

Townhall Meeting of the Members

Tuesday, May 24, 2022 at 6:30 p.m.

www.suttonfieldshoa.com

Agenda

- **Call Meeting to Order**
- **Introduction of Board of Directors**
 - **Alex Hargis, Secretary**
 - **Troy Hammers**
- **Introduction of Advisory Committee Members**
 - **Phillip Romero**
 - **Robert Harvey**
 - **Frederick Tsa**
 - **Nici Phillips**
 - **Raghu Pasumarthi**
 - **Bharat Kardale**
 - **Adekunle Fagade**
- **Introduction of Centurion American Representative & Essex Association Management, L.P. Representatives**
 - **Ron Corcoran, President**
 - **Sean Corcoran, Director of Operations**
 - **Al Silva, Community Association Manager**
- **Amenity Center Expansion**
 - **Project Overview / Review Schematic Design**
 - **Project History**
 - **Financing Plan**
 - **Next Steps**
- **Open Discussion**
 - **Homeowner Q & A**
- **Adjournment**

Meeting Structure & Process

All Owners will have audio and voice capabilities during this meeting however, please keep in mind, as with any other meeting, an Owner may not speak from the floor without being recognized by Essex or the Board. If you are attending online through your computer, you may access and use the “Hand Raised” icon and during the Open Session Homeowner Q&A portion of the meeting. At that time. Essex will accept your questions and/or comments from the floor. Please be sure any written questions are submitted before the meeting is adjourned.



The purpose of this meeting is to discuss with the Members of the Association the proposed plan of expanding our current Amenity Center along with calling out for Skilled Volunteers that are willing to volunteer their time on working together with the Developer and Construction Mangers for the Future Amenity Center Project.

Amenity Center Expansion - Overview



Location

The proposed indoor facility would be located on the southeast corner of the recreational site. The sport court would be removed so the indoor facility can occupy the entire southeast corner.

Features

An enclosed meeting space with garage style doors facing west and opening to the greenspace, a workout room with TV's, free weights, and exercise machines, a commons area with restrooms, communal tables, and kitchen, additional parking, and exterior power for food trucks.

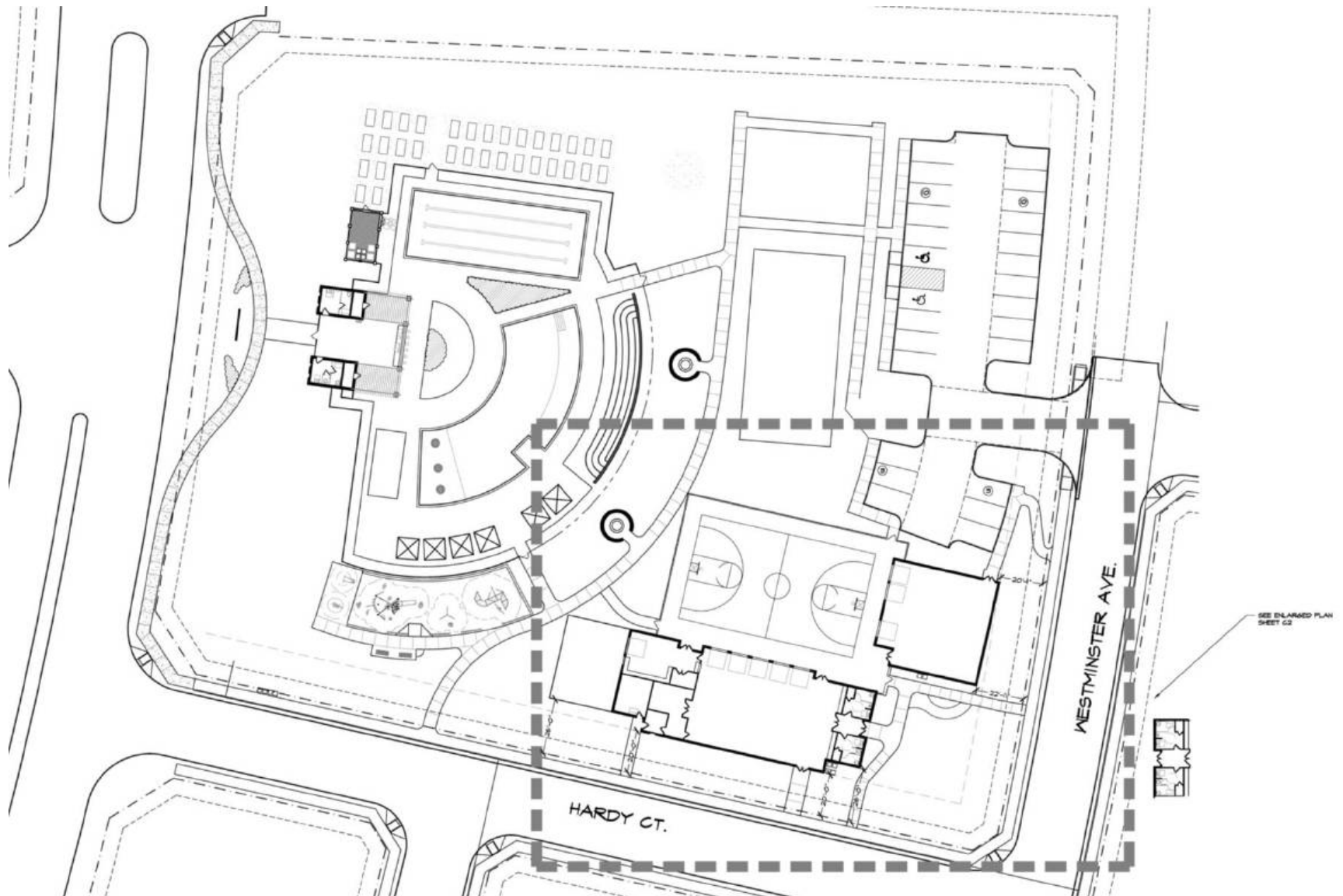
Meeting Area

Workout Room

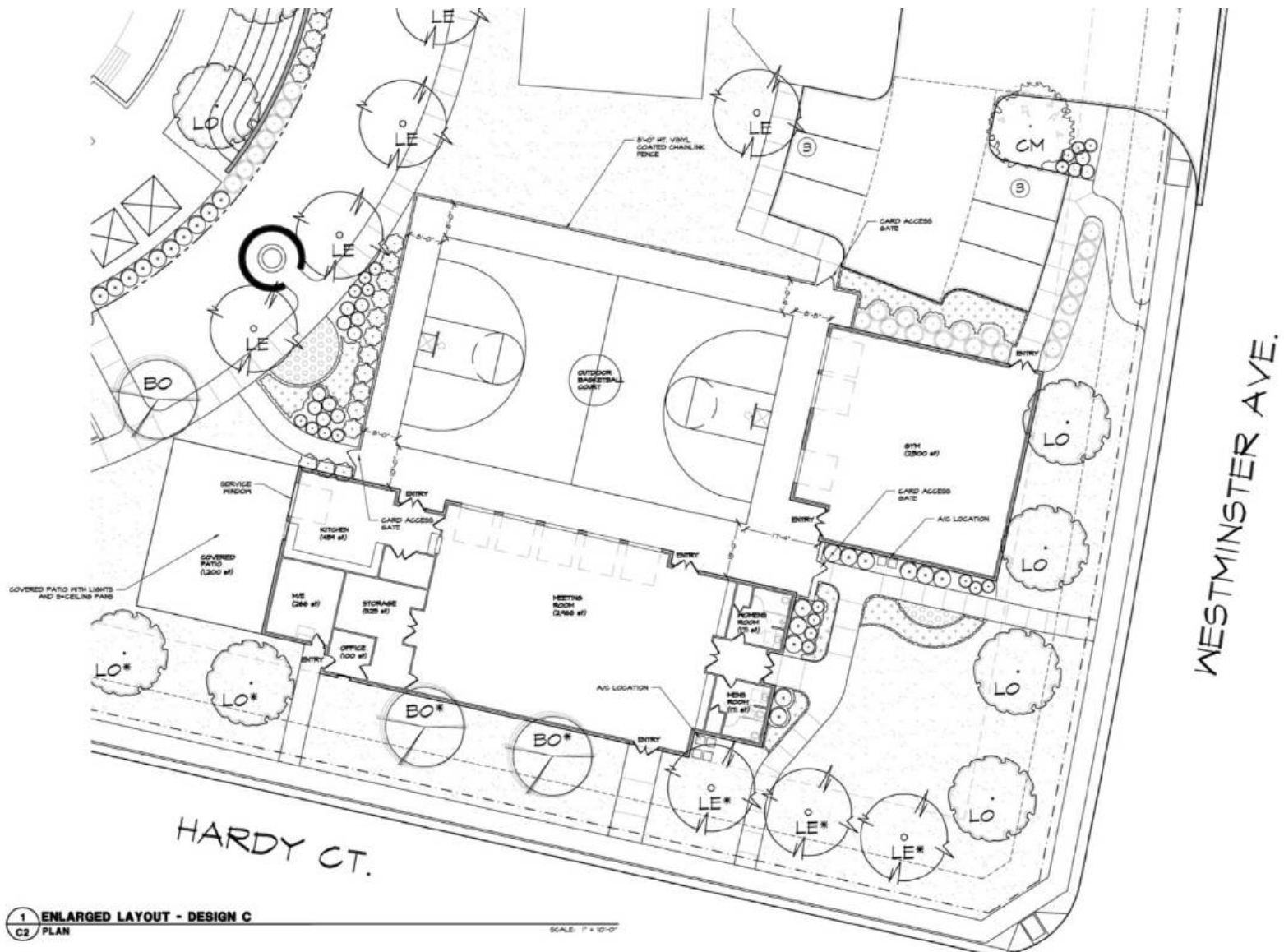
Commons Area

Kitchen

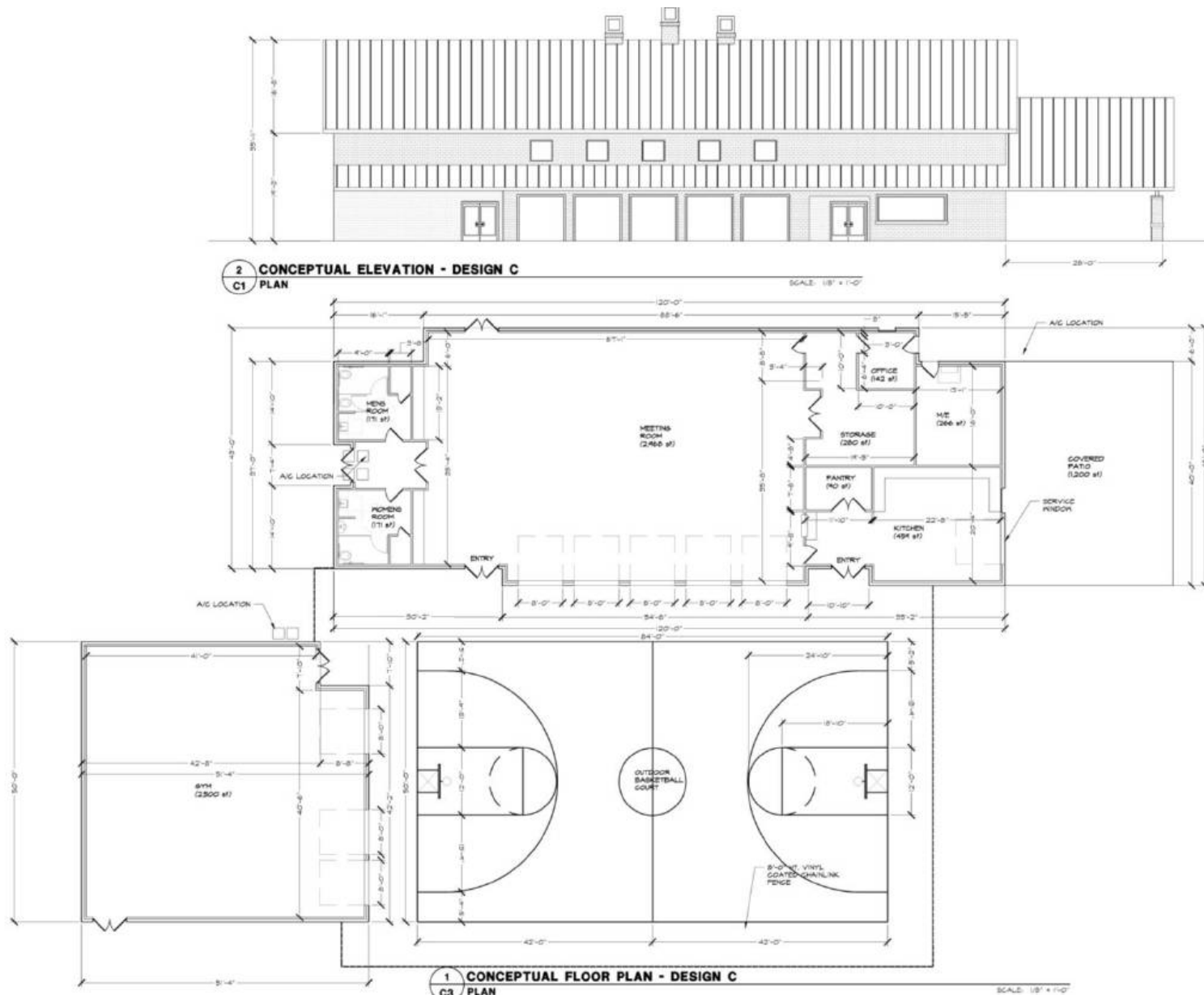
Amenity Center Expansion - Overview



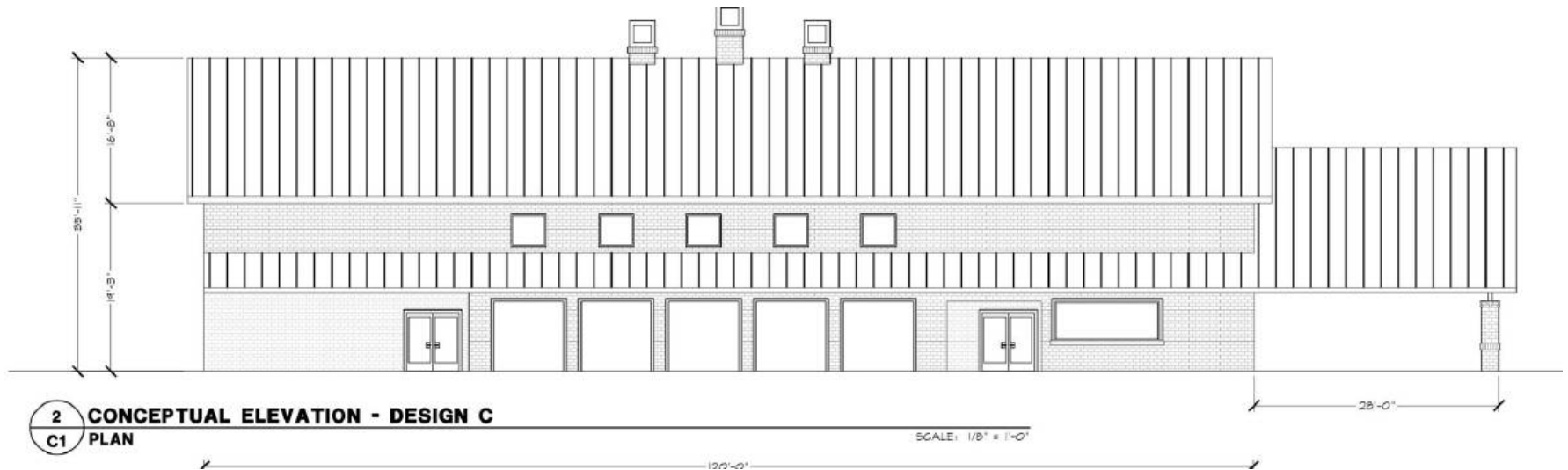
Amenity Center Expansion - Overview



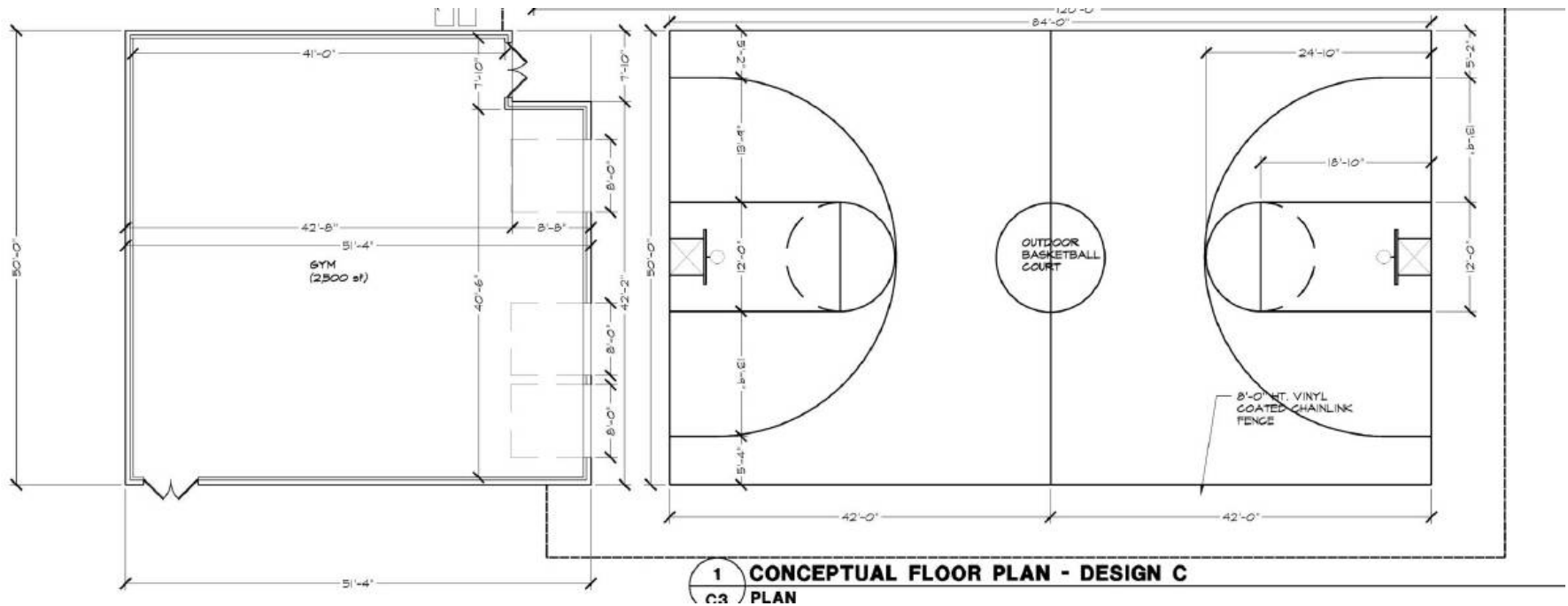
Amenity Center Expansion - Overview



Amenity Center Expansion - Overview



Amenity Center Expansion - Overview



2 CONCEPTUAL ELEVATION - DESIGN C

C1 PLAN



Amenity Center Expansion - History

Developer and a few homeowners begin talking about how to improve Sutton Fields.

Advisory committee is sanctioned by Developer. Homeowners pitch their design ideas.

Board rep meets with Developer to negotiate design scope, budget, and financing.

Developer agrees to design and build a structure around 3,500 sq.ft..

SEPT.
2020



OCT.
2020



NOV.
2020



DEC.
2020

Amenity Center Expansion - History



Workout Room

A 60' x 35' exercise area outfitted with TV's, free weights, and machines for cardio and strength training.



Kitchen

A prep kitchen area that includes counterspace, cabinets, refrigerator, dishwasher, microwave, and storage.

Meeting Area

A 40'x20' room with HVAC, fans, garage doors, meeting furniture, TV's and audio speakers.



Commons Area

A 56' x 24' meeting space with restrooms, communal tables, and lounge furniture.



Amenity Center Expansion - History

Developer submits first draft of a 3,500 sq.ft. pre-fab building. AC rejects the designs.

Developer agrees to contribute \$320K and to turn over design and project control to HOA.

HOA announces project to residents and sends out a survey for programming feedback.

First studio design from Developer is submitted and rejected.

FEB.
2021



MARCH
2021

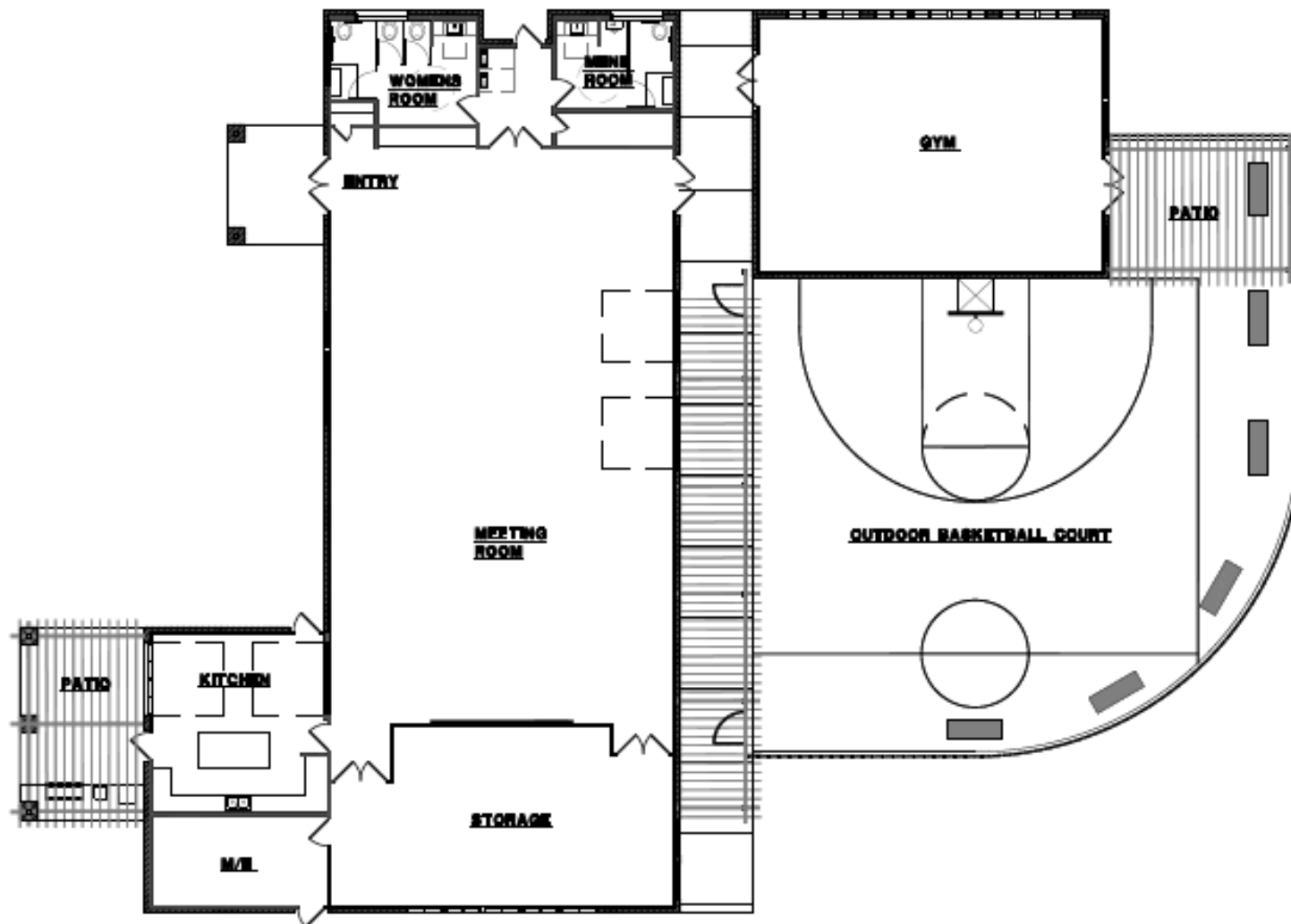


APRIL
2021



MAY
2021

Amenity Center Expansion - History



Amenity Center Expansion - History

Developer announces east expansion of 500 more homes. HOA renegotiates with Developer to increase contribution to \$650K.

Developer's design studio submits round B plans. They are rejected by the HOA.

Developer's design studio submits acceptable round C plans that are sent to residents for feedback.

Developer's vendors are too busy to take on this project. HOA decides to move forward with an RFP to select their own vendors.

JUNE
2021



JULY
2021

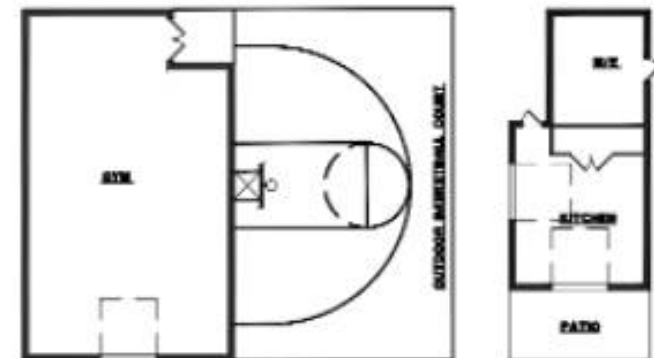
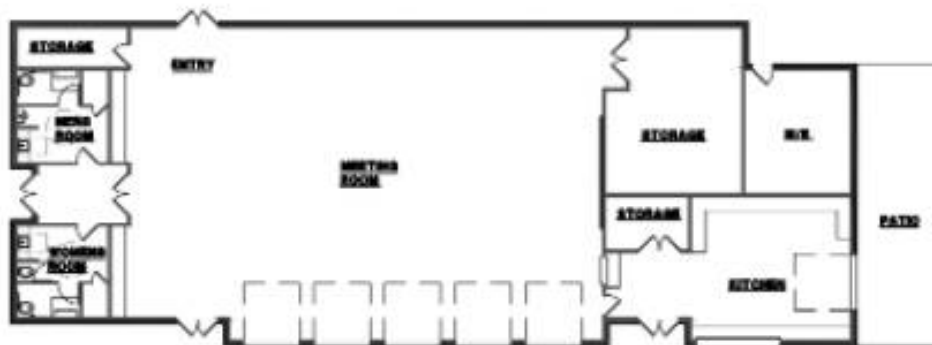


SEPT.
2021



NOV.
2021

Amenity Center Expansion - History



Amenity Center Expansion - History

HOA issues RFP for architect and engineering services. Developer deposits their \$650K contribution to HOA.

RFP interviews are conducted with three candidates. One is a design-build firm, two are architectural firms that are also residents.

HOA determines the right approach is a design-build firm. RFP is reissued to get additional quotes from like firms.

Additional interviews are conducted. HOA selects Authers Building Group for project. Board and Essex meets to determine financing plan for project.

JAN.
2022



FEB.
2022



MARCH
2022



APRIL
2022

Amenity Center Expansion – About ABG



Authers Building Group, LLC
500 Industry Way, Suite #10
Prosper, TX 75078

BUILDING TRUST WITH QUALITY WORK



Amenity Center Expansion – About ABG

Our Core Values



Belief

One of the first building blocks in most everything we do.

You must have trust, faith or confidence in a deity or purpose.



Integrity

Constant uncompromising adherence with strong values, moral fortitude and ethical principles.



Empowerment

Authority or power given to another to grow.

There will come a time when you will relinquish your authority and slip into obscurity.



Accountability

The obligation of an individual or organization to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner.



Amenity Center Expansion – About ABG

Testimonials

HKS

I have had the pleasure of knowing Kiwi Authers for over 12 years. During that time we worked together on approximately \$750 million in Commercial construction projects. Complex both in execution and scheduling. Kiwi's creativity and leadership are contagious, the Sub Contractors go out of their ways to meet the task he sets forward.

Fred B. Montes, AIA - Vice President

Northwest INDEPENDENT SCHOOL DISTRICT

I have known and worked with Kiwi Authers for the better part of my professional career. Kiwi's dedication and commitment to providing quality construction and owner's satisfaction has proven itself time and time again. He is a great problem solver and is constantly going above and beyond to deliver projects on time and on budget.

Tim McClure, AIA - Asst. Superintendent of Facilities

MERIT[™] ROOFING SYSTEMS, INC. Commercial • Educational • Industrial

We have had the opportunity to partner with Kiwi Authers and his team on a number of projects now. In our experience, Authers is a highly skilled, solutions-oriented firm who is a pleasure to work with. We would not hesitate to partner with them on any endeavor.

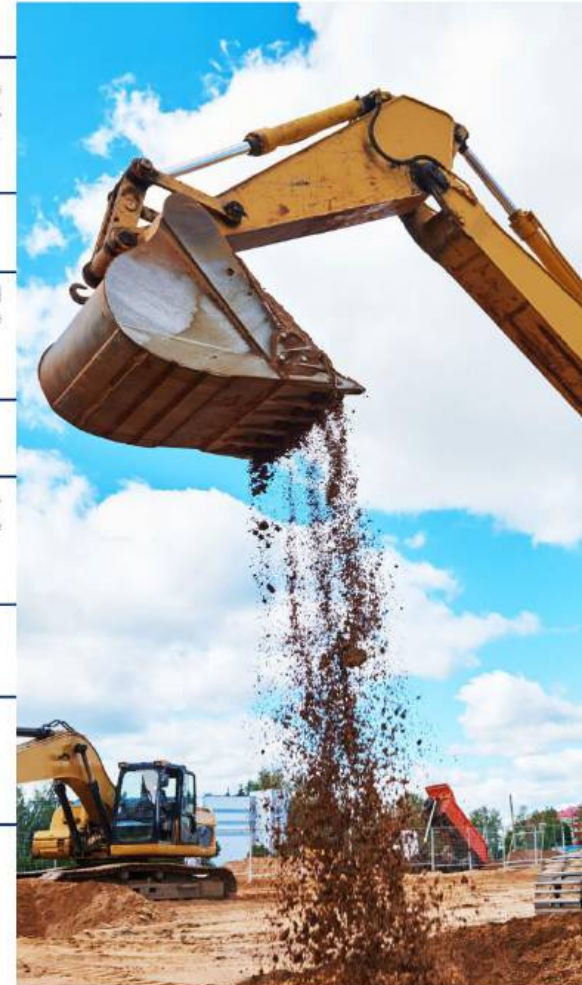
Brent Cannatelli, Merit Roofing - Vice President

HPM

I have known Kiwi Authers for over 20 years. When involved in my projects, there is a certain "care" that he takes to ensure the overall quality is of the highest standards. He is a man of his word, and his breadth of knowledge and experience from Pre-Construction to Closeout, makes for the smoothest of projects!

Gary L. Rademacher, AIA - Director of Planning Services

TRANSPARENCY – We are an open book and believe honesty is always the best policy.



Amenity Center Expansion – About ABG

Markets



Industrial



Municipal & City



K-12 Education



Faith Based



Private



Remediation



Parking

Amenity Center Expansion – About ABG

Faith Based



One Community Church Plano – Student Worship



One Community Church Plano - Youth Ministry

Location: Plano, Texas

Owner: One Community Church

Architect: GFF Architects

Delivery Method: CMAR

Contract Amount: \$9.7 million

Square Feet: 36,000

Completed: December 2021

Financing Plan – Design/Engineering/CA costs

Category	Discipline	Company name	Years of Experience	Unit Qty.	UoM	Supplier Response				Total Cost	Extension	\$/RSF
						Base Rate (\$ per hour)	Burden (\$ per hour)	Overhead (\$ per hour)	Profit (\$ per hour)			
Programming	Architecture / Interior Design	Envision Architects + Planners	35.00	LS	HRS					\$5,100	\$0	\$0.36
	Lighting Design				HRS					\$0	\$0	\$0.00
	MEP	Maxfield Consultants	29.00		HRS					\$0	\$0	\$0.00
	LEED Consulting				HRS					\$0	\$0	\$0.00
	Acoustical Engineers				HRS					\$0	\$0	\$0.00
	Food Service Designer				HRS					\$0	\$0	\$0.00
	Structural	Ennovation Engineering	33.00		HRS					\$0	\$0	\$0.00
	Permitting/Code Experts				HRS					\$0	\$0	\$0.00
	Fire Consulting				HRS					\$0	\$0	\$0.00
	Civil Engineer	Glenn Engineering	55.00		HRS					\$0	\$0	\$0.00
	Landscape Architect				HRS					\$0	\$0	\$0.00
	ABG Preconstruction	ABG	40.00	LS	HRS					\$2,550	\$0	\$0.18
Subtotal, Programming										\$7,650	\$0	\$0.54
Schematic Design	Architecture / Interior Design	Envision Architects + Planners		LS	HRS					\$30,700	\$0	\$2.54
	Lighting Design				HRS					\$0	\$0	\$0.00
	MEP	Maxfield Consultants			HRS					\$0	\$0	\$0.00
	LEED Consulting				HRS					\$0	\$0	\$0.00
	Acoustical Engineers				HRS					\$0	\$0	\$0.00
	Food Service Designer				HRS					\$0	\$0	\$0.00
	Structural	Ennovation Engineering			HRS					\$0	\$0	\$0.00
	Permitting/Code Experts				HRS					\$0	\$0	\$0.00
	Fire Consulting				HRS					\$0	\$0	\$0.00
	Civil Engineer	Glenn Engineering		LS	HRS					\$4,250	\$0	\$0.30
	Landscape Architect				HRS					\$0	\$0	\$0.00
	ABG Preconstruction	ABG		LS	HRS					\$3,400	\$0	\$0.24
Subtotal, Schematic Design										\$43,350	\$0.00	\$3.09
Design Development	Architecture / Interior Design	Envision Architects + Planners		LS	HRS					\$20,400	\$0	\$1.45
	Lighting Design				HRS					\$0	\$0	\$0.00
	MEP	Maxfield Consultants			HRS					\$0	\$0	\$0.00
	LEED Consulting				HRS					\$0	\$0	\$0.00
	Acoustical Engineers				HRS					\$0	\$0	\$0.00
	Food Service Designer				HRS					\$0	\$0	\$0.00
	Structural	Ennovation Engineering			HRS					\$0	\$0	\$0.00
	Permitting/Code Experts				HRS					\$0	\$0	\$0.00
	Fire Consulting				HRS					\$0	\$0	\$0.00
	Civil Engineer	Glenn Engineering		LS	HRS					\$8,500	\$0	\$0.60
	Landscape Architect				HRS					\$0	\$0	\$0.00
	ABG Preconstruction	ABG		LS	HRS					\$3,400	\$0	\$0.24
Subtotal, Design Development										\$32,300	\$0	\$2.30
Documentation Permitting and Bidding	Architecture / Interior Design	Envision Architects + Planners		LS	HRS					\$35,700	\$0	\$2.54
	Lighting Design				HRS					\$0	\$0	\$0.00
	*MEP	Maxfield Consultants			HRS					\$0	\$0	\$0.00
	LEED Consulting				HRS					\$0	\$0	\$0.00
	Acoustical Engineers				HRS					\$0	\$0	\$0.00
	Food Service Designer				HRS					\$0	\$0	\$0.00
	*Structural	Ennovation Engineering			HRS					\$0	\$0	\$0.00
	Permitting/Code Experts				HRS					\$0	\$0	\$0.00
	Fire Consulting				HRS					\$0	\$0	\$0.00
	Civil Engineer	Glenn Engineering		LS	HRS					\$17,000	\$0	\$1.21
	Landscape Architect				HRS					\$0	\$0	\$0.00
	ABG Preconstruction				HRS					\$0	\$0	\$0.00
Subtotal, Documentation Permitting and Bidding										\$52,700	\$0.00	\$3.75
Construction Administration	Architecture / Interior Design	Envision Architects + Planners		LS	HRS					\$25,500	\$0	\$1.81
	Lighting Design				HRS					\$0	\$0	\$0.00
	*MEP	Maxfield Consultants			HRS					\$0	\$0	\$0.00
	LEED Consulting				HRS					\$0	\$0	\$0.00
	Acoustical Engineers				HRS					\$0	\$0	\$0.00
	Food Service Designer				HRS					\$0	\$0	\$0.00
	*Structural	Ennovation Engineering			HRS					\$0	\$0	\$0.00
	Permitting/Code Experts				HRS					\$0	\$0	\$0.00
	Fire Consulting				HRS					\$0	\$0	\$0.00
	Civil Engineer	Glenn Engineering			HRS					\$0	\$0	\$0.00
	Landscape Architect				HRS					\$0	\$0	\$0.00
	ABG Preconstruction	ABG		6% of \$1.25m	HRS					\$59,950	\$0	\$4.06
Subtotal, Construction Administration										\$82,450	\$0.00	\$5.87
TOTAL										\$218,450	\$0	\$15.55

Financing Plan – Project Budget

ABG Costs: \$218,000

Construction Costs: \$1,282,000

Direct Owner Purchases: \$100,000

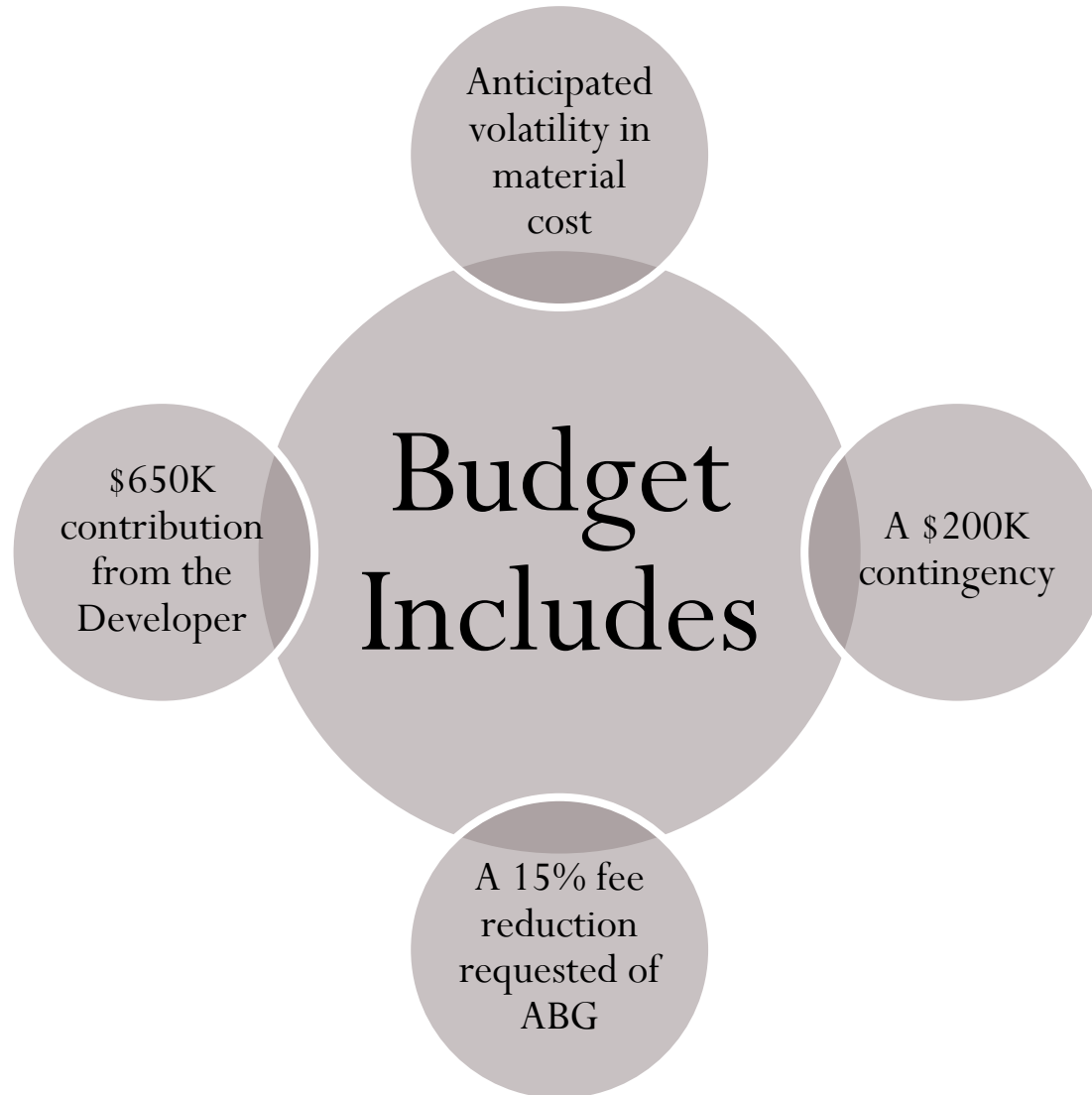
(Furniture, fixtures, and equipment “FF&E”)

Total Project Costs: \$1.6M

Developer Contribution: \$650,000

Balance for HOA to Fund: \$950,000

Financing Plan – Budget Details



Financing Plan – HOA Balance Funding

HOA Portion of Project: **\$950,000**

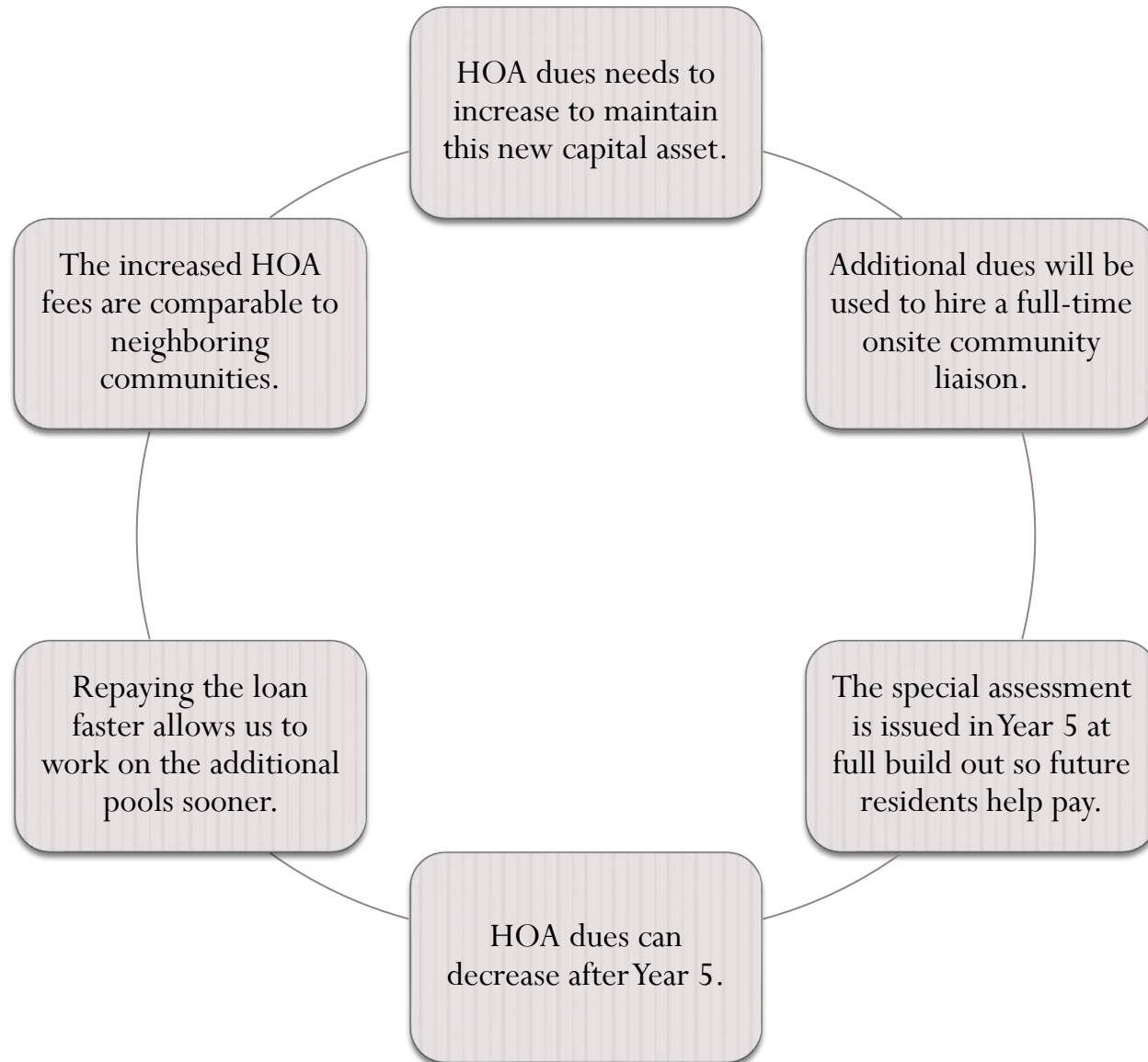
- \$50,000 – From annual operating budget
- \$900,000 – 5 Year Term Loan
 - .50% origination fee
 - Prime + .50% floating during the 12-month draw
 - Converting to a 5-year term / 5-year amortization and fixed rate at a 5-year treasury + 300 bps
 - 1st lien on the amenity center property
 - Annual debt service pays of approx. \$200 P&I
 - No real estate due diligence required
 - Shorter term loan to clear the debt faster

Financing Plan – Loan Repayment

- A maximum increase of \$75 HOA dues each year for the next four years.*
- A one-time special assessment fee in year five to payoff the remaining loan balance.*
- Cap fees on home sale transactions will be raised from \$250 to at least \$350.

** The dues increase in years 1-4 and the special assessment fee in year 5 will be based on the additional cap fee revenue. Meaning, those amounts could be less depending in cap revenue.*

Financing Plan – Financing Justifications



Amenity Center Expansion – Next Steps

- Execute contract with ABG
- Begin design development phase
- Create construction timeline
- Anticipated opening of facilities is Spring 2023 at the latest.

Open Session – Homeowner Q&A

For any questions, comments, or concerns that did not get submitted or answered during the meeting, please submit an inquiry via the “Contact Us” tab through the Association’s website and an Essex Representative will respond back shortly.



www.suttonfieldshoa.com

Adjourn Meeting



**THANK YOU ALL FOR
ATTENDING**