

## The Letter from the Board

Dear Neighbors,

Below please find the updates on the latest state of affairs in the Condominium.

1. We're all aware of the state of the economy and the respective impact it has on the family income. The recession has not left the Association's finances untouched. Below please find a table showing the impact of the crisis on our dues collection:

Month (2008)	Budgeted (\$)	Collected (\$)	Deficit
August	18,423.20	21,947.75	-19%
September	18,423.20	17,231.58	6%
October	18,423.20	17,936.45	3%
November	18,423.20	15,825.28	14%
December	18,423.20	14,251.41	23%

As you can see in the last two months of 2008 we have run a deficit of approximately \$6,700. The Association is unable to function normally with such deficits, especially considering the extraordinary burden of the accounting costs. Therefore, effective immediately, the Association will stop, to the maximum extent possible, spending money on all non-essential repairs (wall stains, landscape improvements etc).

All the money the Association spends come from the dues paid by the Unit Owners. If the Unit Owners don't pay their dues, the Association will be unable to pay for basic things like plowing and making sure the roof doesn't leak. While there is some wiggle room with respect to paying bills, prolonged delays may result in lawsuits against the Association. It is in your hands not to let it happen.

The Association diligently pursues all the delinquencies and promptly takes all appropriate actions, including transferring the account to our lawyer for collections. Unfortunately, the process of recovering the funds takes up to a year from the date of the delinquency and we will, therefore, not see the effect of dues collections until approximately 2010.

If you consider not paying your dues, please also consider the possible repercussions, which may include some or all of the following: 18% default rate on all fees overdue, upwards of \$200 per hour in legal costs that will be billed to you once the lawyer gets involved, court costs and, in the worst cases, foreclosure of your mortgage and/or forced sale of your unit to cover the debt.

The condominium fees are due on the **15<sup>th</sup> of each month** and that the interest is charged starting on the 30<sup>th</sup> day of the month in which the Unit is delinquent.

2. The books for FY2004 – FY2007 have been restored. Unfortunately, the vast majority of invoices for those years do not exist. The Association will attempt to restore the invoices for major expenditures. However, it seems unlikely that all invoices can be ever completely recovered.

While the invoices are being restored, the CPA John Michaud is preparing reports prescribed by M.G.L. Chapter 183A, Section 10(d). Once completed, they will be posted on the website and will be available upon request free of charge to all who would like to have a hard copy mailed to them.

Additionally, once all reports are completed and major invoices are restored, an independent CPA (other than Mr. Michaud) will perform the review of the reports for each of the past 4 years, as required by Chapter 183A.

In all likelihood all the work mentioned above will not be completed prior to Annual Meeting in March, 2009. The Board, therefore, *estimates* that the complete presentation of the findings will be made during the Annual Meeting.

3. November 11<sup>th</sup> Board Meeting was attended by a representative from a group of concerned residents who believed that the condition of the roofs was not as poor as was reported by the engineering company conducting the original evaluation, and that it may be appropriate to perform roof patching as opposed to a complete roof reconstruction, as recommended by the engineers and proposed by the Board. As a result of that meeting the Board has agreed to secure a second independent opinion from another engineering company. The original evaluation included inspection of roofs on buildings A, D and E. The second opinion evaluation included the inspection of roofs on buildings A, B and C (roof A was intentionally overlapped to compare the results). The complete results of the second opinion evaluation are included along with this letter.

To summarize: the second opinion evaluation confirmed the findings of the first evaluation, such as deteriorating shingles, degraded valleys, soft spots in the roofing plywood, undulations etc. The recommendation of this study is even stronger than the original one - complete reroofing of all three building in 2009 (the first one recommended only two building reroofed as soon as possible).

While it is natural to have reservations about large capital expenditures, it is now clear that the roofs need replacement. This past fall, several units in buildings A and B reported leaking of the roofs and staining of the walls and ceilings even before the first snow fell. Currently, units in building A and B report water leaking down from the roofs, through the walls and underneath the windows. It is a distinct possibility that the Association will have to coincide the roof reconstruction in some buildings with the repairs to the 3<sup>rd</sup> floor walls (underneath the aluminum shingles). Doing nothing, as it was done in the past years, would only result in buildings rotting away top-down.

4. The repairs of the burst pipe between buildings A and B cost us the total of \$20,808.74. The General Ledger report showing the expenditure details is attached.

The expense was covered from the reserves, authorized by the Board under the emergency provisions of By-Laws Article 4.15 on the January 2009 Board Meeting.

The Annual Meeting is scheduled for:

**Tuesday, March 24<sup>th</sup>, 2009 at 6:30 PM  
1600 Osgood Landing, North Andover.**

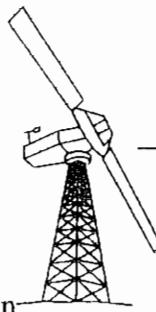
The additional materials, including proposed budget plans, agenda and the minutes of the previous Annual Meeting will be sent to you as they become available.

Sincerely,

Board of Managers  
Farrwood Green Condominium II

W: <http://farrwood2.com/>

E: [board@farrwood.com](mailto:board@farrwood.com)



Farrwood Green II Condominium Association  
c/o Ms Elaine Romano  
Box 488  
North Andover, MA 01810

**Reference: Roof Inspections - Buildings A, B and C**

Dear Ms Romano:

10 December 08

**Introduction**

In response to your request, we have inspected the referenced roofs and submit this report. It is our understanding that the integrity of some or all of the roofs was in question, and hence the decision for the inspection.

The three buildings have hip roofs, approximately 5/12 pitch, with a flatter section of roof over the building entrance. All of the roofs have valleys separating the different roof planes.

Our work was limited to visual inspection of the asphalt shingles. On the day of our inspection, we did not have access to the attic spaces beneath the roofs.

**Inspections**

**Building A - Units 49 - 64**

The south-facing flat roof is in very poor condition. (See photo 1) Pieces of three (3) shingles are missing, and there are exposed roofing nails. (See photo 2)

The valleys are very heavily degraded. (See typical photos 3 and 4)

We observed that the roof has "waves", or lifted sections of the roof sheathing. (See typical photo 5) These areas appear to coincide with the unit demising walls below. While these waves may not affect the performance of the shingles, we recommend that this phenomenon be investigated during the reroofing. Normal roof planes should not have these discontinuities.

We also observed a strange linear crack in the shingles, parallel to the eave, on one of the pitched roofs. This may coincide with plywood joints below, but can only be ascertained during reroofing. Although we do not believe the crack will cause leaking into the building, it should be investigated.

**Building B - Units 65 - 80**

In general, this roof was in fair condition. We observed that, for some reason, only the southeast roof has a ridge vent. The flat section of roof is worn. Undulations in the roof, noted in Building A, were observed in this building also.

The valleys are somewhat degraded.

**Building C - Units 81 - 96**

Undulations in the roof, similar to Buildings A and B, were noted in this building also. Additionally, we noticed several soft spots while walking on the roof. Both of these issues will need to be investigated during the reroofing work.

In general, the roof is degraded. Although we took care while walking on all the roofs, we noticed that small pieces of shingles were breaking off when we walked over them.

On this particular roof, we noticed an odd diagonal ridge/undulation in the roof plane. (See photo 6)

**Recommendations**

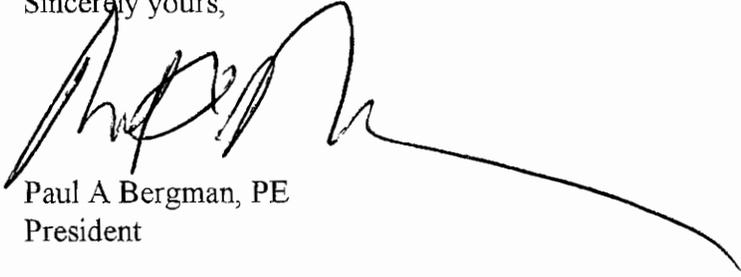
Generally speaking, the roofs are in fair to poor condition. All three (3) flat roofs were in poor condition. From visual inspection of the roof planes, there are indications that there may be some underlying sheathing or framing issues. These concerns can be investigated further when new roofs are installed. Any deficiencies can be addressed at that time.

All of the valleys had signs of degradation, some significant. We suspect that insufficient ventilation may be the cause of this deterioration. This may also be the case for the flat roof failures.

It is impossible to certify that any given roof will never leak over a period of time. At this time, however, we recommend that all the valleys be swept clean and coated with a thick layer of roofing cement. This should prevent leaks in these areas through the winter period. In 2009, we

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would recommend that the Association undertake reroofing of all three buildings.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Paul A Bergman', with a long horizontal flourish extending to the right.

Paul A Bergman, PE  
President

Attached photos

GENERAL LEDGER TRIAL BALANCE

Starting account #: 65650-001  
 Ending account #: 65650-001  
 Profit center: "All"

Starting date: 01/01/09  
 Ending date: 01/31/09

Acct-#	Description	Begin-balance	Total-DR	Total-CR	Net-change	End-balance		
65650-001	Water Main Break	.00	20,808.74	20,808.74	.00	.00		
	<b>DATE</b>	<b>SOURCE</b>	<b>REFERENCE</b>	<b>DR-AMOUNT</b>	<b>CR-AMOUNT</b>	<b>DESCRIPTION</b>	<b>A/P REFERENCE</b>	
	01/16/09	AP0000	243	15,235.17		CUNSOLO CONSTRUCTION CORP	WATER MAIN REPAIRS	
	01/16/09	AP0000	252	4,095.00		DAIGLE ENTERPRISES, INC.	REPAIR WATER MAIN PIPE	
	01/16/09	GJ0071	GJ		20,808.74	XFER FR RES/WTR MN BK		
	01/16/09	GJ0073	GJ	774.89		RECL CK 238/HANDYHOUSE		
	01/16/09	GJ0073	GJ	82.00		RECL CK 239/CITY-HAVER		
	01/16/09	GJ0073	GJ	334.68		RECL CK 245/DST-PTL		
	01/16/09	GJ0073	GJ	287.00		RECL CK 248/CITY-HAVER		
*** Totals do not include all accounts ***								
Gnd Total:				.00	20,808.74	20,808.74	.00	.00