

**SUMMARY OF MAINTENANCE AND REPAIR POLICIES
FOR
PORTO CIMA TOWNHOUSE PROPERTY OWNERS, INC.**

1. What portion of Porto Cima Townhouse Properties is the Townhouse POA responsible for maintaining and repairing?

Section 4.5 of the First Amended and Restated Supplemental Declaration of Covenants and Restrictions for Porto Cima Townhouse Properties recorded in Book 599 beginning at Page 335 in the Camden County Recorder of Deeds office (“the Townhouse Declaration”) provides that the Townhouse POA shall maintain in accordance with the Community-Wide Standard, the Area of Common Responsibility, which shall include specifically the following:

- (a) All exteriors of all Townhouse Units, including, but not limited to, maintaining, repairing and replacing porches, roofs, gutter, downspouts, exterior building surfaces, windows, fascia, doors, decks, and other exterior improvements approval by the Townhouse POA Architectural Control Committee, including repainting or staining as needed;
- (b) All portions of and structures situated on the Exclusive Common Area, including, but not limited to, cutting, trimming, caring for and maintaining trees, shrubs and grass, repairing, replacing and caring for walks and driveways;
- (c) Landscaping within the public rights-of-way within or abutting any real property that is subject to the Townhouse Declaration.

The term “Area of Common Responsibility” is defined in Article I, Section 2 of the Declaration to mean the Exclusive Common Area. The term “Exclusive Common Area” is defined at Article I (Section 9) to mean all real property now or in the future subjected to the Townhouse Declaration, excluding Townhouse Units. The term “Townhouse Unit” is defined in Article I (Section 36) to mean a portion of the Town House project, whether improved or unimproved, which may be independently owned and conveyed and used as an attached resident for a single family.

The Townhouse POA, in the interpretation of its duties with respect to the exteriors of all Townhouse Units, has adopted the following definition of what is considered the “exterior” or the “external” portion of a Townhouse Unit to be “the structure surface that is exposed to the environment, including the specific items listed in Section 4.5(a) of the Declaration. The POA policy is that the term “exterior” does not refer to the underlying structure covered by the siding material or to the interior materials such as wallboard, carpet, etc.

2. What is the procedure being followed by the Townhouse POA in the performance of its maintenance and repair duties?

- (a) The regular ongoing maintenance items are scheduled and budgeted at the beginning of each fiscal period. Any unexpected item is dealt with on an individual basis and will be made a part of the regular ongoing maintenance list, or will be assessed to the Neighborhood and will be

paid for from the Neighborhood reserves and/or homeowner depending on the facts and circumstances.

The Townhouse POA contracts with the Property Manager to perform inspections frequently enough to discover exterior maintenance or repair items that are visible on the exterior of the Townhouse Units.

All other repair items, not appearing on the maintenance schedule that occurs as a result of an inspection or notification by either Townhouse POA contractors or Homeowners, such as bird holes in the EFIS, defective windows, external plumbing issues (excluding those within the three-foot perimeter of the foundation and grinder pump problems, which are the owner's responsibility) and roof leaks.

3. Where does the money come from to pay for the maintenance and repair work performed by the Townhouse POA?

Medium and long-term maintenance items, such as the roof, siding, sea wall, etc., are funded to the extent of fifty percent (50%) of the cost taken from the reserve funds established for that purpose. The remaining fifty percent (50%) of the cost is funded through assessments to the Neighborhood, to the Townhouse POA, or to the Homeowner depending upon the specific circumstances surrounding the necessity of the repair. In either case, the reserve items from an individual owner are funded one hundred percent (100%) from the reserves for the first Two Thousand Dollars (\$2,000) of the cost with a fifty-fifty split between the Reserve and the Unit Owner (or Neighborhood when applicable) for the amounts in excess of Two Thousand Dollars (\$2,000).

4. What is the Unit Owner's responsibility for maintenance and repair of the Townhouse Units?

The Maintenance and repair of all portions of a Townhouse Unit that are not made the responsibility of the Townhouse POA pursuant to Section 4.5 of the Townhouse Declaration are the responsibility of the Townhouse Owner.

Maintenance, Repair and Reserves

Policies for maintenance and repair of PCPOA common and homeowners' properties and the role of financial reserves are often mis-understood by members, realtors and prospective buyers. This is intended to explain these policies.

- Maintenance Items
 - Maintenance items refer to **external** items such as roof systems, windows, decks, deck stairs, gutters and POA approved exterior modifications. Most items are scheduled and budgeted for the current fiscal period. Unexpected items are dealt with on an individual basis and can become part of the normal maintenance designation, taken from the neighborhood reserves or assessed to the neighborhood and/or homeowner depending upon the facts and circumstances.
 - The POA contracts with the manager to perform inspections frequently enough to discover problems that are visible on the exterior.
- Repair Items
 - Repair items are non-scheduled **external** maintenance items that occur due to inspection and/or notification by either POA contractors or homeowners. Examples include bird holes in the EIFS, defective windows, external plumbing issues (except those within the 3' perimeter of the foundation and grinder pump problems), and roof leaks.
- External Definition
 - The POA, in accordance with the bylaws, has formally adopted the following definition of **external**: the structure surface that is exposed to the environment including roof, siding (EIFS), windows and doors. Deck and stair staining are also included.
 - **External** does **not** refer to the underlying structure covered by the siding material or to interior materials i.e. wallboard, carpet, etc.
- Reserves
 - Medium and long-term maintenance items (roof, siding, sea wall etc.) are partially (50%) funded by the funds reserved for that purpose. The remaining 50% is funded through assessments to the neighborhood or homeowner depending upon the specific circumstances.
 - Reserve items for an individual homeowner are funded 100% from the reserves for the first \$2,000 with a 50/50 split for amounts in excess of that.
- Homeowner Responsibility
 - It is extremely important for the homeowner to frequently (several times annually) inspect the property interior. Most problems including those related to external issues are much less damaging if discovered and reported promptly. **Internal** problems are **not** visible to **external** views and inspections.

