POTOMAC OVERLOOK

★ NATIONAL HARBOR ★

THE UPLANDS HOMEOWNER'S ASSOCIATION

October 30, 2026

Dear Uplands HOA Homeowners,

Enclosed for your review is the proposed 2027 budget for The Uplands Homeowners Association, which has been reviewed by the Board of Directors. The proposed budget includes a 15.34% increase in the monthly assessment. Beginning January 1, 2027, the monthly fee for Potomac Overlook Condos 3-8 will increase from $217.36 to **$250.70** (an increase of $33.34), and the monthly fee for Potomac Overlook Condos 7 (new homes), 9, 9E and 10 will increase from $223.36 to **$257.62** (an increase of $34.26). The Board will vote on formal adoption of the proposed 2027 budget at the November 30, 2026, virtual Board meeting, at 6:00 pm, which will be held immediately prior to the Annual Meeting that same night. To provide homeowners with an opportunity to ask questions about the proposed 2027 budget, a virtual Board meeting will be held on November 17, 2026, at 7:00 pm. Homeowners who wish to participate in either of the upcoming meetings may do so using the following meeting links or call instructions:

November 17, 2026, 6 PM - Information and questions about budget
Link: https://zoom.us/j/2316749465?pwd=Y3BXQTVyZENPMGZzTGVhWTRTWHEydz09
Dial-in: Phone: 301-715-8592 | Meeting ID: 231 674 9465 | Passcode: 312078

November 30, 2026, 7PM - Budget Adoption
Link: https://abarisrealty.zoom.us/j/5311631097?pwd=K1ZxczFXUjZIdldWWjJUaGtFdUxOUT09
Dial-in: Phone: 301 715 8592 | Meeting ID: 531 163 1097 | Password: 529175

The Board recognizes that this is a meaningful increase and did not reach this decision lightly. Prior to finalizing the budget, the Board met with the Sub-Association presidents to discuss the proposed increase, the factors contributing to it, and the Association's financial obligations.

The Uplands is still a growing community, and as new homes have settled over the past year, several of the Association's core operating costs have come in higher than projected. The 2027 budget has been built around actual costs so that the Association can meet its obligations and continue to fully fund its reserves without the need for a special assessment. Water and sewer service, the Association's single largest expense, accounts for more than half of the total increase. The budget also reflects unanticipated expenses associated with the transition study. A transition study is an independent evaluation conducted as the Uplands HOA assumes control from the developer to identify potential construction defects, incomplete work, warranty items, and other matters that may require attention. The study's findings require additional legal review and consultation, resulting in higher-than-anticipated legal costs. The largest increases are shown below:

Expense	2026 Approved	2027 Proposed	Change
Water/Sewer	$555,000	$687,521	+$132,521
Legal	$5,000	$30,000	+$25,000
Irrigation	$60,000	$80,000	+$20,000
Grounds/Landscaping	$115,900	$130,000	+$14,100
Trash	$118,530	$130,950	+$12,420
Snow Removal	$40,000	$50,000	+$10,000
Electricity	$6,000	$12,500	+$6,500
Tree Care	$15,000	$20,000	+$5,000
Total Expenses and Reserves	**$1,217,109**	**$1,434,582**	**+$217,472**

Adequate funding of the HOA's reserves in accordance with an independent reserve study is required by Maryland law. The Uplands HOA's most recent reserve study was conducted by Becht Engineering in 2023. The proposed 2027 budget includes a replacement reserve contribution of $96,182, which is the full amount recommended by the reserve study for 2027 and keeps the Association in compliance with this requirement. Enclosed is a summary of the reserve study. The full reserve study is available by clicking here and on the Uplands HOA website: www.uplandsnh.com

If you should have any questions or comments regarding the proposed 2027 budget, please feel free to voice them at the upcoming November 17, 2026, virtual meeting. If you are unable to attend the meeting, please feel free to send your comments to me in writing at customercare@abarisrealty.com. The final, approved budget will be sent to homeowners via email and posted on the HOA's website at www.uplandsnh.com soon after the Board formally adopts it at the November 30, 2026, meeting. On behalf of the Board, I thank you for your attention to this matter and look forward to your participation in the upcoming meeting!

Sincerely,

Andrew Moorman, CMCA
Community Manager

Enclosures

1. Proposed 2027 Budget
2. Reserve Study Chart

The Uplands Homeowners Association

Proposed 2027 Budget

Managed by Abaris Real Estate Management, Inc.

Audited 2023	Audited 2024	Mgmt 2025	Acct #	Description	6-Month Actual Jan 26-Jun 26	Approved Budget 2026	Proposed Budget 2027	Variance Proposed 27 vs. Approved 26	% Chg
REVENUE									
Member Assessments									
		$ 395,827	41100	Special Assessment Fees		$ -	$ -	$ -	-
$ 763,005	$ 852,020	$ 1,108,822	41140	Master Assessment	$ 549,687.15	$ 1,183,304.00	$ 1,398,828.76	$ 215,524.76	18.2%
$ 12,456	$ 13,650	$ 8,190	41180	Working Capital	$ 8,736.00	$ 13,401.60	$ 23,187.00	$ 9,785.40	73.0%
	$ 6,917	$ 2,435	41400	Late Fees		$ -	$ -	$ -	-
$ 175		$ 25	41442	Legal Admin Fee		$ -	$ -	$ -	-
	$ 360	$ 171	41560	Miscellaneous Fees	$ 300.00	$ -	$ -	$ -	-
$ 775,636	**$ 872,947**	**$ 1,515,470**		**Total Member Assessments**	**$ 558,723.15**	**$ 1,196,705.60**	**$ 1,422,015.76**	**$ 225,310.16**	**18.8%**
Other Revenue									
$ 3,741	$ 1,780	$ 11,602	43030	Interest	$ 6,721.14	$ 17,903.04	$ 12,566.00	$ (5,337.04)	(29.8%)
$ 9,000	$ 20,000	$ 10,000	43970	Developer Contribution/Settlement		$ 2,500.00		$ (2,500.00)	(100.0%)
$ 12,741	**$ 21,780**	**$ 21,602**		**Total Other Revenue**	**$ 6,721.14**	**$ 20,403.04**	**$ 12,566.00**	**$ (7,837.04)**	**(38.4%)**
$ 788,377	**$ 894,727**	**$ 1,537,072**		**TOTAL REVENUE**	**$ 565,444.29**	**$ 1,217,108.64**	**$ 1,434,581.76**	**$ 217,473.12**	**17.9%**
OPERATING EXPENSES									
Administrative									
$ 47,000	$ 60,000	$ 61,800	50020	Management Fees	$ 31,827.00	$ 63,654.00	$ 65,246.00	$ 1,592.00	2.5%
$ 175			50032	Legal Admin	$ -	$ -	$ -		-
		$ 4,310	50040	Legal	$ 31,321.46	$ 5,000.00	$ 30,000.00	$ 25,000.00	500.0%
	$ 500		50051	Corporate Transparency Act Fee	$ -	$ -	$ -		-
$ 750	$ 750	$ 13,750	50060	Audit/Tax Prep.	$ 400.00	$ 2,500.00	$ 5,675.00	$ 3,175.00	127.0%
$ 1,915	$ 2,845	$ 3,850	50120	Postage/Printing	$ 132.30	$ 500.00	$ 500.00	$ -	-
$ 321			50130	Postage	$ -	$ -	$ -		-
$ 173			50140	Printing	$ -	$ -	$ -		-
$ 2,000	$ 2,000		50190	Community Inspections	$ -	$ 1,000.00	$ 2,400.00	$ 1,400.00	140.0%
		$ 35	50380	Bank Charges	$ 35.00	$ -	$ -		-
			50440	Committee Exp	$ 620.96	$ -	$ -		-
			50571	Technology Fee	$ -	$ -	$ 420.00	$ 420.00	-
			50620	Reserve Study	$ -	$ 7,500.00	$ -	$ (7,500.00)	(100.0%)
		$ 2,627	50710	Community Social Activities	$ -	$ 4,000.00	$ 2,500.00	$ (1,500.00)	(37.5%)
$ 965	$ 1,156	$ 2,119	50830	Website	$ 732.90	$ 2,500.00	$ 2,000.00	$ (500.00)	(20.0%)
$ 2,347	$ 1,222	$ 10,460	50980	Miscellaneous	$ 7,925.00	$ 2,681.25	$ 2,733.76	$ 52.51	2.0%
$ 55,646	**$ 68,473**	**$ 98,951**		**Total Administrative**	**$ 72,994.62**	**$ 89,335.25**	**$ 111,474.76**	**$ 22,139.51**	**24.8%**
Utilities									
$ 18,495	$ 14,062	$ 11,786	51020	Electricity	$ 6,263.47	$ 6,000.00	$ 12,500.00	$ 6,500.00	108.3%
$ 498,298	$ 544,873	$ 523,864	51080	Water/Sewer	$ 244,876.54	$ 555,000.00	$ 687,521.00	$ 132,521.00	23.9%
$ 516,793	**$ 558,935**	**$ 535,650**		**Total Utilities**	**$ 251,140.01**	**$ 561,000.00**	**$ 700,021.00**	**$ 139,021.00**	**24.8%**
Contracted Services									
$ 114,242	$ 119,978	$ 100,542	52020	Trash	$ 80,558.26	$ 118,530.00	$ 130,950.00	$ 12,420.00	10.5%
$ 87,510	$ 99,360	$ 129,464	52040	Grounds/Landscaping	$ 58,529.54	$ 115,900.00	$ 130,000.00	$ 14,100.00	12.2%
$ 3,127	$ 1,153	$ 1,512	52060	Exterminating	$ 1,507.13	$ 3,000.00	$ 3,000.00	$ -	-
	$ 32,293	$ 51,730	52320	Snow Removal	$ 72,420.00	$ 40,000.00	$ 50,000.00	$ 10,000.00	25.0%
$ 6,999	$ 13,010	$ 7,458	52971	Dog Station	$ 5,362.42	$ 10,652.00	$ 11,200.00	$ 548.00	5.1%
$ 211,878	**$ 265,794**	**$ 290,706**		**Total Contracted Services**	**$ 218,377.35**	**$ 288,082.00**	**$ 325,150.00**	**$ 37,068.00**	**12.9%**
Maintenance Repairs									
$ 8,776	$ 11,908	$ 7,056	53240	Lighting Maintenance	$ 600.00	$ 3,000.00	$ 500.00	$ (2,500.00)	(83.3%)
		$ 9,279	53260	Landscape Enhancements		$ 50,000.00	$ 50,000.00	$ -	-
		$ 2,750	53280	Tree Care	$ 29,430.00	$ 15,000.00	$ 20,000.00	$ 5,000.00	33.3%
$ 53,894	$ 36,804	$ 85,002	53310	Irrigation	$ 36,646.00	$ 60,000.00	$ 80,000.00	$ 20,000.00	33.3%
			53340	Bulk Trash Pick up		$ -	$ -		-
$ 11,250	$ 1,745	$ 1,965	53420	General Repairs	$ 3,315.42	$ 2,500.00	$ 10,250.00	$ 7,750.00	310.0%
$ 14,950			53460	Painting		$ 1,250.00	$ -	$ (1,250.00)	(100.0%)
			53560	Concrete		$ 3,000.00	$ -	$ (3,000.00)	(100.0%)
		$ 811	53660	Common area outdoor furniture		$ 2,500.00	$ -	$ (2,500.00)	(100.0%)
$ 88,870	**$ 50,457**	**$ 106,863**		**Total Maint. Repairs**	**$ 69,991.42**	**$ 137,250.00**	**$ 160,750.00**	**$ 23,500.00**	**17.1%**
Insurance, Taxes, Licenses									
$ 6,276	$ 7,635	$ 10,304	59100	Insur. - Master Policy	$ 1,956.50	$ 11,809.00	$ 12,000.00	$ 191.00	1.6%
$ 410			59300	Taxes - Corp. Inc. Tax	$ 5,700.00	$ 3,681.00	$ 3,770.00	$ 89.00	2.4%
$ 190	$ 175	$ 249	59400	Taxes - Real Estate		$ 2,500.00	$ 500.00	$ (2,000.00)	(80.0%)
$ 6,876	**$ 7,810**	**$ 10,553**		**Total Ins., Taxes, Lic.**	**$ 7,656.50**	**$ 17,990.00**	**$ 16,270.00**	**$ (1,720.00)**	**(9.6%)**
$ 880,063	**$ 951,469**	**$ 1,042,723**		**TOTAL OPERATING EXPENSES**	**$ 620,159.90**	**$ 1,093,657.25**	**$ 1,313,665.76**	**$ 220,008.51**	**20.1%**
REPLACEMENT RESERVES									
$ 12,456	$ 13,650		61000	Capital Contribution		$ -	$ -		-
$ 14,244			63020	Operating Res.		$ -			-
$ 53,000	$ 78,020	$ 90,661	63110	Rep. Reserves - General	$ 46,690.50	$ 93,381.00	$ 96,182.00	$ 2,801.00	3.0%
$ 3,741	$ 1,780		63120	Reserve Interest	$ 6,721.14	$ 17,903.04	$ 12,566.00	$ (5,337.04)	(29.8%)
$ 10,000	$ 10,000	$ 10,440	63540	Phase 2, CA Walls**	$ 6,084.00	$ 12,168.00	$ 12,168.00	$ -	-
		$ 395,827	63952	Special Assessment Fund		$ -	$ -		-
$ 93,441	**$ 103,450**	**$ 496,928**		**Total Replacement Reserves**	**$ 59,495.64**	**$ 123,452.04**	**$ 120,916.00**	**$ (2,536.04)**	**(2.1%)**
$ 973,504	**$ 1,054,919**	**$ 1,539,651**		**TOTAL EXPENSES AND RESERVES**	**$ 679,655.54**	**$ 1,217,109.29**	**$ 1,434,581.76**	**$ 217,472.47**	**17.9%**
$ (185,127)	**$ (160,192)**	**$ (2,579)**		**NET INCOME (LOSS)**	**$ (114,211.25)**	**$ (0.65)**	**$ (0.00)**	**$ 0.65**	

Only three historical years were available in the source workpapers (2023-2025); 2025 reflects unaudited actuals (no ATB available at time of preparation). 6-Month Actual reflects Jan–Jun 2026 activity from HOA management software.

The community is in active phased build-out/absorption (new units continuing to settle through 2026), which affects Member Assessment growth year over year.

Prepared by Abaris Real Estate Management, Inc. | 1101 Wootton Parkway, Suite 820, Rockville, MD 20852

2026 Assessments	2027 Assessments		HOAs	Units	Total
$ 217.36	$ 250.70	per month	PO 3 - 8, Less 7 New	280	$ 842,362.16
$ 223.36	$ 257.62	per month	PO 7 New, 9, 9E, 10 (2026)	165	$ 510,094.38
$ 223.36	$ 257.62	per month	PO 10 (2027)	30	$ 46,372.22
2027 $ Increase	**$ 33.34**		**2027 Total Units using a rolling average**	**475**	**$ 1,398,828.76**
2027 % Increase	**15.34%**		**2027 Projected Total Units**	**490**	

Reserve Fund Scenario

Project Name: The Uplands Homeowners Association/ Potomac Overlook
Project Location: Fort Washington, Maryland
Project Number: 23-0089
Date of Study: September 2023
Month Contributions Commence: January 2024

Calculation Method: 5% of Rep. Cost
Minimum Balance: $72,256
Interest Rate: 1.00%
Inflation Rate: 3.00%

Year	Opening Balance	Annual Contribution	Contribution Adjustment	Disbursements	Earned Interest	Closing Balance
2024	$124,646	$88,020	$0	$0	$1,723	$214,389
2025	$214,389	$90,661	$0	$10,300	$2,635	$297,385
2026	$297,385	$93,381	$0	$10,609	$3,480	$383,637
2027	$383,637	$96,182	$0	$10,927	$4,357	$473,249
2028	$473,249	$99,067	$0	$11,255	$5,269	$566,330
2029	$566,330	$102,039	$0	$11,593	$6,216	$662,992
2030	$662,992	$105,100	$0	$11,941	$7,199	$763,350
2031	$763,350	$108,253	$0	$12,299	$8,220	$867,524
2032	$867,524	$111,501	$0	$12,668	$9,279	$975,636
2033	$975,636	$114,846	$0	$13,048	$10,378	$1,087,812
2034	$1,087,812	$118,291	$0	$1,098,351	$11,519	$119,271
2035	$119,271	$121,840	$0	$13,842	$1,853	$229,122
2036	$229,122	$125,495	$0	$14,258	$2,971	$343,330
2037	$343,330	$129,260	$0	$14,685	$4,133	$462,038
2038	$462,038	$133,138	$0	$15,126	$5,342	$585,392
2039	$585,392	$137,132	$0	$111,395	$6,597	$617,726
2040	$617,726	$141,246	$0	$16,047	$6,942	$749,867
2041	$749,867	$145,483	$0	$16,528	$8,287	$887,109
2042	$887,109	$149,847	$0	$45,114	$9,683	$1,001,525
2043	$1,001,525	$154,342	$0	$17,535	$10,851	$1,149,183
2044	$1,149,183	$158,972	$0	$779,604	$12,353	$540,904
2045	$540,904	$163,741	$0	$18,603	$6,296	$692,338
2046	$692,338	$168,653	$0	$19,161	$7,837	$849,667
2047	$849,667	$173,713	$0	$19,736	$9,438	$1,013,082
2048	$1,013,082	$178,924	$0	$20,328	$11,100	$1,182,778
2049	$1,182,778	$184,292	$0	$52,344	$12,826	$1,327,552
2050	$1,327,552	$189,821	$0	$21,566	$14,304	$1,510,111
2051	$1,510,111	$195,516	$0	$329,195	$16,160	$1,392,592
2052	$1,392,592	$201,381	$0	$22,879	$15,017	$1,586,111
2053	$1,586,111	$207,422	$0	$23,566	$16,985	$1,786,952
2054	$1,786,952	$213,645	$0	$1,947,334	$19,027	$72,290