

SHORES VILLA CONDOMINIUM ASSOCIATION, INC.

2024 BUDGET AND SPECIAL ASSESSMENT INFORMATION

The 2024 Budget for Shores Villas Condominium was presented to the Community in early December 2024 for several draft reviews and final approval by the Board. The approved Budget is attached to support the questions of the currently planned special assessments to be implemented in 2024.

SPECIAL ASSESSMENTS:

1. The Special assessments have yet to be implemented as of 6.14.2024 and are expected to be charged to the community sometime around the latter portion of 2024. Effective May 2024, Shores Villas is approximately \$ 1.2 million in debt comprised of public liens with the wastewater treatment plant servicer and operator Miami-Dade Pump and Supply, outstanding liens with Miami Shores Village whose fines have been closed, and others remaining open, and balance remaining with Xfinity contract through 2025. Additionally, the acting Board in 2023 entered into a Consent Agreement with Miami Dade County agreeing to connect the Community to the Miami Dade County sewer system within a year of the Agreement's execution. It is currently slated for a January 2025 connection date. The previous Board quoted the Project to cost the Community approximately \$2.6 million. The current Board expects to attain a more competitive project estimate along with grants to offset capital investment costs. Please be advised that said required/mandated Project has yet to be accounted for financially or in any Budget, specifically the 2024 Budget. However, it is required pursuant to the Consent Agreement and the Community shall be required to fulfill the Project and Financial obligation within the next year, through four (4) years, should it be granted an extension which is **NOT** guaranteed.
2. **2024 Special Assessments:**
Specific amounts have yet to be formalized and charged as of April 2024. The current estimates to be charged over twenty-four (24) for purposes of reference are:
 - \$ 500/month for two (2) bedroom unit for roofs, wastewater plant lien and costs.
 - \$ 600/month for three (3) bedroom unit for roofs, wastewater plant lien and costs.

Therefore, the total costs to be partially funded by the 2024 special assessments are estimated to be \$1.2 million for wastewater plant and roofs, and the future, additional mandated project for the sewer connection estimated to cost \$ 2.6 million.

3. Scope of work related to the planned 2024 Special Assessments:

Full replacement of 8800 and 8700 buildings, and almost full replacement for 8900 and 9000 buildings. Roof Conditions/Assessments per Building as provided by Insurance Carriers during 2022 evaluation/inspections. Please deduct one (1) year to reflect values:

Building A – 9001-9043 - Approx life remaining 7 years – Citizens Policy Wind / Wilshire All other Perils

Building B – 8915-8957- Approx life remaining 3-4 years – Citizens Policy Wind / Wilshire All other Perils

Building C – 8801-8841 - Approx life remaining 0 years – SRU Wind and Wilshire All other Perils

Building D – 8701-8745 – Approx life remaining 1-2 years – Citizens Policy Wind / Wilshire All other Perils

Building E – Clubhouse – Approx life remaining 7 years – All other perils Trisura/ Wind Citizens

Works are expected to be completed within the next calendar year (estimated and dependent upon the financial conditions of the Community). As provided, these are projects are estimated to be in excess of \$ 10,000 per unit. It is important to note that the wastewater plant is approximately fifty (50) years old and has material deficiencies that may result in critical system failures within one year. Additional monies may need to be expended to maintain the plant until the mandated sewer connection project is completed. Additionally, the buildings roofs conditions are poor, specifically Building 8800 (zero life) and is vulnerable to water intrusion or potentially damaging leaks.

The Shores Villas Condominium Association and Board CANNOT make ANY warranty related to the current condition of the wastewater plant and roofs which require repair and remediation. Additionally, the Capital Reserves account of the Community currently has approximately \$ 123,000.000. A Reserve study shall be performed at some point during the 2024 year to further assess the financial projections for the required capital improvements required for the Community.

Meeting minutes since the start of the new Board's term (November 2023) can be accessed via the web. Please find the meeting minutes at the following link:

<https://shoresvillas.com/meeting-minutes/>

There is no current Reserve Study for 2024 year forward.

Lastly, potentially affecting future special assessments are delinquencies. The delinquencies remain over 15% effective April 2024. There are 18 out of 88 units sixty (60) days or more delinquent on HOA dues.

Board is available to answer any specific questions relating to currently planned, or future special assessments related to the above-referenced financial information via email:

info@shoresvillas.com