

Arbor Terrace HOA

Board of Directors Meeting Minutes

January 22nd, 2013

Minutes of the Board of Directors meeting of Arbor Terrace HOA held on January 22nd, 2013 at the Walnut Street Fire Station, 12617 SW Walnut Street, Tigard, OR 97223 at 6:00pm.

Present:	Courtney Atwood	President
	Amy Boyle	Treasurer
	Richard Messenger	Secretary
	Amanda McMillen	Director
	David Wagner	Director

Owners present as indicated on sign-in sheet.

Call to Order:

Board Treasurer, Amy Boyle, called the meeting to order at 6:04pm. Quorum was established as per standard meeting guidelines.

Accept or Amend Agenda:

The agenda was approved by unanimous decision.

Row House Construction Update:

Charter Construction crews have been on site for approximately three (3) weeks, working primarily on siding/window removals and sheathing replacements. Target completion is projected to be in about 6 months. Questions by attendees addressed issues such as pet restrictions with window removals, sliding glass door (SGD) removals/replacements and on-going communications with Charter Liaison officer Kristen Pacht. Exterior painting is expected to begin in April when the weather improves. Painting of front doors and garages has been excluded from the Charter contract, as these are areas in which no construction work will be performed. The additional costs were deemed unnecessary by homeowners in attendance at this meeting. The Board will review options for painting these areas in the future.

Board members Amanda McMillen and Amy Boyle meet weekly with Charter Construction and Morrison Hershfield (MH) to review progress, findings and track budget expenditures. As Charter and MH crews dug deeper into the project, further damage was discovered beyond the original estimates. It became apparent that more repairs were needed than originally forecasted. Consequently, sheathing, framing and insulation repair/replacement, window repair/replacements, sliding glass door (SGD) repair/replacements and attic vent repairs allowances were increased. Attic remediation costs were also added into the scope.

Row House Construction Finances:

Amy reviewed/updated our current financial status relating to the rowhouse construction remediation project. Additional expenses above and beyond our 5-21-2012 Assumptions and Clarifications (as provided by Charter in our signed contract) were identified prompting allowance increases across

multiple project areas. The variance between the original project cost and the current projected cost was identified at approximately 30%. As a result, Amy indicated that our loan amount from Northwest Bank would need to be correspondingly larger to accommodate the additional work needed to be done. It was determined that the loan increase to cover the extra repair costs would necessitate a special assessment for affected homeowners to be greater than previously forecasted.

Row House Special Assessment Update:

Amy outlined the impact of the remediation project on the planned special assessment for affected homeowners. Loan options were outlined for all to consider, detailing possible repayment scenarios. "What if" scenarios were spelled out for different loan amounts using both an upfront lump sum payment option as well as a 180-month (15 year) serial payment plan. The loan is a 15-year term at 5.5% interest for the first 5 years. Homeowners in attendance encouraged Amy to look at other possible approaches for homeowners to pay off the loan to include an upfront lump sum payment over two (2) years instead of one (1). A loan repayment election for the special assessment will be sent out to rowhouse owners by February 1st. Owners will need to indicate their election for repayment by February 15th and make their first payment by March 1st. Owners failing to indicate a preference and make their first payment by March 1st, 2013 will automatically be defaulted to the 180-month serial assessment.

The Board contingently approved the Row House Serial Assessment Resolution pending completion of the following items:

- Loan approval from Northwest Bank
- Updated Serial Assessment Resolution to include language stipulating an option for a 2-year "lump sum" payment additional to the original options.

Next Meeting Date:

The next board meeting is scheduled for Wednesday, March 20th @ 6:00pm (Sherwood)

Adjournment:

Upon motion made by Amanda McMillen and seconded by Courtney Atwood, the Board Meeting was adjourned at 7:42pm.