



BIRNAMWOOD HOMES ASSOCIATION

193 Birnamwood Burnsville, Minnesota 55337

RESALE DISCLOSURE CERTIFICATE

Common Interest Community

Name and type of Common Interest Community: **BIRMANWOOD HOMES**, a planned community

Name and Address of Association: **BIRNAMWOOD HOMES ASSOCIATION**
193 Birnamwood Drive
Burnsville, MN 55337

Unit Address for Sale: _____ Birnamwood Drive, Burnsville, MN 55337

The following information is furnished by the owners association named above, pursuant to section 515B.4-107 of the Minnesota Common Interest Ownership Act (the Act).

1. There is no right of first refusal or other restraint on the free alienability of the above unit contained in the Declaration, Articles of Incorporation or By-Laws of the Association, in any Rules or Regulations, or in any amendment to any of the foregoing, except as follows: _____

2. The following common expense assessment, fines or other charges are due and payable with respect to the above unit, as of _____ 200 _____

- a. Annual assessment monthly installments; \$ _____
- b. Assessments currently due and unpaid: \$ _____
 - 1) Annual \$ _____
 - 2) Special \$ _____

c. Fines or other charges due and unpaid: \$ _____

3. In addition to the amounts due under section 2 above, the following additional fees are payable by all unit owners: Business Owners Package Policy for Condominiums/Townhouses

See page6 for additional information

A \$ _____ late fee is charged for annual assessment monthly installments not received by the 15th day of the month for which they are due.

4. There have been no extraordinary capital expenditures approved by the Association that are not yet assessed for the current and next fiscal year, except as follows: _____

See page 4 & 5, Reserve Replacement Fund

5. The amount for maintenance, repair and replacement is:
\$ _____ As of _____ 200 _____

and no portion of those reserves has been designated by the Association for any special projects, except as follows: _____

See page 4&5, Reserve Replacement Fund

6. The most recent regularly prepared financial statement, balance sheet and income & expense statements of the Association are attached herewith.

7. The current budget of the Association is attached herewith:

See page 3, Annual Report

8. There are no judgments against the Association and no pending suits to which the Association is a party, except as follows: _____

9. The following detailed description of the insurance coverage provided by the Association for full replacement of all townhouses:

a. Coverage: **See page 6 Insurance Coverage**

b. The items referred to in Section 515B.3-113(b) of the Act that are insured by the Association:
See page 6 Insurance Coverage

10. The Board of Directors has not notified the unit's present owner that (i) any alterations or improvements to this unit or to the limited common elements assigned to this unit (if any) violate any provision of the Declaration, or (ii) that said unit is in violation of any governmental statute, ordinance, code or regulation, except as follows: _____

11. There is no leasehold estate affecting the common interest community and the provisions governing any extension or renewal thereof, except as follows: _____

12. There are no other matters effecting the unit, or the unit owner's obligations with respect to the unit, which the Association deems material, except as follows; **the repair and upkeep of all unit exteriors is the direct responsibility of each individual unit owner. The Association can demand that needed repairs be completed. An independent contractor, (hired by the Association) will make inspections of each unit to determine any exterior repairs or painting needed to bring units to like new condition. It will be the homeowner's responsibility to see these repairs are completed. If the repairs are not made by the owner within the time frame allowed by the Association, the Association has the authority to have those repairs completed and charge the costs of those repairs to the owner of the unit and levy the costs against the unit.**

I hereby certify that the foregoing information and statements are true and correct, as of _____ 200 _____ and for the next 90 days.

Birnamwood Homes Association

By: _____
Officer of the Board of Directors

2010 Annual Operating Expense Budget

Administration

Audit Fee	5,000	Home Inspection	5,100
Income Tax	1,000	Home Repairs	300
Legal Consulting	12,000	Office Supplies	300
Legal Fees	-	Phone	300
Architectural Consulting	1,000	Postage	400
Misc. Consulting	250	Printing	3,500
Accounting Service	11,100	Web Site	500
BHA Meeting Place	500	Social	1,000
Membership Meetings	500	Bad Debt Reserve (1)	8,000
Miscellaneous	200	Collection Expense	100
		Bank Charges	300

Grounds Maintenance

Grounds/Snow Removal	93,000	Sprinkler Maintenance	3,000
Improvement Projects	9,000	Sprinkler Improvements	6,000
Lawn Materials	3,000	Tree Maint. / Removal (2)	20,000
Lawn Water	6,000	Tree Removal Storms	2,000
Misc. Labor (2)	35,000	Tree and Shrub Replace.	4,000
Misc. Materials	6,000		

Swimming Pool

Chemicals	5,000	Misc. Supplies - Pool	1,000
Electric Service	2,400	Water	1,500
Electric Repair	400	Contract - Pool	8,000
Furnishings	500	Misc. Labor	5,000
Gas Service	9,000	Payroll Taxes (new in 2008)	500
Pool Daily Labor	3,500	Paddle Court / Tot Lots	500
Misc. Repair - Pool	2,500	Tennis Courts	600

Facilities Maintenance

Bench & Planters	150	Maintenance Garage Electric	250
Driveway Repairs	500	Misc. Labor	500
Electric Service	4,000	Pond	500
Electric Lamp Maint.	1,500	Pond Electrical	200
Electric Lamps Timers & Bulbs	200	Retaining Walls	1,000
Entry Sign	100	Waterlines / Sewers / Drain	2,500
Unit Identification Signs	1,000	Sidewalks - Steps - Paths	500
Mailbox Maintenance	200	Special Projects	3,000
		Home Painting (pool pavilion) (3)	3,500

Summary - 2010 Operating Expense Budget

Administrative Expenses	51,350
Grounds Maintenance	187,000
Swimming Pool	40,400
Facilities Maintenance	19,600
Rubbish Contract	35,000
Total Expense Budget	333,350

Total Resident Assessments	298,089
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(1) Bad Debt Reserve set up in 2009 due to volume of foreclosures.

(2) Includes \$5,000 reduction in both Misc Labor and Tree Maint. If needed, we will draw expenses in excess of budgeted amounts from cash savings

(3) Budget for painting of pool pavilion and decking in 2010.

**Reserve Replacement Fund
as of August 31, 2009**

Escrow Allocations

Driveways - Surface and Steps	\$ 184,895
Lighting - Pole and Garage	7,987
Mailboxes and Inserts	17,717
Pool - Building, Deck and Fence	19,059
Pool - Resurface, Pumps, Heaters, Filters, Cover	51,629
Sprinkler System	51,449
Tennis Courts - Resurface and Fencing	12,552
Water and Sewer Lines	78,093
Retaining Walls	49,519
Total Escrow Funds	\$ 472,900

Accumulated Disbursements

1986	Pool & Mechanical Pumps	\$ 4,654
1986	Tennis Courts	4,000
1988	Pool Fence Project	2,255
1989	Driveways - Patch	5,920
1990	Driveways - Patch	2,025
1992	Retaining Walls	10,597
1993	Retaining Walls	15,251
1993	Driveway Deposit	2,270
1994	Driveways	49,450
1994	Mailboxes	2,436
1995	Pool Heater & Pump	3,748
1995	Driveways	66,490
1996	Driveways	95,706
1997	Pool - Sandblast	6,600
1997	Driveways	49,974
1998	Retaining Walls	36,953
1999	Pool Heater & Pump	1,763
2000	Sprinkler System	1,839
2000	Pool Heater & Pump	2,029
2000	Tennis Courts	6,000
2000	Mailboxes	9,356
2001	Pool Pavilion	81,603
2001	Retaining Walls	42,980
2001	Driveways	19,421
2002	Sewer Line Repairs	44,385
2002	Driveways	11,286
2002	Retaining Walls	51,194
2003	Water & Sewer Line Repairs	1,715
2003	Driveways - Surface and Steps	82,418
2003	Retaining Walls	60,304
2003	Pool Building, Deck, Fence	2,901
2004	Pool - Resurface, Heaters and Filters	8,466
2004	Water & Sewer Line Repairs	6,408
2004	Retaining Walls	3,080
2004	Driveways - Surface and Steps	12,324
2005	Pool - Heaters and Filters	8,910
2005	Driveways	10,656
2005	Water & Sewer Line Repairs	483
2006	Tennis Courts	5,380
2006	Driveways - Surface and Steps	42,272
2006	Pool - Resurface, Heaters and Filters	546
2006	Water & Sewer Line Repairs	5,289
2006	Retaining Walls	6,876
2007	Driveways - Surface and Steps	84,341
2007	Pool - Resurface, Heaters and Filters	7,773
2007	Water & Sewer Line Repairs	2,276
2008	Sprinkler System	4,169
2008	Driveways - Surface and Steps	35,570
2008	Pool - replaced pumps	13,500
2009	Water & Sewer Line Repairs	6,164
Total Disbursements Through August 31, 2009		\$ 1,042,007

INSURANCE COVERAGE – Business Owners Package Policy

Birnamwood purchases a **blanket** policy that covers, to stated policy limits, the **full replacement** of all town houses with Birnamwood from:

Robert E. Mickelson
American Family Insurance
888 W. County Rd. D, Suite 202
New Brighton, MN 55112
Phone: (651) 636-9952 Fax: (651) 636-1196
Email: rmickels@amfam.com

General Policy

Deductible is \$2,500 per occurrence.

Coverage: Primary Liability \$2,000,000 plus umbrella occurrence.

Total Replacement of all buildings is \$42,538,145.

Personal Property included with above Pool building, shed, tennis courts, fountain, etc.

INSURANCE PREMIUM FOR YEAR 2009 – 2010

<u>MODEL</u>	<u># OF UNITS</u>	<u>SQ.FT.</u>	<u>PREMIUM FOR UNIT</u>
Greenwich Std.	52	2,009	\$329.93
Cambridge Std.	41	1,721	\$286.33
Cambridge Ext.	6	1,980	\$325.54
Donegal Std.	50	2,004	\$329.18
Donegal Ext.	25	2,304	\$374.60
Edinboro Std.	32	2,262	\$368.24
Edinboro Ext.	7	2,496	\$403.66
Heathcliff Std.	5	2,588	\$417.59
Custom:	4	vary	variable

Our policy does not cover personal property, furnishings, personal possessions, etc.

If you have questions concerning our insurance coverage please contact Terri Tharp at (952) 736-3767.

The items referred to on page 2 under line 9, as full coverage in that section of the Act are as follows:

- (i) ceiling or wall furnishing materials,
- (ii) floor coverings
- (iii) cabinetry, finished millwork,
- (iv) electrical or plumbing fixtures serving a single unit,
- (v) built-in appliances
- (vi) other improvements and betterments, regardless of when installed with the exception of items that far exceed the normal value and are normally insured through a separate policy.

BHA arranges for a group insurance policy to cover all property (homes and common buildings) in Birnamwood. All homeowners will be sent a premium notice in November/December of each year. The annual insurance premium will be included on the Birnamwood monthly maintenance statement. **It is emphasized that each homeowner should arrange for your own insurance on the contents and personal belongs of your home.**

Minimum Standards Policy

All prospective buyers should be aware that Birnamwood Homes Association enforces a **Minimum Standard Policy**. This is to ensure Birnamwood maintains the beauty, standards and integrity today and in the future.

Minimum standards are the individual Homeowner's responsibility. Following are the Minimum Standards that must be adhered to for each unit in Birnamwood. It is the responsibility and financial obligation of each individual homeowner to see that these standards are met for their unit.

1. All rotted wood must be replaced.
2. All broken boards must be replaced.
3. Any structural defects that may occur must be corrected.
4. Safety defects must be addressed for correction.
5. Cracked boards needing replacement include
 - a. 1/8 inch crack over 36 inches long must be replaced with a board that is a minimum length of eight feet.
 - b. 1/4 inch crack over 18 inches long must be replaced with a board that is a minimum length of eight feet.
 - c. All cracks must be filled prior to painting.
6. Holes on a house that are larger than 1 ½ inches must have the board replaced with a board that is the minimum length of eight feet.
7. Holes on a house smaller than 1 ½ inch must be filled or repaired.
8. Warped or disfigured siding, fascia, soffit or trim that cannot be secured and straightened must be replaced.
9. All sunscreens must meet the above minimum standards or be removed.

Work that can be postponed could include badly deteriorated boards that will not hold paint for a long period. If the homeowner cannot afford the repairs to deteriorated wood it still must be painted as needed. That means, until the homeowner can afford to replace any wood or make the appropriate repairs, it may be necessary to paint any rotten wood yearly or as needed, to ensure Birnamwood maintains its neat appearance.

Birnamwood Community Guidelines

1. When you buy a home in Birnamwood, you become a member of the Birnamwood Homes Association. **The BHA Annual Meeting is held in November of each year.** In addition to a notification in our monthly newsletter "The Winds" you will receive a packet of information to be covered at the meeting in your mailbox. **The Board of Directors meets every third Wednesday of each Month at 7:00PM in a meeting room at Burnsville City Hall.** Notification of these meeting is also included in "The Winds". **You are encouraged to attend any and all of these meetings.**
2. **A Certificate of Registration and Voter Registration are required to be on file for each Unit, by the Association's Governing Documents. You are not entitled to vote at the Annual Home Owner's Meeting unless an updated version of both of these certificates is on file.**
3. **Property Insurance:** Birnamwood Homes Association negotiates a group insurance policy to cover all property (exterior areas of homes and common owned buildings) in Birnamwood. You will receive a premium notice for your portion of the group policy in November of each year. Payment is made directly to the Association. Homeowners that escrow their insurance in their mortgage payment will need to make arrangements for the bank to pay Birnamwood. **Please be aware that the BHA policy is for the exterior and common areas only. The homeowner is responsible for insuring the inside and personal contents of their home, via the insurance agent of their choice.**
4. **The Monthly Assessment Fee covers:**
 - Administration Costs – Accounting services, printing, postage etc.
 - Grounds Maintenance – Snow removal, lawn care, tree trimming
 - Pool & Tennis Court Maintenance
 - Rubbish removal - Twice a week
 - Facilities Maintenance – Steps, sidewalks, driveways, retaining walls, etc.
 - Reserve for Replacement Fund
5. **Contracts:** In order to maintain Birnamwood, the Association maintains annual contracts in the following areas:
 - Accounting Services
 - Grounds Maintenance
 - Pool Maintenance
 - CPA Services (Annual audit of accounting records)
 - Property Insurance
 - Others as required (painting, driveway repair, etc.)
6. **Rubbish Removal:** Rubbish is picked up on **Mondays and Thursdays.** The individual homeowner is responsible for providing their own cans. Two cans, with proper fitting lids, are allowed for each home. You are encouraged to keep them in good condition and to keep the service entries clean.
7. **Recycling is on every other Thursday** and includes newspapers, glass, cans and plastic bottles

8. **Lawn Watering;** It is necessary to use the faucets of some homes to water our lawns. If your home is one of the designated watering units, you will be reimbursed by BHA for costs in excess of minimum usage billings covering the second and third quarters (April – September). Payment will be made upon submission of a copy of your City of Burnsville Utility Bills to the Board of Directors Grounds Liaison. These bills must be submitted no later than December 15th of the year for which they apply.
9. **Pool & Tennis Court Keys:** A key which is furnished to you by the previous homeowner, unlocks the gates at the pool and the tennis courts. Your cooperation is requested in keeping these gates locked. There is a \$25.00 charge to replace a lost key. Contact the Welcome Committee for replacement.
10. **Decks:** Decks and balcony railings are not to be used to hang clothing, towels, rugs, sleeping bags, etc. Clotheslines are not permitted on balconies or decks.
11. **Grills: Charcoal grills are not permitted** to be used on any decks in Birnamwood. Charcoal grills may be used outside a residents garage area, but must be put away after use. Gas and electric grills can be used on decks.
12. **Parking:** All cars must be parked in the garage. Guest Parking is at a premium in Birnamwood, so our rules are enforced and fines may be administered. Garage doors are required to be closed. This deters theft and vandalism and is more pleasant for you neighbors.
13. **Speed Limit:** The speed limit is posted along the ring road. **Please adhere to the speed limit.**
14. **Pets:** Burnsville City Ordinance prohibits pets from running at large and in Birnamwood this means outside your door. Dogs must be licensed and have effective rabies shots. Homeowners must keep their pets on a leash and under control at all times and must pick up their pets droppings. Contact the Board of Directors Vice President, or consult the Rules & Regulations for more information.
15. **Animal Feeding:** The feeding of animals, other than birds on the common grounds of Birnamwood is prohibited.
16. **Birdhouses:** No birdhouses or feeders are to be located where they will interfere with grounds maintenance. Birdhouses and feeders should be of a color and material that is complimentary to Birnamwood. If seeds fall from a Homeowner's birdhouse and create a mess for a neighbor, the offending party is responsible for clean up and may be required to relocate or remove he feeder.
17. **Antennas:** No exterior antennas are allowed in Birnamwood.
18. **Signs:** There is a Board policy prohibiting any type of signs in Birnamwood including, garage sale, home sale, etc.
19. **Trades & Services Directory:** You will be provided a Trades and Services Directory for your convenience by a member of the Welcoming Committee.
20. **Comments, Complaints, Questions:** Please feel free to call, write or email a member of the Board of Directors with any of you questions. Their names and addresses are on the last page of "The Winds".