

One of the major obstacles to finding a resolution to the dispute at Homestead is that all parties have a different understanding of the facts. It will be hard moving forward, unless all parties reach an agreement of the current situation, as a starting point. The following is a summary of important facts related to Homestead, in our view.

The Homestead PRD mostly consists of property owned by the Declarant, 18 Paradise (the golf course and common areas), private property owned by homeowners, and public streets. Other property includes that owned by private businesses - Homestead Fitness, Steakhouse Nine, Vacation International, and the Meadow Green Assisted Living facility

Our Contract

1. Property owners are bound by the Master Declaration of CCR&Rs which was approved by the City of Lynden (COL) in 1992, as part of the Preliminary PRD Plan. Per Section 3.3 of the Declaration, property owners are required to pay a monthly fee to the golf course to maintain the Common Open Space.
2. The Declarant can amend the Declaration at any time to **“alter, modify, change, revoke, rescind or cancel any and all covenants”** per Declaration Section 8.2.1. In 2019, the Declarant amended the Declaration to revise the formula for maintenance fee increases, and also to allow for the addition of special assessments.

Scope of Work

3. Section 3.3 of the Declaration states that, property owners shall reimburse the Declarant for costs and expenses to **“Maintain the Common Open Space, which also includes maintenance of entry signs and landscape, mailbox surrounds, street light electrical power bills, and maintenance of lights not maintained by the City”**.
4. The common open space is estimated to be around 8 acres of property owned by the Declarant, the majority of which includes the original ~6.5-acre Tract A of the Maberry Tract commonly known as Homestead Park. (Declaration section 2.3, Exhibit B). The remainder of the property appears to be small parcels on East Maberry Drive or West Sunrise Drive.
5. Section 2.3 of the Declaration states that the **“Common Open Space does not and shall not include the golf course, clubhouse, R. V. storage, and maintenance areas.”**
6. Maintenance of private streets is not within the scope of work defined in the Declaration. However, that responsibility lies with the residents living on those streets, as defined in the **“Roadway Maintenance Covenants”** stated on the face of respective plat maps.
7. The areas to be maintained as defined in the Declaration are different than the maintenance areas shown on the map that the COL prepared in conjunction with MJ Management.
8. MJ Management has never told Homestead residents what maintenance activities and/or improvements will be performed, or their priority

9. MJ Management has stated that there is a lot of “deferred maintenance”, however, Homestead residents have never received any notice that any required maintenance activities would not be performed, despite paying regular maintenance fees for 30 years.

Maintenance Fees and Accountability

10. Homestead residents are currently paying “maintenance fees” of \$93/month. The fees are not based on need, but rather on a calculation of the highest amount obtainable using the revised calculation in the 7th amendment. I.e. Taking the original \$25 assessment and adding 5% per year for each of the 30 years since Homesteads inception.
11. In 2020, the \$93 maintenance fee increase was shown in MJ Management’s business plan as income to be used as a down payment for MJ Management to purchase the golf course.
12. Maintenance fees are currently being used by MJ Management to pay 18 Paradise to rent the golf course, among other things.
13. Annual maintenance fees collected in 1995 were less than \$40K. The maintenance fee budget for 2020 was over \$700K (640 residents x \$93/month x 12 months = \$714,240.00).
14. Approximately 200 Homestead residents are condo owners and in addition to Homestead fees pay between \$300-\$400/month in condo fees. The 200 condo owners do not include 48 properties at Fieldstone who have their own HOA and fees, nor the Meadow Greens assisted living facility who also have their own costs.
15. MJ Management has never presented an annual budget of expenses to the residents for approval.
16. MJ Management has never presented an accounting of where the maintenance fees are being spent.

Homeowners’ Association/ Representation

17. The Declaration states that there is an established “Owners Association”, which has advisory capacity only. This is an HOA in name only. There is no president, no elected Board, no adopted by-laws, and allows no representation.
18. Section 4.0 of the Declaration allows for the transfer of Declarant rights to homeowners in the event that common space “interests” are conveyed to homeowners by 18 Paradise. The Declarant has declined to do this, despite MJ Managements claim that “property management” is causing them lose \$250,000/year.
19. A representative advisory board (The Homestead Owners Advisory Group, or HOAG) was established in 2020 by property owners. 18 Paradise and/or MJ Management refused any attempt at negotiation to resolve issues.
20. Neither MJ Management nor 18 Paradise should be the ones telling us how our neighborhood should look like or how it should be run.