



Homeowners Association

Coronado Cays Homeowner's Association Information from Board of Directors Meeting Minutes: 02-23-17 Antigua & Montego Project Financial Disclosures

A. Montego Renovation

1. **MSUC to: Approve** the proposal from Jon Wayne Construction and Consulting, dated February 8, 2017, for repairs and restoration to Montego Village, as follows:
 - (a) Replacement of mansard roofs, parapet fascia, and addition of cable chaseways.
 - (b) Replacement of entry stairs, railings, and entry landings.
 - (c) Balcony renovations and new railings.
 - (d) Renovation of soffits, balcony alcoves, lighting, patio fencing, and gates.
 - (e) Repairs to site fences, utility gates, fire extinguisher cabinets.
 - (f) Repaint of all buildings and perimeter fencing.
- With monitoring of the project by the Coronado Cays Homeowner Association (CCHOA) Finance Committee, the CCHOA Board intends to contract for needed repairs in the amount of (a) \$2,634,102 for contemplated repairs, (b) \$75,000 for termite tenting, and (c) \$395,115 as a contingency amount for unforeseen conditions.
- The Board has determined, after conferring with experts and management, that the work described above needs to be performed immediately to protect critical building components. Any delays in this necessary work could adversely affect the health and safety of the Village residents, including exposing residents to mold, asbestos, and major building failures leading to personal injuries, property damage, and loss of use of member's property. The Board has further determined that remedial measures to temporarily repair building deficiencies is not economically feasible as the building components are past their useful life and in most cases, due to the degradation of the buildings, it is impossible to undertake any meaningful repairs.
- The cost of the construction will be paid *first* using Montego Village Reserve Funds. After the Montego Reserves are depleted, CCHOA will loan, via a line of credit, to Montego Village, from the CCHOA General Reserves, in an amount to be determined, from time to time, by the Board of Directors, and with interest at U.S. prime rate, to be reviewed annually, but no less than 3% per annum.
- Funds borrowed by Montego Village from CCHOA General Reserve will be repaid over 5 years by Montego Village owners through their monthly assessments. It is contemplated that monthly assessments in Montego Village will increase each year over the 5-year repayment period, to cover principal and loan costs. Assuming there are no other extraordinary expenses, once the loan is paid back to CCHOA's General Reserve account, Montego Village's monthly assessments should decrease.

B. **Antigua Renovation**

1. **MSUC to: Approve** the proposal from Jon Wayne Construction and Consulting, dated February 8, 2017, for repairs and restoration to Antigua Village, as follows:
 - (g) Replacement of mansards, trim, flashing, gutters, and addition of cable chaseways.
 - (h) Replacement and repair of siding, trim, trellis, fences, and pop out roofs.
 - (i) Repair to garages and stucco.
 - (j) Paint of buildings.
 - (k) Survey of needed roof repairs.
- With monitoring of the project by the Coronado Cays Homeowner Association (CCHOA) Finance Committee, the CCHOA Board intends to contract for needed repairs in the amount of (a) \$1,834,495.96 for contemplated repairs, and (b) \$275,174 as a contingency amount for unforeseen conditions.
- The Board has determined, after conferring with experts and management, that the work described above needs to be performed immediately to protect critical building components. Any delay in this necessary work could adversely affect the health and safety of the Village residents, including exposing residents to mold, asbestos, and major building failures leading to personal injuries, property damage, and loss of use of member's property. The Board has further determine that remedial measures to temporarily repair building deficient is not economically feasible as the building components are past their useful life and in most cases, due to the degradation of the buildings, it is impossible to undertake any meaningful repairs.
- The cost of the construction will be paid *first*, using Antigua Village Reserve Funds. After the Antigua Reserves are depleted, CCHOA will loan, via a line of credit, to Antigua Village, from the CCHOA's General Reserve, in an amount to be determined, from time to time, by the Board of Directors, with interest at the U.S. prime rate, to be reviewed annually, but no less than 3% per annum.
- Funds borrowed by Antigua Village from CCHOA General Reserves will be repaid over 5 years by Antigua Village owners through their monthly assessments. It is contemplated that monthly assessment in Antigua Village will increase each year over the 5-year repayment period, to cover principal and loan costs. Assuming there are no other extraordinary expenses, once the loan is paid back to CCHOA's General Reserve account, Antigua Village's monthly assessments should decrease.