



### 1<sup>st</sup> Annual LES Run/Walk – by Dawn Linch

Please consider joining our community in the fight against hereditary cancer. The 1st Annual Lake Erie Shores 5k run/1 mile family walk will be held Lakeside in beautiful Painesville Township, Ohio on Saturday, August 6th, 2011. Rain or shine. The run will start at the L.E.S. Beach Pavillion located on Lake Rd. at 8:30a.m., with the walk to follow at 8:45a.m. Entrance fees are \$20 pre-registered (includes a race t-shirt) or \$25 on race day. The walk fee is \$15, with children in strollers free! Plan to join us by scenic Lake Erie for music, snacks and door prizes after the race. This is something the whole family can enjoy! In addition to FORCE, half of our proceeds will go to a young family in our development that has recently lost a loved one to cancer.

Mail checks payable to L.E.S. HOA to 1615 Clipper Cove; Painesville Township, Ohio 44077

For more information, and to register for the race, use the enclosed registration form, look us up on Facebook and at [www.lakeerieshores.com](http://www.lakeerieshores.com) or contact [dawn.jl@hotmail.com](mailto:dawn.jl@hotmail.com). What a great way to raise awareness about hereditary cancer, get fit and raise money at the same time! We would love to see you there!

### Save the Dates

LES Residents and sponsored guests only

### 3rd ANNUAL CORNHOLE TOURNAMENT

- Saturday September 17
- Playground Pavilion
- Must pre-register
- \$10 per team-2 per team
- AGES 18 and OVER MAY PARTICIPATE

MORE INFO TO FOLLOW ON BOTH EVENTS!

Any questions? Call Joe 216-375-3205

Please note that Villa Grande is a private drive and trespassing is prohibited. Please use the parking lot on Lake Road and the overflow parking lot on Lake Road that was used for the YMCA Dream Home last year. Please do not access the beach park through Villa Grande.

### Chuck Hillier - Volunteer Trustee

It's been busy with the summer activities and such kicking up but wanted to report on my personal favorite activity for the Association, that being the Adult Party which was held on Saturday evening July 23rd. It was a terrific event; hope all who attended had as much fun as I did. Leading up to the event however things didn't go quite as planned but we were able to put all the fires out in time to pull off a successful event.

The night before the party the committee met up at the pavilion to string lights when they discovered one of the two outlets was inoperative. I contacted our Property Manager Bob Guarino and he in turn got someone out there Saturday morning to fix it. Turns out the GFI outlet was broken which caused the breaker to trip; OK, issue one resolved. The next morning around 10:30 AM I received a voice message from our DJ informing me he spent the night in the "ER" for an eye infection and couldn't see or concentrate and the pain was the worst he's ever encountered. He said he's been doing these "gigs" for 30 years and has never cancelled one prior but this time he just couldn't do it. Oh boy, we were 7 hours away from the party start time so that required some quick action but he was able to get us someone to fill in on short notice. OK, issue two resolved. Once power was restored we encountered issue three, only a few of the lights that were already ran through the rafters were actually working. Some quick troubleshooting showed that some fuses blew so we had to fix and re-strand the lights. OK, issue three resolved and just as the party was getting ready to begin, more lights were inoperative but....it was one thing after another but in the end, we had a blast and forgot about all the "opportunities" we had to address.....until now. Ha, hope you had fun!

Special recognition is due to those who pulled this party off and did a lot of work behind the scenes to make it happen. First off, Party Chairman Joe Zanghi and his wife Jane but there were others who deserve equal recognition. Beginning with my wife Diana, Cathy and John Delsanter, Neenee and Al Ryan, Bill Eppich, Steve Linch and of course his wife Dawn who worked so hard gathering door prizes for the event.

Some of the door prizes Dawn collected included two gifts she personally made, a decorated wine bottle (winner Anne Gates) and flowers bottle (Jennifer Rankins). Other gifts donated were gift certificates to

Winking Lizards (Lisa Rasich), Chester’s Restaurant (Joan Zovko), Pickle Bills Restaurant (Tina Zarack), Harry Buffalo’s Restaurant (winner?), Buffalo Wild Wings Restaurant (Jennifer Fraser), a \$50 Lottery Tree donated by myself & my wife Diana (Tony Fraser) and a gift basket donated by JZ Computer Technologies (Larry Nosse). JZ Computer Technologies is actually Joe Zanghi who has a computer repair side business he owns and operates. Congratulations to all our winners but a Special Thank You goes out to all those businesses and individuals who to made donations. On a side note to Tony Fraser, Diana and I were hoping you’d hit big but hope you enjoyed it none the less.

Our expenses for the month of June totaled \$12,892.55 with the greatest majority of those expenses totaling nearly \$11,000 and coming from Management Fees (\$1,333.33), Landscaping (\$3,087.63), Sprinkler System (\$1,080-for start-up costs along with the annual backflow valve check requirements) and finally the biggest ticket item for the month was Asphalt and Crack Sealing Repair (\$5,390.10). We had revenues for the months of \$2,995.96 and made a transfer of \$1,923.66 to our Reserve Savings account. We began the month with \$111,945.10 in our Checking Account and ended it with \$100,084.45. To summarize, we are in a very solid financial situation and fully anticipate remaining that way through years end and beyond. Until next month, best wishes to all.

*You'll always miss 100% of the shots you don't take.*  
 Wayne Gretzky  
 (1961-, Canadian Hockey Player)

**Home Mortgage Refinancing – by Jim Sorenson**

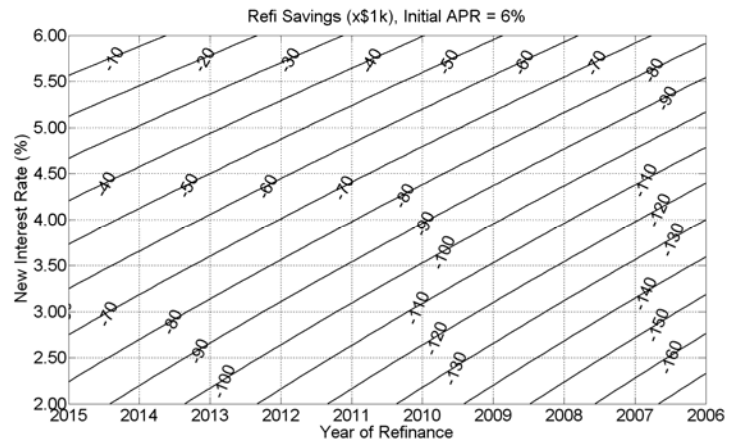
Previously I wrote about the merits of refinancing a home mortgage due to low interest rates. Rates have remained “low” for several years – and although I am not a psychic, I believe that rates will continue to stay “low” for awhile since the economy is still not great.

The following is an example to look at the merits of refinancing and I will assume that the following are the original details for a borrower:

Original loan principle	\$200,000
Loan origination date	August 2005
Terms	30-year fixed rate @ 6% APR
Monthly payment	\$1,199.10
Outstanding principle as of 8/2011	\$182,796

If the mortgage is never modified, it would cost the borrowers \$431,676 over the full 30-year term. Yikes! That is \$231,676 paid in interest charges.

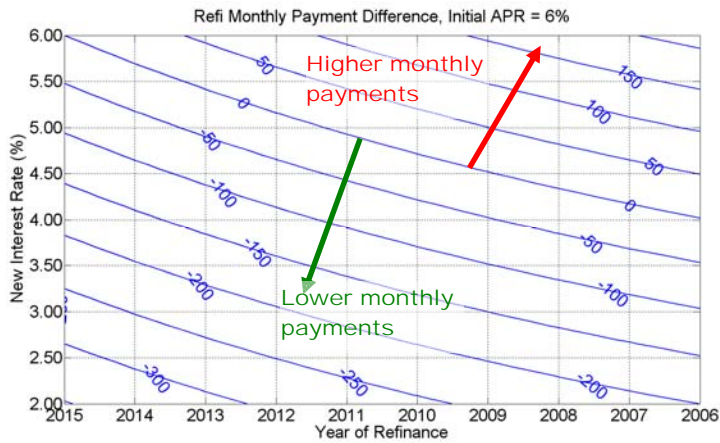
If they decide to refinance into a 20-year fixed rate mortgage product, sometime between 2006 and 2015, the following graph summarizes the gross savings. Based on my mathematical definition, a negative number represents a savings.



The y-axis (“New Interest Rate”) is the interest rate of the new loan (the refinance) and the x-axis represents the year in which the refinance occurs. The diagonal lines labeled with numbers represent the gross savings, in thousands of dollars, of the refinance. As an example, the line labeled “-90” would represent a \$90,000 gross savings with a refinance.

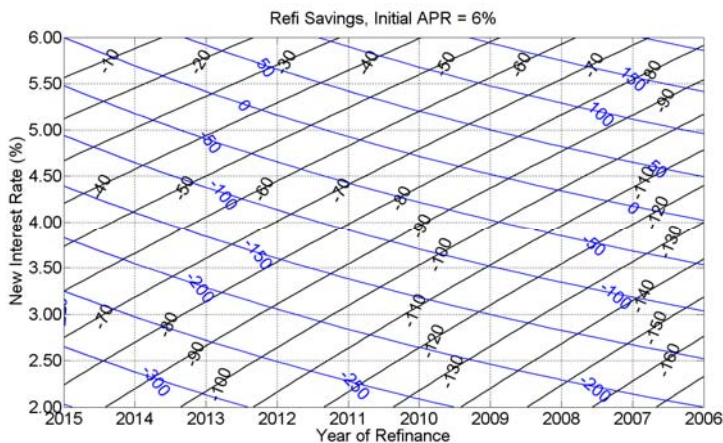
Note how there are multiple combinations of new interest rates and years that would provide a \$90k gross savings such as refinancing in 2007 @ 5.25% or refinancing in 2011 @ 3.50%. As time goes by, the new interest rate has to decrease even further in order to realize a \$90k gross savings.

Logically, the largest savings should occur the sooner the refinance occurs and the lower the interest rate, and the data graphed shows this correlation. The following graph summarizes the corresponding change in monthly payments with the refinance.



A positive number represents an increase in the monthly payment while a negative number represents a decrease in the monthly payment. The line labeled “0” would indicate that the monthly payment would remain unchanged.

Now, if the data from the two previous graphs are overlaid, it can quickly be determined what combination of interest rate and refinance year will do to both the total out of pocket monthly payments (black lines) from this point forward and the monthly payment (blue lines).



It is now 2011, if the home owners could refinance into a 20-year fixed rate loan @ 4% (a very real current interest rate), they could lower their monthly payment by almost \$100 (blue line), save about \$80,000 (black line) in interest charges, pay off their mortgage 4 years faster and build equity faster vs. not refinancing. These are all positive outcomes in my book.

The above estimated gross savings of \$80,000 is not the complete picture (but it is close). The \$80k gross savings does not take into account closing costs. Those could either be paid with cash or rolled into the refinance with a slightly higher interest rate.

Also, there are published mortgage “experts” that argue that if they refinance, they would lose out on “valuable” income tax deductions (if they can deduct their mortgage interest from their income taxes) because they are not paying as much mortgage interest. This is both true and very short sighted. Why would you want to pay \$80,000 more in interest charges just to be able to deduct a small portion of that amount from your income tax returns. If you are in a 20% income tax bracket, you could deduct \$16,000 of the \$80,000 of interest charges from your income taxes:



- Great, you can deduct \$16,000
- BUT that \$16k deduction will cost you \$80k

If anyone reading this would like to give me \$80k, I will gladly give you \$16k back.

I would be delighted to help (free of charge) a few LES residents analyze their existing mortgage to see if a refinance would make sense for them. I do not need any personal information, and I can be as discrete as requested with the analysis. I would only do the analysis (create some graphs and explain them) – you would need to decide what to do from there. I do not work for a mortgage company and I am not going to try and sell you anything. I have developed some unique mortgage analysis methods/tools and I am interested to see how well my analysis methods/tools work with other specific situations. If you would like some free analysis assistance, please tell me so in an email sent to [newsletter@lakeerieshores.net](mailto:newsletter@lakeerieshores.net) but do not include any of the loan details in the initial email. Once we have made contact, I will let you know what is needed and then you can provide the minimal details required.

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**Contact Information**

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Lake Erie Shores Web Site  
[www.lakeeriesthores.com](http://www.lakeeriesthores.com)

**Home Owners Association Committees**

Welcoming Committee ([welcome@lakeeriesthores.net](mailto:welcome@lakeeriesthores.net))  
Covenants/Restrictions Committee Chair – Bruce Buffie  
([buffie723@att.net](mailto:buffie723@att.net))  
Financial Committee Chair - Randy Van Buren  
([rcvanburen@sbcglobal.net](mailto:rcvanburen@sbcglobal.net))  
Landscaping & Beautification Committee - Dave Spall  
([davidspall@sbcglobal.net](mailto:davidspall@sbcglobal.net))  
Recreation Committee Co-Chairs - Jonathon Adkins  
([jonsuzannaadkins@sbcglobal.net](mailto:jonsuzannaadkins@sbcglobal.net)) and Cory Wertch  
Volunteer Coordinator - Paula Haumesser  
([paulahaumesser@sbcglobal.net](mailto:paulahaumesser@sbcglobal.net))  
Newsletter Committee Chair – Jim Sorenson  
([newsletter@lakeeriesthores.net](mailto:newsletter@lakeeriesthores.net))

**Board of Trustees**

John Guinan	Chuck Hillier
<a href="mailto:alishenry@aol.com">alishenry@aol.com</a>	<a href="mailto:avcmcchi@sbcglobal.net">avcmcchi@sbcglobal.net</a>
1575 Clipper Cove	926 Pebble Beach Cove
440-358-1424	440-350-1640

David Spall  
[davidspall@sbcglobal.net](mailto:davidspall@sbcglobal.net)  
1534 Clipper Cove  
440-637-4559

**Lake Erie Shores Management Company**

First Realty Property Management, Ltd.  
6690 Beta Drive, Suite 220  
Mayfield Village, Ohio 44143  
440-720-0100 (office)  
440-720-0973 (FAX)

LES Property Manager is Bob Guarino  
[rguarino@firstrealtypm.com](mailto:rguarino@firstrealtypm.com)



**“If it runs in your family...then run with us”**  
**Lake Erie Shores 1<sup>st</sup> ANNUAL 5K RUN /1 MILE FAMILY WALK**  
**Saturday, August 6<sup>th</sup> 2011**

Run begins at 8:30 a.m. ( race-day registration at 7:30a.m.)

Family walk begins at 8:45 a.m.

\*Door prizes/trophies

Located at the L.E.S. beach pavilion on Lake Road in beautiful Painesville Township, Ohio

**\*To benefit hereditary cancer (FORCE) and a family in our development that has been affected by cancer**

Did you know that nearly one million people in the U.S. carry a hereditary cancer gene mutation that can lead to an increased risk of Breast(up to 85%) and Ovarian(up to 60%) cancer? Join us in raising both money and awareness of this silent, deadly killer.

Each family/participant must fill out a separate form, this form can be copied

NAME \_\_\_\_\_ AGE on 8/6/11 \_\_\_\_\_ PHONE \_\_\_\_\_

ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_

E-MAIL 

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CHOOSE ONE \_\_\_ 5K RUN \$20 (\$25 ON RACE DAY) \_\_\_ 1 MILE FAMILY WALK \$15  
\_\_\_ CORPORATE SPONSORSHIP \$100

T-SHIRT SIZE CIRCLE ONE PER REGISTRATION, ONLY ONE T-SHIRT PER FAMILY PLEASE. **FIRST 100 TO REGISTER WILL GET AN OFFICIAL RACE T-SHIRT**

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RELEASE: I DO HEREBY RELEASE LES HOA AND IT'S AFFILIATES OF ALL CLAIMS AND DAMAGES ARISING FROM MY PARTICIPATION IN THIS EVENT. I ATTEST THAT I HAVE FULL KNOWLEDGE OF THE RISKS INVOLVED AND AM PHYSICALLY FIT TO PARTICIPATE. I UNDERSTAND THAT THE RACE OFFICIALS RESERVE THE RIGHT TO REMOVE ANYONE WHOM THEY DEEM IS A HAZARD TO THEMSELVES AND OTHERS. PARTICIPANTS UNDER THE AGE OF 18 MUST HAVE A GUARDIAN PRESENT DURING THE EVENT. EVENT TO CONTINUE RAIN OR SHINE. NO REFUNDS ONCE REGISTERED.

**PARTICIPANT MUST SIGN** \_\_\_\_\_ **DATE** \_\_\_\_\_

**PLEASE MAIL REGISTRATION FORM AND CHECK, PAYABLE TO:**  
**L.E.S. HOA**  
**1615 Clipper Cove**  
**Painesville Township, OH 44077**

Need more information? Contact Race Director at [dawn.jl@hotmail.com](mailto:dawn.jl@hotmail.com), look Lake Erie Shores up on Facebook, or on the web at [www.lakeerieshores.com](http://www.lakeerieshores.com) and visit FORCE at [www.facingourrisk.org](http://www.facingourrisk.org)