

NEWCASTLE ANNOUNCEMENT

9/21/2022

Dear Homeowners,

Newcastle is pleased to announce that Aztec Plumbing has been awarded the contract to perform the Polybutylene remediation work. Aztec Plumbing needs your help to coordinate scheduling as soon as possible. There was an Email/Opt-In form that was mailed out last month to update your contact information. Please fill it out and send it back if you have not yet done so. It's important we have the most updated information.

In order to begin this project, we need to get the first 50 stacks (a stack is an upper and lower unit, like 101 and 201, in the same building) scheduled. They have to be done simultaneously on the same day because there is currently only one shut off valve for each of the four stacks in each building. There will not be a successive order of buildings being worked on, as we saw with the Reroofing Project, instead there will be several crews working on both Squire and Landover. The first 50 stacks to contact Vesta Property Services, will be put at the top of the schedule, and scheduled on a first come first serve basis.

If you are ready to be put on the list for scheduling, please contact Scarlett Fernandez via email at sfernandez@vestapropertyservices.com or call 239-747-7227. If you have any additional questions regarding details of the project, please ask the receptionist to transfer you to Scarlett.

When you contact Vesta Property Services to be added to the schedule, please leave your full name, Newcastle address, phone number and/or your home watch contact (person watching your unit if you are not here), so that Aztec can contact you and coordinate access for scheduling.

Project Schedule Example:

Pipe Job: September 12th

Inspection: September 13th

Drywall: September 15th



These dates are subject to change.

The Newcastle Board of Directors has been negotiating a loan to fund the Polybutylene Project. The Board is working with Valley Bank, and those details were discussed at the last Board meeting held, **Thursday, August 25, 2022, at 7:00 PM.**

Funding: The Board has decided to accept the terms of a loan from Valley Bank to fund the Polybutylene project. The Association will pay interest only on loan amounts for work done until all work in the entire complex has been completed. Newcastle's accountant (Vesta) confirmed that Newcastle will have enough money in current accounts to cover the interest payments on the loan through 2022. Newcastle's 2023 budget will include increases to cover the payments for this project.

Loan Terms:

- o Loan amount \$1,900,000.00
- o Rate 5.5% fixed
- o up to a 12-month interest only draw period and then a 7-year amortization total loan amount
- o .5% bank fee (\$9,500)

Closing Cost:

The Board has decided that closing fees will be paid from the owner equity account. Closing costs are estimated to be about \$16,000.00

HOW WILL THIS LOAN AFFECT NEXT YEAR'S BUDGET**Estimated Breakdown:**

Based on the letter from Valley National Bank the monthly payment, including principal and interest, will be \$27,303.08 or \$327,636.96 a year. If you divide the annual loan payment of \$327,636.96 by 278 owners, it results in an increase of \$1,178.55 a year or \$294.63 a quarter.

These figures only represent the anticipated increases for the polybutylene project. Please be aware there are other factors that will affect the 2023 Budget. The other factors include, but are not limited to, insurance, water, maintenance, Reserve Study directives, trash collection, inflationary effects on the cost of materials and parts, contingency costs due to delinquencies, and other costs.

Scarlette Fernandez, CAM

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