

# **NATCHEZ LANDING**

## **HOME BUYING INFORMATION**

### **A Description of Natchez Landing's Budget, monthly HOA fees and maintenance program (2021) Highlights**

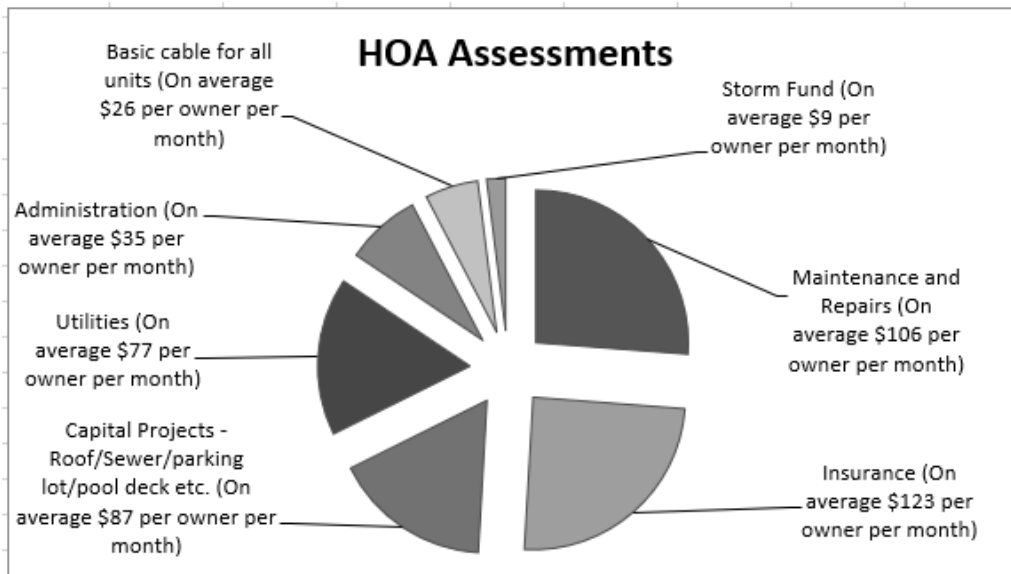
- Natchez Landing's HOA fees pay for water, sewer, trash, hot water (central boiler), basic cable and even heat. For most people the only utility bill they need to pay is electricity.
- Natchez Landing's flood policy covers everything except personal contents. If you own at Natchez Landing you probably only need to buy additional flood insurance if you want to cover your own personal contents (contact your insurance agent for advice on what is right for you). Owners should always carry a "condo policy" which should cover from the sheetrock-in for windstorm events, fire and will provide liability protection etc. (contact your insurance agent for advice on what is right for you)
- Natchez Landing has strong financials and is financially in a much better position than most Associations around the lake.
- Natchez Landing has never had a special assessment and is probably the only complex in the area that can claim that.
- Natchez Landing sets aside 19% of its budget for long term capital reserve funding and allocates an additional 28% of its budget to maintenance and repairs. This has been the approximate structure of Natchez Landing's budget for over 10 years and has allowed Natchez Landing to aggressively catchup on deferred maintenance.
- In 2020 Natchez Landing started a "storm fund". The Association is allocating 2% of HOA assessments to this storm fund. Unfortunately, when a storm hits, the Association faces the prospect of having to meet large insurance deductibles and also covering expenses that are not covered by insurance. Given Natchez Landing's position on the water the Board felt it prudent to start setting aside money specifically for such an event.
- Natchez Landing as a community currently invests a lot more into maintenance than most other complexes in the area. As a result, although we still have plenty of items to work on, the overall condition of the complex is steadily improving every year.

#### **Collection of fees:**

- Natchez Landing currently collects a total of approximately \$596,000 per year in HOA fees to fund its annual budget.
- Each condo owners HOA fees are based upon their percentage ownership in the condominium association (For example a typical one bedroom unit represents about .75% of the complex while a typical two bedroom unit represents about 1-1.25% of the complex).
- A condo that represents 1% of the Association would have annual HOA fees of approximately \$5,960 (\$596,000 x .01) per year or \$497 per month.
- Every Owner pays their share toward the upkeep of the property. We are lucky to have responsible Owners that understand the importance of paying their HOA dues. The Association has very little delinquency and very rarely has to write off any bad debt.

## How Are These Funds Spent?

The pie chart below gives a good overview of how the HOA spends its annual budget however please keep reading if you want a fuller understanding of the details:



**Maintenance and Repairs (\$137,000 annual budget):** Landscaping, pool maintenance, dock repairs, bulkhead repairs, boardwalk replacement, painting, building repairs, roof repairs, plumbing repairs, sewer line jetting, electrical repairs, concrete work, ironwork repairs, staircase replacements, gate repairs, water treatment, MuttMitts etc..... Basically we are talking about any work that needs to be done at Natchez Landing throughout the year that is not taken care of under our long term capital replacement fund.

**Insurance (\$159,000 annual budget):** Flood, Windstorm, Property, Liability, Directors and Officers etc. As a side note, approx. \$50,000 of this is flood insurance, about \$85,000 is property and windstorm insurance.

**Capital Replacement Fund (\$113,000 annual budget):** Funds set aside for funding our long-term capital reserve requirements. In 2020 the Board used funds from the reserve account for resurfacing the front parking lot, for sewer line replacements and for plumbing work. In 2021 the Association plans to use this fund for roofing projects, additional parking lot projects and projects at the waterfront including bulkhead repairs, pool replastering and work on the dock.

**Utilities (\$100,000 annual budget):** Water/Sewer, Gas, common area Electric, Trash.

**Administration (\$46,000 annual budget):** Includes property management fees, legal fees, postage, stationary, bad debt, audit, tax returns, website, community activities etc.

**Basic cable for all units (\$34,000 annual budget):** Contract with Comcast for supplying basic cable tv to all units.

**Storm Fund (\$12,000 annual budget):** Monies set aside to build up a fund to cover Association expenses in the event of a major storm.

Natchez Landing manages approximately 75,000 sqft of roofing across 10 main roofs. Plus some additional smaller roofs for utility buildings etc. Natchez aims to replace a roof on the property approximately once every 1 to 2 years to keep its roofing in good condition. Here is a link with a basic diagram of the progress that has been made on this project:

[Roof replacement progress](#)

Natchez Landing's original sewer lines are cast iron and are reaching the end of their useful life. Natchez Landing has replaced over half its sewer lines over the past 10 years with new pvc lines and intends to continue this process until all lines are replaced. Here is a link with a basic diagram of the progress that has been made on this project:

[Sewer line replacement progress](#)

Natchez Landing's original water lines are galvanized steel. Natchez Landing looks for opportunities to replace these lines when possible since they are reaching the end of their useful life. Natchez Landing tries to work with homeowners when units are vacant or are being remodeled to do this type of work. In 2020 Natchez Landing replaced all the original galvanized lines through building B and intends to continue this process until all of the main water lines are replaced. Here is a link with a basic diagram of the progress that has been made on this project so far:

[Water Line Replacement Progress](#)

Thank you for taking the time to read through this document. We really believe that Natchez Landing is making a concerted effort to maintain and improve its buildings, amenities, grounds and infrastructure. Natchez Landing is already an outstanding waterfront community with a lot to offer its Residents. We believe Natchez Landing is going to continue to improve in the years to come as we invest in its future.

Regards

*Natchez Landing Board and Management*