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COVER STORY:

*Eco-friendly practices in
property management*

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*Three bids or
something better*

» p.6

CONDO
MANAGEMENT

Condominiums
Homeowner Associations
Property Management

Many contractors serving the HOA industry spend an undesirable amount of time submitting free estimates for jobs that will likely be awarded to other vendors. Associations may incorrectly believe that this service has no cost attached. Over the course of a year, however, these costs with

umbrella, it's no surprise that most associations fall short of a systemized program that is well planned, well executed and well administered. Surely this would be an aspiration for everyone in the industry. Associations replacing contractors on a regular basis may have difficulty achieving this goal. With most

THREE BIDS OR SOMETHING BETTER?

no return can be substantial, and it's the client who ultimately picks up the tab for it.

The predominant mindset for most associations with regard to contractor selection is to request a minimum of three proposals. In most cases, the least-expensive proposal is looked upon favorably.

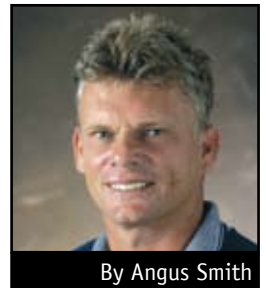
Association oversight of maintenance and repair generally falls into the hands of volunteers and community managers with heavy workloads and little time or expertise to develop long-term maintenance systems. Because of these circumstances and the maintenance volume falling under one oversight

communities subject to limited oversight, the selection of a lesser-known, lesser-priced contractor may not be the best option.

The HOA industry has an undesirable history of under-qualified vendors being awarded contracts. The small savings in selecting less-qualified vendors can and often does get surpassed quickly by short- and long-term losses resulting from poor quality work. Many associations have a tale to tell about repairs, large and small, that had to be done a second time to meet quality and safety benchmarks. Selection of companies with a track record of consistency, reliability, quality and integrity should take precedence over a contractor presenting a lower price.

The concept of a long-term association/vendor relationship is an appealing one. The single most disturbing aspect of an association's corporate record-keeping function is the fact that no one generally knows who did what and when it was done. This inability to track maintenance coupled with insufficient oversight results in little or no accountability for vendors who have done poor work. In this age of computerized tracking capability, an association's lack of systemized knowledge with regard to past maintenance is particularly disappointing. This is an area where significant improvement can be made by associations. A tight management system, accurately tracking all repairs and associated costs, can give communities much-needed information for future budgeting and reserve study projections. Furthermore, it would provide the board of directors with the means to ensure greater accountability for work performed in the past.

Generally it's a contractor who is requested to further investigate a problem called into community



By Angus Smith



Replacement of decayed beam supporting entry balcony to condo



Reconstruction of decayed lower rear balcony

management by a homeowner. Association leadership is putting its trust in contractors to correctly assess, diagnose and provide a corrective scope of work and cost for the community. Will the contractor write a corrective proposal addressing the cause of problem? Or in the self-interest of being low bidder, will the scope of work be written to rectify the symptom only? Will the written scope of work suit the expertise and labor availability of the contractor or the best interest of the association? Will the contractor's price reflect the true value of the work

or will it reflect how much or how little desire he has for the job? It would be very difficult for a board of directors to answer these questions with an unknown vendor. Character traits of a service provider will surface over time, and this will benefit community leadership with decision-making.

Tracking repair and maintenance activities on spread sheets should be done by contractors. Avoiding endless low-bid job searches, contractors could spend time on this and other constructive endeavors. Establishing a long-term proactive maintenance and tracking plan for the association could be achieved.

Can associations expect capable contractors to stay interested in their needs and continue to submit proposals after a pattern of non-acceptance has been established? Or will capable contractors be attracted to associations with an understanding and acceptance that successful business is conducted through relationships of trust and platforms of consistent and quality service?

How challenging is it for a community manager to collect three qualified bids in a timely manner for communities that have a history of multiple contractor use and request of low bid pricing? How demanding is it for a volunteer board to dissect multiple bids on tasks they are likely to have little or no expertise?

Many vendors who have been put in a position of responsibility and trust will make an extra effort to put forth accurate estimates, ensuring work is done on time and material basis is executed diligently and with conviction. The team

CONTINUED ON PAGE 8 >>>



New roof framing being installed on townhome damaged by fire



New siding installation on townhome damaged by fire



New masonry wall construction after automobile damaged condominium association perimeter wall

Raising the Bar

Angus Smith Construction is a "can do company" with the integrity and expertise to get your job done to the highest possible standards of quality and efficiency. Partnered with long-term employees who share these same values and commitment, Angus Smith Construction is the builder of choice for reconstruction and repair for Homeowner Associations.

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LEMONTREE WORK STATUS & INFORMATION FOR ANGUS SMITH CONSTRUCTION

Address	Work Order #	Proposal # & date	Job Description	Status	Invoice #
Jangelo 160	no #	2315 5/12/08	replace concrete patio 100 sq ft	not approved	
Blue Blossom	no #	2316 5/12/08	replace concrete patio 100 sq ft	not approved	
Pool Gate			installed signs on pool (2) gates	Done	1290
Alder Grove			reinforced interior beam attachment to wall framing	Done	1295
Alder Grove			wood replacement (unit in es	Done	1295
Jangelo			replaced trash can (dam	Done	1295
Building			replaced 2 signs on post in		1295
Building			installed conc footing for existing st		
Trash Enc			replaced sign		
Alder Grove			stucco patch and caulki		
Jangelo			replace high termite da		
Blue Bloss			drywall repair after		
Jangelo			replace beams @		10
Jangelo			landing d		11
Jangelo			this is a duplicate wo		
Alder Grove			replace		
Blue Bloss			stucco patch close		1298
Jangelo			wood repairs (unit in es		1311
Alder Grove			resurface top of stair landing		1298
Blue Bloss			deck repairs as per given scope of work		1311
Jangelo			cracked step at entry sta		
Jangelo			replace	Done	1300
Jangelo			area	Done	1300
Jangelo Pool	7745	no proposal		Done	1300
Trash Enc # 13	7739	no proposal		Done	1300
Jangelo Pool	no #	2400 9/25/08		Done	1305
Blue Blossom Pool	no #	2401 9/25/08		Done	1303
Alder Grove 101	7861	no proposal		Done	1300
Building # 12 side	7859	no proposal		Done	1300
Pool Restrooms				not approved	
Alder Grove 62				Done	1305
Alder Grove 183				Done	1305
Jangelo 25				Done	1309
Sidewalks				Done	1320
Alder Grove 142			repair front door / scheduling difficulty	approved	
Alder Grove 125			replace stair railway / post	Done	1305
Jangelo 326			broken footing and bracket for structural post	Done	1309
Jangelo 325			deck balcony is deteriorating / give bid, apptmt 10/23	not approved	
Jangelo 244			rod repairs and lower rear deck replacment	Done	1320
Alder Grove 81			replacement as per termite report / ok for less than \$500	Done	1311
Blue Blossom 24			to patch & paint @	Done	1311
Carport # 266				Done	1311
Jangelo 324	8292	included in prop # 2411	concr	Done	1320
Alder Grove 103	no #	per Kevin		Done	1312
Utility Cabinets	8346	no proposal	remove c	Done	1312
Blue Blossom 80	8440	no proposal		Done	1312
Blue Blossom 200	8453	no proposal	paint a/	Done	1312
Jangelo Pool Gate	8460	no proposal	gre	Done	1312
Alder Grove 105	8530	no proposal	replace	Done	1320
Alder Grove 164	8540	no proposal	replace w	Done	1316
Blue Blossom 249	8592	2424 11/20/08	submit prop	not approved	
Alder Grove 100	8663	2427 11/26/08	install new	not approved	
carport 185 & 186	8674	2426 11/24/08	prov	not approved	
Building 21	8806	no proposal	utility	Done	1316
Jangelo 42	8871	no proposal		Done	1320
Alder Grove 122	8920	no proposal	repair front door	approved	
			structural post repair		

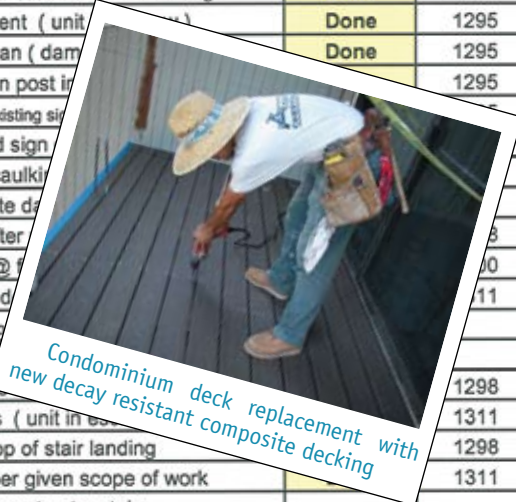
environment will bring out the best in everyone and will lead to cohesion and a shared goal by all parties.

Efficiencies and cost savings will be just some of the benefits available to the contractor and board of directors with stable, longer-term planning. These cost savings can go directly to the association's bottom line.

An understanding and partnership between parties will minimize dispute and attorney involvement. The relationship should be built and nurtured carefully with both sides comfortable that long-term trust and compatibility is possible.

Achievement of this will be a constructive step forward for everyone!

Angus Smith is the owner of Angus Smith Construction.



Condominium deck replacement with new decay resistant composite decking



Repair to entry balcony surface



Application or waterproofing texture on condominium balcony



Below grade masonry wall being sand-blasted clean prior to waterproofing installation