

October 21, 2013

Dear Vistas Homeowners,

As The Vistas Homeowners Association celebrates its 24th anniversary, our homes and neighborhoods continue to be sought after and admired by home buyers. Los Altos Parkway continues to provide a beautiful entrance to The Vistas and is one of the prettiest and most mature of the parkways in the local area. Our landscape contractor, The Groundskeeper has done a great job maintaining the beauty and quality of our common areas, of which there are several.

In addition to the parkway, our beautiful mature neighborhoods are well maintained attracting many new homeowners. This is a direct result of all of you who care about our community and your willingness to go the extra mile. As our community matures, new and additional challenges to maintain our homes and yards are occurring. This results in additional efforts on behalf of your association to pursue homeowner compliance with CC&R's. Most of us have made significant investments in our homes and yards over the years and look to our neighbors and new homeowners to help preserve the quality of our neighborhoods. Together, we can all work to take a closer look at our homes (yards, house, paint, fence) to make sure that they are being maintained to our community standards. Small changes can make a big difference. We appreciate your support with this endeavor.

Every year at this time your Board reviews the current income and spending for 2013 and drafts a budget for 2014. The draft budget was adopted at the September 26, 2013 Board meeting and is attached for your review. In an effort to maintain assessments at their current level, yet needing some additional income to cover expenses, the transfer fee that is charged when a home sells will be increased from \$145 to \$250. This increase is expected to add about \$7,500 to the budget for 2014. On the expense side, the landscape maintenance contract will increase 3% to \$105,878 annually; legal fees will increase to \$15,000; and a new budget item-flood control was added for \$4,699. The allotment for bad debt will decrease to \$5,000 and small increases were made to employee expense and mileage reimbursement. Overall, the budget remains very similar to prior years and assessments will once again be maintained at \$276 per year.

Last month the association foreclosed on its first property for delinquent assessments. The property was purchased by a third party investor at the trustee sale. All delinquent association assessments and costs related to the property will be recovered and paid by the new homeowner. In addition, the Board has started the foreclosure process on a handful of other properties that have delinquent assessments. These efforts ensure fairness to all homeowners. Assessments, fines and legal fees for those who are delinquent should not be the burden and expense of other homeowners. Failure to pay assessments may result in foreclosure of your property by the Association. A revised Assessment Collection Policy is attached which lists the actions which will occur for homeowners who fail to pay their assessments. This policy is in accordance with Nevada Revised Statutes (NRS) #116.

Also enclosed for your review, is the 2014 Reserve budget which funds the repair, replacement, and restoration of major components of the "common elements". This year, Resource 1 has provided the association with a full Reserve Study for 2014 which included an onsite visit of the property. Included with this information is the expense item summary report from the Reserve Study for your information. The Reserve budget is not designed to be used for the daily maintenance of the association. Based on the report, the contribution for 2014 will be \$12,950.

NRS #116 requires that the adopted budgets be ratified by the general membership of the association. The attached budget, as presented, will take effect January 1, 2014 unless a majority of the overall membership opposes it. The membership meeting for ratification of the 2014 operating and reserve budget is scheduled for Wednesday, November 13, 2013 at 10:00 a.m. in your association office at 1281 Terminal Way, Suite 124, Reno. A copy of the agenda is included.

If you have any questions they can be emailed to Info@vistashoa.com or you can call the association office at 775-786-0500.

Regards,

James Baldwin, President