

Ten Year Monterey Financial Report (2009-2019)

Presented by

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Prior to the year 2005, the 16-acre Monterey community was actually known as the Oakwood Apartments. In 2005, the Oakwood apartment complex was bought by TR Village Green, LLC (known as the Declarant). The Declarant renovated the apartments into condominiums. The Oakwood Apartments were then renamed to Monterey at the Las Vegas Country Club.

Due to the downturn in the economy of the country starting in 2008, the Declarant went broke owing money to the Monterey HOA. The Bank that loaned the Declarant money to renovate the apartments into condominiums took over selling the remaining condominiums to the public under the name of LV Country Club Marketing, LLC. On May 9, 2009, the Monterey community homeowners took over control of the Monterey Board of Directors from the Declarant, and the Monterey Homeowner Association (HOA) had a total of \$683,662 in financial institutions.

The Declarant's bank was selling Units 3401, 3403, and 1207. These units were the Monterey HOA offices (Units 3401 & 3403) and the Fitness Center (Unit 1207). Since the Declarant's bank owed the Monterey HOA for back monthly assessments in the amount of \$174,043; the Monterey HOA forgave this amount in exchange for owning the Fitness Center and the Monterey HOA offices, at a price of \$58,014 for each Unit. Note that the Declarant's bank paid all the escrow and closing costs of \$1,755. The Monterey HOA Board of Directors felt that owning the Fitness Center and the HOA offices was a valuable benefit to the Monterey homeowners.

On July 14, 2010, the Monterey HOA filed a Construction Defect lawsuit against the Declarant and its contractors. As of October 1, 2010, there were eighty-four (84) unsold units still owned by the Declarant's bank in the Monterey community. Note that the Declarant's bank was paying the monthly assessments to the Monterey HOA on these unsold units. The total amounts of these monthly assessments were \$21,336 (84 x \$254.00 per monthly assessment).

In January 2014, the Monterey HOA won the lawsuit and netted, after all legal expenses, \$2,750,000. At the end of January 2014, the Monterey HOA bank accounts amounted to \$4,014,837. At this time the Monterey Board of Directors decided to start renovating the Monterey community. Some of the renovations were as follows:

- Refurbishing the exterior of all 40 community buildings (\$538,040), including but not limited to, painting, stucco and wood repairs, and new multi-width shakes (\$441,000)
- Replacing old carpeting in all community building hallways / landings with high quality outdoor carpeting

- Placing handrails on all building stairwells in the community for safety purposes
- Installing a video surveillance and security system (1080p HD) that operates 24/7/365 in the Fitness Center and in the HOA office, enhancing overall security
- Placing emergency 911 phones at all five swimming pool locations
- Completing plumbing infrastructure improvements (e.g., installed cold water shut-off valves for each building), reducing water outages
- Adding rain gutter improvements (i.e., rain gutter diverters) to help prevent water damage to the carpets on all second floor landings
- Making necessary roof repairs to all 40 community buildings (\$242,060)
- Increasing the number of building flood lights illuminating all the parking lots and the perimeter buildings, increasing overall security
- Replacing all building flood lights and hallway lights, with LED energy efficient lighting, resulting in lower electric bills
- Installing sensor lighting in the Fitness Center and the Laundry Buildings
- Improving our Common Areas (e.g., repaired / replacement of uneven sidewalks and curbing, added handrails to outdoor steps where needed, etc.)
- Keeping the community Common Areas well maintained (e.g., landscaping, swimming pools, hot tub, laundry facilities, gas barbeques, etc.)
- Installing new building address signs to help visitors, guests, and vendors in locating condominium unit numbers
- Painting and re-carpeting the Monterey HOA management office
- Etc....

On September 30, 2018, after extensive renovations to the Monterey community, the Monterey HOA bank accounts amounted to \$3,339,185. (Note that some of the above information came from the Monterey HOA December 2010, January 2014, and December 2018 Newsletters.)