### **Southern Village Homeowners Association**

Tuesday, January 12, 2010

To: Members

From: Board of Directors

Re: 2010 Annual General Meeting

The 2010 Annual Meeting of the Southern Village Homeowners Association will be held at Christ Church Ascension Hall @ **7:00 pm on Wednesday, February 17, 2010**. (In the event the meeting needs to be rescheduled, the alternate date is February 24, 2010.) Registration of owners will be begin at 6:30pm. The meeting will start promptly @ 7:00pm.

The two most important purposes of the meeting are:

- Electing two directors to the association's Board of Directors.
- Voting on the advisability of changing two architectural review guidelines.

A proposed agenda and detailed information on each of the topics to be discussed is included in this mailing package.

Enclosed is a proxy for your convenience if you will be unable to attend the meeting. The governing documents for the Association call for 1/10 of the membership to be present in person or by proxy to have a quorum. It is essential to have a quorum, so please return your signed proxy if you will not be able to attend the meeting.

If you have any questions please contact our paid manager, Berkeley Property Management at (919) 960-2836 or send an e-mail to manager@southernvillage.org.

Please visit www.southernvillage.org for even more Southern Village News.

## Southern Village Homeowners Association Annual General Meeting Wednesday, February 17, 2010 7pm Christ Church Ascension Hall

## Proposed Agenda

Establish quorum

Call to Order

Review & Approve Minutes of the 2/11/09 AGM

Elect Two New Board of Directors:

- Further Nominations
- Candidate Presentations
- Vote

Treasurer's Report:

- 2009 Accounts
- 2010 Budget

Go Green Committee Update

Architectural Review Guidelines

Other Business

Adjourn

#### SOUTHERN VILLAGE HOMEOWNERS ASSOCIATION, INC. Minutes of Annual General Meeting Held February 11, 2009 Christ Church Ascension Hall

With quorum established, the meeting was called to order at 7:05 PM by President Jeremy Pubrick.

Board Members Dick Lowe, Bill Riggs, Jason Luna, Deanna Shuerbeke were present.

The minutes from the February 12, 2008 meeting were reviewed and approved.

One new Board of Director was elected. Two nominees were presented for election. Statements were made by the candidates and questions were put forth to the candidates from the membership. Jeremy Pubrick was elected.

Mrs. Shuerbeke presented the Treasurer's Report and stated that 2008 ended under budget and changes were made in how some expenses were categorized.

Mr. Luna presented an update on the Parking Lot Committee. Mr. Luna presented the results of a neighborhood survey which was conducted from December 15, 2008 until January 11, 2009. Additionally, comments were included from the Town Council Meeting made by the council members. It was concluded that no action would be taken regarding the SV Hotel.

Mr. Elliot Barron presented the following resolution passed by the Parking Lot Committee on February 10, 2009:

Resolution of the Parking Lot Committee (PLC), Southern Village Homeowners' Association, dated February 9, 2009, to recess official committee business until such time as a proposal or application for the Village Center parking lot is presented to the Town of Chapel Hill.

**Whereas**: The PLC was created to gather and disseminate information about the hotel project, which was proposed for what is presently the surface parking lot in the Southern Village Market Center.

**Whereas:** The PLC met with the developer and the Chapel Hill Planning Department and conducted public meetings, which were open to all Southern Village residents.

**Whereas**: The PLC gathered resident input through an online survey, with nearly 300 responses, which allowed residents ample opportunity to respond to general questions about the Village Center and to offer specific comments and suggestions.

**Whereas**: The results of this survey and a report of the PLC was offered into testimony at the Public Hearing of the Chapel Hill Town Council regarding the Proposed Concept Plan for the Southern Village Center, on January 21, 2009.

**BE IT RESOLVED**: The PLC is officially recessed until such time as the original or a modified plan for the Village Center is presented to the Town of Chapel Hill, at which time the PLC will reconvene to review any new proposal.

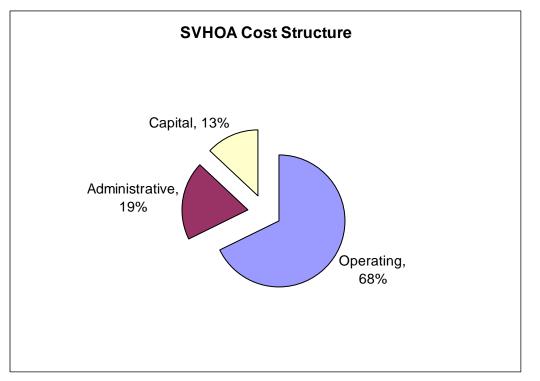
Until such time, any additional discussions in furtherance of development of the subject parcel, or any other portion of the Village Center, between the Developer and members of the PLC, or other Southern Village residents, will be performed on an *ad hoc* basis, Reports will be forwarded to the Chairman of the PLC, but no representation that such discussions represent the PLC shall be made.

**FURTHER, BE IT RESOLVED**: The PLC is opposed to the proposal for a 100 unit hotel in the Village Center and encourages the Developer to review the comments of the Town Council, particularly with regards to maintaining "open sight lines."

There being no further business, the meeting was adjourned at 8:25 PM

## 2010 SVHOA Budget

		2009	Variance
Summary Grand Totals	2010 Budget	Budget	H (L)
Income			
Single Family Homes	149,850	163,170	-8%
Apartments	3,674	3,194	15%
Sub Associations	18,170	18,170	0%
Class III	450	490	-8%
Total Income	172,144	185,024	-7%
Expenses			
Operating 68	% 116,737	117,985	-1%
Administrative 19	% 32,800	36,016	-9%
Capital 13	% 22,600	31,020	-27%
Total Expenses 100	% 172,137	185,021	-7%
Income (Loss)	7	3	



Operating & Administrative	2010 Budget	2009 Budget	Variance H (L)
Income	440.050	100 170	00/
Single Family Homes	149,850	163,170	-8%
Apartments Sub Associations	3,674 18,170	3,194 18,170	15% 0%
Class III	450	490	-8%
Total Operating Income	172,144	185,024	-7%
Operating Expenses	4.000	2.500	CO0/
Community Watch Electric	1,000 3,000	2,500 1,394	-60% 115%
Going Green	1,000	1,394	NEW
Maintenance Expenses:	1,000		NEVV
Fences (Park)	1,200		NEW
Greenways, Paths & Trees (Parks)	4,000		NEW
Landscaping (all areas)	38,000	40,000	-5%
Mulch (all areas)	4,500	2,850	58%
Parks	5,000	5,000	0%
Pond Care Contract	4,800	4,350	10%
Pond Improvements	3,000	-	NEW
Trees (Street Trees Contract)	8,000	25,700	-69%
Walls (Stone)	2,000		NEW
Management Fee	18,900	17,766	6%
Market Street Events	10,212	8,000	28%
Misc	725	725	0%
Police Substation	5,000	5,000	0%
Storm Water Charge	1,500	1,000	50%
SV Charity Events	700	700	0%
Water & Sewer Common Area	4,200	3,000	40%
Total Operating Expenses	116,737	117,985	-1%
Administrative Expenses			
Admin Misc	400	500	-20%
CAI Membership	500	500	0%
Insurance	4,000	4,000	0%
Legal	2,000	4,000	-50%
Management Contract Fee	18,900	17,766	6%
Printing & Postage	3,500	3,500	0%
Tax Return Prep	500	750	-33%
Tax	1,000	1,000	0%
Website	2,000	4,000	-50%
Total Administrative Expenses	32,800	36,016	-9%
Capital Expenses			
Capital Expenses:			
Greenways & Paths	1,000	15,200	-93%
Landscaping (Arlen Park)	6,000		NEW
Lighting (Solar Powered)	7,000	-	NEW
Misc		800	-100%
Park(s) Improvements	1 500	8,500	-100%
Soccer Goals (Central Park) Trash Cans (& Weekly Service)	1,500 4,100		NEW NEW
Trees (Common Areas)	3,000	4,000	-25%
Reserve Study	-	2,520	-100%
Transfer to Reserve			.0070
Total Capital Expenses	22,600	31,020	-27%
Total Expenses	172,137	185,021	-7%
Income (Loss)	7	3	-1 /0
income (Luss)	1		

#### **Candidate Statements**

#### Cindy Gudeman

It would be my privilege to serve as a board member for the Southern Village HOA. I have had the opportunity to own a single family home on Graylyn and currently a townhome on Glade. I feel it is important that we maintain a diverse board that represents all the homeowners whether the homeowner lives in a condo, townhome or single family home. As each of these property types have unique issues and concerns, having someone with a diverse perspective can be an advantage. In addition to being a property owner the past 10 years I have also been involved with the SVHOA in various capacities from serving on the ARB to founding a Welcome Committee for new residents. Main Areas of Interest: Property Values: As a residential real estate broker with RE/MAX Winning Edge in Chapel Hill this is a huge concern in light of the recent economic downturn. How do we maintain and improve property value? We do this by keeping Market Street vibrant and giving the ARB the latitude it needs to monitor the condition of individual properties and the common area. Our current ARB is strong and I would like to see it remain that way. Community: The appeal of Southern Village is reminiscent of the small town I grew up in on the outskirts of Cincinnati. Walkable, mix of neighbors at all stages of life, and the mixture of property types all enhanced my life as it does all of us in Southern Village. I will work hard for you so that we maintain and improve our community for our families and our children's families. Personal Background: Parent of 3 children who attended the Chapel Hill Schools, Realtor with RE/MAX Winning Edge, Community Educator with the Orange County Rape Crisis Center, Christ United Methodist Church member, DivorceCare & DivorceCare Kids Facilitator, Former Junior High and High School Teacher. Sponsor: SV5K, Boys & Girls Club of Orange County, Habitat for Humanity, Ronald McDonald House, SV Swim Team, Projects for Scroggs, Department of Social Services Children's Sponsor and Pink Heals.

#### **Rainer Dammers**

I moved into Southern Village five years ago with my wife, attracted by the walkable neighborhood with a mix of people at all stages of life we are familiar with growing up in Europe. Shortly after our daughter was born we bought a house right here in the neighborhood, she attends preschool locally at the Church of Christ now. My desire to become part of the Southern Village Homeowners Association is to give back to the wonderful community we live in. Southern Village has much to offer and I would like to be a part of preserving its vitality. The design and Atmosphere of Southern Village and it's resemblance of European Villages was one key factor in the decision to stay and settle in Southern Village in 2006. Since that decision I've gotten more actively involved in the local community. I co-chaired the HOW 'Parking Lot (or not)' Committee and currently chair the Town of Chapel Hill Bicycle and Pedestrian Advisory Board and the Southern Village HOA 'Going Green in SV' Committee and participate in the neighborhood watch. I am very interested in keeping Market Street and Southern Village's Atmosphere vibrant, contribute to improve quality of live in the community, maintain property values, and to foster better communication between all Southern Village residents. My long experiences in people management and problem solving in international roles coupled with strength in fact finding will benefit the HOA board and the community of Southern Village I will diligently serve if elected. Thank you for giving me the opportunity.

#### **Architectural Review - YOUR OPINION PLEASE**

Your Board of Directors has the authority to make and change rules governing architectural review of member properties. However, because the Directors consider the individual project guidelines to be important statements of community standards, they prefer to change them only if this is most members' wish. Accordingly, we are seeking your opinion on two proposed changes to the guidelines adopted in December 2006:

- 1. The "grass only" rule. The current guideline is "Grass must remain in the strip between the street and sidewalk of homes." The issue is that a significant minority of our neighbors has violated this rule by replacing all or part of the grass in this area. For example, some homeowners have added a small garden around the mailbox post, some have installed paving stones in the grass, and some have replaced all the grass with other plants and mulch. Should the Board force these deviations to be removed, or change the rule to accommodate them?
- 2. Solar panels. The current guideline states "Solar Collectors. These units should be installed on side or rear-facing roof elevations only, flat to the roof to minimize visibility from neighbors." The Going Green committee points out that this rule would prevent some members from installing solar equipment, since only the front of their home provides a suitable installation site. Should we permit solar panels on the front of a home if that's the only practical location?

We are aware that these questions raise high passions on both sides. One side prizes consistency of the streetscape above all else – Enforce the rule! The other side claims environmental concerns make the rule inappropriate for today – Change the Rule! What do you think?

These two topics are on the agenda for the Annual General Meeting, and everyone who wishes to speak to these issues will be able to do so then. But we would also like to hear from you even if you can't attend the meeting. Simply by checking one of the boxes on the enclosed Proxy form you can record your view, and help the Board of Directors make the best decision possible. Thank you.

# Southern Village Homeowners Association 2010 Annual Meeting Proxy & Ballot

### **Proxy**

I/We, the undersigned member(s) of Southern Village Homeowners Association Inc., residing at do hereby give
my/our proxy for the February 17, 2010 Annual Meeting of the association, and any adjourned session(s) thereof, to or, if unspecified to the President of the Board of Directors of the Association. The Proxy is hereby authorized to vote on any matter that
Board of Directors of the Association. The Proxy is hereby authorized to vote on any matter that may be brought before the membership.
Member/Owner Name:
Signature:
Date:
Please submit this proxy if you will be unable to attend the meeting. If you submit your proxy and then are able to attend the meeting, your proxy will be returned to you at the meeting at your request.
Send completed form to: Southern Village Homeowners Association, c/o Berkeley Property Management, 710 Market Street #21, Chapel Hill, NC 27516; Fax (888) 313-3015.
Ballot (Optional)
<b>Election of two new directors</b> . At the meeting members will be asked to vote on this matter. You may express your choices by checking the appropriate items. Please make your selection from the following list of nominees, or write in the name of your preferred candidate(s). Statements by the declared candidates were mailed with this proxy. Choose or write in no more than two:
Cindy Gudeman Rainer Dammers
<b>Advisability of changing two architectural review guidelines</b> . At the meeting members will be asked to record their vote on this matter. You may express your opinion by checking the appropriate items below. A statement of the two current rules and proposed changes was mailed with this proxy. Please check one of the three choices for each question below.
Should we change the "Grass only" rule for the boulevard strip between the sidewalk and street?
No. Keep the current rule Yes, change the rule Maybe. I need to see the new rule first.
Should we change the Solar Panel rule to permit street-facing installations?
No. Keep the current rule Yes, change the rule Maybe. I need to see the new rule first.





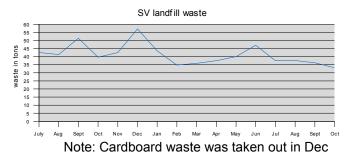
## Going Green in Southern Village

Over the past months residents have repeatedly expressed interest to the HOA in a joint initiative to evolve Southern Village into an even more sustainable neighborhood. In response the HOA has commissioned a 'Going Green in Southern Village' committee to set goals, plan and execute initiatives, and encourage SV residents to become responsible stewards of the environment.

Our goal is to educate, encourage, and challenge SV residents to reduce consumption of natural resources through conservation – primarily fossil fuels (oil, coal, gas), trees and water. Big differences can be made with simple, inexpensive changes which improve our standard of living without impact to daily comfort or convenience.

For regular updates, events we're planning, to find services, ask questions, and more please go to http://green.southernvillage.org/

1. Reduce landfill waste generated in Southern Village by 20% year over year Last year SV produced an average of 40.2 tons of landfill waste per month Oct 08 to Oct 09 of which ~30% would have been recyclable and a further 9-10% compostable. Let's continue the nice downward trend.



Most of our waste includes plastic products which require [foreign] crude oil and electrical energy from coal for its production. On average, for every dollar spent, the energy equivalent of half a liter of oil is burned to produce what that dollar buys. Disposable paper products significantly contribute to deforestation worldwide.

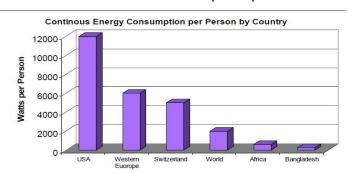
How can you participate?

- · Consider how much packaging you need. Buy bulk products or products in less packaging
- Freecycle things that may still have value to others: http://freecycle.org/group/United%20States/ North%20Carolina/Orange%20County
- Recycle everything possible, curbside, and at drop-off sites http://www.co.orange.nc.us/recycling/ a-z-recyclery.asp
- Eliminate shopping bags by reusing a bag or a foldable basket you bring with you.
- Reuse shopping bags you can't avoid by using them as trash bags, avoiding the purchase of more
  plastic bags
- Buy disposable paper products produced 100% from recycled paper e.g. from Seventh Generation or 365 brands at Weaver Street. Tests with harsh sceptics have proven they are as soft or softer as those that destroy rain forest every day
- Compost. There are a wide range of indoor and outdoor composters available. Orange County Recycling offers products and education. If you don't want to compost yourself, put compostable material in the yard bin versus the garbage bin.
- Dispose of used cooking oil in the black barrel behind Pazzos for collection by Piedmont Biofuels.

## 2. Contribute to a 10% conservation in electricity and fuel use to offset the recent Duke Energy rate increase

Southern Village already has the first LEED certified Subway restaurant in North Carolina and only the 3d nationwide.

There is huge potential for energy conservation we can all contribute to. Reduction in power consumption can make the difference between the need to build a new power plant in the future or not, thus helping



avoid rate increases in addition to savings by the reduction itself.

How can you participate?

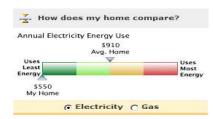
- Many residents keep their outside lights on overnight for safety. That's good. Over 90% of the
  night nobody walks the alleys. Consider installing motion detectors to combine safety with energy
  conservation.
- Install a programmable thermostat to control the temperature according to your schedule. Heat or
  cool the house to the fully comfortable temperature only during times someone is home. Allow
  5-10 degrees difference for times the house is empty and during the night to reduce unnecessary
  heating and cooling.
- Change furnace filters frequently and get regular checkups to allow the HVAC to operate more
  efficiently.
- Consider installing AC pre-cooling systems to reduce temperature of air intake into the AC system. E.g. http://www.coolnsave.com/index.php/How-Does-it-Work.html
- Replace incandescent light bulbs with compact fluorescent bulbs (CFL). Although initially costing
  more, CFLs use four times less energy and last an average of eight times longer (about 8,000
  hours). Fluorescent tubes last up to 20,000 hours and add further efficiency. Both can be used in
  dimmable fixtures for a longer lifespan and more comfortable house
- Reduce phantom power When not in use, appliances such as televisions, computers and
  microwaves are still consuming power. Wasted energy can total almost 25 percent of a home's
  electricity bill. Choose appliances with low standby energy consumption. A good range is 0.5 to 1
  watt/hour or 4 to 8 kWh/year. A power bar can cut your losses if you switch it off when you're done
  on the computer.
- Energy Star appliances consume between 2 and 10 times less electricity. Initial costs can be up to 15% more but will come back in energy savings. Federal programs are being introduced to reduce the incremental cost further. Energy Star appliances are generally higher quality products reducing noise and lasting longer
- Insulate and Ventilate Properly done, insulation can reduce home heating and cooling needs by more than 50% of an average residence. Weather stripping and caulking control air leaks, while air exchange keeps your indoor air fresh
- Insulate electric water heaters and pipes, but not gas water heaters (start with the pipes at six inches away) and install timers to reduce unnecessary heating during times no hot water is used. Consider Solar Water heater for replacements
- If remodelling consider SolaTubes to bring daylight into inner spaces in the house to reduce the need for artificial light

You can easily monitor your energy consumption on the Duke Energy online dashboard and compare your savings to the average Duke Energy customer. To do so log in to <a href="http://www.duke-energy.com/north-carolina.asp">http://www.duke-energy.com/north-carolina.asp</a> click on 'Home Energy Center' under 'Energy Savings' in the menu on the left and follow the

link to create your Personalized Energy Report (PER)™

The info below is actual consumption of a Southern Village resident who's implemented some of the suggestions above but is still running the original inefficient 'old screamer' HVAC, windows and doors – aka low cost changes only.





## 3. Contribute in improved air quality by reducing emissions generated from vehicles

Southern Village already has a great track record in this regard. A UNC study conducted a few years ago concluded that SV residents drive an average 14.7 miles per day less compared to residents in Lake Hogan Farms simply due to the opportunities to go shopping, eat out and visit events in walking and biking distance at Market Street and the Green.

Many employers offer priority parking for registered carpoolers, assistance with vanpool development, discount or free bus passes, and an emergency ride home program.

How can you participate?

- Walk, bike, take the bus Anything that reduces the amount of miles you drive lowers the amount of gas you use: http://www.smartcommutechallenge.org/
- Buy locally The further a product has to travel before it gets to you, the more energy and gas it
  has consumed along the way. Local produce is also proven to be healthier and taste much better
  as it's harvested a lot later when it's actually ripe versus pre-maturely to account for extensive
  transportation times. Studies show a 'food mileage' a factor of 60x difference between a typical
  meal prepared from local ingredients versus standard processed food.

#### 4. Reduce water use

Continuing to focus on water conservation allows us to save a precious natural resource, reduce costs, and be better prepared should mandatory restrictions be reinstated. You can contribute by

- · Using water efficiently
  - A low-flow shower head can cut water consumption in half, which reflects greatly on hot water usage.
  - For less than \$15 you can exchange your faucet aerators in the entire house from the standard 2.0 gpm (gallons per minute) to 1.0 or even 0.5 gpm which is sufficient for most use like hand washing, brushing teeth, etc.
- Conserving water whenever possible in the kitchen, restrooms and yard work
- Installing rain barrels to collect storm water for use in yardwork, irrigation, etc. The town of Chapel Hill sells them at a discount

## Go green and save green

### www.dsireusa.org

2009 Summary of Energy-efficiency Tax Credits (both federal and NC) and utilities incentives

#### Both Duke Energy and PSNC offer free energy audits and reduced rates for Energy Star certified homes.

Duke Energy: 5% reduced rates for Energy Star certified homes

PSNC Energy: \$.05 per therm less

Energy Star certification for homes post build time is currently being defined. Updates will be posted online **Appliances** 

Requirements: equipment must be Energy Star certified Incentive:

- \$50 to \$250, depending upon the product being purchased, purchase price, and other market factors
- NC Sales Tax excemptions: Energy Star appliances sold between 12:01 a.m. on the first Friday
  of November and 11:59 p.m. on the following Sunday qualify for the sales tax exemption.

Fine print: The U.S. Department of Energy (DOE) has announced a new ENERGY STAR appliance rebate program, administered by state energy offices. Up to \$300 million in funding from the American Recovery and Reinvestment Act will be made available to states to promote the purchase of energy efficient appliances. The rebates will be available later in 2009 or in early 2010.

#### Exterior windows & doors, skylights

Requirements:

- Meets International Energy Conservation Code (IECC) or Energy Star qualified product:
  - U factor (heat loss) <= 0.30
  - SHGC (block solar heat) <= 0.30

Incentive: Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.

Fine print: Installation costs not included. Does not apply to new home construction. Not all Energy Star models qualify.

Expires by end 2010

#### Storm windows & doors

Requirements: In combination with approved wood door or window.

Incentive: Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.

Fine print: Installation costs not included. Does not apply to new home construction. Expires by end 2010

#### Metal roofs, asphalt roofs

Requirements: Energy Star qualified roof expected to last 5 years or have a 2-year warranty.

Incentive: Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.

Fine print: Installation costs not included. Does not apply to new home construction. Expires by end 2010

#### Insulation

Requirements: Primary purpose must be to insulate. Must be expected to last 5 years or have a 2-year warranty.

Incentive: Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.

Fine print: Installation costs not included. Does not apply to new home construction. Expires by end 2010.

#### Central A/C

Requirements

- Split Systems: Energy Efficiency Ratio (EER)>=13, Seasonal Energy Efficiency Ratio (SEER)>=16
- Packaged Systems: EER>=12 and SEER>=14

#### Incentive:

- Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.
- \$200,- Duke Energy Smart \$avers Residential Rebate Program (\$300 for new construction)
- DOE Energy Star Appliance rebate: \$50 to \$250, depending upon the product being purchased, purchase price, and other market factors
- Energy Star appliances sold between 12:01 a.m. on the first Friday of November and 11:59 p.m. on the following Sunday qualify for the sales tax exemption.

Fine print: Does not apply to new home construction. Not all Energy Star models qualify. Expires by end 2010

#### Air source heat pumps

Requirements:

• Heating Seasonal Performance Factor (HSPF)>=8.5 and EER>=12.5 and SEER>=15

• Package systems: HSPF>=8; EER>=12 and SEER>=14

#### Incentive:

- Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.
- \$200,- Duke Energy Smart \$avers Residential Rebate Program (\$300 for new construction)
- DOE Energy Star Appliance rebate: \$50 to \$250, depending upon the product being purchased, purchase price, and other market factors
- Energy Star appliances sold between 12:01 a.m. on the first Friday of November and 11:59 p.m. on the following Sunday qualify for the sales tax exemption.

Fine print: Does not apply to new home construction. Not all Energy Star models qualify. Expires 2010

#### Geothermal heat pump

Requirements: All Energy Star geothermal heat pumps will qualify.

Incentive:

- Federal tax credit equal to 30% of cost uncapped
- NC State renewable energy credit: 35% up to \$8,400,-
- \$200,- Duke Energy Smart \$avers Residential Rebate Program (\$300 for new construction)
- DOE Energy Star Appliance rebate: \$50 to \$250, depending upon the product being purchased, purchase price, and other market factors
- Energy Star appliances sold between 12:01 a.m. on the first Friday of November and 11:59 p.m. on the following Sunday qualify for the sales tax exemption.

Fine print: Place in service by Dec. 31, 2016.

#### Water heaters (solar)

Requirements:

- At least half of the energy generated by the solar water heater must come from the sun.
- · Water must be used in dwelling.
- Must be certified by the Solar Rating Certification Corporation (SRCC).
- For N.C. property tax exemption, the system must be new.

Incentive: Federal tax credit equal to 30% of cost. Not subject to \$1,500 cap.

NC State renewable energy credit: 35% up to \$1,400,-

Fine print:

- Place in service by Dec. 31, 2016. Federal credit does not apply to swimming pools or hot tubs heaters.
- For N.C. property tax exemption, system must be new. Allows no more than the amount of conventional equipment.

#### Water heater (electric heat pump)

Requirements: Energy factor >=2.0.

Incentive: Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.

Fine print: Does not apply to new home construction. Expires by end 2010

#### Water heater and furnace (natural gas)

Requirements: AFUE >=90% for furnace. Energy Factor of 0.80 or more for water heater.

Incentive: \$100 rebate from PSNC: http://www.psncenergy.com/en/save-energy-and-money/appliance-rebates/default.htm

Fine print: Does not apply to new home construction. No more than two rebates per year may be received at any one address, and each applicant is limited to receiving no more than a total of ten rebates per year.

#### Photovoltaic (solar electric) systems

Requirements: Must provide electricity for the residence and meet fire and electrical code requirements.

Incentive: Federal tax credit equal to 30% of cost uncapped

NC State renewable energy credit: 35% up to \$10,500,-

Fine print: Must be new to qualify for N.C. tax credit. State tax credit equal to 35% of cost. Will not exceed \$10,500 (incentive varies by technology).

#### **Biomass stoves**

Requirements: Uses any plant-derived renewable fuel (wood, farm products, etc.) to heat home or water. Thermal efficiency rating >=75%.

Incentive: Tax credit equal to 30% of cost, up to \$1,500 for all improvements combined.

#### Small wind energy systems

Requirements: New systems only.

Incentive: Federal tax credit equal to 30% of cost. Not subject to \$1,500 cap. N.C. tax credit equal to 35% of cost of wind system constructed (up to \$10,500).

#### **Vehicles**

Requirements: new hybrid, alternative fuel, fuel cell, plugin, and electic vehicles

Incentive: \$2,500-\$7,500

Fine print: first 60.000 hybrid, alternative fuel and fuell cell vehicles per manufacturer, first 250.000 plugin hybrids and electic vehicles.

# Top 5 Misconceptions About Home Energy Performance

http://earth2tech.com/2009/08/13/top-5-misconceptions-about-home-energy-performance/

As recently as two years ago, home energy retrofits might have been called esoteric territory best left to well-off ecoenthusiasts. But today, with increased attention and funding from the federal government and growing consumer interest, energy retrofits will soon become more common as people look to reduce energy bills and shrink their carbon footprints. The residential sector — through space heating, plug loads and more — accounts for about 21 percent of total energy use in the United States, according to the U.S. Department of Energy. But this drive to reduce energy consumption in homes in some cases has led to the marketing of "silver bullets" in the industry, from rooftop solar Photovoltaic (PV) systems to tankless water heaters.

The truth is that no one solution is right for every house, under all circumstances. If someone tells you any differently, they're selling you snake oil, says Matt Golden, president of Sustainable Spaces, a San Francisco-based home energy auditor and retrofitter. In the hope of dispelling some of these myths, below are our top five misconceptions about making your home more energy efficient:

**Install solar Photovoltaic (PV) as a first step**: While a flashy solar system on your roof might get compliments from the neighbors, there are a raft of less sexy measures that give significantly more energy reduction per dollar invested. These are the classic energy-efficiency steps: insulating walls, floors and the attic; sealing ducts and air pockets; adding more efficient lightbulbs; and installing Energy Star appliances. Even investing in energy-saving mechanical systems like air conditioning, furnaces and water heaters should generally be done before — or at least at the same time — as adding solar PV (or solar thermal).

Consider this example from Sustainable Spaces: A 3.5-kilowatt solar PV system on a house that leads to about a 73 percent reduction in electricity use would cost around \$28,000 (or about \$15,000 with rebates and incentives), while a \$10,800 energy-efficiency retrofit (or about \$10,200 with rebates and incentives) would reduce electricity use by 25 percent and natural gas by 54 percent. The kicker: The PV system would yield an annual CO2 savings of 2.7 tons while the retrofit would remove about 3.6 tons, a 33 percent improvement with the latter. (The CO2 savings depend, of course, on the source of electricity, but the general trend would remain the same.)

**All insulation is equal**: Fiberglass batts are the most common type of insulation for homes, but their performance is highly dependent on the quality of installation. Gaps as small as a quarter of an inch between the batts and the wall framing are enough to cause dramatic reductions in their ability to insulate. Blown-in, or loose-fill, fiberglass or cellulose insulation is generally "far more effective" for retrofits than batts, according to Graham Irwin, a principal at Fairfax, Calif.-based Essential Habitat Consulting.

**Double-paned windows are always beneficial**: Not so much. There are potentially two major shortcomings. First, in the U.S., window manufacturers aren't required to report testing data on air leakage, which could come, say, from a poorly insulated window frame or the lack of a tight fit between the frame and the glass, says Irwin. That means some double-paned brands (sliding windows are one glaring example) may actually leak a lot of air. Irwin tells us if you're replacing old, single-paned windows with even the leakier double-paned ones, odds are the new version is better. But to be certain, ask the manufacturer for leakage data. The second possible shortcoming: adding new windows with a reflective film, so-called low emissivity windows, which cut the solar heating in a house. While this might be good in the summer, in the winter you'll want all the sun's warmth you can get to keep heating bills down. The bottom line: You have to be smart about the windows you pick and where you place them.

**You need a tankless water heater:** The truth is that they don't necessarily save energy. These systems, which provide hot water only as needed, have a much larger burner than conventional storage water tanks, which continuously, but more slowly, heat the water they contain. The rule of thumb, according to Irwin, is that if a household uses more than one-tank worth of hot water per day (about 50 gallons for a 2- to 3-bedroom house), then a conventional system is more energy efficient. That's because the hot-water demand comes in discrete bursts, requiring in the case of the tankless system that large burner to turn on and off multiple times and undercut its potential energy savings.

**Zeroing your electric bill means you're using no (or little) energy**: Generally speaking, homes rely on natural gas or petroleum for space and water heating. These can account for more than a third of a home's total carbon footprint. A typical home furnace, for example, will burn about 100,000 BTUs per hour (or about 30 kilowatts). That's equivalent to keeping 300 100-watt bulbs lit for an hour. Electricity, then, is only part of the battle toward achieving a net zero home, which produces as much energy as it consumes on an annual basis.

### Good Neighbors & Southern Village Trash

January 12th, 2010

Southern Village is full of single family homes, townhomes, condos and businesses. All of us need to deal with trash and the proper disposal of it. Please be considerate of others and do not dump your trash where it does not belong. There are several private dumpsters throughout the village, one at Southern Village Club, Merritt Park and another at Edgewater Condos and several near the business district, including some at the Southern Village Apartments.

These are private dumpsters that are not open for Southern Village residents to dump their trash without permission. Please know it is against the law to dump your trash in another's dumpster, such is called a theft of service. It costs the associations monies to remove the illegally dumped items from their dumpsters. The owners of all the private dumpsters throughout Southern Village thank you in advance for your support.

Large non trash items should be taken to the Orange County Landfill or you can contact a trash removal service to come and pick up your large items from your home. Some items that could be re-used may be taken up by Habitat for Humanity, call 401-8668. Freecycle, (free recycle) www.freecycle.org, Chatham County takes many items even if you think it's junk. Their goal is to keep items out of the landfills.

Joe's Hauling: 423-7479 - trash

Tim Rasberry: 428-0362 - metal only - Free Service

Questions? Please e-mail, manager@southernvillage.org.