

To whom it may concern:

In this letter you will find a list of complaints that I have with our Home Owners Association, known as Crestridge Association, Inc. and the management company involved with them, known as Spectrum Association Management LP. You will also find a section titled Dissolution. This section will include, word for word, Article IX from a document that we all should have in our possessions which is titled Articles of Incorporation of Crestridge Association, Inc. This letter will then conclude with thoughts on how we can handle the dissolution process and some helpful tips with a simple Q&A section that can assist us as a community in the future.

To begin with the complaints that I have...know that there are many. There are probably too many to list here, but I will attempt to hit some of the biggest ones. Let's first mention the lien that is on our homes and properties. The only liens that any of us should have against our homes should be those imposed by the taxing authorities and our lenders, if applicable. Under no circumstances should a group of fellow neighbors have any say in the future of my home and property. I know for a fact that these liens have been enforced in some situations and that many of our residents have in fact had to pay heavy penalties to keep their homes from being taken from them. That is wrong! However, you will see later in the letter that there is something we can do to "right" those "wrongs".

My next major complaint is the way our monies are handled. From the moment we are billed, and all through the year, there is a serious case of mismanagement. Blame Spectrum Association Management LP on that if you want to, but I would have to revert a lot of that mismanagement back on the shoulders of our so-called elected leaders. Let's be specific on the money issues that I am talking about:

*** Revenue - Approved 2006 revenues were \$49,225, approved 2007 revenues were \$55,187. This jump in approved revenues is due to our 10% increase in annual assessment fees for 2007. Our elected leaders would have us believe that this is caused by an increase in the amount of expenses needed to keep our community running. I'll return to this thought very shortly...

*** Administrative Expenses - Total Administrative Expenses were approved for \$17,010 in 2006, and approved in 2007 for \$17,850. That is an increase of \$840 for the year. Legal and Accounting expenses both went down in the approval amounts, however, Administrative and Insurance expenses both went up. Neither benefits us as a community, but I am sure that Spectrum appreciates it. That is in excess of 32% of our total revenues for 2007 going into the pockets of those who have nothing to do with our actual community. Over 22% (\$12,400) of our total revenues goes towards Management fees and Administrative Expenses. Non-profit? I doubt it...somebody is making money.

*** Common Area Expenses - Total Common Area Expenses were approved for \$28,800 in 2006, and for \$32,500 in 2007. Water, Landscape Maintenance, and General Repairs were the 3 areas here that took a jump in approvals. All of which, I would say are viable reasons to increase our assessment fees. My problem with this list of expenses though, is the fact that for the past 3 years of budget approvals, we have given approval for \$10,800 to be spent each year on Security Patrol. I have never seen them. Have you? I am not saying that somebody does not drive through our area occasionally. Maybe they do. But honestly, can you say that spending over 19% of our overall budget for expenses on security (that we can't see) is a wise investment? I don't feel any safer. Do you? In fact, I feel less safe...I feel victimized.

*** Committee Expenses - Total Committee Expenses were approved for \$2,000 in 2006, and approved for a whopping \$1,150 in 2007. Although this area of expenses has the smallest impact on us financially as a community, it is however the only area which might actually help build morale in our community. This area is a sore spot for me and should be for all of you as well. Awards for 2006 were approved for \$400 and dropped to \$250 in 2007. Did anybody happen to pay attention to who won the Halloween decoration prize this year?...Our then, Vice President, Mr. Hays. That has to be the biggest rip off in the world. We give money to a small group of people to do with as they see fit for our community and they in turn put some of it in their own pockets. Just a thought...board members should not be allowed to enter contests like that one. Civil and Social Committees expenses had their approval budgets raised from \$100 to \$200. I don't see a reason for it, but it's hardly what made our assessments jump 10%. Newsletter

approvals went down by over half, from \$1500 in 2006 to \$700 in 2007. I would say "there goes our morale builder"...but, have you read the recent newsletters? I felt like my grandmother was preaching to me on how to be a good little boy. The newsletter is titled "Crestridge Community Voice". However, if you did read any of the recent newsletters, then you would know that it was actually the voice of only one person. Our Ex-President. My voice has not been heard until now. I say that we would be better off morale wise if we did away with our newsletters all together.

*** Capital Improvements Reserve - Net Surplus was approved for \$1,415 in 2006, and in 2007 our Net Surplus was approved for \$3,687. Let me try and understand this. Our elected leaders would have us believe that the cost of doing business in our community has risen to the point that we should all pay an additional 10% in fees. However, over 2/3 of that 10% is going into our surplus funds. I don't know about the rest of you, but I can't see putting money into this account when I need it in my own account sometimes. Ignorant fools have made these decisions on how to spend our money. By the way...remembering our newsletter from October/November of 2006...we had about \$67,000 wrapped up in a Money Market Certificate. Show me the need to put an additional \$3,687 into that account each year. Are you ticked off yet?

There are other problems within our community as well. For example: Many of us have tried to perform upgrades or have warranty work done to our homes and/or property and rather than our elected leaders stopping by and saying "hello" or "what's up?", they would rather stir up trouble and post threatening letters on doors telling us to put the place back to the way it was or else. I don't think the Association wants to be held responsible for things going wrong in our community, but they surely don't seem to want to help make things better either. Improvements should be done at the cost and choice of the home owners, themselves. Who is this "ACC" anyway? For the life of me, I don't understand why anybody would ever ask another for permission to do an upgrade to their own home. It makes no sense what so ever. Imagine the possibilities of doing all those little things outside that you have always wanted to do, but never got around to it because you never felt like asking permission. There are laws in existence for how certain upgrades can be done (digging holes, adding a deck, etc.). The way I see it...if it is legal, and you want it done...do it. And, when it's done...if somebody else doesn't like it...tough!

And speaking of things looking good from the outside...how about those Christmas lights that we had this year? Did anybody happen to notice when they were taken down? I did. December, 20th. Tradition has it for Christmas lights and decorations to remain up for 12 days after Christmas Day. That is to show celebration of the 12 days of Christmas. Apparently, somebody thought it a good idea to have them taken down 5 days before Christmas Day. Way to make people notice our fine community. If a potential buyer had been looking at a home in our area around that time and if they had any questions or doubts about the local Home Owners Association, then I am sure that would have been a deal breaker. "Oh, look honey! They had the lights up yesterday, and today there gone...that's not Christmas spirit!" But, hey...we probably gave some money to one of our elected leaders for having some fine decorations in their own yard.

Also, has anybody paid close attention to our inviting signs that we so proudly bare out front? It never ceases to amaze me just how dumb our elected leaders can actually be. We have 2 signs. One looked good, until vandalized. The other looks old and dirty. Neither of which ever say anything that might actually seem inviting of us as a community. Just in the past few months...hum...let me see...oh yeah, something about picking up your dog poop (stayed up there for a few months), and the very welcoming, ACC approval is needed before putting on a new roof (also stayed up for a few months). Should have been along the lines of "Trick or Treat", "Happy Thanksgiving", or the ever so popular "Merry Christmas". What the heck, even a simple "Welcome to our fine community" would do. We can do better. So why don't we? The old sign needs to be completely removed, before another red cent is spent on electricity to keep the thing lit up. As for the new sign...it should never be empty. I know that without having a clubhouse, or park, or pool, or playground, or special events, or...my word...we don't have anything! What do we pay an annual fee for? Oh yeah, to line the pockets of Spectrum, a security patrol that does us no good, and 2 signs. Money well spent. Not!

On top of all of this, did you know that everytime you buy, sell or simply refinance your home in our community, that Spectrum charges a \$55 fee to do so? Yet, in none of our contracts with Spectrum or Crestridge does it say that they have a right to take that money. They are allowed to bill for current and

past due fees as well as a documented \$100 transfer fee. This additional \$55 is supposedly for a "Statement of Account" which merely tells the lender that everything is current on the house or property. I have had this battle with Spectrum and Crestridge and I guess you could say that I lost. They argued that they had the right and I told them to produce evidence, in writing, stating that fact. They could not produce evidence, but ultimately they put my home in foreclosure status after I refused to pay assessment fees until the \$55 dispute was resolved. If they have done this to me, I am willing to bet they have done it to others. Spectrum and Crestridge are taking us for a ride. We deserve better and I think I know just the way...Dissolution!

Dissolution

Articles Of Incorporation Of Crestridge Association. Inc. - Article IX. entitled "Dissolution" reads as follows:

"The corporation may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created or shall be distributed to the members of the Association as of the time of dissolution on a per lot basis, as the Class A membership of the Association so chooses. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes."

As I stated in the opening paragraph, we all should have a copy of this document in our possessions now. Go ahead and read it for yourselves. But, the bottom line is that, we as members have the final say in this matter. It takes 2/3 of us to agree on dissolving this Association. I believe that goal can be obtained. Once dissolved, the next step would be to assure that no other organization comes in to take over where Spectrum would leave off. Article IX states that we can vote to have all assets of the Corporation distributed to the members of the Association on a per lot basis. Meaning...all rights would be given back to us with no contracts or liens on our homes. All funds that are currently in reserve (@ \$67,000) would be divided up equally among all homes in the area and given back to us. All current assessment dues that have been paid to Spectrum for 2007 thus far, would have the unused portions of those funds divided equally among the members that have indeed paid the current dues and refunded to them. I'm not sure the exact legal side of this part...but, in my opinion, all members that have had their homes taken away, or are in the process of being taken away should retain ownership of their property and that all fines and penalties that currently exist anywhere within our community, that Spectrum and/or Crestridge have slapped on them, should be negated and void.

Before you jump on board with me, you will probably have some questions about the possible problems that we might encounter within our community if we did not have a Home Owners Association to depend on. These questions would be completely justified, and...I have some answers for some of these possible questions.

Question: Isn't there anything that our Home Owners Association actually does achieve? Answer: Yes. There are bills that we are responsible for as a community. I have done a little research on these issues and here is what I have found out thus far. I spoke with Mario Llano who is an assistant to our County Commissioner, Tommy Atkinson. In that phone conversation I learned many helpful facts about how things work inside our community. Our streets and drainage system are maintained and funded by Bexar County with the help of our property taxes that we all pay. Our Association has nothing to do with that. However, if we stopped paying our electricity bill and our water bill, then our street lights would be turned off and our grass and flowers out front would not be watered at all. If we stopped paying a landscape maintenance crew to come around then our community might look real bad and overgrown in the weeds department. I agree...that's not good. Stay with me though, there is a way to handle that.

Question: How would we handle that? Answer: Quite easily. In speaking to Mario, I learned that many of our surrounding communities have, in years past, switched from a "mandatory" Home Owners Association to a "voluntary" Home Owners Association. Yep! You heard me right. A "voluntary" Association. And, they work quite well, he added. If you want to pay...pay, if you are flat broke at the time, or you are having

a medical emergency...then we would all understand. No liens. No penalties. No hassles. No hard feelings. Close your eyes and think about the simplicity of all of this and the cost savings that we all could achieve by having our "mandatory" Association dissolved. Using the approval budget for 2007 our community would need to pay for water, electricity and landscape maintenance only. I could maybe see a repair needed every now and then, but we could still hold meetings for such items. We would not be paying for Legal, Accounting, Management Fee, Administrative Expenses, Insurance, Taxes, Security Patrol, Awards, Civic/Social Committees, or Newsletters. Wow! Just using the 2007 budget, we would only be spending \$20,700 for the 3 needed items. For 393 families that works out to less then \$53 per year in assessment dues. And, that being "voluntary" means that if everybody paid \$53 a year then we would have water, electricity, and landscape maintenance done for the entire year. If hardship were to hit a few of us, then we would still have water and electricity, but the landscape maintenance would have to be cut back a little...boo hoo. Worst case scenario, \$6,500 a year would pay for water and electricity and that would require about 125 families per year to pay the "voluntary" assessment fees.

Question: Would there still be a need for a President, Vice-President, or Treasurer? Answer: Yes. We could even keep our current elected leaders so as to not confuse things. The President and Vice-President would still be in charge of getting things done. For instance, they would handle a problem with the landscape company, or a problem that one neighbor might be having with another neighbor...more like a mediator, so to speak. The Treasurer would still be in charge of handling the money issues as far as keeping track of who has paid the dues and how much money is in the pot to be used for our 3 needed areas.

Question: How would we know where to begin in setting up a "voluntary" Association? Answer: Once again...easy. Mario told me that Tommy Atkinson, himself, is the President within his own "voluntary" Association. He said that they would be happy to hold a meeting with us as a community, if we did dissolve our Association, to help us with the setting up of our electricity and water situation. Mario also said that he would be happy to give us the contact information for the Presidents within our surrounding communities that are "voluntary" so that we can ask them any question on how they manage the Associations.

Question: Can it really be that simple? Answer: Yes. We just have to stick together as a community and do it. It is within our rights to do it, and I think that we all could use to put \$170 back in our pockets. That is the simple number of \$67,000 being divided by 393 families. That number still doesn't include the unused current dues being refunded or the savings that some families would see with the back dues being negated and void.

Once again, try to imagine life without Spectrum stealing money from us, without a small group of people called the ACC telling us what we can and can't do with our homes for improvement purposes, and without Crestridge Association forcing us to pay for ridiculous expenses and then having the nerve to ask for more money. Let's take back what is rightfully ours...our homes. No liens. No penalties. No hassles. No hard feelings.

Sincerely,

From a Concerned Neighbor!