# Portside Condominium Association

## Special Assessment 2024

Prepared by the HOA Board

# Executive Summary

The goal of this Special Assessment is to collect the funds needed to properly maintain our Portside Condominium Association buildings. Our focus is on roofs, stucco, trim, decks, painting, and parking to ensure these remain in good condition both now and in the future.

We hope Portside can reclaim its status as the premier complex in Davidson Landing by using the funds collected in this Special Assessment to make needed repairs.

## Our Recommendation

(1) Properly repair Portside's current infrastructure and not take on the full replacement of all roofing and a new exterior siding.

(2) Improve our work order process to conduct future repairs faster

(3) Be more proactive with regular inspections in the future.

(4) Issue a Special Assessment in the amount of $1,300,000 with funds to be collected by January 31, 2025 for work scheduled to be performed in 2025.

# How did we arrive at this decision?

- We conducted building inspections, reviewed engineering reports, and assessed contractor proposals. Building damage is strongly linked to water leaks, which primarily originate from: i) roof (poorly maintained flashing, nail holes and tears at the flat roof junctions), ii) poorly maintained trim, and iii) at the sliding door threshold, sill, flashing, or ledger board. On occasion, some water damage has come from interior plumbing or appliance leaks.

- With proper maintenance, stucco can last 50-75 years, and the roof shingles, (ours are in good shape and rated for 30 years), should last another 15 years.

- The inspections revealed minimal water penetration at the stucco wall faces. However, we found some stucco damage in specific areas, particularly near the roof/wall junction and trim. Therefore, the stucco repair focus will be at these edges. Where stucco is beyond repair, it will be replaced. Minor damage was also noted below the attic gable vents (louvers) which will be repaired too.

- Going forward, additional regular inspections, maintenance, and repairs will be included in the annual HOA budget. Unless there is significant hurricane damage, no major repairs should be expected for the next ten years

## Special Assessment:
## $1,300,000 for Needed Repairs

- This Special Assessment focus will be on six categories:

  Category 1: Roofs and Flashing

  Category 2: Trim

  Category 3: Stucco Maintenance

  Category 4: Decks

  Category 5: Painting

  Category 6: Parking Lot (optional)

- Work is scheduled to be performed between January and June, 2025.

  **All work above will be monitored and inspected by an experienced general contractor**

# Category 1: Roofs and Flashing

- Based on a prior engineering report from Roof Consulting Services, our current roof, installed with thirty year shingles in 2019, are projected to last approximately fifteen more years.

- There are two common methods of stucco flashing - reglet and integrated. The reglet method (what we have) works as well as the integrated method when maintained and regularly inspected.

## Recommendation

- We have been and will continue to repair/replace all known leaks and flashing where needed. For example, we replaced one flat roof section and repaired flashing on building four during the week of November 15.

- We will continue replacing/repairing some of the flat and sloped roofs where there is moderate damage and also repair/inspect around the chimneys.

- **We will perform regular future inspections.**

# Category 2: Trim

- We have known trim leaks and some rotting trim. This is our second source of structural water leaks.

- The repair process can be complicated because window leaks are the Unit Owners responsibility while trim leaks are the HOA's responsibility; yet both can cause leaks.  Furthermore, the structural design of our windows can make it challenging to replace (because the sills are an integrated part of the original window design).

# Recommendation

- We have already begun replacing trim where needed and will continue repairing/replacing for the entire complex.

- Hardie board and wood (depending on the size) will be primed and painted

- If a homeowner is considering replacing their current windows (at their cost), please email our management company by year end so window and trim work can be done simultaneously. We aim to get a group discount on windows that also meets the HOA design spec.

# Category 3: Stucco Maintenance

- Stucco is a strong and reliable exterior finish. The most important goal with stucco is to keep the water from getting inside/intruding behind the stucco.

- Recent inspections (in attics and unit renovations) indicate little damage to interior spaces for the large majority of the walls, with some exceptions (noticeably around some improperly maintained window trim and roof flashing)..

- We will follow previous engineering reports that recommend remediating damaged areas. We will not be removing all walls and replacing with new stucco or another exterior product.

- Previous stucco repairs using sealants were effective with no additional damage.

## Recommendation

- [From the Towery Engineering inspection completed in February, 2023] *"We recommend continued monitoring of the interior and exterior portions of the buildings. If, and when, evidence of water intrusion is observed or reported by residents, we recommend you locate and remediate the source of the water intrusion, investigate the potential damage, and remove, replace, or repair any damaged or deteriorated building materials."*

# Category 4: Decks

- Some 2nd and 3rd floor decks have historically caused major leaks into the interior of their unit, our third source of structural water leaks. Some compromised decks were found to be leaking into a supporting column, but this has largely been repaired.

- Many of these decks are in good shape and do not need replacing immediately. However, some do not drain and are pooling water, some have rotting issues, and some are dripping onto lower decks.

- Newer Trex based decks with underdeck drainage systems should alleviate our pooling, dripping, and leaking concerns.

# Recommendation

- 2nd and 3rd story decks that need to be replaced will be replaced with Trex using an under-deck drainage tied into a gutter. Not all of these decks need replacing since some decks were already repaired. Decks that show no significant damage will be repaired, not replaced. Trex-based decks should alleviate all of the water damage to the structural components and stucco in the future.

# Category 5: Painting

- Once required repairs are made, we believe that repainting will significantly improve the look and value of the Portside buildings.

- All building trim will be sanded, primed, and painted (with multiple coats if required).

- Rotted wood will be replaced as required.

- New paint will conceal the majority of the stucco crack sealant.

## Recommendation

- Work has already begun as trim repairs have commenced (preparing for both sanding and priming).

- Use a high quality paint for both trim and siding. The new paint will be similar to the original building colors and determined by the end of February, 2025.

# Category 6: Parking Lot (optional)

- If we meet our budget for planned repairs on the first five categories presented (roof, trim, etc.), we will also repair/replace the parking lot asphalt.

- However, if the previous items cost more than planned, we will use the money allotted for the parking lots to cover that overage.

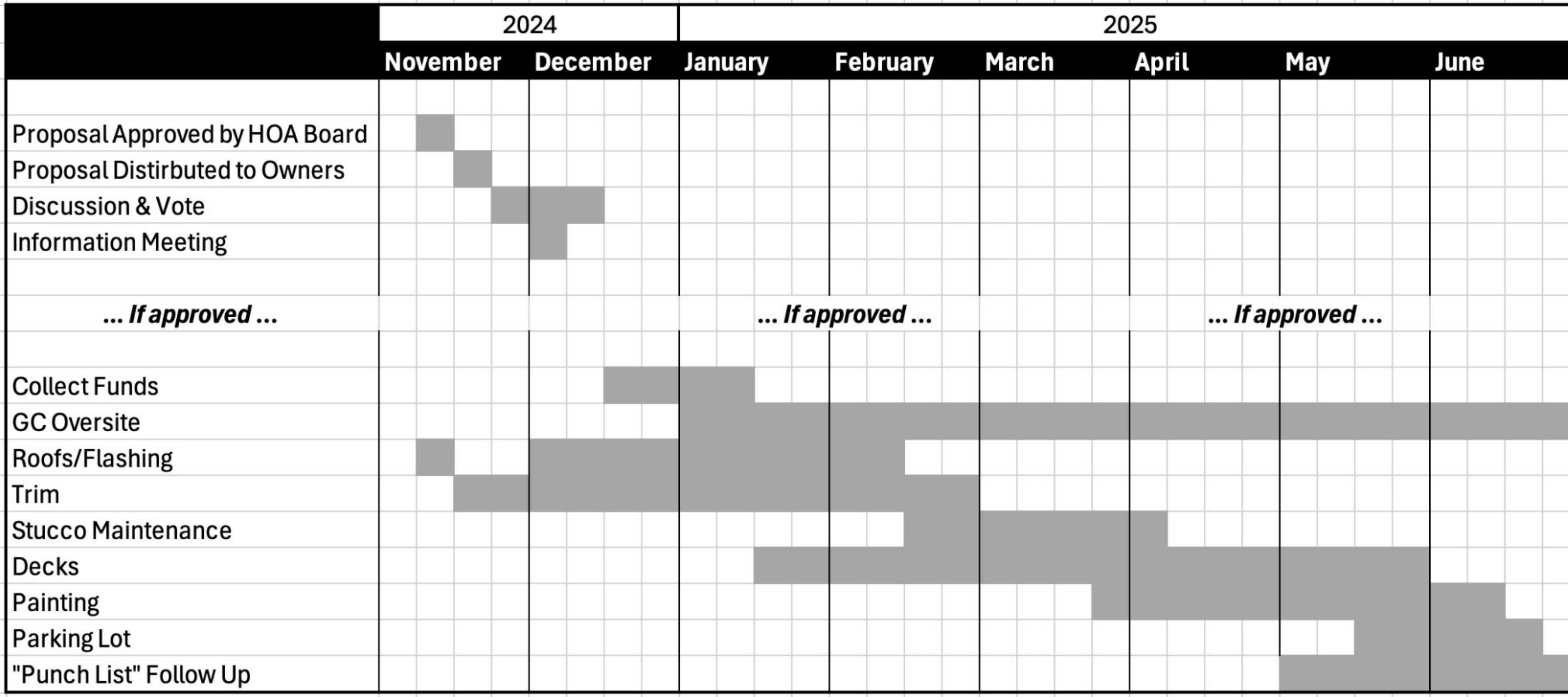
- Vendors have recommend no more than one more “seal” before we should do a “total resurface” of the parking lot.

- We will add new lines (restriping) and may need to update some to follow ADA guidelines.

## Recommendation

- If funds are available, we will wait until we finish the other tasks and ensure the new construction next door does not impact our parking lot.

# Proposed Special Assessment Timing




- Work has already begun on some trim and roof repairs.

- **All remaining work will begin in January, 2025 and planned to be completed by June, 2025**

# Special Assessment Expected Costs

These are initial estimates based on discussion with vendors in anticipation of signing contracts once the assessment is approved. *Note that funds can be moved between categories if we are able to negotiate savings in one or if we have overage in another.*

| *Category* | |
|---|---|
| - Roofs & Flashing | $ 75,000 |
| - Trim | $150,000 |
| - Stucco Maintenance | $ 75,000 |
| - Decks | $475,000 |
| - Painting | $350,000 |
| - GC Oversite | $ 50,000 |
| - Parking Lot/Overage | $125,000 |
| | -------------- |
| **- Total Amount** | **$1,300,000** |

# $1,300,000 Special Assessment
# Amount by Unit
# due by Jan 31, 2024

| Unit | % | Amount | Unit | % | Amount | Unit | % | Amount | Unit | % | Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 601 | 1.46% | $ 18,980 | 619 | 1.87% | $ 24,310 | 637 | 1.10% | $ 14,300 | 655 | 1.09% | $ 14,170 |
| 602 | 1.87% | $ 24,310 | 620 | 1.40% | $ 18,200 | 638 | 1.10% | $ 14,300 | 656 | 1.12% | $ 14,560 |
| 603 | 1.40% | $ 18,200 | 621 | 1.40% | $ 18,200 | 639 | 1.15% | $ 14,950 | 657 | 1.14% | $ 14,820 |
| 604 | 1.40% | $ 18,200 | 622 | 1.46% | $ 18,980 | 640 | 1.06% | $ 13,780 | 658 | 1.14% | $ 14,820 |
| 605 | 1.46% | $ 18,980 | 623 | 1.40% | $ 18,200 | 641 | 1.09% | $ 14,170 | 659 | 1.14% | $ 14,820 |
| 606 | 1.46% | $ 18,980 | 624 | 1.40% | $ 18,200 | 642 | 1.11% | $ 14,430 | 660 | 1.18% | $ 15,340 |
| 607 | 1.87% | $ 24,310 | 625 | 1.46% | $ 18,980 | 643 | 1.06% | $ 13,780 | 661 | 1.54% | $ 20,020 |
| 608 | 1.46% | $ 18,980 | 626 | 1.46% | $ 18,980 | 644 | 1.10% | $ 14,300 | 662 | 1.54% | $ 20,020 |
| 609 | 1.87% | $ 24,310 | 627 | 1.46% | $ 18,980 | 645 | 1.11% | $ 14,430 | 663 | 1.57% | $ 20,410 |
| 610 | 1.40% | $ 18,200 | 628 | 1.52% | $ 19,760 | 646 | 1.11% | $ 14,430 | 664 | 1.52% | $ 19,760 |
| 611 | 1.40% | $ 18,200 | 629 | 1.46% | $ 18,980 | 647 | 1.11% | $ 14,430 | 665 | 1.55% | $ 20,150 |
| 612 | 1.46% | $ 18,980 | 630 | 1.87% | $ 24,310 | 648 | 1.16% | $ 15,080 | 666 | 1.57% | $ 20,410 |
| 613 | 1.40% | $ 18,200 | 631 | 1.40% | $ 18,200 | 649 | 1.13% | $ 14,690 | 667 | 1.52% | $ 19,760 |
| 614 | 1.83% | $ 23,790 | 632 | 1.40% | $ 18,200 | 650 | 1.13% | $ 14,690 | 668 | 1.55% | $ 20,150 |
| 615 | 1.46% | $ 18,980 | 633 | 1.46% | $ 18,980 | 651 | 1.17% | $ 15,210 | 669 | 1.57% | $ 20,410 |
| 616 | 1.46% | $ 18,980 | 634 | 1.46% | $ 18,980 | 652 | 1.09% | $ 14,170 | 670 | 1.56% | $ 20,280 |
| 617 | 1.52% | $ 19,760 | 635 | 1.46% | $ 18,980 | 653 | 1.12% | $ 14,560 | 671 | 1.56% | $ 20,280 |
| 618 | 1.46% | $ 18,980 | 636 | 1.52% | $ 19,760 | 654 | 1.14% | $ 14,820 | 672 | 1.60% | $ 20,800 |

# The Voting Process

**How do I send in my vote?**

Read and review the ballot, check the box, and sign it.  Send it one of four ways:

(1) Take a picture of your signed ballot, and email it as an attachment to our property manager at: annmarie@mainstreetmanagers.com

(2) Print, sign, and send by regular mail to: Main Street Management:

Attention: Ann Marie Creavin, 18115 W Catawba Ave, Cornelius, NC 28031

(3) Print, sign, and give your ballot to an HOA Board Member ( will turn it in for you)

(4) Login to our Property Management Portal, tab on the left, and click to vote.

**When do I need to vote by?**

We need your vote by 12:00 PM, Monday, Dec 16, 2024.

**What does it take to approve this Special Assessment?**

Per our Declaration (governing document) and confirmed by our attorneys, we need the affirmative vote of the Unit Owners representing at least 51% of the Common Interest.

## What happens if the vote passes?

You will be expected to make your payment on or before January 31, 2025. Those who wish to pay before December 31, 2024 (for personal tax reasons) can also do so.

## What happens if the vote does not pass?

This past fall, we started the repairs and improvements requested by our insurance company and the Mecklenburg County fire marshall. We also began repairing active roof leaks, particularly in Building Four. Without the funds needed for the work described herein, we will concentrate remaining HOA funds primarily on active leaks or other emergency repairs.

## What about the need to increase our Reserve Fund?

Our Reserve Fund is about $75,000, set aside for major future expenses and unexpected repairs that are too large to be covered by regular operating budgets. Examples include new roofs or unexpected major hurricane damage. A plan to increase our Reserve Fund will be discussed at the summer 2025 annual meeting. It is possible to increase the Reserve Fund without the need for an additional assessment via an increase in our monthly HOA dues.

# Q & A?

**1. What is NOT covered with this Special Assessment?**

- Major new landscaping or beach improvements
- Guard building or gates, property fences, or community storage/office.
- New staircase steps or stairwell railings
- Changes in deck walls
- Lift station (sewage) repairs
- Kayak and paddleboard amenity renovations
- Decorative chimney shrouds

**2. What exactly am I voting for?**

You are voting for a Special Assessment of $1,300,000. For example, if your Common Interest  percentage is 1.40%, your portion of the Special Assessment will be $18,200 payable by Jan 31, 2025.

**3. What if we spend less than anticipated?**

Any excess funds will be placed into our Reserve Fund.

# Q & A (cont)

**4. Does the HOA use the Reserve Fund for regular operational expenditures?**

No. It will be used for future repairs, improvements, or emergencies.

**5. Tell me about our stucco exterior.**

Stucco is simply a mixture of Portland cement, sand, and water. It is considered to be a very durable siding material, resistant to rot and fungus, and can withstand extreme weather conditions. Stucco also expands and contracts as the temperature changes and is usually cheaper to insure than most exterior sidings.

**6. I'm thinking about getting some new windows for my unit.**

Email our property manager before December 31, 2024. Given the trim work and structural design of our window frames, this is an excellent time to make that change (likely installed in February or March). You will of course be responsible for the cost of your new windows.