

TERRACE BROOK HOMEOWNER ASSOCIATION

Subject: April 21, 2009 Owners Meeting Minutes

Attendees:

- 26 Home owners were represented. List included with minutes in corporate files.
- Bert Williams; ACMI
- Jamie Cornelius; Director was unable to attend due to events beyond his control.

Mr. Williams opened the meeting and apologized on behalf of Mr. Cornelius who was unable to attend due to an occurrence beyond his control. Mr. Cornelius asked that Mr. Williams collect questions that would normally be responded to by the board for his consideration and response.

DEVELOPMENT STATUS: Mr. Williams reported that the association is scheduled to have about 400 homes when fully developed. At this time 195 home sales have been closed by builders with 290 lots having been developed. New home sales have averaged 1-2 per month thus far in 2009. The fact that Taylor Morrison is the builder has proved to be fortunate as they seem to be weathering the current financial downturn whereas many of their competitors in the Houston market have gone into bankruptcy, or withdrawn from home building activities.

In response to a question he reported that the association board will become an elected board near completion of the development. The exact timing will depend upon the pace of home sales.

NEWSLETTER: Mr. Williams introduced Melissa O'Brien who has been coordinating the association quarterly newsletter. Ms. O'Brien indicated the past newsletters are now posted on the association web site and that she would welcome volunteers to assist on future newsletters. She can be reached through an e-mail link on the web site.

TERRACEBROOKHOA.COM: Mr. Williams reported the association web site is now operational. It includes association legal documents, pool information, newsletters and other useful information. He asked for volunteers for a web site committee to ensure that the site is maintained in a current and useful status. The address for the web site is www.terracebrookhom.com.

POOL OPERATIONS: Mr. Williams indicated the pool will open on May 15th. Details, with application and related documents are posted on the web site and also are to be mailed to owners within a few days. Attendees asked if the cleaning service retained in 2008 will be working again in 2009. Mr. Williams responded that they will be. Owners complemented that service. Questions were raised re security at the pool with the possible installation of a security camera or dummy camera being suggested. (See attached Q&A).

FINANCIAL: Mr. Williams reviewed the financial statement included as Attachment 1 and responded to owner questions. Key points were:

- The association has cash reserves of \$50,000 plus \$97,345 in checking for 2009 operations.
- Receivables total \$22,511 with 8 accounts currently with an attorney for collection activities.
- The largest operating costs are for landscape and other maintenance, pool operations, electricity (streetlights), administration and financial support and insurance.
- Any cash remaining at year end from the operating budget will be added into the association reserve account since as a non-profit corporation the association is not to show a profit or carry large amounts of cash over from year-to-year for operational requirements.

OTHER DISCUSSION: A number of other issues were raised by owners and discussed informally by Mr. Williams. These issues have been re-stated as a series of questions and submitted to Mr. Cornelius to obtain an official board response. The resulting question and answer document is attached as Attachment 2. Questions are in black with the response in bold (red if you are viewing the document on the web site).

Mr. Williams reminded attendees that the association needs volunteers to assist in with activities. Anyone interested in becoming involved should contact ACMI at info@ACMIgmt.com.

Following these discussions the meeting was adjourned.

If you have questions related to this information please contact the management company, ACMI, via e-mail at info@acmimgmt.com or by phone at 866(380)2292.