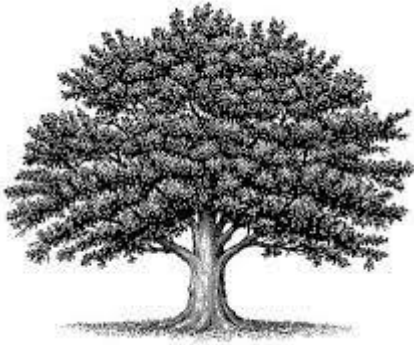


Westcom Property Services Inc.
20631 Ventura Boulevard / Suite 202 / Woodland Hills, CA 91364
Fax Number (818) 569-5633 / (818) 587-9500 / (310) 276-1987 / (805) 529-1400

Valley Oaks II Homeowners Association

July 14, 2021



Special Assessment start date / Repayment of Common area improvements Loan

Dear Valley Oaks II Community Members:

As you were made aware a ballot was mailed to all unit owners to vote on allowing the Association to obtain a loan in the amount of \$300,000.00, payable over a ten-year period to do some major work throughout the complex. It was voted to approve the loan in the amount of \$300,000.00. To repay the loan it was understood this would be a special assessment in the amount of \$5,000.00 for each unit payable over a ten (10) year period at a 4.00% fixed interest rate making the monthly special assessment \$50.00 per month. For those who elect to pay their assessment in full you may do so by sending a separate check for the total amount.

The special assessment will begin September 1, 2021 and will appear as a separate charge on your monthly billing statement. The terms of the loan are as follows:

- **Association's borrowed amount:** \$300,000.00
- **Term:** 10 years
- **Interest rate:** Fixed at 4.00%
- **Association's monthly payment:** \$3045.72
- **Unit owners' total responsibility:** \$6,091.20
- **Unit owners' monthly responsibility** \$50.76 per month for 10 years.

The Board of Directors wishes to thank each owner for their support, and if you have any questions, please contact the Management Company at the number listed above.

The Board of Directors will be meeting with a contractor next week to finalize the different projects. We will continue to provide updates on the upcoming projects.

Pursuant to the CC&R's and Civil Code, the following are the Association's assessment practices and policies:

1. Assessments, late charges, interest, and collection costs, including any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied.
2. Regular monthly assessments are due and payable on the first day of each month. A courtesy billing statement is sent each month to the billing address on record with the Association. However, it is the owner of record's responsibility to pay each assessment in full each month regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified by the Board on the Notice of Assessment, which date will not be less than thirty (30) days after the date of notice of the special assessment.
3. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including attorneys' fees, unless the owner and the Association enter into an agreement providing for payments to be applied in a different manner.
4. Assessments not received within fifteen (15) days of the stated due date are delinquent and shall be subject to a late charge of ten dollars (\$10.00) for each delinquent assessment per unit.
5. An interest charge at the rate of 12% per annum will be assessed against any outstanding balance, including delinquent assessments, late charges, and cost of collection, which may include attorneys' fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current.
6. If a special assessment is payable in installments and an installment payment of that special assessment is delinquent for more than thirty (30) days, all installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to a late charge and interest as provided above.
7. If an assessment is not received within thirty (30) days after the assessment becomes delinquent, the Association or its designee, in the event the account is turned over to a collection agent, will send a pre-lien letter (\$75 cost) to the owner as required by Civil Code, by certified and first class mail, to the owner's mailing address of record advising of the delinquent status of the account and impending collection action. The owner will be charged a fee for the pre-lien letter.
8. If an owner fails to pay the amounts set forth in the pre-lien letter within thirty (30) days of the date of that letter, the Association will authorize the service for collection to record a lien (\$325 cost) for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees against the owner's property. The owner will be charged for the fees and costs of preparing and recording the lien. Thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure. Governor Brown signed into law the Building Homes and Jobs Act. The Act is intended to raise money for affordable housing by imposing a new \$75 fee to every real estate-related document submitted for recording, effective January 1, 2018. In the non-judicial foreclosure process, the fee would apply to each Notice of Delinquent Assessment, Notice of Default, Notice of Trustee's Sale, Certificate of Sale and Trustee's Deed Upon Sale which is

recorded and possible other documents during the collections process. Effective January 1, 2018, there is a new law imposing a \$75.00 fee (paid to the state) along with the filing of collection documents. This fee is in addition to the \$325.00 lien fee.

9. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association.

10. The mailing address for payments of assessments by overnight delivery is: Westcom Property Services, Inc., 20631 Ventura Blvd #202, Woodland Hills, CA 91364. Please note that should an account be referred to a collection service, the collection service will provide the new address for overnight payments.



For those of you who pay on-line or automated through your bank or credit card payments please remember to change the amount effective September 1, 2021.

If you have any questions, please submit the in writing to the Management Company at the number listed above.