 Annual Collection Fee for Central Hot Water Boiler Reserve</p>			
BUILDINGS #72, 76, 80, & 84 ONLY		<p><i>THE ANNUAL CENTRAL HOT WATER RESERVE FEE IS DUE ON BEFORE JUNE 30. A LATE FEE WILL BE IMPOSED ON JULY 1.</i></p>	<p><i>Upper Building units pay this additional yearly Fee for the Central Hot Water Reserve. These Funds are utilized for Boiler Repairs and Replacements.</i></p>
1 Bedroom	\$ 52.00		
1 Bedroom Deluxe	\$ 56.00		
2 Bedroom 1 Bath	\$ 69.00		
2 Bedroom 2 Bath	\$ 72.00		

Council agreed that a Roof Replacement Collection Plan needed to be established in 2018 or the Unit Owners would be left vulnerable to a substantially higher collection in later years.

Expected monies needed for Villa Belmont common area maintenance and element needs, including roof sealcoating, are collected each year through the Condominium Fees. This will continue. However, since roof replacement will, we anticipate, necessitate the collection of approximately \$176,000.00 for each roof for a total of \$1,408,000.00, Council considered various ways of accumulating these sums and decided that a yearly assessment, for the Roof Replacement Collection, may be more manageable for each condominium owner. Consequently, after much thought and discussion, Council is implementing the following Roof Replacement Collection Plan.

The following chart lists the Roof Replacement Collection Plan for each Unit Style.

TOTAL PAYMENT DUE REPRESENTS THE PROPORTIONATE INTERESTS FOR THE UNIT STYLE	TOTAL PAYMENT OPTION	YEARLY PAYMENT OPTION FOR TEN (10) YEARS	MONTHLY PAYMENT OPTION FOR TEN (10) YEARS
1 Bedroom	\$4,098.69	\$409.92	\$34.16
1 Bedroom Deluxe	\$4,356.35	\$435.60	\$36.30
2 Bedroom 1 Bath	\$5,385.60	\$538.56	\$44.88
2 Bedroom/DEN	\$5,592.58	\$559.20	\$46.60
2 Bedroom 2 Bath	\$5,643.26	\$564.36	\$47.03

ADDITIONAL INFORMATION - ROOF REPLACEMENT COLLECTION (RRC) PLAN

The RRC will be assigned to a Fund for the specific purpose of Roof Replacements.

The RRC will commence on January 1, 2018.

Annually is January 1, to December 31, of the same calendar year.

The Unit Owner may choose to submit payment(s) in any manner that is most helpful to them; however, the total Annual payment must be made on or before December 31, of the given calendar year.

There will be a 10% Late Fee imposed, on any portion of the Annual Balance Due, on January 1, of the subsequent year, with the first subsequent year being 2019.

If the RRC was included in the monthly Condominium Fee, the Unit Owner would not have the option of submitting the Annual payment in a manner that is most helpful to them. They would have no choice but to make a payment each month on or before the 10th of the month.

The collection amount of \$1,408,000.00 was calculated using the best approximation of the expected roofing material and contractor labor cost in 2028. Our present roofing system will be 37 years old at that time. With the average life expectancy being 25 to 30 years for our roofing system we expect that at least one (1), several, or all the roofs will need replacement at that time or maybe before that time. By having a collection for the sole purpose of Roof Replacement funds now, we will be prepared for any of these scenarios. Each year, as part of the Budget process, the cost approximation will be reviewed and if there are any significant changes to the present approximation then the RRC amount could change.

The Unit Owner's full monthly Condominium Fee will continue to be due on the 1st of each month, with a Late Fee being imposed if it is not paid on or before the 10th of the month.

The monthly Gas Usage Fee, included in the monthly Condominium Fee, for units in Building #72, 76, 80, and 84 will continue to be due on the 1st of each month, with a Late Fee being imposed if it is not paid on or before the 10th of the month.

The Annual Central Hot Water Boiler Repair/Replacement Reserve Fee, for units in Building #72, 76, 80, and 84 will continue to be due, whenever said fee is implemented. This fee has been implemented for 2018 and is due on or before June 30, 2018, with a Late Fee being imposed, on any portion of the Annual Balance Due, on July 1, 2018.