



November 23, 2005

Dear Unit Owner:

Your Board of Directors, as requested by you at our November 2, 2005 Budget meeting, have sought out loan options for the Villas Of Amberwood Major Projects to be completed in 2006 and 2007, as an alternative to a 12-month special assessment collection, and present our findings and decision herewith.

The Board of Directors requested loan information from Colonial National Bank, Banco Popular, Executive National Bank, Community Bank of Homestead, SunTrust, and Mercantile Bank. We received rate information from Colonial Bank, Banco Popular, and Executive National Bank. We then proceeded to compare the loan options and requirements, and based on the outcome of that review, have attached a revised budget document for your review and use.

Due to continued borrowing from our reserve account for operational expenses not met by the existing budget, the repayment to the Reserve Account is close to \$60,000.00. A contingency amount of \$35,858.00 was also included for repairs that we have now confirmed with All State that are not covered by our insurance policy. The total comes up to nearly \$348,000.00. Therefore, it makes sense to take the loan for \$350,000.00.

The Board of Directors has determined that if a loan is to be obtained to cover the costs of the above budget, a loan from Colonial National Bank would be the best option among the offers we received. Colonial Bank is local (they have two branches in Doral), provide account and payment access electronically, and are very HOA friendly. We have been offered a loan for 5 years at an interest rate of 7.375% (only .375% above PRIME). We will also have the ability to use the loan as a Line Of Credit (LOC) for the first year at PRIME (7%) and pay interest only on what we use during that first year. This would result in the monthly payments for the loan re-payment being \$94 for A and D units, \$96 for B units, and \$109 for C units for 5 years. The total cost of the loan will be \$419,550.00, representing \$69,550.00 in interest paid. Thus, the monthly contributions for each unit will be as follows:

Unit Type	Monthly Payments					
	2006	2007	2008	2009	2010	2011
A	\$349	\$362	\$375	\$389	\$404	\$326
B	\$357	\$370	\$383	\$391	\$413	\$333
C	\$405	\$420	\$435	\$451	\$468	\$377
D	\$349	\$362	\$375	\$389	\$404	\$326

This is assuming that we commence repayment of the loan immediately.

Owners will have the opportunity to re-pay the entire amount due for the loan (including interest) in one payment during the first month of collection only. **If you desire to do so, you MUST give notice no later than December 9, 2005**, and these amounts will be as follows:

- A units - \$5,318
- B units - \$5,432
- C units - \$5,895
- D units - \$5,318

These single payments reflect the interest savings to the entire community that would result from a unit owner making a single payment toward their share of the loan. Since we can only account for the initial reduction in the interest due, the option of a single payment is limited to only the first month of collection.

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**Villas of Amberwood Condominium Association, Inc.**

C/O MJB Management Services, Inc.

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By comparison, if the Board of Directors were to Special Assess for the same assessment amount (\$350,000), the cost savings per unit is approximately \$1,100.00 per unit over 5 years, but increases the monthly payment burden to unit owners in the first year by an average of \$4,929.00 per unit.

Given that at our Budget Meeting on November 2, 2005, the majority of owners vocalized that the primary concern with regard to payments for the Major Projects scheduled for the community, the Board of Directors has determined that the best option in the interest of all will be to obtain a loan from Colonial Bank, N.A, and special assess each unit for 60 months for the repayment of the loan.

Therefore, the Board of Directors of the Villas Of Amberwood, A Condominium has approved a special assessment of the Unit Owners of the Condominium for the repayment of the loan. The repayment amounts will be as follows for a total of 60 months:

Unit Type	Monthly Payments						
	Additional Amount	2006	2007	2008	2009	2010	2011
A	\$94	\$349	\$362	\$375	\$389	\$404	\$326
B	\$96	\$357	\$370	\$383	\$391	\$413	\$333
C	\$109	\$405	\$420	\$435	\$451	\$468	\$377
D	\$94	\$349	\$362	\$375	\$389	\$404	\$326

To ensure that loan payments are paid on-time each month, the special assessment amount will be included in your monthly payment coupons, and funds will be withdrawn from the Association's operating account automatically each month for the repayment of the loan. Please recall that your maintenance fees and special assessment amounts are due on the first of each month. **IF YOU DESIRE TO MAKE A SINGLE PAYMENT, YOU MUST GIVE NOTICE IN WRITING TO THE BOARD NO LATER THAN DECEMBER 9, 2005. You may send an email to [President@voadoral.com](mailto:President@voadoral.com) or [joe@mjb-management.com](mailto:joe@mjb-management.com), a fax to (800) 886-2430 and (305) 652-4099, or by mail to the MJB offices.**

The Board of Directors will be presenting this information in its totality at a special meeting to be held on **Monday, December 12, 2005 at 7:00 pm in the VOA Clubhouse.** You are urged to attend.

We are excited about the coming year and the improvements that you will see to our community. We hope that you will continue to have pride of ownership, and do all you can to ensure that the rules of our community are followed by all, and that common courtesy and consideration for those who live around you is your top priority with respect to your place of dwelling.

Respectfully,  
**THE BOARD OF DIRECTORS**  
**VILLAS OF AMBERWOOD CONDOMINIUM ASSOCIATION, INC.**



VILLAS OF AMBERWOOD CONDOMINIUM ASSOCIATION, INC.

January 1, 2006 through December 31, 2006 Operating Budget

DESCRIPTION	2004	2005	Sep-05	2006		2006 PROPOSED BUDGET	
	BUDGET ANNUAL	BUDGET ANNUAL	Aug-05 Income - Exp's	PROPOSED BUDGET YEARLY	MONTHLY	INCLUDING LOAN PAYMENTS YEARLY	MONTHLY
<b>REVENUE</b>							
Maintenance Asses.	170,716.00	170,716.00	169,045.00	\$ 227,002	\$ 18,917	\$ 310,917	\$ 25,910
Late Fees	1,000.00	1,100.00	1,051.00	\$ 960	\$ 80	\$ 960	\$ 80
Interest Income	150.00	100.00	683.00	\$ 400	\$ -	\$ 400	\$ -
Other Income	-	-	-	\$ -	\$ -	\$ -	\$ -
Clubhouse Rental Income	600.00	600.00	225.00	\$ 600	\$ 50	\$ 600	\$ 50
Screening Fee	-	-	1,125.00	\$ 900	\$ 75	\$ 900	\$ 75
VOA III Contributions	-	-	-	\$ -	\$ -	\$ -	\$ -
Remote Control Income	500.00	200.00	90.00	\$ 240	\$ 20	\$ 240	\$ 20
<b>TOTAL REVENUE</b>	<b>172,966.00</b>	<b>172,716.00</b>	<b>172,219.00</b>	<b>\$ 230,102</b>	<b>\$ 19,175</b>	<b>\$ 314,017</b>	<b>\$ 26,168</b>
<b>EXPENSES</b>							
<b>ADMINISTRATIVE EXPENSES</b>							
Accounting	300	300	300.00	\$ 325	\$ 27	\$ 325	\$ 27
Legal Fees	750	900	126.00	\$ 900	\$ 75	\$ 900	\$ 75
Printing & Postage, Mailers	1,000	1,000	918.00	\$ 950	\$ 79	\$ 950	\$ 79
Bank Fees	120	12	-	\$ -	\$ -	\$ -	\$ -
Coupons	330	350	434.00	\$ 434	\$ 36	\$ 434	\$ 36
Supplies - Courier	50	400	795.00	\$ 500	\$ 42	\$ 500	\$ 42
<b>TOTAL ADMIN EXPENSES</b>	<b>2,250.00</b>	<b>2,662.00</b>	<b>2,573.00</b>	<b>\$ 2,784</b>	<b>\$ 232</b>	<b>\$ 2,784</b>	<b>\$ 232</b>
<b>TAXES, LICENSES &amp; PERMITS</b>							
Div of Condo DBPR	288.00	288.00	288.00	\$ 298	\$ 25	\$ 298	\$ 25
Annual Corporation Renewal	62.00	62.00	62.00	\$ 62	\$ 5	\$ 62	\$ 5
Permits & Licenses	170.00	170.00	200.00	\$ 200	\$ 17	\$ 200	\$ 17
<b>TOTAL LICENSES &amp; PERMITS</b>	<b>520.00</b>	<b>520.00</b>	<b>550.00</b>	<b>\$ 560</b>	<b>\$ 47</b>	<b>\$ 560</b>	<b>\$ 47</b>
<b>INSURANCES</b>							
Property, Liability Package All State	40,935	34,663	42999.00	\$ 54,252	\$ 4,521	\$ 54,252	\$ 4,521
Flood, Policy	9,800	7,000	7276.00	\$ 7,700	\$ 642	\$ 7,700	\$ 642
Umbrella	0	0	-	\$ 750	\$ 63	\$ 750	\$ 63
<b>TOTAL INSURANCES</b>	<b>50,735.00</b>	<b>41,663.00</b>	<b>50,275.00</b>	<b>\$ 62,702</b>	<b>\$ 5,225</b>	<b>\$ 62,702</b>	<b>\$ 5,225</b>
<b>CONTRACT SERVICES</b>							
Management Fees	11,929	11,929	11,928.00	\$ 12,840	\$ 1,070	\$ 12,840	\$ 1,070
Pool Services	4,500	3,800	2,880.00	\$ 3,600	\$ 300	\$ 3,600	\$ 300
Landscaping	19,200	19,200	27,480.00	\$ 20,800	\$ 1,733	\$ 20,800	\$ 1,733
Landscaping - Fumigation	-	-	-	\$ 1,000	\$ 83	\$ 1,000	\$ 83
Landscaping Tree Trimming - Hurricane Preparedness	1,500	0	-	\$ 9,000	\$ 750	\$ 9,000	\$ 750
Storm Drain Cleaning - Annual	-	-	-	\$ 1,200	\$ 100	\$ 1,200	\$ 100
Janitorial Services	6,240	6,240	6,240.00	\$ 7,000	\$ 800	\$ 7,000	\$ 800
<b>TOTAL CONTRACT SERVICES</b>	<b>43,369.00</b>	<b>41,169.00</b>	<b>48,528.00</b>	<b>\$ 55,440</b>	<b>\$ 4,620</b>	<b>\$ 55,440</b>	<b>\$ 4,620</b>
<b>UTILITY EXPENSE</b>							
Electrical Consumption FPL	6,980	6,850	5,177.00	\$ 8,007	\$ 667	\$ 8,007	\$ 667
Garbage Removal BFI	18,900	22,080	18,669.00	\$ 20,000	\$ 1,667	\$ 20,000	\$ 1,667
Water & Sewer Expense MDW&S	36,790	44,000	47,083.00	\$ 48,000	\$ 4,000	\$ 48,000	\$ 4,000
Telephone Bell South	960	1,100	1,894.00	\$ 1,557	\$ 130	\$ 1,557	\$ 130
<b>TOTAL UTILITIES</b>	<b>63,630.00</b>	<b>74,030.00</b>	<b>72,823.00</b>	<b>\$ 77,564</b>	<b>\$ 6,464</b>	<b>\$ 77,564</b>	<b>\$ 6,464</b>
<b>REPAIRS &amp; MAINTENANCE</b>							
Asphalt Repairs	-	500	-	\$ 300	\$ 25	\$ 300	\$ 25
Pool Repairs	1,200	1,000	1,590.00	\$ 1,000	\$ 83	\$ 1,000	\$ 83
Repairs and Maintenance	5,500	6,500	10,555.00	\$ 7,513	\$ 626	\$ 7,519	\$ 627
Roof Repairs	1,000	1,000	6,625.00	\$ 4,000	\$ 333	\$ 4,000	\$ 333
Plumbing Repairs	750	750	1,455.00	\$ 750	\$ 63	\$ 750	\$ 63
Gate Repairs	4,000	5,000	15,738.00	\$ 5,000	\$ 417	\$ 5,000	\$ 417
Gutters, Job	0	0	9,195.00	\$ 1,200	\$ 100	\$ 1,200	\$ 100
Electrical Repairs, Bulbs	750	950	543.00	\$ 600	\$ 50	\$ 600	\$ 50
Painting	500	0	-	\$ -	\$ -	\$ -	\$ -
Tennis Court Repairs	400	400	-	\$ 400	\$ 33	\$ 400	\$ 33
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>14,100.00</b>	<b>16,100.00</b>	<b>45,701.00</b>	<b>\$ 20,763</b>	<b>\$ 1,730</b>	<b>\$ 20,769</b>	<b>\$ 1,731</b>
<b>OTHER</b>							
Contributions VOAll	-21,653	-22,853	(28,585.00)	\$ (9,126)	\$ (760)	\$ (9,126)	\$ (760)
Termite - Pest Control	1,490	0	-	\$ 2,952	\$ 246	\$ 2,952	\$ 246
Reserve Transfer	18,525.00	19,425.00	-	\$ 16,462	\$ 1,372	\$ 16,462	\$ 1,372
Loan Payment for Major Projects	-	-	-	\$ -	\$ -	\$ 83,910	\$ 6,993
<b>TOTAL OTHER</b>	<b>(1,638.00)</b>	<b>(3,428.00)</b>	<b>(28,585.00)</b>	<b>\$ 10,288</b>	<b>\$ 857</b>	<b>\$ 94,198</b>	<b>\$ 7,850</b>
<b>TOTAL EXPENSES</b>	<b>172,966.00</b>	<b>172,716.00</b>	<b>191,865.00</b>	<b>\$ 230,101</b>	<b>\$ 19,175</b>	<b>\$ 314,017</b>	<b>\$ 26,168</b>
<b>NET OPERATING INCOME</b>	<b>0</b>	<b>0</b>	<b>(19,646.00)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ (0)</b>



VILLARS OF AMBERWOOD CONDOMINIUM ASSOCIATION, INC.

BUDGETED MAJOR PROJECTS BY SPECIAL ASSESSMENT	TARGET	COST
	<b>Reserve Account Refund</b>	<b>IMMEDIATE</b>
Irrigation System Repair/Replacement	YEAR 1	\$ 9,000.00
Light Fixture Replacement (Buildings & Hallways)	YEAR 1	\$ 5,040.00
Light Fixture Replacement (Parking Lot & Pathways)	YEAR 2	\$ 48,366.00
Painting	YEAR 2	\$ 20,000.00
Clubhouse Repairs	YEAR 1	\$ 4,400.00
Tennis Courts	YEAR 2	\$ 8,000.00
Dumpster Enclosure Reconstruction	YEAR 1	\$ 16,000.00
Courtyard & Walkway Tiling	YEAR 2	\$ 34,200.00
Entry/Exit Gate Reconstruction	YEAR 1	\$ 108,000.00
Hurricane Wilma Repairs (Insurance Shortfall)	YEAR 1	\$ 35,858.00
<b>TOTAL MAJOR PROJECTS</b>		<b>\$ 348,864.00</b>

NOTE: YEAR 1 = 2006, YEAR 2 = EARLY 2007

ASSESSMENT PER UNIT FOR MAJOR PROJECTS	%	SP. ASSESSMENT MONTHLY PAYMENTS			LOAN	
		AMOUNT	6-MTHS	12-MTHS	AMOUNT	5-YEAR MONTHLY
Model "A"	0.013486	\$ 4,705	\$ 784	\$ 392	\$ 5,658	\$ 94
Model "B"	0.013775	\$ 4,806	\$ 801	\$ 400	\$ 5,779	\$ 96
Model "C"	0.015615	\$ 5,448	\$ 908	\$ 454	\$ 6,551	\$ 109
Model "D"	0.013486	\$ 4,705	\$ 784	\$ 392	\$ 5,658	\$ 94

MONTHLY MAINTENANCE FEES	UNIT TYPE	A	B	C	D
		OLD	\$ 192	\$ 196	\$ 222
NEW	\$ 255	\$ 261	\$ 295	\$ 255	
<b>CHANGE</b>	<b>\$ 63</b>	<b>\$ 65</b>	<b>\$ 73</b>	<b>\$ 63</b>	

COMBINED MONTHLY AMOUNT DUE PER UNIT - 2006	SP. ASSESSMENT MONTHLY PAYMENTS			LOAN
	SINGLE PAY	6-MTHS	12-MTHS	5-YEAR MONTHLY
MODEL "A"	\$ 4,960	\$ 1,039	\$ 687	\$ 349
MODEL "B"	\$ 5,066	\$ 1,062	\$ 696	\$ 357
MODEL "C"	\$ 5,743	\$ 1,168	\$ 749	\$ 405
MODEL "D"	\$ 4,960	\$ 1,045	\$ 687	\$ 349

MONTHLY BASE MAINTENANCE FEES	UNIT TYPE	A	B	C	D
		<b>2005</b>	\$ 192	\$ 196	\$ 222
<b>2006</b>	\$ 255	\$ 261	\$ 295	\$ 255	
<b>2007</b>	\$ 268	\$ 274	\$ 310	\$ 268	
<b>CHANGE</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 15</b>	<b>\$ 13</b>	
<b>2008</b>	<b>\$ 281</b>	<b>\$ 287</b>	<b>\$ 326</b>	<b>\$ 281</b>	
<b>2009</b>	<b>\$ 295</b>	<b>\$ 302</b>	<b>\$ 342</b>	<b>\$ 295</b>	
<b>2010</b>	<b>\$ 310</b>	<b>\$ 317</b>	<b>\$ 359</b>	<b>\$ 310</b>	

**Entry Reconstruction Job Details:**

Job Cost	\$ 132,000
<b>Permitting Fees:</b>	
Permit Application	\$ 1,000
Fencing	\$ 54
Concrete Wall	\$ 48
Drawing Review	\$ 47
Electrical Feeder	\$ 15
Electrical Boxes	\$ 7
Gate Motors (new)	\$ 41
Lighted Sign	\$ 77
Neon	\$ 2
Electrical Conduit	\$ 250
Certificate of Completion	\$ 40
Contingency (30%)	\$ 420
<b>TOTAL PERMITTING FEES</b>	<b>\$ 2,000</b>
<b>TOTAL JOB COST</b>	<b>\$ 134,000</b>