CLUB ESTATES EAST

MONTHLY CHRONICLE
October 2026

Officer and Committee Reports

President's Report – Gail Newberry

Construction Project: As reported at the previous Board meeting, Aylwin Construction and I&E Construction continue to advance the gutter installation and pre-construction activities, many of which are dependent on permitting. All contracts, loan documents, insurance coverage, and required resolutions are in place. Linda will provide a construction status update later in this meeting.

Serial Assessment Payments:

Lump sum and monthly loan payments will be processed by CMI as required by the loan. Payments can be made by check, your bank's bill pay system, or through CMI's online payment system via "clickpay" at www.clickpay.com/cmi. CMI indicates that you may combine the serial assessment payment (monthly payment or lump sum) with your HOA dues and issue one check or payment each month.

If you are paying by check or through your bank's bill pay system, please send payment to:

Club Estates East Condominiums
c/o CMI
PO Box 60092
City of Industry, CA 91716

Please make sure your CMI account number is in the check memo space.

As a reminder, if you are paying monthly, the amount you would add to your HOA fees beginning December 1st is:

One Bedroom	$99.98
Two Bedroom	$110.67
Three Bedroom	$121.14

Our Commitment to Transparency

For some time, the Board has been charged with improving transparency in its communications with homeowners. Given the demands of our work, we have believed that we were

communicating as openly as possible about our actions, particularly regarding the major infrastructure projects now underway in our community.

However, continuing concerns about transparency prompted us to take a closer look at our communications and processes to assess how effectively we have kept homeowners informed.

Here is what we found.

A Record of Ongoing Communication

We conducted a month-by-month review of Board meeting minutes beginning in February 2024, when the Building Envelope Study was performed. From that point forward, updates from either the Board or the Architectural Committee appeared on a nearly monthly basis. In the 30 months since February 2024, project updates were discussed at Board meetings in 27 of those months.

As consultations, negotiations, and contract discussions intensified, the Board provided increasingly detailed updates on a monthly basis.

The Formation and Role of the Architectural Committee

In April 2025, recognizing the complexity of the work recommended by J2 Building Consultants and its potential financial impact, the Board decided to assemble a group of homeowners to serve as an Architectural Committee. The intent was to give these owners access to the same information available to the Board, including the studies, bids, and other project documentation, so they could independently evaluate the issues and recommend a course of action.

We also envisioned that the committee could eventually address other infrastructure-related matters, including enclosed patios and the development of a five-year plan for ongoing repairs and maintenance.

The committee initially consisted of eleven homeowners and held its first meeting on April 22, 2025.

After reviewing the available information, the committee unanimously agreed on the first five projects it considered critical to the stability, safety, and security of our infrastructure. These were also the five projects that ultimately affected our community's market value and standing in the secondary mortgage market.

At that stage, the total cost of completing the projects was still uncertain. What was clear, however, was that our reserves were insufficient to cover the anticipated expenses. The Board and the committee recognized that borrowing would be the most practical option for the Association and its homeowners.

Access to Information and Opportunities for Input

Throughout this process, every member of the Board, both past and present, and every member of the Architectural Committee received copies of the bids, enabling them to make informed

decisions. No Board or committee member was prohibited from sharing documents or discussing the issues and deliberations surrounding these projects.

Our open forums provided opportunities for homeowners to ask questions about the process and procedures. Informal conversations along our streets offered additional opportunities to raise questions, express concerns, and seek clarification—and homeowners made use of those opportunities.

Nor did the Board keep the anticipated scope of work, or the possibility of additional projects in the future, hidden from view. For much of a year, a comprehensive list of potential projects was posted on the walls of the Clubhouse great room. The projects were listed in what we believed to be their order of importance. The purpose was to keep homeowners informed about the broader picture and encourage questions, discussion, and feedback.

What We Knew, What We Didn't Know, and What We Communicated
From February 2024 through the present, there were periods when details, cost estimates, or definitive answers simply were not available. When we did not have the information, we said so. When information became available, we shared it.

We recognize that communication styles differ, and no single approach will meet everyone's expectations. We also acknowledge that, despite our efforts, we may have missed opportunities to help homeowners better understand important aspects of the projects, the decisions being made, and where the Association stands today.

The volume of information, documentation, and technical detail available to the Board was substantial. At times, we had to summarize or omit some of the minutiae to make communications more manageable and understandable. Our intention was never to withhold material information, but to communicate the substance of the issues without overwhelming homeowners with every technical detail.

We understand that transparency is not measured solely by the amount of information made available, but also by how effectively that information reaches and informs our community. We remain committed to improving that communication.

We hope this review demonstrates that the Board has made a sustained, good-faith effort to keep homeowners informed throughout a complex and consequential process. We may not always have met everyone's expectations, but we have done our utmost to communicate openly, share what we know, acknowledge what we do not yet know, and act in the best interests of our community.

Maintenance List: As you may have noticed, both when meetings were held in the office and now that they are held in the Great Room, a list of maintenance projects has been posted and is continually updated to reflect current status and progress. The list currently displayed was updated in August.

Fact sheets on the loan and contractor contracts will be posted on the Clubhouse bulleting board.

Treasurer's Report – Vicki Sharp-Zook

The August financial statements were prepared by CMI. They are posted on the Clubhouse bulletin board and available on the CMI Vantaca portal. The Board received a copy by email.

- **August operating income** totaled $27,898 and our budget for the same month was $27,142. The income difference was $756 over budget.
- **August operating expense** totaled $33,929, compared to a budget of $24,695 for the month. As reported, CEE's expenses were $9,234 over budget. This variance is a result of the July water and sewer expense not being recorded in the financial statements until August.
- **Bank balances** as of August 31, 2026:

Columbia Bank Checking	$54,743
Columbia Bank Money Market	
Reserve Account	$35,799
Operating Contingency	$69,314
Donations	$635
Interest Earned	$191
Columbia Bank CD	$75,000
CD Interest	$212
Onpoint Checking	$5,841

- **August donation balances** are as follows:

Received

Clubhouse	$430
Copier	$0
Reimbursement from Operating Account	$926
Total	$1,356

Expenses

Clubhouse	$0
Total	$0

Totals

Clubhouse:	$5,255
Copier:	$205
Pool	$199
Landscaping	$0
Total	**$5,659**

A reminder that Riverview Bank is a relationship-based bank. As a condition of the HOA loan, the Association agreed to maintain its reserve and serial assessment accounts at Riverview. To date, $10,000 has been transferred from the reserve account to Riverview. The $75,000 CD matures on October 22, at which time the funds will be withdrawn and transferred to the Riverview reserve account.

Clubhouse Report – Sandi Pearson

- The clubhouse was used 31 times in September.
- Currently, no owners are on the garage/shed waiting lists.

Maintenance Report – Rosemarie Doherty

Building 10 Update

All Building 10 owners have returned to their condos. Unfortunately, the repair work performed by McInnis Construction, which was recommended by Roto-Rooter, has not met CEE's expectations. McInnis subcontracted the work, and concerns have arisen regarding the quality and proficiency of the repairs. CEE has identified these issues and requested corrective action for each deficiency.

While Rose was on vacation, Gail, Vicki Sharp-Zook, and the affected owners met with McInnis last Friday, October 9, to discuss the outstanding concerns. McInnis committed to correcting the identified problems but did not provide a timeline for completing all necessary work.

CEE will review the work completed since that meeting and follow up with McInnis after this week. If there is not a clear and measurable improvement, the Board will consider further action. Ensuring that our owners receive appropriate repairs and are not left with unresolved problems remains a priority.

On a positive note, the broken sewer line that caused the most recent overflow has been replaced. New sewer access ports have also been installed farther away from the building foundation. Additional soil was brought in, and the affected area was cleaned up and compacted by CEE's handyman team, Lola and Martin. These steps are intended to reduce the risk of soil settlement and collapse, similar to problems experienced in other areas following septic tank work earlier this summer.

The ground has been prepared for reseeding, which we hope to complete soon after the gutter work on Building 10 is finished, currently anticipated within the next two weeks.

Additional soil was also added to at least two other areas of concern: 12355 and 12375/85.

Sewer System Investigation

The Building 10 overflow has underscored the importance of understanding the condition of our community's sewer infrastructure. As the next step in our ongoing investigation, CEE has accepted ProDrain's $5,000 proposal to scope the main sewer lines running through each parking area.

At this stage, the inspection will focus on the central lines rather than individual unit connections. Scoping the main lines should help identify potential defects, including disconnected or improperly joined connections where individual lines meet the main system. Reports of earlier sewer problems, some predating the current Board, have also come to light, along with additional concerns identified during recent inspections of condos being considered for purchase.

The inspection has not yet been completed because of scheduling difficulties with ProDrain. We hope to have the work completed within the next two weeks. The findings will help CEE determine whether further investigation or repairs are needed.

Equipment Storage
CEE will be renting half of a garage to store equipment currently kept in the shop area, including the snowblower, power washer, wheelbarrow, and other items. Pool chemicals can be highly corrosive to metal, so storing the equipment separately from these chemicals should help protect it and extend its useful life.

Reminder: Crawlspace Vent Covers
The crawlspace vent openings will be closed soon. Owners who are able to install their own wood vent covers are encouraged to do so.

Before closing an opening, please check that the heavy-gauge metal screen behind the cover is intact and that there are no tears, gaps, or pushed-in corners that could allow rodents or other animals to enter the crawlspace. The screen is an important first line of defense against unwanted animal entry.

If you discover damaged or displaced screening, please notify Rose as soon as possible so the issue can be addressed.

Grounds Report – Vicki Sharp-Zook

Landscape Maintenance: The maintenance crew continues to focus on addressing the pruning backlog while staying abreast of their other routine duties. In anticipation of some of the targeted siding repairs, the crew will also be focusing on any necessary pruning in those areas.

Secretary's Report – Linda Osborn

- **New owners at 12295:** John Waits (760-898-8559) and Francis Cooper
- **Units for Sale:**
    - 3 Bedrooms: 12410, 12550
    - 2 Bedrooms: 12300, 12330, 12395, 12560
    - 1 Bedroom: 12445

Incident Report – Linda Osborn

- No incidents reported in September.

Pool Committee Report – Paula Gibeson

- The pool is closed. Micah will be monitoring the pool monthly to ensure all is in order and there is no evidence of leaks.

Construction Status Update – Linda Osborn

Aylwin Construction mobilized on September 14 and began removing gutters at Building 1.

The contractor is working with two crews. The first crew stays ahead of the second and is responsible for removing the existing gutters, identifying and repairing water-damaged soffits, fascia, and trim, and installing the underlayment and edge metal in accordance with the project specifications. The second crew follows one building behind to install the new gutters and downspouts.

We also discussed and decided to remove the existing metal flashing on the back patio awnings where the new gutters are being installed. Aylwin agreed to seal the resulting holes in the awnings with gutter sealant.

Another issue was whether to add an anti-ponding strip to provide a smoother path for water runoff. Aylwin prepared two options with associated pricing, but the additional cost for either option was approximately $26,000. After discussing the matter, Dimitry and I concluded that the roofs have functioned adequately for approximately 40 years without these strips. Given that we anticipate replacing the roofs in another 10 to 15 years, we determined that the additional expense was not warranted at this time. Neither option was authorized.

During the work, damaged rafter tails were discovered at Units 12305 and 12315 and flagged for replacement. This expense will be covered by the project contingency fund.

As of last week, Aylwin was working on Building 6. The existing gutters and downspouts had been removed, and damaged fascia, sheathing, and rafter tails were being replaced. All outstanding repair items on Buildings 1 through 5 have been completed.

Because the gutters are being custom-formed on site to accommodate the varying dimensions of the buildings and carports, all building gutters will be completed first, followed by the carport gutters.

Tuesday, Linda will meet with Aylwin and J2 to resume inspections and coordinate the ongoing work. She will also meet with I&E Construction for a preconstruction update.

Old Business

Paint Palette: Linda reported that 48 homeowners participated in the ranked-choice voting process, evaluating and ranking six color scheme options in order of preference. Option 3, Softened Green/Clary Sage, received the highest overall ranking. Following the vote, it was noted that the two selected colors may not provide sufficient contrast. The Board may consider darkening the Clary Sage to improve contrast while preserving the overall character of the selected color scheme and maintaining the integrity of the majority vote.

Repainting is an essential part of maintaining and protecting our buildings, and exterior surfaces should generally be repainted approximately every 10 years. Unfortunately, the previous paint application was completed without adequate surface preparation and proper priming of the

concrete masonry unit (CMU) walls. As a result, the paint is now bubbling and trapping moisture against the underlying masonry. This can accelerate deterioration and lead to additional damage if left unaddressed.

The upcoming repainting project is about more than improving appearance. Proper surface preparation, appropriate priming, and the application of a suitable coating system are critical to correcting the underlying problems, protecting the buildings from moisture-related damage, and preserving our community's long-term investment.

Linda checked with I&E Construction about not painting the downspouts. Their preliminary response was there would be no additional charges should the Association elect not to paint the downspouts.

New Business

Mini-splits at the Clubhouse: Per policy, the Board is required to solicit competitive bids from at least two vendors if the anticipated project cost exceeds $15,000. Bids have been solicited from two vendors to install mini-splits in the Clubhouse. These units will replace the HVAC unit that is being removed from the clubhouse roof during the re-roofing project.

The bids received are $28,986 and $40,042 (included recommended upgrades). The Board will likely vote to accept the lower bid.

Scrivener's Error Correction: A scrivener's error (legal term for "typo") was discovered in the serial assessment resolution. In the schedule of payments, the final payment will be due on November 1, 2051, instead of October 1, 2051. Sandi moved that the correction of the scrivener's error be approved to read November 1, 2051. The motion was seconded and passed unanimously.

Announcements

- **Potluck:** The Robrects are hosting the potluck on **October 16th at 5:30** and have arranged for B. Gail Hillyer and the Sweet Adelines singing group to provide musical entertainment for the evening. A tip jar will be available to show appreciation.
- **Special Meeting Requested by Petition** will be **Friday, October 30th at 11:00 AM**.
- The **next board meeting** will be on **Monday, November 9th at 3:30 PM**.

Open Forum

Discussion included:

- Clarification on how to make payments on the serial assessment, recycling the Clubhouse HVAC unit, possible rebate from Energy Trust for the mini split, and painting.

Respectfully submitted,

Linda Osborn, Secretary
Club Estates East HOA

CLUB ESTATES EAST

HOA Board Meeting Minutes

Date and Time: October 12, 2026, at 3:30 PM
Location: Clubhouse
Present: Gail Newberry, Vicki Sharp-Zook, Rosemarie Doherty, Sandra Pearson, and Linda Osborn

1. **Call to Order:** The meeting was called to order at 3:30 PM by President Gail Newberry.
2. **Approval of Agenda:** Vicki moved to approve the agenda as presented. The motion was seconded and was approved unanimously.
3. **Approval of Previous Minutes:** The minutes of the September 14, 2026, Board Meeting were reviewed. Rose moved to waive the reading of the minutes and approve them as written. The motion was seconded and approved unanimously.
4. **Officer and Committee Reports:**
   - **President's Report – Gail Newberry**
     Gail noted that the construction project is advancing per the terms of the agreements. I&E are advancing pre-construction activities, many of which are dependent on permitting.

     Gail also provided information on the various options for making serial assessment payments and the Board's commitment to transparency. This information is contained in the October Chronicle.

     Gail reminded owners that the list of maintenance projects is posted in the Clubhouse and is continually updated to reflect current status and progress.

     Fact sheets on the loan and contractor contracts will be posted on the Clubhouse bulleting board.

   - **Treasurer's Report – Vicki Sharp-Zook**
     Vicki reviewed the August financial statements and reported on the balances of the Association's various bank accounts. She also reminded the Board that Riverview Bank is a relationship-based bank and as a condition of the HOA loan, the Association agreed to maintain its reserve and serial assessment accounts at Riverview.

   - **Clubhouse Report – Sandra Pearson**
     Sandra reported that the clubhouse was used 31 times in September.

   - **Maintenance Report – Rosemarie Doherty**
     Rosemarie provided an update on the sewage backup at Building 10 and issues concerning the repairs and restoration efforts. She noted that the broken sewer line that caused the overflow has been replaced.

To be proactive concerning the community's sewer infrastructure, CEE has accepted ProDrain's $5,000 proposal to scope the main sewer lines running through each park area.

Rose also reported that the pool chemicals can be highly corrosive to metal, so CEE will be storing equipment such as the snowblower, wheelbarrow, power washer, etc., in one of the garages.

Rose also reminded owners that it is time to replace crawlspace vent covers.

- **Grounds Report – Vicki Sharp-Zook**
  The maintenance crew continues to focus on addressing the pruning backlog while staying abreast of their other routine duties.

- **Secretary's Report – Linda Osborn**
  Linda reported on the condominium units currently listed for sale. She also provided information on the new owners at 12295.

- **Incident Report – Linda Osborn**
  No incidents were reported during the month of September.

- **Pool Committee Report – Paula Gibeson**
  The pool is closed for the season.

- **Construction Status Update – Linda Osborn**
  Linda provided a status update on the gutter and downspout installation project.

5. **Old Business**
   - **Paint Palette:** Linda reported that Option 3, Softened Green/Clary Sage, received the highest overall ranking.

6. **New Business**
   - **Mini Splits at Clubhouse:** The Board solicited bids from two vendors to install mini-splits in the Clubhouse. These units will replace the HVAC unit that is being removed from the clubhouse roof during the re-roofing project. The bids received are $28,986 and $40,042.
   - **Scrivener's Error Correction:** A scrivener's error (legal term for "typo") was discovered in the serial assessment resolution. In the schedule of payments, the final payment will be due on November 1, 2051, instead of October 1, 2051. Sandi moved that the correction of the scrivener's error be approved to read November 1, 2051. The motion was seconded and passed unanimously.

7. **Announcements**
   - **Potluck:** The Robrects are hosting the potluck on **October 16th at 5:30** and have arranged for B. Gail Hillyer and the Sweet Adelines singing group to provide musical entertainment for the evening. A tip jar will be available to show appreciation.
   - **Special Meeting Requested by Petition** will be **Friday, October 30th at 11:00 AM**.
   - The **next board meeting** will be on **Monday, November 9th at 3:30 PM**.

8. **Open Forum**

Topics discussed during Open Forum included Clarification on how to make payments on the serial assessment, recycling the Clubhouse HVAC unit, possible rebate from Energy Trust for the mini split, and painting.

9. **Adjournment:** Linda moved to adjourn the meeting. The motion was seconded and approved. The meeting was adjourned at 4:40 PM.

10. **Next Meeting:** The next Board Meeting is scheduled for **November 9, 2026, at 3:30 PM in the Clubhouse**.

Respectfully submitted,

Linda Osborn, Secretary
Club Estates East Condominium HOA