

**HERITAGE CREEK - Approved Village Model**

Estimated Projected Budget 2010

Approved: November 20, 2009

Assumes full occupancy of 205 units - Master Association "Heritage Creek Homeowners' Association"

Units: Single Family Homes - 89; Multi-FamilyTownhomes - 116

	<b>Projected 2010 Budget</b>		
	<b>Common Exps</b>	<b>Multi-Family</b>	<b>Total</b>
<b>OPERATING EXPENSES:</b>			
<b>Administrative:</b>			
Legal/Accounting	2,500	-	2,500
Insurance -- Liability, Property and D&O	6,400	-	6,400 (a)
Management Services	20,810	-	20,810
Administrative - Federal Tax	150	-	150
Administrative - Other	2,500	-	2,500
<b>Total Administrative</b>	<b>\$32,360</b>	<b>\$0</b>	<b>\$32,360</b>
<b>Property Management:</b>			
Landscaping:			
- General Lawn Care - Common	8,000	-	8,000 (b)
- General Lawn Care - Multi-Family	-	29,500	29,500 (b)
- Plant Materials - Common	2,250	-	2,250
- Plant Materials - Multi-Family	-	-	-
- Plant Mulching - Common	1,750	-	1,750
- Plant Mulching - Multi-Family	-	13,000	13,000
- Chemical Treatments - Common	2,500	-	2,500 (c)
- Chemical Treatments - Multi-Family	-	8,200	8,200 (c)
Grounds Maintenance/Repairs	5,000	-	5,000
Snow Removal - Common	4,500	-	4,500 (d)
Snow Removal - Multi-Family	-	18,900	18,900 (d)
<b>Total Property Management</b>	<b>\$24,000</b>	<b>\$69,600</b>	<b>\$93,600</b>
<b>Recreational Center: (Clubhouse and Pool)</b>			
Building Maintenance/Repairs	8,250	-	8,250
Pool Maintenance and Supplies	8,500	-	8,500
Utilities - Telephone	500	-	500
Utilities - Electric	2,700	-	2,700
Utilities - Gas	5,000	-	5,000
Utilities - Trash	1,100	-	1,100
Utilities - Water	850	-	850
Utilities - Sewage	300	-	300
<b>Total Recreational Center</b>	<b>\$27,200</b>	<b>\$0</b>	<b>\$27,200</b>
Contingency	1,500	-	1,500
<b>Base Assessment Before Reserves</b>	<b>\$85,060</b>	<b>\$69,600</b>	<b>\$154,660</b>
Capital Reserve Contribution	13,350	-	13,350
<b>Total Expense Assessment</b>	<b>\$98,410</b>	<b>\$69,600</b>	<b>\$168,010 (e)</b>
<b>Monthly Fees Per Unit/Month</b>	<b>\$40.00</b>	<b>\$50.00</b>	
<b>Single Family Monthly Fees Per Unit/Month</b>	<b>\$40.00</b>		
<b>Multi Family Combined Monthly Fees</b>		<b>\$90.00</b>	
<b>Reserve Contribution Analysis:</b>			
Estimated Beginning Cash Balance - January 1, 2009	\$64,227		
2010 Additions	13,350		
Interest	1,100		
Withdrawals	(6,500)		
<b>Projected Ending Balance - December 31, 2009</b>	<b>\$72,177</b>		

**FOOTNOTES:**

a - General liability, property and D&amp;O insurance carried on Common Area facilities. (ie pool, clubhouse and open space)

b - Based on twenty-six (26) grass mowings per year

c - Based on a six (6) chemical applications per year

d - Based on ten (10) full snow removal events

e - Expense projections are estimates only. Any excess income will be added to the Capital Reserve fund or be reflected in the succeeding Association budget.