

# GRAY'S POINTE CONDOMINIUM ASSOCIATION

*c/o TWC ASSOCIATION MANAGEMENT*  
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February 18, 2013

Dear Gray's Pointe Condominium Owner:

Enclosed you will find a copy of the Board approved budget, a line item narrative and fee schedule for the next fiscal year which begins on April 1, 2013. **As you can see, there will be a small fee increase of \$4.00 per month as well as a special assessment beginning April 1, 2013.** While the fee increase is permanent, the special assessment will remain in place for only twelve months. The breakdown of the fee increase versus the assessment and the total you will pay is shown on the attached fee chart.

One reason for the higher monthly assessment is that water and sewer rates as well as resident consumption of water continue to go up. Unfortunately, consumption and waste by residents have been difficult to monitor or regulate, so the budget for water had to be adjusted. Rate increases imposed by Fairfax Water over the past two years also add to the higher costs that the association must pay.

As far as the special assessment is concerned, the Board of Directors decided several months ago that the aluminum siding on all of the buildings must be replaced as soon as possible. The poor appearance and condition of the siding are negatively affecting property values. In order to accomplish this major renovation, the fees need to be adjusted for the next twelve months so that there will be enough cash available to begin the work now. The new siding is very high quality vinyl as opposed to the obsolete aluminum siding that is on the buildings now. There will be insulation added under the siding that will help your unit feel warmer in the winter and cooler in the summer. This improvement may also save heating and cooling costs and could result in lower electric bills for you. More details about the siding replacement project and schedule for the work will be sent separately.

The new monthly fees are as follows:

<b>1 Bedroom</b>	<b>\$276.00</b>
<b>1 Bedroom &amp; Den</b>	<b>\$300.00</b>
<b>2 Bedroom</b>	<b>\$323.00</b>

In the event that the association's claim with DuPont for the damage caused to the pine trees by Imprelis is resolved within the next twelve months, the special assessment will be terminated. Gray's Pointe is expecting to receive a substantial cash settlement, but the timing for receiving payment is currently unknown. We will notify owners as soon as this issue is resolved.

Within the next few weeks, you will receive a new payment coupon book for the next twelve months. You can still pay your fees online or through your bank. If you pay your fees through SmartStreet, please remember that you will need to extend the payments for the next twelve months and adjust the fee. If your assessment is automatically deducted from your checking account by TWC, you don't need to do anything. You can sign up for the automatic payment withdrawal plan (electronic funds transfer) by completing the enclosed form.

Please take a few minutes to review the enclosed information. After doing so, if you have any questions, feel free to call us.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pamela Ward". The signature is written in black ink and is positioned above the printed name.

Pamela Ward, Managing Agent for  
Gray's Pointe Condominium Association

**GRAY'S POINTE CONDOMINIUM ASSOCIATION  
APPROVED BUDGET FOR FISCAL YEAR 2013-2014**

	2010-2011	2011-2012	2012-2013	2013-2014	VARIANCE
<b>INCOME</b>					
40010 Assessment Income/Fees	\$695,976.00	\$695,976.00	\$695,976.00	\$705,912.00	\$9,936.00
40030 Special Assessment	\$37,260.00	\$0.00	\$0.00	\$60,972.00	60,972.00
40034 Interest	6,000.00	6,120.00	5,400.00	5,400.00	0.00
40040 Late Fees	4,200.00	4,200.00	4,800.00	4,800.00	0.00
40060 Pool Memberships Income	720.00	480.00	600.00	600.00	0.00
40090 Miscellaneous Income	0.00	0.00	0.00	0.00	0.00
<b>TOTAL INCOME</b>	<b>\$744,156.00</b>	<b>\$706,776.00</b>	<b>\$706,776.00</b>	<b>\$777,684.00</b>	<b>\$70,908.00</b>
<b>EXPENSES</b>					
<b>Administrative</b>					
50010 Management	\$33,900.00	\$33,900.00	\$34,500.00	\$34,800.00	\$300.00
50011 Management Reimbursement	1,500.00	1,800.00	2,082.00	2,082.00	0.00
50040 Legal Fees	6,600.00	4,500.00	4,500.00	6,000.00	1,500.00
50070 Tax Prep/Accounting	2,400.00	2,400.00	2,400.00	2,700.00	300.00
50080 Income Taxes	996.00	996.00	864.00	864.00	0.00
50090 Bad Debt Expense	7,500.00	7,500.00	9,000.00	9,000.00	0.00
50160 Web Site Management	2,400.00	2,400.00	2,400.00	900.00	(1,500.00)
50200 Miscellaneous Expenses	3,600.00	3,600.00	6,000.00	7,200.00	1,200.00
<b>TOTAL ADMINISTRATIVE</b>	<b>\$58,896.00</b>	<b>\$57,096.00</b>	<b>\$61,746.00</b>	<b>\$63,546.00</b>	<b>\$1,800.00</b>
<b>Common Area</b>					
58010 Electricity	\$20,604.00	\$20,604.00	\$20,604.00	\$20,604.00	\$0.00
58030 Water & Sewer	48,300.00	63,300.00	66,300.00	75,000.00	8,700.00
60020 Landscaping	10,200.00	10,200.00	10,200.00	10,200.00	0.00
60030 Tree Removal/Pruning	4,800.00	4,800.00	4,800.00	4,800.00	0.00
60080 General Maintenance & Repairs	49,668.00	49,668.00	49,668.00	49,668.00	0.00
60110 Electrical Repairs	4,200.00	4,200.00	4,200.00	6,036.00	1,836.00
60163 Irrigation System Maintenance	1,200.00	1,200.00	1,200.00	1,200.00	0.00
67030 Trash Removal	29,400.00	29,400.00	18,000.00	18,000.00	0.00
60170 Insurance	37,800.00	37,800.00	39,000.00	39,000.00	0.00
60190 Contingencies	68,880.00	12,000.00	12,000.00	12,000.00	0.00
67020 Grounds Contract	36,972.00	36,972.00	36,972.00	36,972.00	0.00
67022 Carpet Cleaning	4,104.00	4,104.00	4,104.00	4,104.00	0.00
67050 Pest Control	8,400.00	8,400.00	8,400.00	6,000.00	(2,400.00)
67060 Janitorial	25,200.00	25,200.00	25,200.00	25,200.00	0.00
67065 Consultant Fees	600.00	600.00	600.00	600.00	0.00
67070 Snow Removal	24,000.00	30,000.00	30,000.00	30,000.00	0.00
<b>TOTAL COMMON AREA</b>	<b>\$374,328.00</b>	<b>\$338,448.00</b>	<b>\$331,248.00</b>	<b>\$339,384.00</b>	<b>\$8,136.00</b>
<b>Pool</b>					
80010 Pool Management	\$16,200.00	\$16,500.00	\$16,500.00	\$16,500.00	\$0.00
80020 Pool Repairs/Maintenance	3,900.00	3,900.00	5,400.00	5,400.00	0.00
80030 Miscellaneous Pool Supplies	2,400.00	2,400.00	2,400.00	2,400.00	0.00
80040 Pool Phone	600.00	600.00	600.00	600.00	0.00
80050 Pool Electricity	5,400.00	5,400.00	5,400.00	5,400.00	0.00
80060 Pool Water & Sewer	1,800.00	1,800.00	1,800.00	1,800.00	0.00
80070 Pool Permits & Fees	600.00	600.00	600.00	600.00	0.00
80080 Pool Passes	120.00	120.00	120.00	120.00	0.00
<b>TOTAL POOL</b>	<b>\$31,020.00</b>	<b>\$31,320.00</b>	<b>\$32,820.00</b>	<b>\$32,820.00</b>	<b>\$0.00</b>
<b>Reserves</b>					
90002 General	\$16,800.00	\$16,800.00	\$19,800.00	\$19,800.00	\$0.00
90003 Exterior Systems (Painting)	34,500.00	34,500.00	34,500.00	34,500.00	0.00
90004 Roofs	18,000.00	123,960.00	123,960.00	90,000.00	(33,960.00)
90005 Gutter/Downspouts	1,200.00	1,200.00	1,200.00	21,200.00	20,000.00
90006 Asphalt	9,000.00	9,000.00	9,000.00	3,000.00	(6,000.00)
90007 Fence	3,300.00	3,300.00	4,500.00	2,400.00	(2,100.00)
90008 Plumbing	4,500.00	4,500.00	3,000.00	3,000.00	0.00
90009 Concrete	2,700.00	2,700.00	2,700.00	2,700.00	0.00
90010 Wood Trim	48,060.00	9,000.00	9,000.00	9,000.00	0.00
90011 Siding/Masonry	63,900.00	15,000.00	15,000.00	100,732.00	85,732.00
90012 Pool Furniture	2,100.00	2,100.00	2,100.00	2,100.00	0.00
90013 Pool	21,000.00	21,000.00	21,000.00	21,000.00	0.00
90014 Landscaping	9,102.00	9,102.00	9,102.00	9,102.00	0.00
90015 Carpet	3,000.00	3,000.00	3,000.00	900.00	(2,100.00)
90016 Foyers	8,100.00	8,100.00	8,100.00	8,100.00	0.00
90017 Lighting/Electric	9,000.00	9,000.00	9,000.00	9,000.00	0.00
90018 Irrigation	4,650.00	4,650.00	3,000.00	2,400.00	(600.00)
90019 Windows & Doors	21,000.00	3,000.00	3,000.00	3,000.00	0.00
<b>TOTAL RESERVES</b>	<b>\$279,912.00</b>	<b>\$279,912.00</b>	<b>\$280,962.00</b>	<b>\$341,934.00</b>	<b>\$60,972.00</b>
<b>TOTAL EXPENSES &amp; RESERVES</b>	<b>\$744,156.00</b>	<b>\$706,776.00</b>	<b>\$706,776.00</b>	<b>\$777,684.00</b>	<b>\$70,908.00</b>
<b>NET INCOME</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>