

# PROFESSIONAL HOA CONSULTANTS, INC.

MANAGEMENT SERVICING HOMEOWNERS ASSOCIATIONS

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January 9, 2010

Dear Rams Hill Community Association member,

On November 6, 2009 the Declarant (GHLAMI) was put on notice that they were in default which they needed to cure or control of the Community Association would be assumed by the neighborhood elected directors Blythe Cavanaugh and David Schaack. The Declarant failed to cure the default and composition of the Community Association is now the two homeowner members.

The Declarant's default represents approximately 30% of the total monthly income of the Community Association. Unfortunately there is no indication at this time that the Declarant plans to cure the default therefore action must be taken to address the short fall of income.

We are currently looking at several components of our budget that we could cut to cover the income short fall. These components include landscaping, kiosk payroll, office lease, water, tree trimming, and temporarily suspending monthly reserve allocations.

In the immediate future landscape services will be renegotiated. This is an area of the budget that we believe can be cut by 20% without dramatically affecting the overall appearance of the property. Furthermore, water to several lawn areas will be cut off and the lawns will be allowed to brown out as another cost cutting measure.

This year the Association will not trim its deciduous trees which will save the Association approximately \$10,000. Only the palm trees will be trimmed this year.

Options for the kiosk are being discussed and security will be the main consideration when decisions are made in this area. We are considering moving the HOA office and staff into the kiosk. This move will eliminate the office lease payment and associated costs and will ensure that the kiosk is manned 8:00 am to 5:00 pm Monday through Friday. If this is done, 40 hours per week of kiosk staff will be eliminated. Realizing there is a need for additional coverage we are considering extending staffing from 5:00 pm to 8:00 pm Monday through Friday, and 8:00 am to 8:00 pm Saturday and Sunday.

Additionally, we are temporarily suspending the monthly allocation to reserves which will help control cash flow. We will however review the Association's cash position quarterly to determine if money is available for allocation to reserves and make them when possible.

During the time we are in control of the Community Association Board we will be assisted in our efforts by the neighborhood Presidents who will work with us in an advisory capacity.

While the future looks bleak our hopes and confidence are high knowing that the members of our community will rally together as always and help each other through these difficult times.

Sincerely,

David Schaack, Vice President  
Rams Hill Director

Blythe Cavanaugh, Treasurer  
Rams Hill Director