



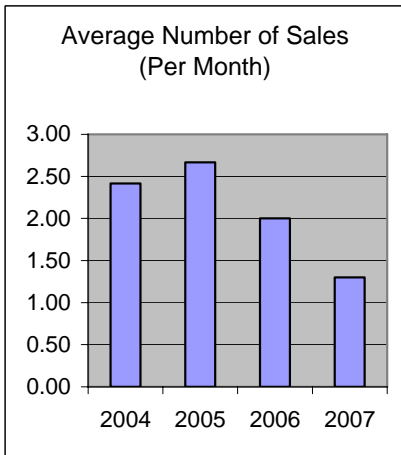
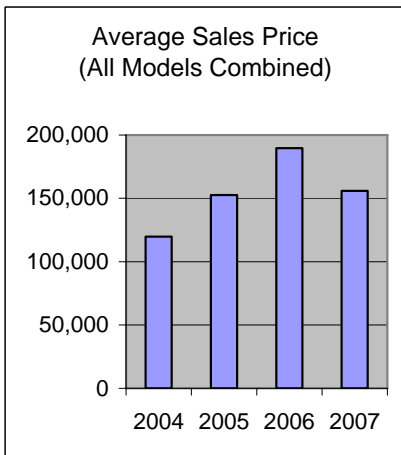
Village News

A Publication of Waterside Village

September 2007

Waterside, by the Numbers

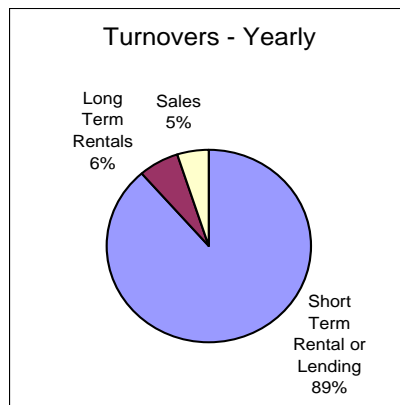
SALES – Despite the nationwide housing slump, recent sales prices in Waterside have held up well. These charts depict sales since 2004.



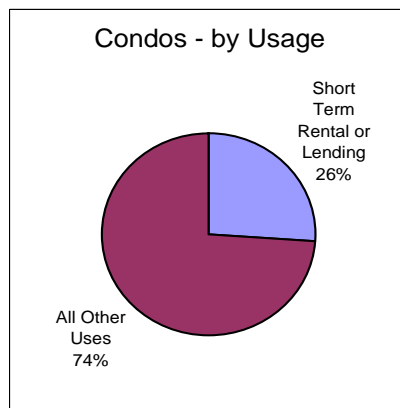
Note, while we have tried to be as accurate as possible; errors may exist. Please do not make any financial decisions based on this data. Sales include all models A, B, C, D and DD combined. 2007 sales are based on 10 mos. ending 10/31/07 and include sales that have not yet closed. 4 family transfers resulting in aberrations were removed.

TURNOVERS – Many owners already know that processing turnovers (sales, rentals & lending) is one of the most time consuming and costly tasks performed by our office staff.


However, in a recent audit it was discovered that approx. 89% of all turnovers are caused by one group of owners, those doing short-term rental/lending of their condos.




This audit also revealed that these owners number just a small, 26% minority of Waterside's population.




Office

 Waterside Village
132 Waterside Drive
Hypoluxo, FL 33462

Office Hours 8-12, M-F

 Telephone: (561) 582-6765

 Fax: (561) 582-5368

 Web: watersidevillage.com

Manager & Staff

- Pamela B. Bampton
- Elissa Crawford
- Florence Allain
- Karen Burgess
- Marcos Marrero
- Larry E. Scrase
- Alex Milovan

 watersidevillage@bellsouth.net

Board of Directors

- Claude Poirier Defoy
- Gaby Bélanger
- Claude Comtois
- Andre C. Mongrain
- Scott D. Perron
- Marc Rochon
- Robert Van

By contrast, the 74% majority (those owners who do not turnover their condos on a short-term basis) argue that it would be unfair for them to completely subsidize the 26% minority who are responsible for, and often profiting from, the high payroll cost of service. This is why processing fees are so important on sales, rentals &

lending. The processing fees help to distribute the cost of this service to those who are using it most.



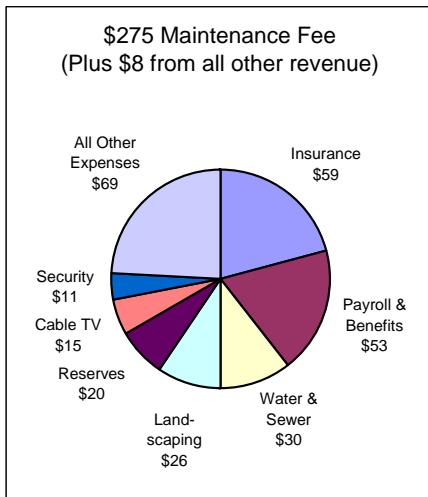
Important Notice

Assessment & Fee Increase (\$675 / \$275)

By now, most owners will have received their packet in the mail announcing our next fiscal year proposed budget and other related information.

As many owners were expecting, in this proposal our monthly maintenance fee will be changing from \$250 to \$275 starting with the Nov 1, 2007 payment, and a one-time special assessment of \$675 will be due on Dec 1, 2007.

This \$25 increase in our monthly maintenance fee allows for some community improvements, but is primarily needed to fund the reserve accounts necessary to meet the rising expenses in South Florida.



The \$675 one-time special assessment will be used to clean up our balance sheet, thereby reducing interest costs, as well as to fund reserves. Your packet will provide more detailed information.

Important Reminder – EFT Transactions

Owners using EFT to pay their monthly maintenance fees are reminded that this amount will *automatically* change from \$250 to \$275, starting with the November 2007 payment. Please be sure you maintain enough funds in your bank account to cover this new monthly payment.

Inflation News – South Florida Soars Past Rest of Country

In a recent article published in the September 20th 2007 edition of the Sun-Sentinel titled “*South Florida's inflation soars past rest of country*” it stated: “*New York's got nothing on us. Neither does Chicago, Los Angeles or Atlanta, when it comes to inflation. South Florida has the highest annual rate of any of the major metropolitan areas tracked by the federal Bureau of Labor Statistics, according to the latest rankings released Wednesday.*”

The bureau did not specifically analyze Palm Beach County in this data, but the article went on to say; “*inflation certainly doesn't stop at county lines.*”

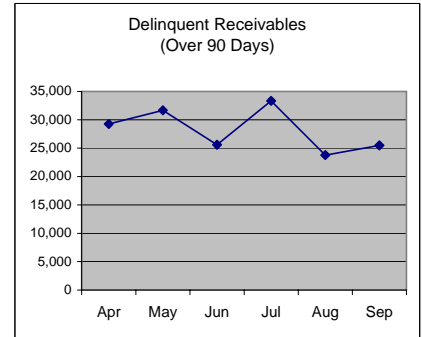
These numbers reveal that “*energy prices*” actually declined in recent months, however “*rent and the price of eating out are among the costs that are increasing the most sharply*”; and when the bureau was asked why, the article said “*The government doesn't have an answer, but local landlords have suffered from steep property tax increases, as well as insurance cost rises, just as homeowners have.*”

Delinquencies

At a time when the nationwide housing market is struggling with increased delinquencies,

Waterside’s “over 90 days” receivables are actually showing an improvement.

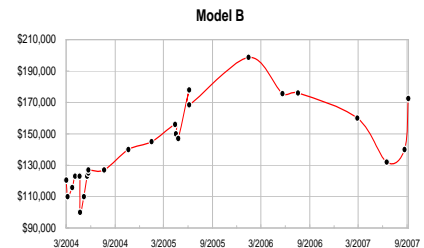
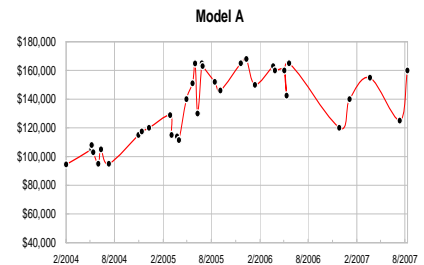
This chart reflects moneys that are owed to us, and past due by more than 90 days.

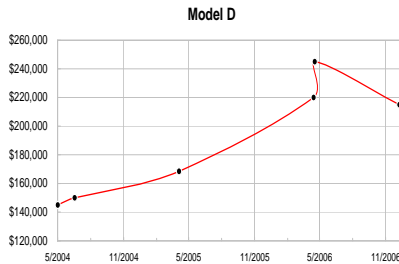
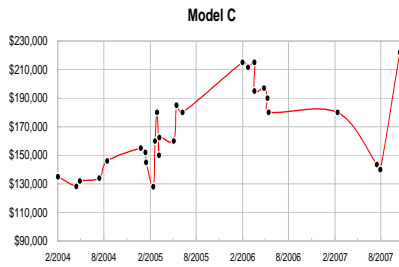


The hard work put in by our office personnel, in an attempt to stay on top of this potential problem has been successful, as evidenced by the downward trend in “over 90 days” receivables.

Sales by Model

These charts reflect sales by model since 2004, and include sales that have not yet closed.





Note, while we have tried to be as accurate as possible; errors may exist. Please do not make any financial decisions based on this data. 4 family transfers resulting in aberrations were removed.

Manager's Report

- **DIVIDING WALLS** – All of the dividing walls have been completed.
- **STAIRWAY PAINTING** – We are on the last few buildings painting the stairs but the rain has slowed down this project.
- **LIGHT TIMERS** – One of the projects planned for this winter is to install photo cells, replacing our lighting timers. We have about 80 timers on the property and the task of resetting them after power failures or when the time changes and the season changes is a lot of man hours wasted.
- **GATE EMERG. POWER** – We are also going to be powering the gates from our panel in the office so they will be covered by our emergency generator.
- **NEW EMPLOYEE** – We would like to welcome a valuable new addition to our maintenance team, Marcos Marrero.

Article Published – Condominium Fees

An article written by our property manager has been published in the September 2007 issue of the Florida Community Association Journal.

This article is pertinent to this newsletter, in that it is reflective of the increased challenges a condominium association faces in an economy plagued with foreclosures and defaults, and appears below:

Let's Make a Deal

By Pamela B. Bampton, L.C.A.M.

“One of the harsh realities of condominium living is one must pay the maintenance fees and at times special assessments. Unfortunately, some owners think this is negotiable. Fortunately, this is a very small group. I ask them, “When did you last negotiate your electric bill or your car payment.” If you don't pay your electric bill the lights go out and if you don't make your car payment some burly fellow drives off with it in the middle of the night. In this country there are very few things up for barter excepting perhaps used cars and flea markets. You do not negotiate the can of tuna or the roll of paper towels at the supermarket.

Condominiums make annual budgets based on what they expect their expenses to be for the coming year. They then prepare a reserve budget to fund their reserve accounts. Based on these amounts they have a total combined budget for the year which is divided by the number of units. Say you have 100 units then each unit must pay 1/100th of the total budget. Then that amount is divided into either quarterly or monthly payments.

(This is the “Cliff Notes” version of budgets.) If ten units are

not paying and 90% are paying you cannot only clean and chlorinate 90% of the pool or mow 90% of the grass. You have contracts with your vendors to perform 100% of the job. Also the condominium association can not go and get a part time job at Wendy's to make up for the shortfall. And while condominiums are not-for-profit corporations they are not charities. A condominium can not fund raise with a raffle or an auction or other such means. So we go back to what keeps the lights glowing and the water flowing, which is collecting those pesky maintenance fees, which must be paid in full.

At times there are additional charges such as bank fees for returned checks, the association must pay these bank fees and pass the cost on to the unit owner whose check was returned. It would not be fair to make the other 99 owners pay for that one owner's bad check.

Next we have special assessments some of which cover past damages as in the instance of hurricanes and some for future planned projects. If an assessment for a past event is passed on Feb 1st and the unit is sold and closes on Jan. 31st the new owner is responsible for the assessment even though they did not own it at the time of the incident. If an assessment for a future project is passed on March 1st and the unit is sold and closes on March 7th then the seller must pay the assessment even though they will no longer be residing at that unit and cannot enjoy the improvement they paid for. All of this information is supplied to the title company/realtor/lending institution and purchaser prior to closing. Again this is not negotiable as the assessment is based on ALL unit owners paying their share.

Another prevailing feeling among some owners is that they are sooo special that exceptions should be made for them. Again, it is a very small group. What they do not understand is

if the association makes an exception for one owner it must grant the same, equal treatment to all owners. An association can not possibly make these compromises and they would be negligent to do so. Occasionally someone will claim ignorance, "I didn't know about that special assessment." However this same person voted for the amendment to assess for this item and the association has saved the ballot envelopes, as required for one year. There are occasions when an owner says they did not know about the increase in maintenance fees yet they have responded to other items contained in the same mailing. Ignorance is not an excuse. It is the responsibility of the owner to advise the association of any changes in their contact information, mailing addresses, phone #, fax#, E-mail address, etc. The association is required to send correspondence to the last, best address they have for that unit, if mail is returned it is kept in the owner's file. Claiming ignorance does not excuse the financial obligation.

There are many financial benefits to condominium living. Anyone who lives in or has lived in a single family home would love to have all the services and amenities provided by most condominiums for one monthly or quarterly fee. Some of those include bulk rates on cable television, landscape maintenance, pool maintenance, garbage & recycling, insurance (even with all the increases, because single homes have been impacted at higher percentages), security, pest control, etc. And all of this is handled by the association on behalf of all the unit owners. When problems arise the owners can report this to the staff and it is taken care of either by the staff or the contractor responsible. You can also feel more comfortable leaving your unit and spending time

elsewhere because you know there are people around to look after the property.

Another great benefit is the sense of community, especially after a storm. You know you have the association staff and the Board you can count on to get things moving along and you are not alone in the aftermath.

Lets conclude that the maintenance fees are certainly worth all the benefits they include and you get more bang for your buck than if you were operating solo."



Special Thank You – to Board Spouses

We, the board members, would like to take a moment and thank the spouses of all board members, both former and current.

You did not volunteer for your service, yet you often find yourself sacrificing your own time, or the time with your spouse, as your gift to the community.

Please accept this offer of appreciation on behalf of all board members, as well as the entire community.

Next Board Meeting

The next board meeting is scheduled for Saturday, Oct 27, 2007 at 11:00 AM in the Clubhouse.