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| |  | | --- | | **Meeting summary for March 2025 HOA meeting (03/19/2025)** | | |
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| **Quick recap** | |
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| John discussed the financial status of the organization, the proposal to complete work on all remaining buildings within a year by taking out a loan, and the potential for hiring a professional management company. He also addressed issues with damaged plywood, the non-warrantable status of the complex, and the need for a third-party report to address concerns about the structural integrity of certain units. | |
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| **Next steps** | |
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| • John to distribute the Fannie Mae letter regarding the inability to sell in the development to all residents. | |
| • Terri to reach out to Fannie Mae to explain the progress made on repairs and attempt to dispute the non-warrantable status of the complex. | |
| • John to finalize loan details and total amount with KPI and banks this week. | |
| • Board to provide written information to residents about the loan terms, monthly rates, and duration once finalized. | |
| • Board to seek new board members for the upcoming election in May. | |
| • John to handle the issue with Benny's employment status this week. | |
| • John to send out another email reminder about properly breaking down cardboard for recycling. | |
| • Katie to send pictures of improperly disposed recycling with visible labels to John for follow-up. | |
| • Maintenance team to sand and stain Kim's deck in unit 1412. | |
| • Board to investigate options for a property management company. | |
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| **Summary** | |
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| **Septic System Work and Loan Proposal** | |
| John opens the meeting and discusses the financial status of the organization, noting they have $566,000 in savings, $182,000 in capital, $124,000 in special assessment, and $76,000 in checking. He then updates on the septic system work, which is set to begin on Monday with the installation of three new tanks and two new pumps. The main topic of discussion is the proposal to complete work on all remaining buildings within a year by taking out a loan, estimated at around $3 million with a 7% interest rate. John also addresses issues with damaged plywood found under Hardieboard siding on some buildings, which has increased the project cost. | |
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| **Loan Terms and HOA Fee Increase** | |
| John explains that the special assessment monthly fee will remain the same, but the loan term will likely extend from the original 4-5 years to possibly 6 years due to increased costs. The HOA fee will also need to increase slightly due to rising insurance costs and salary increases. The total loan amount is expected to be around $3.5 million at a 7% interest rate. There is some confusion and debate among participants about the loan terms and calculations. John promises to provide detailed written information about the loan and payments once the final numbers are confirmed with the bank, which is expected by the end of the week. | |
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| **Board Seeks New Members, Discusses Management** | |
| The board is seeking new members for the upcoming May election, with at least two positions to fill. John and Jim intend to run again, whereas Betsy may not participate due to health concerns. The board discusses the possibility of hiring a professional management company, which would cost about $12 per unit per month and potentially increase fees. Kim suggests looking into management companies immediately, while others emphasize the need for a board to oversee the management company. The discussion highlights the challenges of volunteer board work and the potential benefits of professional management. | |
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| **Complex Loan and Structural Issues** | |
| John discussed the potential loan for the complex and the need to fix structural issues. He explained that the complex is no longer warrantable, meaning it cannot get a Fannie Mae or Freddie Mac loan, and potential buyers would need to find a cash buyer. John also mentioned that the Department of Community Affairs (DCA) has flagged the complex due to an issue with an individual unit, and violations have been issued. She suggested that the complex could be removed from the list if the issues are resolved. John also mentioned that the DCA has issued fines to the building for negligence, which could lead to a lien on the unit. | |
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| **Complex Damage and Loan Issues Discussed** | |
| John discussed the issues with the management company and the damage done to the complex. He mentioned that the damage was not the board's fault and was done long ago. John also mentioned that the complex was removed from being a warrantable loan for Fannie Mae Freddie Mac as of February 24, 2025. Terri suggested that they could try to show the lenders updated inspections of specific units and the progress made in repairs. John also mentioned that they are looking for a separate inspector and are considering getting insurance. | |
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| **Non-Warrantable Complex Impact on Property Values** | |
| The board discusses the non-warrantable status of the complex and its impact on property values and sales. John suggests contacting the Department of Community Affairs (DCA) for clarification of requirements to satisfy the violations. The insurance costs are expected to increase, potentially raising HOA fees, though the exact amount and timing are not yet determined. The board also addresses plans for siding replacement on buildings with original siding, which will depend on whether they secure a loan or not. | |
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| **Addressing Structural Concerns and Entry Door Color** | |
| John discussed the need for a third-party report to address concerns about the structural integrity of certain units in the complex. He suggested that the completion of major repairs and the high percentage of on-time special assessment payments could be enough to satisfy Fannie and Freddie Mac. John also mentioned the need for a community vote on the color of the entry doors and the possibility of adding house numbers on the back of the units. He acknowledged the need for further discussion on these issues. | |
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| **Addressing Worker Efficiency Issues** | |
| Participants discussed the daily activities of Dylan, a maintenance worker, and expressed concerns about his efficiency and the need for him to be more aware of his surroundings on the property. They also mentioned the issue of cardboard and recycling not being broken down correctly and suggested implementing time sheets for the workers. The team agreed to address these issues and consider cutting back on unnecessary expenses. | |
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| Zoom Attendance | |
| Name | |
| Theresa | |
| Scott Cahill 2015 | |
| Jen 1104 | |
| Joe F 1405 | |
| Karen unit 110 | |
| Allison 1714 (Allison) | |
| Leo 314 Spruce | |
| Lisa Rodriguez 1907 (Lisa) | |
| William Palaferro 815 | |
| Terri Slagle | |
| Sarah’s iPhone | |
| Matt D - 503 (Matt Duffy) | |
| Joe D 406 (Joseph Devergillo) | |
| Laura 1416 | |
| Andres | |
| vassili’s iPhone 105 | |
| Trish Duff 808 (Trish Duff) | |
| Lucy 1109 | |
| May 1413 | |
| ryan 108 (ryan) | |
| jess patane 1801 (jess patane) | |
| 1309 | |
| katie 1909 | |
| parada 1401 (m&m) | |
| 2110 Tony | |
| Jeff Stieh 614 (Jeff Stieh) | |
| Karen 603 (Aulisio, Karen) | |
| iPhone (2) | |
| Susan Longo’s iPhone | |
| L (Clint) 1113 | |
| Lauren B | |
| babci 1713 | |
| pam nicolai | |
| Aimee Bauer | |
| Nugent 1213 | |
| 2112 (JVL) | |
| Chay | |
| Alka | |
| 1804 (Rosennie Feliz) | |
| Kim Meano | |
| Jessica's iPhone (2) | |
| arthur.emerson@sri.com | |
| Manny Mombay | |
| Jessica's iPhone (2) | |
| polina 2105 | |
| Allison 1113 | |