

West Campus Point Homeowners Association
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Dear Neighbors,

Once we finalize a remaining issue in the Memorandum of Understanding with the University we will be able to move ahead this fall with our leak remediation project. We hope to begin construction, one cluster at a time, in October. This letter outlines the next steps that each of you need to take regarding door and window options in the project.

First, we ask each of you to consider whether you want your exterior wood doors and windows replaced on the first floor (with the exception of the front gate to the courtyard), and which window/door package you would prefer. There are two possible packages, see the attached letter from Stonemark. Those opting to get new windows and doors would need to make their selection by September [?10?], 2012 by submitting a form from Stonemark Construction Management to McFarland Financial, a down payment, and a signed Trust Agreement, which will be circulated in August.

Second, the window door package will cost \$16,375 per unit, payable by October [?15?], 2012. The university is providing a low cost 7 year loan at 3% with about \$800 in fees if you would like financing, which you can arrange through John Gaffney at UCSB Faculty Housing. A loan information sheet is attached. If you have an existing mortgage UCOP requires a 95% loan-to-value ratio, but John Gaffney can work with you if you have trouble meeting that requirement. [aside: the Board has tried hard to reduce these fees, to no avail. We may be able to save some on the notary fee. Note that the loan amount is \$17,000 to finance these fees as well.]

Alternatively you can pay cash or arrange financing on your own. For example, Keypoint Credit Union in the Calle Real Marketplace offers home equity loans of \$20,000 at 3.24% for terms up to 10 years, with no points or fees. You do not need to be a member, but you need to become one for a nominal fee, and you must qualify for the loan there as well.

For those choosing to get new windows and doors the \$16,375 investment will be treated as a capital improvement that depreciates in a straight line over 30 years. This allows owners who move out in the next few years to recoup almost all of their costs. We negotiated long and hard for this, and it was ultimately the best we could do. You will also need to sign a Trust Agreement stating that you permit the WCP Homeowners Association to hold the \$16,375 and use it for replacement of your doors and windows, for which the Association guarantees that you will get the specified door/window package installed. A PRELIMINARY DRAFT of that agreement is attached.

Metal windows will not be replaced, but will have work done on and around their framing to reduce water penetration. If you are interested in replacing any of your metal windows, the work must be done before the project commences on your cluster in order to take advantage of having the stucco color coat replaced as part of the project. A

question regarding replacement of metal windows will be included as part of a survey, so interested parties can pool their information.

The utility room door, upstairs Juliet door and master bedroom door to the upper deck will be replaced as part of the project cost. You will have a choice of keeping the Juliet doors as doors, or changing them to windows with operable panels and screens for ventilation. While a new set of Juliet doors will provide better leak protection than the old doors, they will not be as watertight as a new window unit.

Unless you opt out of getting new downstairs windows and doors, the exterior stucco wall around each window and door unit will be removed for about one foot around the opening so that the flashing and interface with the stucco can be rebuilt to make it leakproof. Also, about 18" of courtyard tile will be removed and replaced with flashing below it. If you keep your old windows and doors, then the wall will only be resurfaced and caulked around the windows and doors. If leaks or damage to common property (the building envelope) become evident in future inspections, owners who opt out of replacing the windows and doors may be required, either by the Association or by UCSB when they sell their unit, to replace damaged or leaking doors and windows. Replacement, as a separate project, will likely cost substantially more than during the upcoming project.

We believe that the new doors and windows are in the best interest of the owners and the Association. They are far more durable than the current doors and windows, and less likely to permit water intrusion into walls, floors, and under thresholds. We encourage you to choose to replace them, and hope that the low cost loan option will make this possible for everyone.

Note that various documents regarding this project are posted at:
http://www.westcampuspoint.net/community/projects/leak_remediation/index.htm

If you have additional questions, please contact one of the WCP HOA Board members.

Sincerely,

Your Association Board of Directors

Attachments:

1. DRAFT letter from Stonemark regarding Door and Window Packages includes DRAFT option sheet to choose Window and Door Packages
2. DRAFT Trust Agreement for Window and Door Replacement
3. TENTATIVE Loan Information Sheet for 7 Year Loan from the University