

a view from the coast

Skyview Community Association Selects South Coast As Their New Management Company

South Coast Property Management continues to grow as Scott Smith, principal, is pleased to announce the addition of Skyview Community Association to the company's client list.

Skyview is located in the Turtle Rock section of Irvine at Ridgeline and Turtle Rock Drive.

"Personalized service continues to be a desire of the clients that have hired South Coast and it's the essence of what I'm trying to do with my company" said Smith.

South Coast will take over as the new managing agent effective September 1, 2004.

"This selection represents the sixth client to join South Coast. At this point I'm only one to two clients away from where I hoped to be and as those additional clients come aboard, I'll have to look at what I want to do about growth in the future" Smith continued.

South Coast is also starting the process to become designated as a Certified Management Firm through CACM. "It's my hope to successfully



complete the process and achieve the designation by the end of this year"

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Growing Your Homeowner Association Reserves

In recent years, the importance of accumulating reserves has dawned on many HOA Boards and Managers. Proper reserve planning drives an HOA's ability to adequately care for assets by having both the funds and a maintenance schedule to follow. A well executed reserve study calls for a funding plan that systematically grows reserves to address future repairs and replace-

ments without the need for special assessments.

As a rule of thumb, the average garden variety condominium should have around \$3000-\$6000 per unit in reserves, depending on amenities. There are many HOAs that should have much more than that because of deferred maintenance or extensive common elements. Even the most modest properties should have tens of thou-

sands of dollars socked away in reserves. Larger, more complex properties should accumulate reserves in the millions. To truly know what level of reserves applies, a reserve study must be performed by an experienced and qualified reserve analyst. (See www.apra-usa.com for a list.)

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Dealing With Those Garden Mites!

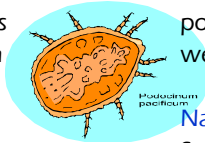
The heat is on! Throughout the Western region, we've been experiencing the dog days of summer. Working in the garden is hard when it's hot. Try to get garden chores done early in the day so you can sit back and relax with a tall glass of iced tea (with some sprigs of fresh mint from the herb patch stirred in) when the temperatures are soaring.

Cooling Down the Garden

The yard and garden appreciate a light misting when it's really hot. Use a special misting nozzle; it's not only a fun summer activity for the family, but very effective. This moisture will cool down the foliage, and contrary to the old myth, moisture on the foliage will not cause scorched spots. If it did, any afternoon shower followed by sunshine would burn up all the leaves.

Identifying Mites on Foliage

While the hot weather is often intolerable to gardeners, it's perfect for some pests in the garden, especially spider mites. Mite-infested foliage on evergreen and deciduous trees and shrubs develops a sickly yellow or mottled look. An easy way to confirm that your plants are under attack by mites is to hold a sheet of white paper underneath the leaves or needles. Shake the branch forcefully; if mites are



Lady bugs and dishwashing soap are two ways to combat mites.

present, the shaking will knock them onto the paper. They appear as tiny, moving specks. As spider mite populations explode, you may notice the fine, spider-like webbing mites use to travel throughout a plant.

Natural Mite Predators

Several natural predators, such as lacewing larvae, predatory mites, and ladybugs will help keep mites in check. If you find any of these predators in your foliage, avoid spraying pesticides that will harm them.

Mite Home Remedies

When you detect a minor infestation of mites, you can wash them off the plant with a forceful spray of water. Be sure to direct the water to the underside of the foliage. Repeat every few days to break up the life cycle of these destructive pests.

You can also try this homemade recipe of miticidal soap. Mix 1 to 2 teaspoons of mild, liquid dishwashing soap in a gallon of water and spray it on the infested foliage. (Don't use dishwashing soaps that contain bleach, water softeners, or degreasers, as they can burn the leaves.) Again, be sure to direct the spray to the underside of the foliage.

Do Your Association Reserves Match Your Needs?

(Continued from page 1)

As reserve funds grow, it's extremely important that the Board have an investment plan. Wisely investing reserves can reduce owner contributions by thousands of dollars over time. While your friendly banker always has some investment options available, the Board should explore other options for higher yielding instruments. (See www.bankrate.com for options in your location.)

Because of fiduciary concerns, the Board should usually only invest in guaranteed and insured investments unless the membership votes to be more aggressive. In either case, there should be a clear and written investment policy for the Board to follow.

A word about depositor insurance. FDIC Insurance is limited to \$100,000. But some banks catering to homeowner association business have additional private

depositor insurance that protects a much larger amount of HOA funds. While this addresses the depositor insurance question, the Board still needs to consider whether the bank offers the best rates.

One of the greatest pitfalls of reserve fund investment is losing track of yield because it's out of sight, out of mind. Interest yields ebb and flow. Currently, savings and money market rates have fallen to historic lows. But that will change at some point so having a reliable investment tracking system is important to ensure that the return on reserves stays as high as possible without risking principal. There are free online investment portfolio trackers available at www.fool.com and www.morningstar.com for those that like

“Growing reserves means good stewardship”

to self manage. Or, if your HOA has been blessed with substantial reserves, hiring a financial advisor to track investments and advise the Board makes sense.

If your homeowner association's reserve fund and investment plan have been out of sight, it time to expose them to the light. Growing reserves mean good stewardship and is one of the Board's highest callings.

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Adequate reserves are necessary to keep property maintained and values high.