

Rule Change

Fees for Teardowns and Rebuilds

The MVEHA Board of Directors has adopted a fee schedule for teardowns, rebuilds and new basement projects. All proposed fees collected for these projects would be assigned to the street categories of the Association's replacement reserves. The fee schedule for teardowns, rebuilds and new basement projects would be as follows:

- \$5,000 for a tear down/rebuild
- \$25,000 for a tear down/rebuild with a basement

The purpose of this rule is to protect the Association financial interest in the common area street surfaces. Due to the streets being utilized by large trucks transporting heavy equipment, demolition debris and construction materials, the common area street surfaces are expected to suffer a shorter life span, reducing the 10-12 years remaining life span of this Association common area asset significantly. If the common area streets have to be replaced earlier than expected, due to increased utilization by construction vehicles, this may result in additional reserve funding by either special assessments and/or increases in dues.

Civil Code 1357.130. requires that the Board of Directors provide written notice of a proposed rule change to the members at least 30 days before making the rule change. The notice shall include the text of the proposed rule change and a description of the purpose and effect of the proposed rule change.