

Odd Fellows Sierra Homeowners' Association

P. O. Box 236, Long Barn, CA 95335-0236

Website: www.ofsha.org Phone: (209) 586-3733 e-mail: ofsha@ofsha.org

Dear Lot Owner:

It is unfortunate that the animosity for the problems in the subdivision has been directed at the OFSHA Board. The members of the OFSHA Board were trying to provide all of the lot owners with the representation they have been lacking for the last twenty-five years. It seems the propaganda campaign waged against us by OFSRA has been successful. The OFSHA Board did not establish the illegal structure or promote the illegal operation of the subdivision but simply discovered the facts and reported to you. Once we uncovered the illegal and fraudulent activities in the operation of the subdivision, the OFSHA Board was legally required to share the information with the lot owners. By informing you, we became the evil group in the subdivision. Once we were aware of the situation, we could not legally sign or enter into any agreements with OFSRA that continued these illegal practices. Our attorney told us that anyone elected to the OFSHA Board would have had to follow a similar course of action or be guilty of not meeting their fiduciary responsibility to the lot owners.

Below is a list of items you need to be aware of for your protection and well being in the subdivision:

- 1. It is illegal, per California Public Utility Commission (CPUC) guidelines, for OFSRA to sell water to OFSHA or anyone else but their own members.
- 2. It is illegal for OFSHA to sell water to most of the lot owners since there are only about nine lot owners who are members of OFSHA.
- 3. The reason why only nine lot owners are members of OFSHA is because only nine lot owners attached CC&Rs to their property and the remainder of the lot owners never signed up as members of OFSHA. Did any of you officially join OFSHA?
- 4. There was never a sign-up sheet sent out asking lot owners to join OFSHA. You have a choice concerning your membership in any organization.
- 5. OFSHA has no real reason to continue since it does not have any property, any lease agreements or legal justification for collecting an assessment.
- 6. Our corporate attorney advised us a couple of weeks ago that we really do not have a homeowners association.
- 7. OFSHA cannot legally collect an assessment from lot owners unless they have CC&Rs on their property.
- 8. The subdivision has major problems without CC&Rs. OFSRA created this problem by allowing the original CC&Rs to lapse and making CC&Rs voluntary. Without CC&Rs there is no legal way for either OFSHA or OFSRA to collect an assessment from the lot owners. OFSRA is going to have to follow the law and

- not send out an assessment that is voted on illegally and that it has no legal basis to collect.
- OFSRA cannot legally collect an assessment from lot owners unless they are members of OFSRA. The question arises concerning the legality of OFSRA collecting an assessment from all lot owners, not just OFSRA members, for twenty-five years.
- 10. OFSRA does not have any connection to the CC&Rs. CC&Rs only apply to those homeowners who legally attached them to their property. A lot owner cannot be forced to put CC&Rs on their property.
- 11. Lot owners are legally obligated to pay for water through a mutual water company or a company regulated by the CPUC.
- 12. Lot owners are legally obligated to pay their share or road maintenance through Civil Code 845 (Charges are at cost profit is not allowed).
- 13. The remainder of the cost for maintaining the subdivision needs to be discussed and worked out in a fair and inexpensive manner. Since OFSRA seems to think their land is so valuable, according to them about \$2,000,000, possibly they should contribute most of the maintenance on it.
- 14. Paying OFSRA the amount they are requesting as an assessment this year, \$1,033, is up to each individual lot owner. However, we are aware that some lot owners are going to refuse to pay until only the costs that they are responsible for, water and roads, are itemized and verified.
- 15. OFSRA cannot legally allow lot owners who are not members of OFSRA to attend their shareholder meeting and vote on an assessment that applies to the 364 lots in the subdivision. OFSRA shareholders can vote to assess the eighty to ninety members of OFSRA but not the remainder of the lot owners in the subdivision.
- 16. Only the eighty to ninety members of OFSRA, members of an Odd Fellows or Rebekah Lodge, own the assets in the subdivision. If you are not a shareholder of OFSRA, you do not own a share in the pond, meadow, playground, buildings, common area, timberland, roads, water system, equipment or supplies.
- 17. Most of the lot owners only own and have a right to use the lot and home they hold title to in the subdivision. Anything else that they use is at the pleasure of and with the permission of OFSRA.
- 18. The OFSHA Board tried to work out a deal with OFSRA which would have given all lot owners an equal share in the interior of the subdivision. OFSRA refused and the lot owners did not seem to support this plan.
- 19. Only OFSRA shareholders are legally qualified to vote for members on the OFSRA Board.
- 20. All lot owners were legally qualified to vote for the OFSHA Board.

This subdivision was reconfigured twenty-five years ago when prospective owners who were not members of an Odd Fellows or Rebekah Lodge were allowed to purchase property in the subdivision. When these changes took place a new manner of governing the subdivision kept OFSRA in control for the next twenty-five years. They were able to hide this control until a board was elected to represent the lot owners in May, 2011. Over the last year, OFSRA has resisted any and all attempts to make any changes that would cause them to loose their power in the subdivision. They seem to think it is fair to allow eighty or ninety lot owners to control the other 270 lot owners in the subdivision. OFSRA

has also blamed the OFSHA Board for daring to point out the problems with their governance of the subdivision. OFSRA created the mess and now they need to establish a fair and legal way to operate the subdivision.

What are the solutions for the problems in the subdivision?

- OFSRA needs to find a legally acceptable manner of supplying water to the lot owners.
- OFSRA needs to start billing for road maintenance in a legally acceptable manner such as Civil Code 845 or by creating a legal district for road maintenance
- If OFSRA expects the lot owners to support them with the maintenance of the interior of the subdivision, they need to shop around for less expensive ways of providing the services they think the lot owners are requesting.
- 4. Considering the condition of the subdivision over this past year, OFSRA cannot expect the lot owners to support paying an assessment of \$1,033 per year.
- 5. OFSRA needs to consider billing the lot owners only for specific services such as those the lot owners are legally responsible for roads and water.
- 6. OFSRA might work on gaining acceptance from the lot owners to pay a fee for garbage and pine needle removal.
- 7. OFSRA needs to consider the legal ramifications of trying to collect an assessment from the lot owners when the OFSRA Board knows it is illegal for them collect such an assessment.
- 8. Much of this could have been worked out over the last year if OFSRA would have given up some of their control over the subdivision and worked with the OFSHA Board in solving the subdivision's problems as we requested back in September.

Many of you are unhappy with the OFSHA Board because we challenged the status-quo and brought out the overcharges, total control by OFSRA, illegal operations in the subdivision and the deception with OFSRA operating as a nonexistent homeowner's board for twenty-five years. Sorry if the truth hurts but it is what it is.

Thank you,

Board of Directors OFSHA