

The Mediterranean Villas Homeowners Association

2026 ANNUAL REPORT TO HOMEOWNERS

Greetings to all Townhome Owners!!!

Although your Board of Directors handled many matters this year normally overseen by an Architectural Control Committee (ACC), we continued to be able to enhance the value of all our Townhomes. After a walk-through of the full community, particularly following up on reports of possible issues submitted by individual Owners, several needed stucco repairs will be performed this Fall on a few of our Townhomes. We will also be recoating the Palazzo floor soon to make it easier to maintain in good-looking condition.

We continue to be in strong financial condition, with 73% Reserve Funding putting us in a very positive position as we go forward. This means we have sufficient money set aside to undertake any major planned, as well as unexpected, building maintenance needs. Following a new onsite professional Reserve Study, it was deemed full repainting will not need to be undertaken for Phase 1 units for another three or four years, with other Phases following thereafter.

Several owner-requested exterior modifications or additions, such as patio extensions or the installation of patio fences, storm doors and gutters, were accommodated this year. The Board and our two current ACC members always made sure changes or additions were consistent with past practice and our Covenants. We could still use more able-bodied Owners to serve on the ACC to spread the workload.

Most notable and visible this year to you, perhaps, is that our landscaping has seen huge improvement thanks to the dedication of our new contractor. You will also see significant pruning this Fall to arborvitaes and junipers to keep them from damaging our stucco exteriors and your eaves, gutters and roofs. To keep our Mediterranean Villas consistently looking good as ever or better, the Board has thus approved a multi-year contract renewal with our current landscaper.

Improved landscaping services come with a price tag, however. Therefore, your Directors have also approved a modest \$10 increase in monthly dues, which will go into effect January 1, 2027, to cover our landscaping costs for the next three years.

Due to sales of Townhomes that had been rented out and once again became Owner-occupied, late last year we exhausted our rental Waiting List. However, we have again reached our limit of 20% rented units and have had to restart the Waiting List process. The Waiting List is managed on a first-in, first-served basis. As of this report, one Owner is on the Waiting List.

We gratefully welcomed two new Directors to the Board earlier this year and have a third new candidate running for election in the position of Vice President for the coming year. We bid farewell and extend our sincere thanks to long-time Director Ginger Sorenson, who has very capably served as our Treasurer since the Homeowners assumed control of the Association in November 2010.

With a full slate of seven Director candidates now being presented for your approval on the Homeowner Ballot for the coming year, your Association plans to continue to fulfill its primary mission: to be fiscally responsible while keeping our community looking beautiful, well maintained and in good repair, protecting property values for all of us!

Respectfully and sincerely,

Your Mediterranean Villas Homeowners Association Board of Directors