

09/10/2004

Ref. # 0770001455

COSETTA, ANDREW 1097 SANTO ANTONIO #69 COLTON, CA 92324

Dear Board member:

Congratulations on recently being elected to the Park Mediterrania Homeowners' Association's Board of Directors.

This prominent position carries the responsibility of making important decisions in the interest of your Association, and there are resources available which are designed to help you in this capacity.

Your Association is primarily governed by three major documents, which are your Association COVENANTS, CONDITIONS AND RESTRICTIONS (also referred to as the CC&R's), your Association BYLAWS and your Association RULES AND REGULATIONS. These documents contain the information necessary to help you successfully execute the office of Director. This information is to be consulted on all matters requiring the Board's attention.

The following is a brief description of said documents, which will help you appreciate their unique importance.

- The <u>COVENANTS</u>, <u>CONDITIONS</u> AND <u>RESTRICTIONS</u> is a legally binding document. You will refer to this information for clarification and the distinction between Homeowner and Association responsibilities. The most frequented section, "Use Restrictions", provide the do's and don'ts of the Association. Rules on pets, parking, noise and other pertinent issues are contained in this section. The authority and procedure for assessments and collection is also in the CC&R's.
- The <u>BYLAWS</u> contain information that governs the Board of Directors meeting procedures
 and any order of business that is governed by them. This is also a legal and binding
 document.
- The <u>RULES AND REGULATIONS</u> are created by the Homeowners' Association's Board of Directors, special committees and/or special homeowner groups as deemed necessary, to provide guidelines on the interpretation of issues requiring clarification. The provisions within this document are official and enforceable upon all homeowners within the Association. The Rules and Regulations are subject to change by the Board of Directors.

The essential responsibility of a Board Member is to attend and participate in the Association's regularly scheduled meetings; however, being responsive to the concerns of the homeowners is a continual task of a Board Member.

QUESTIONS AND ANSWERS

1) How is homeowner vs. homeowner conflict handled?

Situations arise between neighbors that require special handling. In such cases we request that homeowners document their concerns to Euclid Management and sign their complaints. The concern will be forwarded to the Association's Board of Directors for discussion and appropriate action.

2) What is considered an emergency?

Fortunately, after normal business hours emergencies seldom occur. However, there are occasional incidents such as running water or roof leaks that require emergency management assistance. Euclid Management has a 24-hour emergency service for this purpose. Call our main phone number: (909) 981-4131, and listen to the emergency prompt for instructions on how to report an emergency. A Euclid Management staff representative will promptly respond to your call.

3) How often does Euclid Management inspect the property?

An Association Administrator will visit the property on a regular basis; typically, weekly. Arrangements can be made for special inspections at times convenient to all parties involved. A written report is made during each inspection and is kept on file in our office. We also include these reports in our "Board Packets".

4) How are delinquent assessments handled?

Your Association has adopted a collection policy. This policy will include courtesy letters, lien letters, liens and attorney actions. The Board will be updated on all delinquencies at the Board meetings.

5) How is architectural control maintained?

Any homeowner wishing to make any architectural changes which require the Architectural Review Committee's approval (see your CC&R's), should contact Euclid Management for an Architectural Application Form. An application will be mailed to the homeowner, who must complete the necessary information and return the form to Euclid Management. Upon receiving a completed application, Euclid Management will log the information and forward the same to the Architectural Review Committee for a decision. Average processing time is 30 to 45 days.

3 OUICK TIPS

- 1) Do not give out your home phone number!
- 2) Read the CC&R's, ByLaws and Rules & Regulations of your Association—they are your best educational resources.
- 3) Attend Euclid Management's educational seminars.

At Euclid Management Company, we specialize in Homeowner Association management and currently manage over one hundred and forty-five Associations — many of which are in your area. We are in a position to carry on the day to day business of your Association, and will advise you on Association matters.

Owners Jim Gray and Glennon Gray take an active interest in each Association. Each Homeowners' Association is also appointed an Association Administrator to handle the day to day activities. Some of the duties that Euclid Management Company will handle for you include: billings, payables, financials, property inspections, insurance, taxes, educational programs, working with subcontractors, correspondence and Association meeting attendance.

Feel free to contact us for assistance at the following:

Business address: Euclid Management Company

195 N Euclid Avenue Suite 100

Upland, CA 91786

Mailing address: Euclid Management Company

P.O. Box 1510

Upland, CA 91785-1510

Business number: (909) 981-4131

Fax number: (909) 981-7631

E-mail address: custsvc@euclidmanagement.com

Again, congratulations on your election to the position of Director for the Park Mediterrania Homeowners' Association's Board of Directors.

Sincerely,

Glennon J. Gray

President