



WilkinGuttenplan

CPAs & Advisors

TRANSITIONING FROM DEVELOPER TO HOMEOWNER CONTROL: AN EFFECTIVE APPROACH TO MINIMIZING RISK

MEASURE THE VALUE OF USING A LEADER

At WilkinGuttenplan, we offer our clients expertise backed by years of experience. Allowing them the opportunity to maximize a variety of benefits from their transactions, investments, and relationships, including:

- Mitigating financial risk
- On-time/in-budget project delivery
- Tax savings
- Project profitability
- Return on investment
- Cost management

THE DEVELOPER RISK MANAGEMENT PROGRAM

Our skilled team of professionals has served more than a thousand real estate entities; owners, investors, managers, developers, and Community Associations throughout the New York/New Jersey metro area. At WilkinGuttenplan, we know that transition into leadership roles of an active adult community can be fraught with adverse circumstances. Presentations of claims and assertions by the Association can easily deteriorate into very difficult negotiations or litigation.

Our viable alternative: The Developer Transition Risk Management Program. This process integrates planning, communication and efficient project management to help: People in these leadership roles face a variety of challenges to properly address the varied, complex, and specialized financial needs of an active adult community.

Here's how we can help

- Reduce costs and project delays
- Mitigate litigation and damage claims
- Enhance community relations

DESIGNED TO ADDRESS YOUR CRITICAL OBJECTIVES

At WilkinGuttenplan, our comprehensive process can help address accounting and financial issues during transition to ensure they are not expensive or painful. Throughout every phase of the project we help you achieve short and long-term objectives:

1. Project Inception

- Enhancing configuration planning
- Modeling alternative build-out schedules and determining related costs/sponsor subsidy funding levels
- Initial budget preparation and letter of adequacy



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2. Period of Developer Control

- Fostering a positive relationship between the Association Board, Finance or Audit committees and the Developer
- Recommending and supporting the adoption of “best practices” and financial policies during the Association’s developmental stage
- Facilitating budgeting which identifies cost saving opportunities, reflects reduced/eliminated subsidies, and minimizes pressures to raise maintenance fees
- Monitoring budget vs. actual results, including recommendations for POS budget updates

3. Transition

- Identifying, assessing and reducing the risk and/or magnitude of financial claims
- Assisting in settlement planning/negotiation
- Providing expert witness/testimony and defense support

CONSTRUCTED FOR SUCCESS

We work with Developers, Management, and the board/finance committees in:

- Assisting with POS budget preparation
- Performing annual audits and reviewing results with all parties
- Providing formal training/orientation for the Board/Finance committee about Associations’ unique practices and financial considerations
- Supporting management/developer recommendations with independent/second opinions at Board/Finance committee meetings
- Developing ongoing relationships with Board/Finance committee members
- Reviewing/explaining the implications of engineering reports and reserve schedules with the Board/Finance committee, as well as to Developers to evaluate funding scenarios
- Assisting the Board/Finance committee in developing governance practices to properly delineate roles/responsibilities
- Anticipating potential financial and facilitating mutually agreeable solutions