Oak Crest Estates, Inc., Cooperative
Mutual Benefit Corporation and Stock Cooperative
A SENIOR CITIZEN COMMUNITY
4747 Oak Crest Road, Fallbrook, CA 92028
760-728-7455

INFORMATION FOR PROSPECTIVE BUYER

Please be advised that violations of the Prospective Buyer rules of Oak Crest Estates, Inc. could jeopardize and delay the purchase of the home. **Oak Crest Estates Corporation is the owner of the entire acreage and property. Consequently, each Separate Interest does not qualify for a Deed of Trust. All Prospective Buyers must first meet with the board** for proper information and instructions before any further action may be taken. This first step in the forthcoming process is important to avoid possible delays.

1. Only a Senior Citizen of age 55 or older may reside in Oak Crest Estates, Inc.
2. Members are partners in the business of Oak Crest Estates, Inc. Stock Cooperative.
3. As of July 1, 2021, all sellers in a high fire zone, which we are, are required to request and complete "AB38 Fire Hazard Inspection Request" form to make an appointment with Cal Fire for the mandated inspection. Upon satisfactory completion of the Defensible Space Inspection by Cal Fire, a Certificate stating the compliance of Section 4291 of Public Resources Code is issued. This Certificate must be provided to Oak Crest, the Prospective Buyer, and their realtor.
4. Each new purchase will be charged a $800 Share Transfer Fee to be paid via Escrow.
5. A completed Application for Member Status must be submitted along with requested documentation.
6. All sources of income must be provided to the board and shall be verified including two (2) years consecutive satisfactory verification of income with W-2's, Social Security award letter, one (1) month current paystubs reflecting year-to-date income, and three (3) months of most recent complete bank statements or 6 months bank summaries. Our income to ratio guidelines are 28% housing expense to income ratio and 36% total debt to income ratio. Exceptions to the ratio guidelines may be made by the board based on compensating factors of income stability from the prior two years, amount of reserves at closing and reflection of savings history from bank statements. A basic risk analysis for these areas are performed with the information requested and provided by the applicant. If self-employed, other requirements and documentation may be requested.
7. A recent credit report ordered by the prospective applicant showing a minimum score of 720. There shall be no refund available on the credit report.
8. All bankruptcies must be discharged, and a copy of discharge dated a minimum of 2 years prior to OCE's application to be provided. Credit to be re-established with 4 minimal satisfactory tradelines with a prior 18+ months credit history for tradelines.
9. Cash reserves minimum requirements are as follows. A minimum of 4 months of current HOA amount in cash reserves at closing of escrow. This will be confirmed and reflected from the subject property estimated closing statement from buyers.

A non-cash buyer (taking out a loan for purchase) must reflect a minimum of 6 months current HOA amount in cash reserves at board approval/closing of escrow confirmed with the estimated closing statement.

An heir who would not have to purchase shall have a minimum of 6 months HOA amount in cash reserves at board approval.

10. The Prospective Buyer will be provided with various documents, the Rules & Regulations, Bylaws, and CC&Rs to be signed as acknowledgment and acceptance.
11. All transactions must go through an Escrow Company.
12. The vetting and approval of the Prospective Buyer must be completed BEFORE the escrow closing date can be set. Notification of approval by the Board will be sent by Oak Crest Estates Office Manager.
13. No Prospective Buyer may move into a residence until after Board approval of the applicant, Escrow closes, and the Member Occupancy Agreement is signed.
14. A 30-day minimum/Month-to-month Rent Agreement may be permitted upon following the procedure to do so.

Sign to acknowledge you have read, understand, and accept the above requirements.

Prospective Buyer's Name (Please Print)	Prospective Buyer's Signature
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GENERAL INFORMATION and NOTICE of ADVISEMENTS

If you are interested in being a Member in Oak Crest Estates Inc, the following information may be important to you.

We are a Non-Profit Mutual Benefit Corporation, a Stock Cooperative of separate interests, and a 55 and older senior community. There are 105 spaces in our community. Members own their own home and 1/105th of 85 acres belonging to the Corporation. You would be given the privilege of exclusive use of a space which is owned by the Corporation. The monthly Assessment fee is **$494** due the first of each month. This fee is subject to change at the direction of the Board of Directors. This Assessment fee includes sewer, water, trash pick-up, liability insurance (not including your personal property and liability), and maintenance of the common areas (everything other than your space and home). You are responsible for

1) Property/Improvement Taxes which are billed by San Diego County for your Share/Land and your Home/Improvement. If your home is registered with HCD (sticker/decal), you will pay a yearly fee for your home plus your Share/Land Taxes; 2) your gas and electric expenses will be billed by SDG&E upon completion of our Utility Upgrade Program. Prospective Buyers will be charged a $800 Membership Share Certificate transfer fee to be paid via escrow. Our elected five-member Board of Directors serve voluntarily and without compensation.

GEOGRAPHIC LOCATION: West of and adjacent to Interstate 15 (parallel to Old Highway 395) in the community of Rainbow. We are 8 miles northeast of Fallbrook and 7 miles south of Temecula. Escondido is 20 miles south on I-15; San Diego 30 miles further south on I-15; Oceanside is about 25 miles southwest via I-15 and State Highway 76.

UTILITIES: All gas, electric, water, sewer, and telephone lines are installed underground. Water in Oak Crest Estates is master metered by Rainbow Water. Water and sewage usage is included in the monthly Assessment. Each home has individual gas and electric meters, which are read monthly by SDG&E and billed directly to you.

FACILITIES: Clubhouse meeting room, conference room, office, library, kitchen, game room, swimming pool, spa, basketball hoop, various social activities, and a beautiful park-like setting among oaks, pines, and boulders. The elevation is about 1000 feet and Rainbow Creek runs through our community, providing a lovely place to walk. Gateway Park at our entrance and the extensive landscaping throughout the community add to the ambience of our surroundings.

SHOPPING, CHURCHES: Fallbrook offers a friendly village atmosphere of shops, restaurants, supermarkets, galleries, opportunities for involvement in performing arts (drama, dance, music), and a variety of businesses. Temecula offers a large variety of malls, every restaurant you can imagine, famous wineries, Casinos, theaters, supermarkets, Temecula Valley Hospital, virtually anything found in a larger city. Escondido also has large hospitals and medical facilities. Almost every religious denomination is represented in this region. The North County Fire Rainbow (including paramedic services) is across the freeway in Rainbow. Cal Fire station is approximately 4 miles southwest.

ADDITIONAL NOTES:

1) The Board of Directors may require that certain up-grades take place prior to move-in. Replacement homes can be no older than 10 years. There is information available for replacement of homes. Information is also available from the Office or a Board member for homes for sale in Oak Crest Estates. The Office is open Wednesday, Thursday, and Friday from 7:30 a.m. until 2:30 p.m.
2) Upon completion of the Utility Upgrade Program, SDG&E will be responsible for all gas and electric infrastructure including the gas line to and including your meter and the electric line to and including your pedestal
3) The Corporation is responsible for water service up to and including the home shut-off valve and exterior sewer piping outside the home
4) The Member is responsible for your gas line from your gas meter to your home and your electric line from your pedestal to your home

NOTICE & ADVISEMENTS

1) You are hereby advised there is an easement through Oak Crest Estates for the benefit of two private homes on top of the hill. The easement was granted by CalTrans and starts at the entrance, goes along Oak Crest Road to Hill Haven, and up Lone Oak.

2) There is also a walkway under the I-15 overpass which connects to Old Highway 395. It is gated and locked. It can be accessed by buying a key through the Office. You only need the one gate key to access the walkway. The double gate is for emergency use.

3) Oak Crest Estates, Inc. owns the sewer plant situated in the maintenance area. It is overseen by a professional company, Rainbow Water District, and the maintenance crew. The Sewer Plant is currently undergoing upgrades to be completed by end of 2021.

4) Our water lines, sewer lines, and roadways are ageing. We annually review our infrastructure. We have been granted a grant to upgrade our ageing gas & electricity infrastructure and is currently under construction. Streets will be up-graded at completion of infrastructure up-grades.

5) Should the Corporation incur unusual expenses, the Board may determine the need for Special Assessments. Each Member as a Partner in Oak Crest Estates, Inc. would be responsible for payment of their portion of the Assessment.

6) We have traffic noise from I-15 and, since Fallbrook's boundary adjoins Camp Pendleton, we have, occasionally, helicopters flying overhead and training noise from the base.

7) The seller is obligated to provide the Office with the Governing Documents, the most recent Annual Financial Review, the Annual Budget, Reserve Study, and other official disclosures distributed by the Corporation.

8) As of April 1, 2019~~,~~ the Oak Crest Estates, Inc. Board has hired a professional accounting and bookkeeping service.

9) The Board is currently updating the Governing Documents, Agreements, and various documents.

By signing below, the Prospective Buyer acknowledges these Notices and Advisements as well as receipt of the items outlined in item #7.

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Signature(s) of Prospective Buyer(s) Date

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Name(s) of Seller(s) Space Number