

Vista Tassajara Homeowners Association  
Minutes of Meeting of Board of Directors

The Board of Directors ("Board") of the Vista Tassajara Homeowners Association ("Association") met at a duly noticed meeting on July 6, 2017.

The Association's President called the meeting to order. A quorum of directors was present.

The directors discussed the need to make landslide repairs as recommended by the engineering firm of Stevens, Ferrone & Bailey Engineering Company, Inc. and in light of liability risks if repairs are not made as discussed by the Association's attorneys Berding & Weil, LLP.

The estimated cost to make landslide repairs (including interest) is approximately \$1,958,793.00. Having reviewed the Association's financial situation and after weighing the pros and cons of obtaining a loan to defray some of the repair costs, the Board determined to obtain a loan from Alliance Association Bank ("Bank") and to impose a special assessment in part to repay the loan and in part to "self-finance" repairs.

As set forth in a separate resolution, the Board conferred with Stevens, Ferrone & Bailey Engineering Company, Inc. with respect to whether, if unrepaired, the landslide would pose a risk to the safety of residents and was advised that it would and the Board conferred with Berding & Weil, LLP as to whether or not in light of that safety risk the Board could impose a special emergency assessment and was told it could and based thereon the Board did impose such special emergency assessment to repay the loan and to "self-finance" the repairs.

The Board previously received a "term sheet" from the Bank and authorized the manager of the Association to execute it on the Association's behalf; it was signed May 1, 2017 setting forth many of the major terms upon which the loan would be offered. The Association has sought to borrow up to \$1,700,000.00 according to the term sheet but after further consideration the amount borrowed will not exceed \$950,000.00 ("Loan").

The Board previously received from the Association's attorneys an analysis of the terms of the draft loan documents prepared by the Bank including the Loan and Security Agreement, Promissory Note, Assignment of Assessments and Lien Rights, Directors to Homeowners, Directions to Pay Proceeds and Association Certificate, UCC-1 Statement, Certificate by Secretary and other miscellaneous documents ("Loan Documents").

Following a discussion about the Loan, the Loan Documents and the Special Emergency Assessment and on motions made and seconded, it is:

RESOLVED, that the Association will accept the terms and conditions in the Bank's Term Sheet and the Loan Documents to obtain a Loan of up to \$950,000.00 to be repaid in thirty six (36) equal monthly installments at an interest rate of not less than 4.50% per annum.

FURTHER RESOLVED, that to authorize the Association's President and its Secretary to execute and return to the Bank all Loan Documents and related documents and to negotiate with Bank any final details including modifications to all such documents after conferring with Berding & Weil, LLP and the Association's managing agent, Property Management and Accounting all without further action of the Board of Directors.

FURTHER RESOLVED, that to implement the foregoing the Board will separately execute a Corporate Resolution RE Loan Approval by the Board of Directors of the Vista Tassajara Homeowners Association

Date Signed: July 6, 2017

  
Ann Marie Nugent, Secretary