

HOMESTEAD LAWSUIT UPDATE

Homestead-HOA.org

Our Fees. Not For Profit.

TOWN HALL SCHEDULED FOR AUGUST 25TH 6PM

Homestead Park - Gazebo

Please plan on attending our next town hall meeting. The litigation team will present the state of the lawsuit and answer any questions you may have. Bring your lawn chair and / or a blanket to sit on. Zoom meeting information will be published on homestead-hoa.org a few days prior to the meeting for those who can't attend in person.



The number 1 objective of the Lawsuit is to permit the Homestead parcel owners to organize a legitimate HOA in accordance with Section 4 of the CC&R and the Uniform Washington Common Interest Ownership Act.

18 Paradise refuses to allow the parcel owners to organize a legitimate HOA.

Q: Where can I go to get updated information about the class action lawsuit?

A: Just go to homestead-hoa.org We continue to update the website with the latest developments.

Q: Did 18 Paradise respond to our May 2022 Settlement Offer?

A: On May 22, 2022, we made a proposal that the Common Open Space be conveyed to the Homeowners Association and the Sixth and Seventh Amendments to be rescinded. On July 6, 2022, 18 Paradise and Mr. Scholten responded with a proposal that would leave Homestead owners paying over \$500,000 a year in maintenance fees for 8 acres of Common Open Space. 18 Paradise and Mr. Scholten continue to demand that Homestead owners pay the expenses of the golf course.

Q: What are the maintenance fees for?

A: As outlined in the CC&Rs, Article III, Section 3.3, the maintenance fees pay for maintaining common open space, entry signs and landscape, mailbox surrounds, street light electrical power bills, and lights not maintained by the City of Lynden. Maintenance fees do not pay for sidewalk repair/maintenance, tree trimming, bridges on the Jim Kaemingk trail, the storm ponds, or snow removal.

And most importantly, it is deceptive, unauthorized and illegal to use our fees as a slush fund to cover golf course expenses or to enrich the Declarant by inflating the net profits of the golf course.

Q: How much land makes up the Common Open Space?

LEGAL UPDATE: Court issued a ruling that the common open space does not include areas within the golf course.

A: According to county records, the common open space totals, at most, 8.77 acres. Homestead Park (6.35 acres) adjacent to Fishtrap Creek makes up the majority of the COS. The City maintains the public trail that runs through it. The rest of the common open space is mostly made up of small, landscaped areas.

Q: Who pays the lawyer fees?

A: Home owner donations pay the lawyer's fees. Working at a greatly reduced rate, the lawyer's fees are paid from contributions made to a trust fund. The trust fund is independently managed by an outside attorney, and a committee of plaintiffs reviews every payment. In addition to attorney fees, some other expenses include: deposition costs, court reporter and expert witness fees. If we prevail and are awarded fees, all contributions will be refunded pro rata. See website to learn how to donate to the trust fund.

On Friday July 29th, a representative for 18 Paradise testified under penalty of perjury in the case and this is what he said.

Q: Does 18 Paradise agree that it has a duty under the declaration to manage and maintain the common open space?

A: Yes

Q: So, you would agree that under the declaration, 18 Paradise is obligated to pay the cost of maintenance of the common open space?

A: Yes

Q: Do you understand -- or does 18 Paradise understand that the intention of the declaration was that the maintenance fee would be used for the purpose of paying the expenses of maintaining the common open space?

A: Yes

Q: Would 18 Paradise agree that means that the private storm water facilities are part of the golf course and not part of the common open space?

A: Yes

Q: Would you agree that M. J. Management was not authorized in any way to record the sixth and seventh amendments?

A: No, they don't have authorization from us.

Q: So, is it your testimony that under the lease management agreement, M. J. Management had the authority to sign a document saying that 18 Paradise, LLC makes this amendment? Did they have the authority to sign a document saying 18 Paradise is amending the lease, not that it was amending the lease, but that 18 Paradise was?

A: They did not have authority on the lease and they did not have our approval.

Q: Does 18 Paradise consider the sixth and seventh amendments to the declaration valid?

A: No

Q: Why not?

A: We did not approve it

18 Paradise has now admitted under oath that:

- *The maintenance fee was supposed to be limited to the cost of maintenance*
- *MJ Management was not authorized to record the Sixth and Seventh Amendments*
- *All Homestead owners have been charged over \$1,000 under those invalid amendments*
- *That, that makes more than \$600,000 of illegal and improper charges*