



To All Avocado Estates Homeowners:

The purpose of this notice is to inform you of the outcome of the road project loan/special assessment vote that was conducted on Monday, October 3rd.

As those of you in attendance that evening are aware, 78 of the Association's 101 owners submitted ballots. One ballot was invalidated by the Inspector of Elections as it was marked to both approve and disapprove the project. Of the remaining ballots, 39 were in favor of the project and 38 were opposed to it.

As noted in the cover letter and on the ballot itself, the project was voted on collectively by the owners, i.e. both the loan/special assessment needed to be approved for the project to go forward. The ballots noted that section 4.9 of the CC&Rs and section 3.10.4 of the Bylaws require approval of a majority of the voting power of the Association (51 of 101 owners) to approve the proposed loan. As only 39 homeowners voted in favor of the loan, the loan was not approved.

Section 4.9 of the CC&Rs and California Civil Code section 5605 provide a majority of a quorum of owners may approve a special assessment, and a majority (39) of a quorum approved the special assessment. Therefore, while it was approved, the special assessment will not be imposed because the loan was not approved.

However, the Association's roads remain in poor condition and still need to be repaired. Therefore, the Board will be discussing options to accomplish road repairs at its meeting on Tuesday, October 11th at the pool area. The Board urges all owners to attend this meeting.

In closing, the Board would like to thank the 78 owners that cast their ballots on this project. While nearly an equal number of owners will be happy and disappointed by the outcome of the voting, an unprecedented 77% of owners care enough about our community to vote. We urge you to stay engaged in this process and help the Board find a resolution to the road issues that is acceptable to all owners. This is an extremely challenging issue, but the Board is confident that together, a solution will be found.

Sincerely,

The Board of Directors