

# 2024 FAHA Annual Meeting

Flying Acres Homeowners Association

September 29, 2024



Creating a Legacy for Now and the Future

Preserving Crest Airpark/Norman Grier Field for our community.

# Agenda

- Welcome
- New Neighbors
- Board Member Elections
- Year in Review
- Treasurer's Report
- Basics of Airport Purchase
- Association Agreement Change
- Close of 2024
- Start of 2025
- Open for Discussion
- Adjourn



# Striving to Preserve a Future at Crest for the Next Generation



**Challenge: Our legal access to the airport will terminate December 31, 2025, if we don't buy it!**

# Welcome New Neighbors



## **Paul Cainkar**

(Dave Beckett & Pam Curfman Home on Taxiway 'A')

## **Stephen & Lori Sasow**

(Dick Burghart Home on Taxiway 'D')

## **Eric & Vicki Harris & Son Alex**

(Doris Thompson Home Taxiway 'E')

## **John & Shirely Crane**

(Mark & Brenda Lee Home Taxiway 'F')

## **Doug & Danielle Schmidt**

(Kevin & Brittany Mayes Home Taxiway 'G')

## **Riley & Brianna Evetts**

(Mark Ackerman Home Taxiway 'G')

# Board Member Elections

- **Jeff Miller**
  - (2012), currently serving as President of the Board
- **Janet Gundlach**
  - (Forever), currently serving as Treasurer
- **Tara Owens**
  - (2022), Vice Treasurer
- **Rex MacLean**
  - (2018), Board Member
- **Doug Schmidt**
  - New to the airport!

# 2024 Year in Review



January	Letter of Introduction from our lawyer, Shasta Kelley was sent Rikki Birge and her lawyer
February	Jeff Miller attended comprehensive Development Plan meeting. Crest Airpark zoning for and around airport remains RA5SO: 5 acre minimum lot size with special airport overlay.
March	The board form 'New Crest Airpark, LLC'.
June	The Association Agreement (AA) document was emailed to the membership for review. A critical critique led to additional Board review and additional verbiage from Shasta Kelley. Section 5.3.1 now spells out the \$45k cap on per lot purchase assessment. Additional funding, if required, will be through a loan, whether it be owner financed (Rikki Birge), commercial bank, or homeowner loans.
September	A revised AA document with additional language specifying a \$45k cap on per lot one-time purchase assessment. Additional funding, if required, will be owner financing (Crest Airpark), bank loan, or homeowner loans. The Board proposes a signing period to commence in the week following the Annual Meeting.
September	Selected Des Moines Escrow, Inc. to review legal descriptions and signature pages for accuracy, guide signature gathering, and recoding the agreement with King County.

# Treasurer's Report



<b>Balance on Jan 1, 2024:</b>	<b>41,643.78</b>
Income (Dues):	13,275.50
Expenses (lawyer, PO Box fees, CPA fees, Office Depot):	<b>(3,203.17)</b>
<b>Present balance:</b>	<b>51,716.11</b>

# Roadmap to Airport Ownership





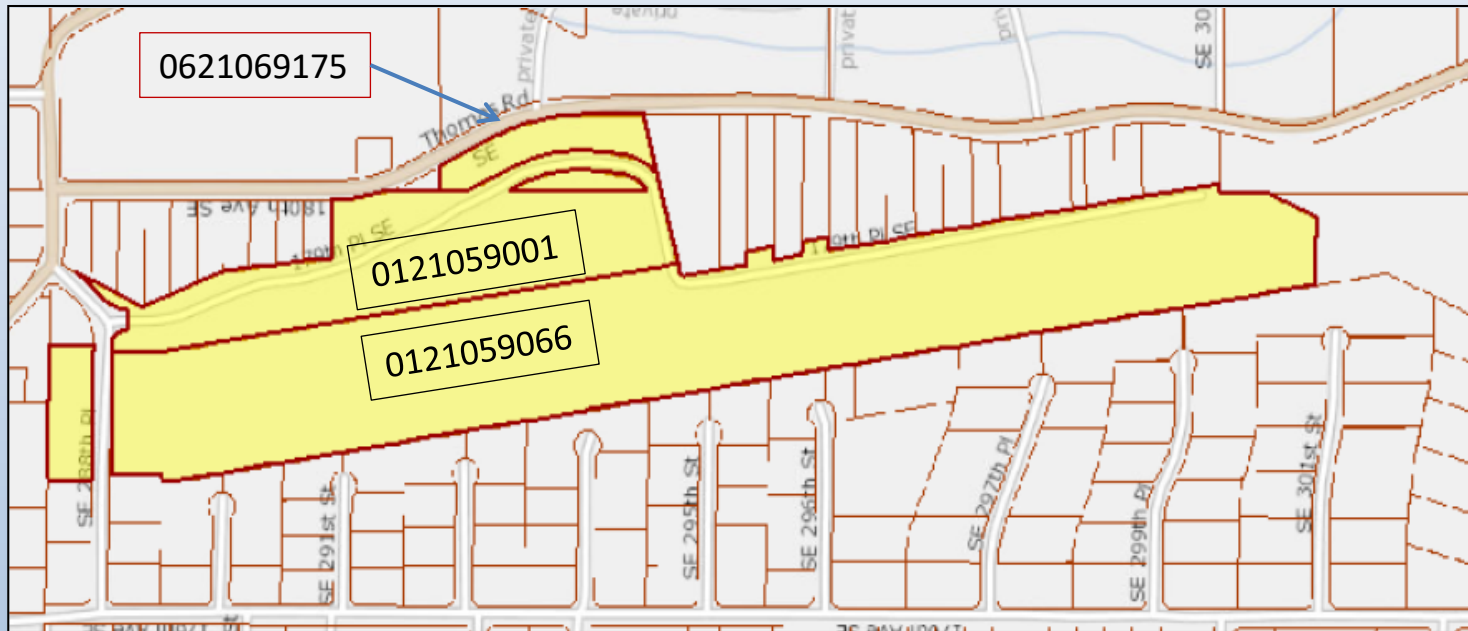
# Characteristics of Our Purchase Contract

- Part of the 2010 Settlement
- The contract defines the when and how of the sale
- Agreement is one sided
  - Grier family must sell to us
  - We MAY buy if all conditions are met
- What are those conditions?
  - FAHA has enough people sign Association Agreement
  - We accept the appraised price
- Price?
  - Determined by three appraisers  
One selected by Crest, One selected by FAHA, One selected by the other two appraisers



# Airport Property Included in the 2010 Settlement

Must buy all airport parcels (runway, taxiway, office, fuel farm, tie downs and hangars)

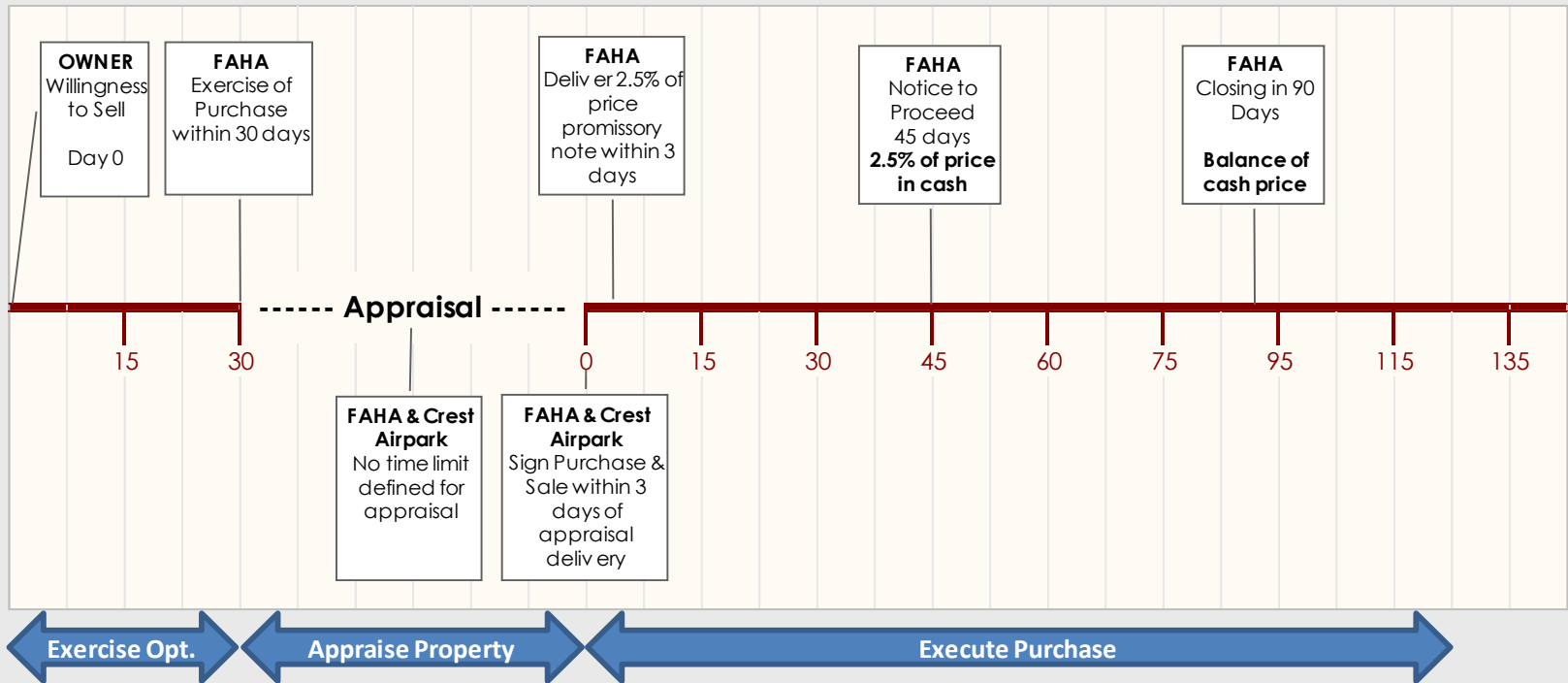


King County assessed value increased from \$2.3 million in 2021 to \$3.0 million for 2022.

**King County has not updated since 2022.**

# Purchase Timeline Illustration

## Airport Purchase Timeline



2.5% of \$3.5 million is \$87,500

An appraisal taking 60 days could result in purchase taking up to 180 days to complete.

# Governance



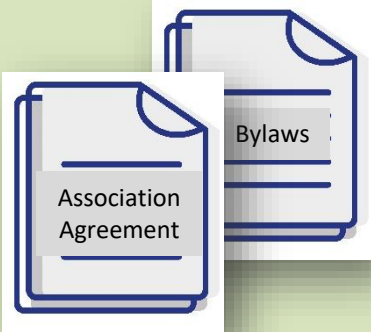
YOUR HOA



Board of Directors



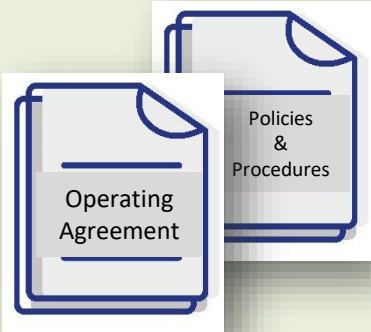
FAHA only member in



Holds LLC



Board of Managers



# Association Agreement Change

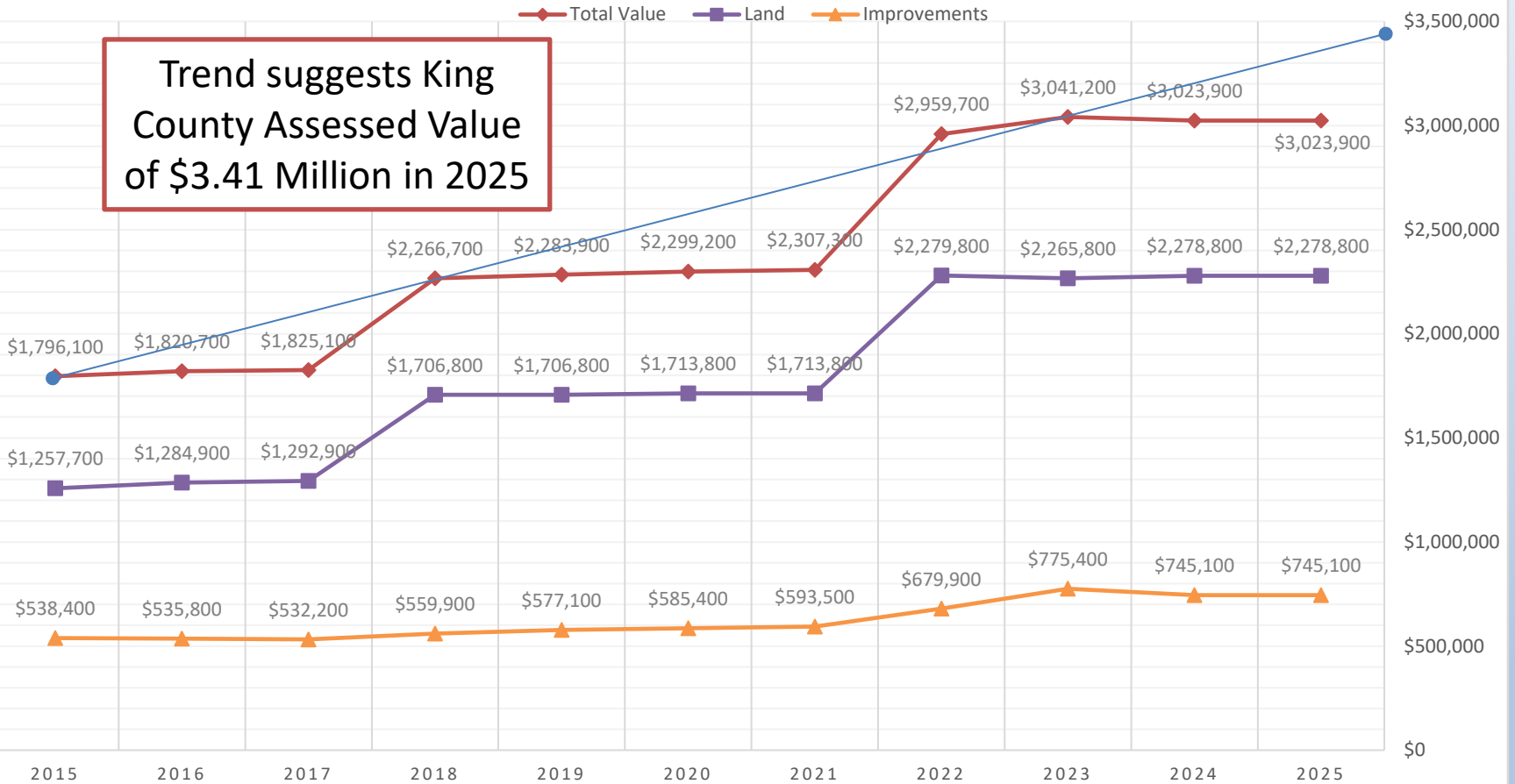
5.3.1 One-Time Airfield Purchase Assessment. The one-time airfield purchase assessment shall be a one-time assessment against each Parcel collected by the Association to be contributed to the Purchasing LLC, as a wholly owned subsidiary of the Association, which shall constitute the Association's capital contribution for the express purpose of exercising the Association's option to purchase and acquire the Airfield ("One-Time Airfield Purchase Assessment"). In furtherance of the purchase of the Airfield, the Board will work in good faith with the owner of the Norman Grier Field to purchase the Airfield for fair market value (as defined in the Settlement Agreement). ***Notwithstanding anything to the contrary contained herein, the One-Time Airfield Purchase Assessment shall not exceed Forty-Five Thousand Dollars and No/100ths (\$45,000.00) per Parcel.*** The Board shall otherwise be authorized and empowered to do or cause to be done all such acts or things and to sign and deliver, or cause to be signed and delivered, all necessary documents, instruments, and other agreements as the Board may need necessary, advisable or appropriate to effectuate the purpose and intent of exercising the Association's option to purchase.



# King County Crest Airpark, Inc. Assessed Value

9/24/2024

## KING COUNTY ASSESSED VALUE TREND



10/29/2024

## FAHA Board Airport Value Assumption

- FAHA Bases Estimate of Airport Value on King County (KC) Appraisals
- Actual Appraisal Determines Value
  - As vacant land
  - As a business (assets, liabilities, financial performance)
  - Other methods?
- Rule of Thumb Used: Add 10% to King County Assessor Appraisal
- 2025 Estimated Value is \$3.75 million = \$3.41 million pr KC + %10
- Assumed Homeowner Assessment of \$3.6 million = 80 Members x \$45,000
- Impacts of the Estimated Value and One-time Purchase Assessment Gap
  - Requires that we borrow money
  - No funds available for transaction costs
  - No operations startup funds
  - Will likely need a special assessment

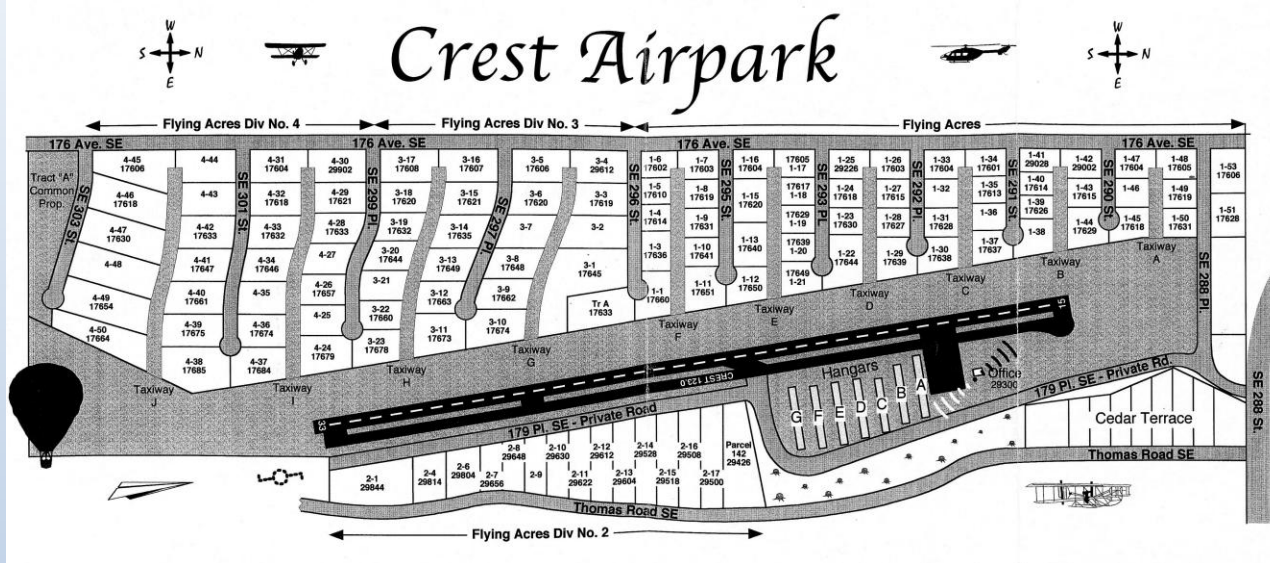
## Plan for Remainder of 2024

- Sign and Record Association Agreement by 12/31/2024
- Assistance from Des Moines Escrow
  - Validate Legal Descriptions
  - Document and Signature Management
- Start Signing when Legals Validated
- Joining Association in 2025 after Recording
  - Requires Initiation Fee
  - Initiation Fee = One-time Purchase Assessment + \$10,000
  - Pay Legal and Administrative Costs to Join





# 2025 Plan



- Initiate Purchase in 1<sup>st</sup> Quarter of 2025
- One-time Purchase Assessment due
- Annual Payment to Crest of \$700+
- Annual FAHA Assessment of \$750
- Need Operating Capital

# Thank You

- Eric and Suzanna Eversole for Hosting
- Tamera Nason for Potluck Setup
- Dick and Robbi Broussard for Hosting Board Meetings
- Janet Gundlach for Everything
- The Current and Past Boards
- FAHA Members for Their Insights

Any other comments or questions?

Thank you for your ongoing support!