

Chris Austin

From: Scott Farmer
Sent: Monday, September 10, 2012 2:24 PM
To: Chris Austin
Subject: FW: Replacement reserve contribution for new properties

From: Mike Holoman [<mailto:mholoman@partnershippm.com>]
Sent: Wednesday, May 16, 2012 1:01 PM
To: Scott Farmer
Subject: Replacement reserve contribution for new properties

Hello Scott.

I hope that all is well in your camp. Quick question, has there been any consideration given to raising the proforma annual replacement reserve contribution to a minimum of \$500 per unit? If owners and management agents are not aggressive with reserves increases early on, many of these properties might end up without reserves when the "20" year wave of replacements hits.

I realize that there are operating reserve funds available, but in 20 years, that might not even cover the cost of new shingles, much less new tile/windows/tubs/asphalt/cabinets/water heaters/hvac etc.

Just food for thought.
Take care. Mike

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