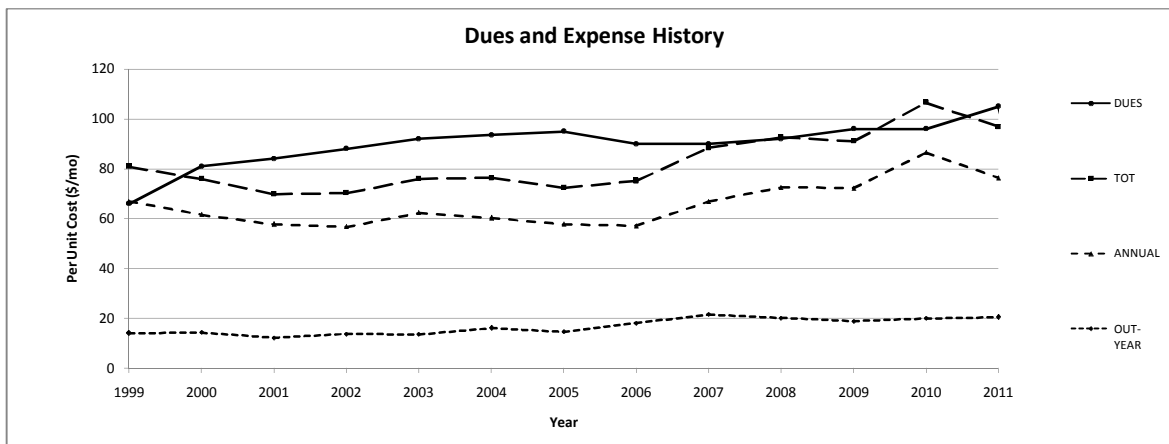
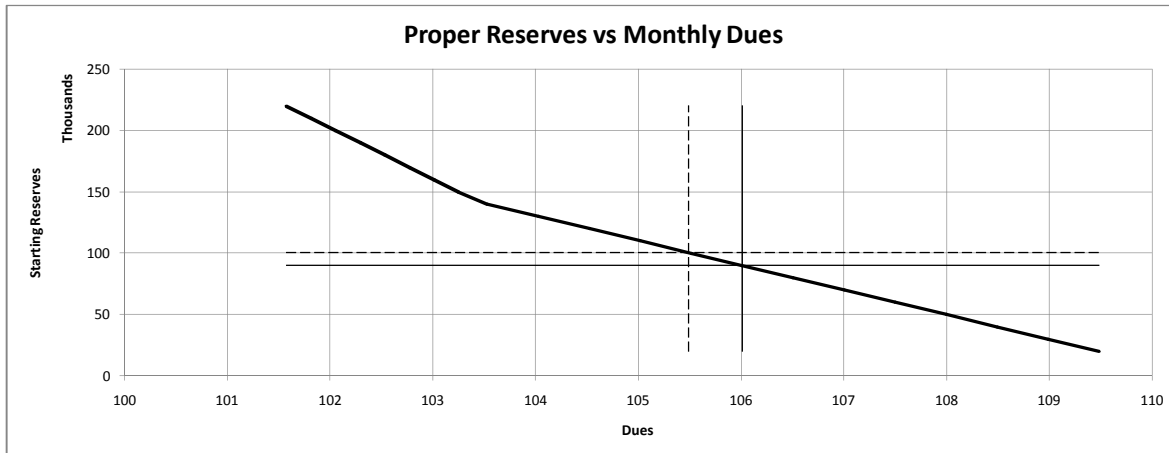


VILLAGE PLACE TOWNHOMES HOA CAPITAL RESERVES ANALYSIS 2011 REPORT

Units 60
CPI 3.77%

	2010 CRA	2011	2012	% Change	Unit-Month	\$ inc
Emergency Reserves Level		\$20,000	\$20,000	0.00%		
Annual Operating Expenses (AOE)		\$56,987	\$60,342	5.56%	\$83.81	4.66
Listed Items (80.8% of AOE)		\$45,841	\$48,776	6.02%	\$67.74	4.08
Out Year Annual Savings Requirement			\$15,610	100.00%	\$21.68	21.68
Optimum 2012 Starting Reserves			\$100,554	100.00%		
Optimum 2012 Monthly Dues			\$105.49	100.00%		
Anticipated 2012 Starting Reserves			\$90,028	100.00%		
Corresponding 2012 Proper Monthly Dues			\$106.01	100.00%		
2011 Estimated Annual Expenses	54,986.75					
Adjustments to Expenses	2,000.00 +					
Adjusted 2011 Estimated Annual Expenses	56,986.75 =					
2011 Listed Expenses	45,841.37					
Expected Increase in Listed Expenses	2,934.61 +					
2011 Non-Listed Expenses	11,145.38 +					
Increase in Non-Listed Expenses @ CPI	420.18 +					
Adjustments to Expenses	0.00 +					
2012 Estimated Annual Expenses	60,341.54 =					



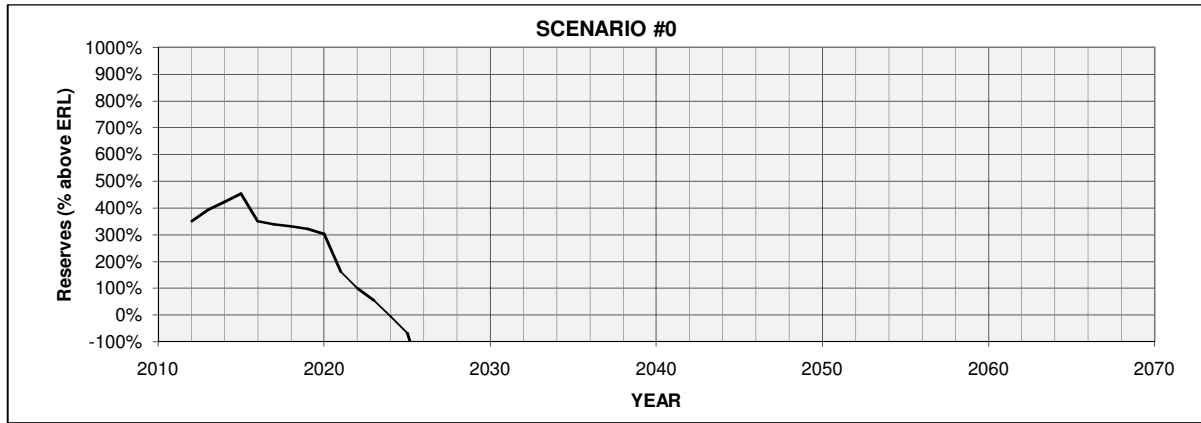
**VILLAGE PLACE TOWNHOMES HOA
CAPITAL RESERVES ANALYSIS
2011**

SCENARIO #0

CONDITIONS 1) Dues held constant indefinitely
 2)

CONCLUSION 1) W&H ERL is ~600% over present ERL
 2) HOA could remain solvent (inflation and W&H permitting) until about 2025
 3)
 4)

DUES 2012 105
 2013 105 (projected and subject to future board/homeowner approval)
 2014 105 (projected and subject to future board/homeowner approval)

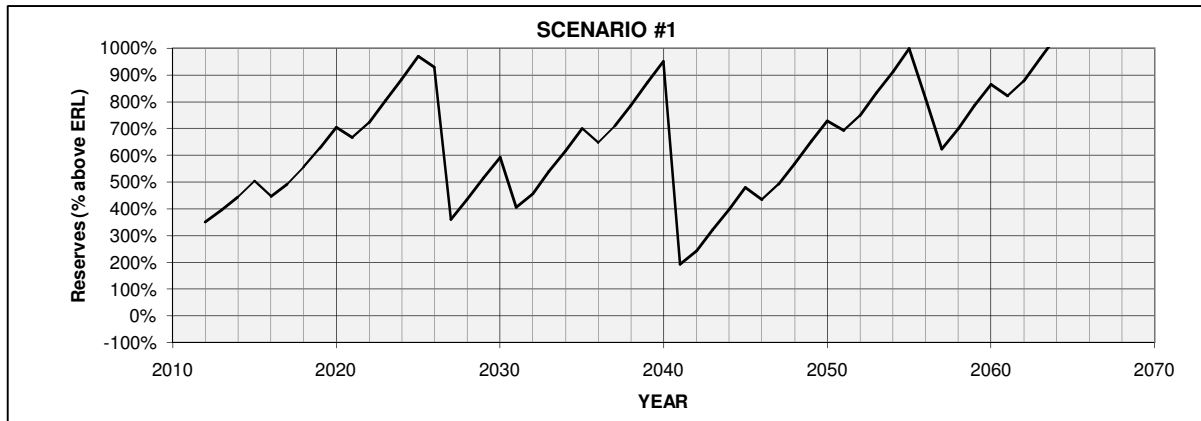


SCENARIO #1

CONDITIONS 1) Dues increased to proper level for current reserves then track the HOA inflation rate
 2)

CONCLUSION 1) Reserves will reach W&H ERL in the 2018/2019 time frame.
 2) Minor tweaking should be sufficient to move onto long term optimal trajectory.
 3)
 4)

DUES 2012 106
 2013 110.24 (projected and subject to future board/homeowner approval)
 2014 114.65 (projected and subject to future board/homeowner approval)



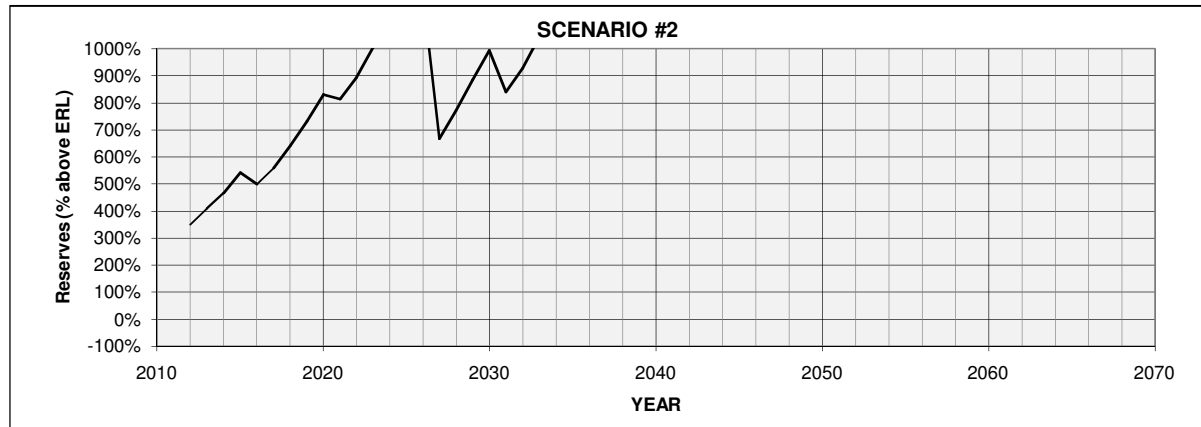
**VILLAGE PLACE TOWNHOMES HOA
CAPITAL RESERVES ANALYSIS
2011**

SCENARIO #2

CONDITIONS 1) Dues increase at CPI in 2012 and then HOA inflation rate thereafter.
2)

CONCLUSION 1) The \$80k ERL (for W&H) level should be reached in the 2017/2018 time frame.
2)
3)
4)

DUES 2012 109
 2013 114 (projected and subject to future board/homeowner approval)
 2014 119 (projected and subject to future board/homeowner approval)



SCENARIO #3

CONDITIONS 1) Dues increase at constant rate until optimal long term W&H ERL achieved.
2)

CONCLUSION 1) Dues can go up \$3 in 2012, but need to track inflation thereafter.
2) W&H ERL achieved in 2018 time frame.
3) Minor less-than-CPI increases in the 2025 time frame can place HOA on optimal long term trajectory
4)

DUES 2012 108
 2013 113 (projected and subject to future board/homeowner approval)
 2014 118 (projected and subject to future board/homeowner approval)

