

YAHOO! SMALL BUSINESS

The 3 Management Companies Who Will Appear on Thursday---and Other Issues

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I'm afraid that the Board doesn't really have time to respond to individual emails during this busy period---at least, not very often. However we wanted to obtain a list of homeowner emails for future notices. And we do thank you all for responding.

Some homeowners have asked for additional information about the management companies that we were going to be interviewing this Thursday in the garage of Unit # 13. I can tell you the following will be sending representatives

- 1) Lordon Management 1275 Center Court Drive, Covina, CA. 91724
- 2) Lighthouse Management 508 Cajon Street, Suite B, Redlands, CA. 92373
- 3) Weldon Brown 5029 La Mart Drive, Suite C, Riverside, CA. 92507

All of these management companies have been in existence a long time: Weldon Brown since 1963, Lordon since 1966. I think Kevin Lewis of Lighthouse Management indicated he has been managing HOA properties for over 25 years, although his company has been in existence for only 15 years.

All of these management companies manage other properties in the area---I think each company manages at least 10 HOAs---and some manage hundreds of HOAs. The Board didn't seriously consider management companies that have not been in business for very long, or who managed only a few HOAs.

NONE of these management companies have had their owner/manager(s) ethically disciplined. You will recall that the owner of WSR, John Mark Plocher has had his real estate license revoked. (Jeffrey Wolsleger was quietly substituted as broker of record in 2/24/2012, but it was

Plocher who has was owner and broker of record for the company for most of the 6 years that it served this HOA. (Below is the listing from the California Department of Real Estate):

License Type:

BROKER

Name:

Plocher, John Mark

License ID:

00606019

Expiration Date:

05/24/01

License Status:

REVOKED

Broker License Issued:

05/25/85 (Unofficial -- taken from secondary records)

Former Name(s):

NO FORMER NAMES

Main Office:

NO CURRENT MAIN OFFICE ADDRESS ON FILE

DBA

NO CURRENT DBAS

Branches:

NO CURRENT BRANCHES

Affiliated Licensed Corporation(s):

00899481 - Officer Expiration Date: 06/22/13

Western Security Realty Inc

****THIS OFFICER IS RESTRICTED. THIS CORP IS RESTRICTED.****
OFFICER CANCELED AS OF 02/24/12

Comment:

06/08/07 - H-34036 LA

05/29/09 - REVOKED-RIGHT TO RESTRICTED LICENSE

NO OTHER PUBLIC COMMENTS

Disciplinary Action

Documents:

H-34036 LA

>>>> Public information request complete <<<<

I have also been asked about the per door fee of these companies. I think it's a little misleading to ask that question in the abstract since many management companies have some degree of flexibility in their fees ---and when you finally are inclined to accept their proposal you might find them agreeing to something other than the quoted price. In any case, the quoted monthly per door price for Lordon is \$1440, \$1300 for Weldon Brown and \$1200 for Lighthouse. The quoted monthly price for WSR was \$1385, but given the money that was lost in terms of the sale of the 2 townhouses, their untrustworthiness, and the other circumstances, It really makes no sense to look at that kind of statistic in the abstract (as former Board members who are still WSR partisans would care to do), without taking into account all the other circumstances.

Also, since some of these management companies offer additional or special services, it's not always that simple to figure out the quote that is "cheaper" in the long run since you may be comparing apples to oranges. But we can discuss that at the meeting.

Otherwise, may I point out that false rumors have been circulated by some former Board members who have falsely stated that the current Board was going to hire Euclid Management---and raise HOA dues. First, we never even interviewed this company---I was never in touch with them because I had been informed about the prehistory at this HOA. Second, it was the former Board members who caused a

hike in HOA dues after the investment in the 2 townhouses did NOT work out as planned. It is a fact that the HOA lost money by the purchase of these 2 units--- and WSR has NOT agreed to make up the shortfall. It is also a fact that neither Chet nor any other former Board member have gone on record in demanding that WSR reimburse the HOA for this loss. But if they are on WSR's side in this dispute---what business do they have in occupying a Board position? How is this NOT a conflict of interest?

Finally, may I indicate that former Board members are fighting the appointment of any other management company and starting false rumors, have also REFUSED to reveal (even as of this late date):

- 1) Who made the motion to purchase these 2 townhouses? Both WSR and the former Board members will NOT say.
- 2) Who voted in favor of the Motion to purchase these 2 townhouses? Both WSR and the former Board members have refused to discuss this.
- 3) Who was present at the meeting in question? (The Minutes to the meeting in question indicated that there was NOT a quorum. Later these Minutes were amended, adding Board members. But NO former Board member will admit who made this revision to the Minutes---and why 2 sets of Minutes---when there should ONLY be ONE.)
- 4) Who chose the attorney to write an opinion letter after the fact seeking to justify the sale? (The attorney in question had previously pleaded guilty to a felony, had been disbarred for 8 out of the previous 10 years by the State Bar of California--- and had only regained his license for the last 2 years. This attorney was also apparently operating out of his home. This is the letter that WSR and the Board refused to reveal to homeowners on alleged grounds of privilege. Had WSR and the Board revealed the attorney's record for professional discipline---I am sure they would have given it zero weight and deference. If WSR had asked it's regular law firm---Fiore, Racobs---for an opinion---that law firm would have firmly told them NOT to do it.
Neither WSR nor any Board member have tendered ANY response to the extensive termination letter prepared more than a month ago---including any explanation of the conflicting Minutes that relate to the meeting where the purchase of these 2 townhouses were approved.

5) When the Board authorized Jeff to buy units at the courthouse steps, they did NOT put ANY dollar limit on the purchase price---which is why the HOA lost money by spending approximately \$170,000 on only 2 units. What kind of judgement did the former Board show in doing so?

6) Why didn't WSR and/or the Board obtain an attorney opinion letter BEFORE they made these purchases?

I find it incredible that former Board member are STILL seeking to bolster a late bid by WSR by spreading false rumors---as if they have not done enough at this point to harm the HOA. (I am not disputing anyone's right to perform research, but the resulting statements need to be factually based.

In any case, at the meeting on Thursday the Board has decided to release the complete termination letter of WSR so that the members can be apprised of its contents---and since the current Board believes they have, quite frankly, a right to know.

Lawrence F. Schoelch
Attorney at Law
