

To: Unit Owners - Parkside of One Bayshore Condominium Association, Inc.

Date: November 4, 2011

Re: 2012 Budget

The Parkside of One Bayshore Board of Directors is pleased to present the enclosed proposed budget for fiscal year 2012.

There will be no increase in the residential owner maintenance fees during budget year 2012. Even though the maintenance fee remains flat this year, many maintenance/wish list items have been included. Some of these items are: the installation of hose bibs on each garage deck level, the repair needed in the courtyard pavers, the repairs to the west tower trash chute room, and the installation of a large planter and benches in the courtyard. In addition, the pool is slated to be refinished and the lines in the stamped concrete pool deck will be recaulked. There are also plans to install a new keypad at the second level security door.

Due to problems in the general economy we continue to experience delinquency for owner maintenance fees. Therefore, we have budgeted \$34,227 for bad debt using a methodology that has been agreed upon by our independent accounting firm. Budgeted legal expenses will remain at \$36,000 to accommodate corresponding costs incurred from such delinquencies, in addition to anticipated costs relating to developer issues.

Last year we added a Reserve Category for our Insurance Deductibles in the amount of \$18,500. This reserve was fully funded in a one year time span in order to cover any unanticipated insurance expenditures within the year. Since this reserve is fully funded, this account will no longer need to be funded again until used. As a result, the annual reserve funding was decreased by an average 10%.

We are confident that this fiscal year 2012 budget will allow us to appropriately maintain the building and provide the services needed to ensure a quality facility and living experience for our residents.

Sincerely,

The Parkside of One Bayshore Condominium Association, Inc.
Board of Directors