

SHADOWBROOK CONDOMINIUM

1 SHADOWBROOK LANE
MILFORD, MA 01757

TELEPHONE (508) 473-1784
FAX (508) 473-7798

November 27, 2017

Unit Owners
Shadowbrook Condominium Trust
1 Shadowbrook Lane
Milford, MA 01757

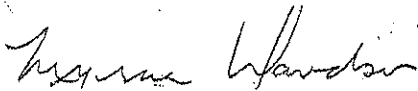
Dear Unit Owners,

After carefully reviewing the final reports through October 2017, the Trustees of the Shadowbrook Condominium Trust have adopted the 2018 Annual Operating Budget which goes into effect on January 1, 2018. The budget provides for a 1.5% fee increase which translates to \$5.25-6.96 per month, depending on the beneficial interest of the unit. Please see the attached budget and spreadsheet.

The Trustees and management were able to reduce or keep many budget line items level. The 1.5% increase will allow for an increase in the amount transferred to savings from \$175,800 to \$200,539 to pay for capital repairs. The funds will help the Board and management continue to invest in the property preventing hazards, maintaining vital infrastructure, and improving appearances.

The Board of Trustees and Thayer & Associates, Inc. wish you and your family a safe and enjoyable holiday season.

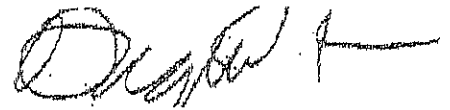
Sincerely,



Myrna Davidson
Chairperson Board of Trustees
Shadowbrook Condominium Trust



Lee Maranda
Property Manager
Thayer & Assoc., Inc.



Dwight Johnson
Senior Vice President
Thayer & Assoc., Inc

SHADOWBROOK

11/15/2017

2018 Budget
1.5% increase

	BUDGET 2017	BUDGET 2018	VARIANCE 18 VS 17
OPERATING INCOME			
Common Area Fees	1,649,258	1,673,997	24,739
Interest	1,500	1,100	-400
Late Fees	8,000	5,800	-2,200
Parking Income	5,100	5,100	0
Violation/Fines	4,700	5,000	300
Storage Fee	2,100	1,900	-200
Moving Fees	7,500	7,700	200
Laundry	28,800	28,800	0
Laundry Bonus	18,750	18,750	0
Comcast Income	8,100	8,100	0
6D Income	2,500	2,500	0
Other Income	825	450	-375
Function Income	3,500	4,000	500
Function Room Savings	-3,500	-4,000	-500
TOTAL INCOME	1,737,133	1,759,197	22,064

OPERATING EXPENSESAdministrative Expenses

Accounting	5,600	5,700	100
Legal	5,000	5,000	0
Management Fee	69,120	69,120	0
Postage & Copies	2,100	2,100	0
Telephone	4,000	4,000	0
Other Administrative	10,500	10,500	0
Total Administrative	96,320	96,420	100

Payroll & Benefits

Wages - General	264,203	268,166	3,963
Wages Pool	25,000	25,000	0
Wages Overtime	8,000	4,000	-4,000
Wages Contingency	12,000	12,000	0
Total Wages & Benefits	309,203	309,166	-37

Utilities

Electricity	77,500	80,000	2,500
Natural Gas	133,000	111,100	-21,900
Water & Sewer	181,100	178,550	-2,550
Total Utilities	391,600	369,650	-21,950

	BUDGET 2017	BUDGET 2018	VARIANCE 18 VS 17
<u>Repairs & Maintenance</u>			
Air Conditioning	2,184	3,296	1,112
Asphalt	500	500	0
Cleaning	55,300	55,300	0
Electrical	7,100	7,300	200
Exterminating	9,900	10,000	100
Fire Equipment	7,500	12,500	5,000
HVAC	18,000	22,000	4,000
Keys & Locks	600	600	0
Landscaping	66,755	67,255	500
Painting	3,500	3,500	0
Plumbing	8,000	8,000	0
Pool Repairs	1,000	1,000	0
Pool Supplies	3,000	3,000	0
Rubbish Removal	500	500	0
Security	56,000	56,000	0
Sewer Cleaning	1,000	1,000	0
Snow Plowing	94,700	94,700	0
Snow Budget Admendment			0
Truck Expense	1,500	1,500	0
Supplies	9,500	9,500	0
Misc. Repairs	4,000	4,000	0
Insurance Claim	0	0	0
<u>Total Repairs & Maint</u>	<u>350,539</u>	<u>361,451</u>	<u>10,912</u>
<u>Insurance & Taxes</u>			
Insurance-Property	164,000	172,300	8,300
Taxes	1,500	1,500	0
<u>Total Insurance & Taxes</u>	<u>165,500</u>	<u>173,800</u>	<u>8,300</u>
Bad Debt	0	0	0
<u>Total Operating Expenses</u>	<u>1,313,162</u>	<u>1,310,487</u>	<u>-2,675</u>
<u>Reserves</u>			
Allocation	175,800	200,539	24,739
Debt Service (Principal)	171,424	171,424	0
Debt Service (Interest)	76,747	76,747	0
<u>Total Reserves</u>	<u>423,971</u>	<u>448,710</u>	<u>24,739</u>
<u>Total Expenses</u>	<u>1,737,133</u>	<u>1,759,197</u>	<u>22,064</u>
<u>Net Operating Income</u>	<u>0</u>	<u>0</u>	<u>0</u>

UNIT SIZE	BENEFICIAL INTEREST	2017 CONDO FEE	NEW 2018 CONDO FEE	1.5% INCREASE FROM 2017 - 2018
1BR / 1BA	.002545	\$349.79	\$355.04	\$5.25
2BR / 1BA	.002736	\$376.03	\$381.67	\$5.64
2BR/1.5 BA (small)	.002864	\$393.62	\$399.52	\$5.90
2BR/1.5 BA (large)	.002992	\$411.21	\$417.38	\$6.17
3BR / 2BA	.003374	\$463.72	\$470.68	\$6.96