

From: Lauren Rojo <LRojo@ReserveStudy.com>
[ADD TO ADDRESS BOOK]
To: bbhoatreasurer@comcast.net
Subject: Re: Bartlett Loft Reserve Study
Date: Tuesday, July 25, 2006 13:59:37

[VIEW SOURCE]

Tim,

We do not have any statistical data to back up your question/concern. But it is not uncommon for a fairly new (or newly converted) Association to be only 20% funded. Currently your Association is in a "weak position" but keep in mind that the expenses are minimal at this time, giving the HOA time to build strong Reserves. For example in about 5+ years (if the HOA follows the recommended funding plan) the HOA will be above 70% funded, a strong position.

In conclusion, although % funded implications may be very different for a new HOA verses a mature HOA, the consequences are minimal (if any at all). This allows the Association time to gain a healthy financial balance. Also the recommended monthly contributions for the 2006 fiscal year of \$57/unit are considerably normal for an association of your size and type.

Any more question or comment please feel free to call or email.

Thanks,
Lauren