

Playa La Jolla Owners Update & Notice of Special Assessment & New Dues – August, 2002

FINANCIAL INFORMATION

Thanks again to those who attended the special meeting in May. The meeting was productive with great input from owners and guests. It was unanimous among owners at the meeting that we need to maintain the level of amenities and services in PLJ as high as possible since there are critical to our enjoyment and the value of our investments. The ugly truth is that providing these services costs far more than our current dues structure allows, and with Fiesta Properties no longer willing to subsidize the monthly expenses, we must all contribute more to realize “the dream” of PLJ.

A plan was approved in principle to go forward with organizing the community as a non-profit Mexican Corporation through a special assessment. A dues increase to continue to pay for amenities and services was also approved. The plan contains provisions for the developers/large lot owners to participate financially in a substantive way, which the board is working diligently to enforce.

Monthly dues became \$150.00 per month for “improved” lots and \$50.00 per month for unimproved lots, effective July 1. Improved Lots, including construction in process, is defined to be any lot with footers in place for the foundation (construction activity is quite load on the Association with the wear on the streets, security, trash, etc. and is why lots under construction are charged the higher amount). The reason that the increase on the improved lots is proportionately more than the unimproved lots is to reflect the board’s position that the improved lot fee is not reflective of services received. When you consider that the fee includes \$70 of water, only paying an additional \$35 for all of the other services doesn’t come close to covering the costs of doing so.

Unfinished homes or projects on hold will not be treated as unimproved regardless of circumstances. It was never the intention of construction guidelines to allow unsightly/partially completed projects to negatively effect the aesthetics of the community. Those few in that category will be assessed the prescribed fines.

The **Special Assessment** is intended expressly for the purpose of paying organizational costs and transitional costs. The expenses to be covered will include legal fees, bank fees, Notario fees, taxes, possible back taxes on common areas, and operational expenses through the transition. The special assessment is not intended to pay for the recurring operational fees such as water, security and upkeep, as it is our intention to live within the means of our limited budget & monthly revenue from the dues. Consequently, we ask for all “improved” lot owners, to join us at the \$1200 level as Charter Members of the Playa La Jolla Beach Club. We ask for unimproved lot owners to join us with support of \$200. **When sending payments, please send separate checks for the special assessment since these funds will be tracked separately.**

The dues increases were reflected in the July 2002 billings forward and the special assessment is included in this month’s statements.

The good news is that the percentage of owners who are diligently paying their dues is steadily climbing (slow but sure). Most folks, once they understand where we stand, choose to do the right thing. Those select owners with unpaid dues are no longer stating dissatisfaction with the developer, but rather “letting their neighbors carry the burden” for maintaining the value of their investment. Those owners who stand to benefit from elevated investment values are the ones expected to help maintain the association through monthly dues – REGARDLESS of whether your trust process is complete or not!

As we as a community take ownership of and increase our authority in the project and as that authority becomes more personal, it should be understood that the board will be obligated to, and once incorporated, legally able to enforce rules and regulations. The volunteer board has limited resources to collect monies and provide notices. Services including, water, trash pickup, propane monitoring, pool and clubhouse admittance and admittance of renters and guests will be withheld (without notice) for those owners of properties which are over 30 days in arrears of the monthly dues.

UPDATES

1. The board has hired a Mexican Attorney, who has already produced the first draft of our new corporation documents – but much work is left to be done. We will keep you posted as to our progress.
2. Fiesta Properties has been gracious enough to continue to provide services during this interim. If you speak with any Fiesta staff, be sure and show your appreciation.
3. Renters and their adherence to civility guidelines are the responsibility of the associated owner. All homeowners who rent out their properties are asked to take this responsibility seriously for the enjoyment of all. Problems have included noisy parties late at night, racing quads, fireworks, etc. Please work with your renters to insure they are aware and committed to “good behavior” while in the community.
4. Due primarily to Byron Leibold’s efforts (but with the help of D. Weesner, A. Rogers, B. Bosmeny and K. Crum), the palm trees on the South part of the development are doing much better. Byron climbed the trees, pruned them, then treated the soil and fertilized the plants. We also arranged to have the Association water truck water the plants 2x/month. We need some owners to “own” taking care of the rest of the plants, but take a look when you’re down. What an improvement – thanks, Byron for leading the way!
5. Samuel has been working the on the big, original pool generator all summer. We hope to have a success story there soon.... the board’s goal was to “get through the summer” with minimal expense, then try and improve the power situation on the pool to enable consistent cleaning. D. Crum and B. Robert have also been steadily delivering supplies as needed... Thanks guys!
6. Bruce Truesdell’s health continues to decline. He is not able to participate in the running of the Association AT ALL anymore. Please do not contact him for help or expect any response.
7. There have been some issues with getting payment checks from owners logged in a timely manner, monthly invoices sent out, problems resolved in a timely way, etc. Effective Sept 1, we are going to use a new bookkeeper, who will be available during business hours to take phone calls to discuss any problems. We expect the whole process to work much more smoothly. Check out your new statement or the website for new contact details!

The success of all our investments in the community of Playa La Jolla will only be realized by the full participation of all owners and major land holders. The board is excited about our direction and hope you are too!

Sincerely, your Playa La Jolla Owners Board:

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