

VALENCIA ASSOCIATION
1320 North Porter Avenue
Norman, OK 73071

September 2, 2014

Welcome to the 2014 Valencia HOA Event. I appreciate your efforts coming out. I hope you find the enclosed information useful and resourceful. Please let me know if there is any way that I can, within my scopes of work, make Valencia a pleasant place to live.

In this packet you will find:

- My Role
- Why a HOA?
- Brief Descriptions of the Governing Documents for Valencia
- Year-to-Date Financial Statement
- Common Communication within the HOA
- What's Going On?
- Contact Information

Again, I hope you find the time to review this information closely and retain it for future questions.

Regards,

A handwritten signature in black ink, appearing to be 'Rob Green', written over the word 'Regards,'.

Rob Green | Director of Community Operations

2014 Valencia Home Owner Association Information

Below are important topics for the Valencia HOA. Please review and let me know if you have any questions.

- I. **Rob Green the Director of Community Operations main scopes of work**
 - a. As the Director of Community Operations, there are four primary scopes of work in this position.
 - i. Collect HOA Dues: send out invoices and statements collecting HOA dues. This is how the HOA operates and pays for HOA expenses.
 - ii. Request and Receive HOA Landscape Bids: receive at least three competitive bids to maintain the common area in Valencia.
 - iii. Enforce Community Covenant Violations: a homeowner fills out an HOA violation form, sends to the Director of Community of Operations and a ticket opens to attempt to resolve the issue.
 - iv. Review Architectural Applications: receive and review lot modification forms from homeowners making changes to their home and/or home site.

- II. **What is an HOA and why does Valencia have one?**
 - a. An HOA is a not-for-profit organization that is put into place to protect and preserve property values.

- III. **Homeowner Association Governing Documents**
 - a. The association's governing documents are made up of legally binding documents that are filed at the county office.
 - i. Declarations: The real property covenants, filed with county clerk. Provides structural and use restrictions and creates the community association.
 - ii. Bylaws: The business practices of an HOA: who governs, how often, when/where/how do we meet and conduct business.
 - iii. Initial Rules: The rules flesh out the can's and cant's within the community.
 - iv. Guidelines: These are like rules except they are weighted toward structural/aesthetic restrictions.
 - b. The HOA governing documents can be located on Valencia's website: www.valenicahoa.net > Covenants > Valencia Restrictive Covenants

- IV. **Financial Statements**
 - a. As of 9.2.14 Valencia's bank balance is \$75,491
 - b. Ideal Homes and the Developer are also paying HOA dues for all vacant lots as well as all homes that are not occupied.
 - c. Valencia's account receivables are \$31,706 (what delinquent homeowners owe).
 - d. The HOA has hired a law firm to act as a collecting agent on delinquent accounts.

Valencia HOA
Profit & Loss
January 1 through September 2, 2014

| | <u>Jan 1 - Sep 2, 14</u> |
|---|--|
| Ordinary Income/Expense | |
| Income | |
| Returned Check Charges | 0.13 |
| HOA Dues | 249,104.68 [this includes Ideal Homes contributions] |
| Late Charges | <u>50.00</u> |
| Total Income | <u>249,154.71</u> |
| Gross Profit | 249,154.71 |
| Expense | |
| Bad debt | 2,875.17 [HOA dues not collectable in foreclosures] |
| Bank charges | 118.50 |
| Common Area Equipment | 1,050.00 [mulch for new trees] |
| Signage | 525.36 [common area signage] |
| HOA Maintenance | |
| Fence Maintenance | 1,465.00 |
| Tree Maintenance | 28,039.75 [planting and watering new common areas trees] |
| Pond Maintenance | 3,895.00 |
| Monthly Lawn Maintenance | <u>90,076.67 [mowing all common areas located in Valencia including parks and frontages]</u> |
| Total HOA Maintenance | 123,476.42 |
| Filing Fees | |
| Lien Filing/Release Fees | |
| Lien Filing Fees | -26.00 |
| Lien Filing/Release Fees | <u>-130.00</u> |
| Total Lien Filing/Release Fees | -156.00 |
| Total Filing Fees | -156.00 |
| Insurance | 6,835.00 [property material insurance] |
| Office Supplies | 157.90 |
| Postage and Delivery | 1,919.87 [mail outs for Valencia] |
| Printing and Reproduction | 225.96 |
| Professional Fees | |
| Accounting | 300.00 |
| Legal Fees | <u>488.51 [enforcement and amendments]</u> |
| Total Professional Fees | 788.51 |
| Repairs | |
| Landscape Repairs | 1,848.00 |
| Irrigation/Fountain Repairs | 8,660.00 [valves and line breaks in lines] |
| Common Area Repair | <u>411.74</u> |
| Total Repairs | 10,819.74 |
| Social Events & Meetings | |
| Meeting Expense | <u>450.00</u> |
| Total Social Events & Meetings | 450.00 |
| Utilities | |
| Electric | 6,247.68 |
| Water | <u>13,878.12</u> |
| Total Utilities | 20,125.80 |
| Website | |
| Development & Hosting | <u>601.64</u> |
| Total Website | 601.64 |
| Reserve Pool | [paid for by the Reserve Section] |
| License Fees | 75.00 |
| Repairs | 928.65 |
| Telephone | 821.02 |
| Insurance | 1,409.00 |
| Alarm | 199.60 |
| Maintenance | 6,136.00 |
| Reserve Pool Key Replacement | <u>-50.00</u> |
| Total Reserve Pool | 9,519.27 |
| Total Expense | <u>179,414.14</u> |
| Net Ordinary Income | <u>69,740.57</u> |
| Net Income | <u><u>69,740.57</u></u> |

Common Communication within Valencia –

Below is additional information usually communicated within the HOA. I wanted to point out, some of these items are not necessarily taking place in Valencia, it's just if they were to take place this is the information to reference.

Street parking: Street parking has been discussed as a community concern. Please try your best to park in your driveway (without blocking sidewalks). The below box is a section in the restrictive covenants referring to parking in Valencia.

2. Restrictions. The following activities are prohibited at Valencia unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board:

2.1 Parking. Parking any vehicles on public or private streets or thoroughfares, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages; provided, construction, service and delivery vehicles shall be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;

Street Parking Continued: Below is some information regarding the city and parking. If you notice any of the following you may call the **City Action Center** at <http://www.okc.gov/action/> or 405-297-2535.

- a. The vehicle must be properly tagged and in good operating condition.
- b. The vehicle must be parked with the flow of traffic.
- c. The vehicle must not be parked such as to present a hazard to normal traffic flow.
- d. The vehicle may not be leaking oil onto the street.
- e. The vehicle must not be blocking the sidewalk.
- f. The vehicle must be parked 15' from intersection.

Also, please avoid from blocking mailboxes, in certain cases you can might be preventing someone from getting their mail. For further information, you may consult the Oklahoma City municipal Code at www.okc.gov for further restrictions, or you can call or e-mail the OKC Action Center above.

Speeding Traffic through the Community – Please observe city traffic laws and all residential speeds zones. If you observe speeding traffic, please keep track of the following: type of car, time of day, and area of driving. After you have gathered the above information, notify your local traffic law enforcement then notify the Director of Community of Operations.

Boats & Trailers in Driveways or Streets - Boats and trailers may park in driveway on a temporarily basis. If you need to wash or repair your boat, please notify the HOA and communicate the time your boat will be in the community. For use of trailers, please follow the same rule.

Garbage cans – Please make a strong effort to fully screen your trash can. Continue on next page.

Trash pickup is on Monday, the city requires that trash cans are to be off the curb by the next day. Debris sitting curbside longer than three days is prohibited and the city will notify the residents. If you are to observe trashcans sitting curbside for more than a couple of days, you can call the **OKC action center: 297-2535**

The covenants do require that cans be screened from view. If you do not have the room in your garage to store trash cans, please store the trash can in your back yard. This has worked in other communities.

4.40. Trash and Garbage Receptacles. Trash and other receptacles shall be absent from view from any street, any Unit, and Common Areas on all days other than designated trash and/or recycling pick up days.

Lawn Maintenance – Until we experience cooler temperatures, please continue to maintain your lawn to comply with Valencia’s community covenants. If you observe an un-kept lawn, you may submit a violation form on the website (below). You may also contact the Action Center. The text box below is pulled from the covenants:

**Article 5 Maintenance and Repair.
5.1 Maintenance of Units.**

Each Owner shall maintain such Owner's Unit, including all landscaping and improvements comprising the Unit, in a manner consistent with Valencia Governing Documents, Valencia-Wide Standard and all applicable covenants, unless, such maintenance responsibility is otherwise assumed by or assigned to the Association or a Series pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Unit.

Also, please refrain from blowing your cut grass clippings into the street.

HOA accountability – Any homeowner from the Valencia HOA is always welcome to schedule an appointment with me to discuss HOA matters. For example, to view any funds that are spent and allocated as well as enforcement upon Valencia Community Covenants.

Reporting violations – To report a violation in Valencia, go to www.valenciahoa.net Click on “forms” then click “report a violation form”. If you recognize the violation falls under city code, call **OKC action center: 297-2535**

Reporting Crime – If you experienced any crime related situations, please call the local authority’s immediately. Then please notify the Director of Community Operations so I may update my records.

Reporting Street Lights Repairs – To turn in a light repair request: you can either call OG&E at 405-272-9595 or e-mail at INSPDESK@oge.com and provide the address of the light or the closest intersection. I would advise asking for a case number in return for follow up purpose.

Reporting Street Repairs – If you observe a pothole or a major crack in the street, you may contact the OKC Street Maintenance Department pothole hotline 405-631-1111 and provide exact address of crack and pothole.

Pet Waste – Please, if you own a pet and they soil the common areas in Valencia, I really need your help picking up after your pet. That's the only option.

Dog Barking and Leash Laws – The Association may correspond with a resident if a dog is barking, but the best thing to do is contact Oklahoma City Animal Welfare or the Okc Action Center. Animal Welfare contact information 405-297-3100 and The Action Center is 405-297-2535 and the same for all pets being leashed located in the common areas.

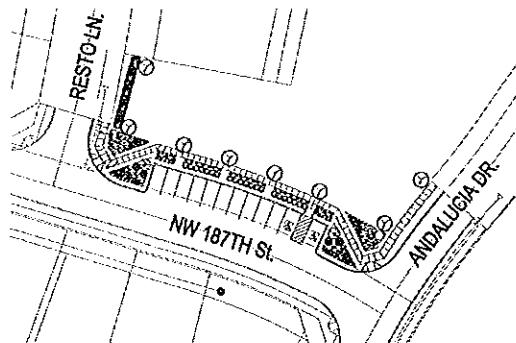
Lot Modification (DRB's) – If you would like to add a shed, shelter, new roof, or installing a pool. Please check your guidelines in the Governing Documents. Then you need to fill out a DRB form on the website.

Compliance and Enforcement – When the HOA makes note of a violation, written notice is sent out. If the homeowner fails to respond and not comply with the covenant and restrictions, then through procedural efforts the HOA may impose monetary fines which shall constitute a lien upon the unit or take litigation measures on lot owner at owner's expense.

What's going on in Valencia?

Fence Repairs – The HOA is conducting an ongoing fence repairs located along Andalucía. We will assess all common area fences over the winter and make repairs where needed next year.

Parking Lot Install – The Developer is working with the City to install a parking lot (right). This will help with parking near the intersection of NW 187th and Andalucía for the future amenities located north of NW 187th Street.



Tree Replacement Project in Common Areas – Over the next two months, the HOA will be flagging dead trees located in common areas. Then we will replace all dead trees accordingly.

Homeowner Tree Replacement – Further communication will be sent out to all homeowners that have dead tree(s) or missing their tree(s). The HOA recommends using Marcum's Nursery as your tree provider. Marcum's is familiar with the area and know what trees do well in this environment. If homeowners fail to comply with the HOA guidelines, then enforcement will be applicable. Please remember to fill out a DRB form for trees outside the list we plan to provide.

Thank you.

Rob Green | Director of Community of Operations
405.520.1409 | rgreen@ideal-homes.com