

# LAS PALMAS Community Association

## Asociación de Dueños LAS PALMAS



Dear Las Palmas Homeowners,

The Las Palmas Board of directors would like to take this opportunity to update you on important HOA matters since the last communication of May 1, 2019. The Board of Directors wanted to note that we are seeing substantial progress in many areas of concern. Our operations have become more efficient and as we approach the end of our second quarter of operation, there are issues that need the attention of all owners.

## NEWS BULLETIN

### **HOA Payment Methods**

In general, the HOA is receiving the quarterly owners' fees by the majority of owners and our financial position going into the costly expensive summer months of operation is manageable at this time. The time extension granted for the special subdivision assessment until May 31, 2019 yielded additional cash flow from those owners who qualified, and they avoided penalties and late fees.

Moving forward, there will be no more extensions. A reasonable amount of time has passed and now those who have left their special subdivision assessment unpaid may face, in addition to late fees and penalties, other legal collection costs.

We want to remind and emphasize the importance for all owners to understand the proper payment options for HOA dues.

- Payments must be made by the due date.
- Can be paid directly to the HOA Administrator in Mexico.
- Can be Paid Via US mail by check to the HOA post office box in Gilbert, AZ.
- or Paid by direct deposit in our US CHASE bank account.
- Specific detailed instructions are outlined on our website, [laspalmashoa.com](http://laspalmashoa.com)

These past proven payment options have worked without issues and are the only official way for the HOA to receive payments in a timely fashion by the due dates.

For those owners that may have chosen to use the Mexico court to make HOA payments, it is important to note that our legal Administrator is not receiving your HOA dues. We are not receiving proper notification that requires many legal protocols. As a result, your funds are

not being received by our Administrator. We cannot emphasize enough that it is not the HOA nor the Administrators responsibility to ensure dues are getting to the HOA, this is the responsibility of the owner.

### **Delinquent Owner Accounts**

It is most unfortunate that we still have a group of owners that owe the HOA an excessive amount of past due fees and assessments. These serious delinquent accounts have been placed in legal collections and restrictions have been applied on these units and their owners access to our community and the use of the common areas and common utilities as per the CCRs. A written list of these units under restriction has been posted in the common areas of our community including the clubhouse. The total amount of delinquencies of all units stands at **\$94,894.92**. The bulk of funds owed to the HOA come from eight units that equates to **\$73,128.17**. The attached legal document provides a list of units that have been placed under restriction. This list was posted in common areas earlier this year, as per CCR's. The HOA is taking all legal steps to ensure the delinquencies are made current.

A lien process against those in serious violation has commenced in order for the HOA to ensure these units pay in full all outstanding balances due, including any legal costs incurred. Progress of legal matters in this area may be slow and time consuming but ultimately those not paying will be held financially accountable.

In the meantime, our community has approved the day to day operating budget for 2019. It is based on all owners paying their required share in a timely fashion throughout the year. While we are in high season the HOA is in good financial position, however if

this small group continues to not pay their dues, the HOA will be put in a similar financial distress position as last year by the time the high season ends.

This is a serious matter that must be communicated to all owners. It is each owner's responsibility to ensure the HOA is receiving the required HOA payments. Eventually, the group of owners with delinquencies will add up quickly and by the end of the year will create a shortfall in our budget. This will require the rest of the owners who are paying timely, to make up the difference. The HOA will keep all owners posted on this matter as the year progresses.

### **HOA Operations / Common Areas**

The month of May and June to date have been very busy months for HOA operations. Las Palmas HOA is experiencing a high demand for common area services and utilities. This will continue throughout the summer months as the demand for our resort community continues to be great.

Alex and the rest of the HOA Operations team is working hard to keep the common areas well maintained but with the busy season and the high volume of guests, it will continue to be a challenge as it is each year. The impact of high-volume guests is taking a toll on our pool chase lounges. The past couple of months has had a visible effect on our dwindling pool chase lounge inventory. We are no longer able to continue to repair the existing units. The Board is reviewing options on what can be done and will keep owners posted.

### **Adult Only Beach Pool Area**

At the owner's assembly meeting January 26, 2019 a proposal was passed by the majority of owners attending and it was voted to make

the new beach pool area that includes the outside negative edge beach pool, the inside beach pool, and the Ying Yang Jacuzzis as all adult only.

As expected, the HOA is having a very difficult time enforcing the rule and because of the sheer size of all three beach pool areas the HOA lacks the resources to properly enforce this policy. The situation is



becoming more serious as the summer high season progresses and more and more families visit our resort. The HOA continues to get numerous derogatory complaints and has started to document them on our HOA website for all owners to view by clicking on [www.laspalmashoa.com](http://www.laspalmashoa.com).

The matter has become even more serious as guests are starting to take the time to write negative reviews on travel websites and social media because of the adult only policy this year. On the same note, it has been brought to the attention of the Board that many owners misunderstood the scope of the adult only policy and thought it to only include the negative edge side of the beach pool area.

If this misunderstanding of the adult only pool area is the case, it is important for those owners that mis-understood the adult only policy was intended for the front negative edge pool only, to communicate to the Board ASAP. The Board is monitoring this matter closely as it does not want to negatively

impact the best interest of our community. The Board will keep the owners posted on the impact to our resort this is having and the possible options available to the HOA on this policy.

### **Las Palmas Financial Oversight Committee**

Since our last news bulletin, the committee has a new volunteer member that was next in line based on the voting at the last owner's assembly meeting. We want to welcome Ron Studeny to the committee. We also want to thank Sharon Walks Straight (Jake), for her efforts and for her participation. It was discovered Jake is not the owner on the trust deed and therefore did not qualify to participate in owner committees.

The Las Palmas Board of directors through the Treasurer has given direction from the start of this year to our Administrator to provide all financial information accessible to the Board accessible to the committee at the onsite HOA office whenever the committee chooses to meet and whatever financial information the Treasurer has access to.

As communicated to owners by the Financial Oversight Committee, members had an opportunity to meet recently with our onsite Administrator, Osvaldo, along with the Treasurer and found the financials to be in good order. The goal for this financial committee now is to assist the HOA Treasurer and finding ways to improve the HOA financial situation. The foremost priority of the Financial Oversight Committee is to ensure all financial matters of Las Palmas continue to be in good order and to assist the HOA in finding ways to bring down the account delinquencies so the HOA can have the required funds to operate as per the approved budget.

## **Building Elevators**

The Board continues to have Osvaldo and Alex work with OTIS to ensure our elevators are receiving proper care and maintenance. We are making sure we have access to the needed parts is a priority as an effort to minimize elevator down-time. As stated before, the Board is working on a couple of proposals for our next owner's assembly meeting on how we can get permanent solutions by reviewing cost options for either a major overhaul or a full elevator replacement.

## **Legal Ownership Issues**

The HOA again wants to remind everyone the importance in understanding what constitutes legal ownership of property in Mexico. The legal owner is the person(s) or legal entity on the Deed of Trust or Bank Trust of the property. Only the legal owner has the rights and privileges that come with this title. Mexico ownership laws in real estate are different from the United States. Please take the time to review your legal ownership documents and confirm your specific ownership situation.

This is not something you want to assume or leave for others to check on. The Las Palmas HOA Association goal is to ensure all properties in our community complies with proper legal ownership documentation. This is an important matter for those that find themselves in legal ownership issues and for all of us as a community. Please ensure you exercise due diligence with your legal ownership documents on your property and your trust is consistent with your purchase documents otherwise you may face substantial legal issues.

## **Lawsuits**

Currently there are two lawsuits filed against Las Palmas. One is from Robin Winters a

person that is not on the deeded property in Las Palmas and the units she possesses are under restrictions due to nonpayment of HOA fees and other numerous violations. The other is from Olayn Garcia Cinco, a person that we are being told represents some of the owners that are delinquent and not paying their fees and assessments. This person also happens to work for the City of Peñasco under the current administration in a Comptroller capacity where his role is to oversee the very people that process these lawsuits. A clear conflict of interest at the very least. Both of these lawsuits are without merit and have no factual information and can best be described as "frivolous". The HOA is spending an inordinate amount of time, money and resources on what is being described by our attorneys as two "bad" lawsuits and are expected to be closed in the next 15 days.

For the purpose of transparency, the Board has asked the HOA attorneys to provide a legal summary report on some of the question's owners and the Board have regarding our current legal matters. Although all legal matters are confidential and need to be protected to ensure the HOA acts in the best interest of the community, the Board of directors has requested our attorneys to see if it is possible to have these lawsuits available for viewing at the Las Palmas HOA office to any legal owner that wishes to view them.

As soon as these lawsuits are made available to the HOA by our attorneys they will be placed in the HOA office so all legal owners in good standing can have the opportunity to see for themselves the frivolous nature and the personal agenda of those filing. See attached Spanish and English legal letter to the Las Palmas owners by the HOA attorneys from ACEF Abogados.

# ACEF ABOGADOS



<b>OWNER NAME</b>	<b>UNIT</b>	<b>TOTAL PAST DUE</b>
LIDIA HO	V-03	19,463.83
LIDIA HO	V-08	\$18,891.47
ROBIN WINTERS (POSSESSOR)	B-102	\$6,790.01
ROBIN WINTERS (POSSESSOR)	D-405	\$7,819.59
KAREN AND NEAL SILVERSTEIN	G-303	\$6,546.19
IVAN CONTRERAS	G-102	\$8,629.75
CYNTHIA MABRY/HENRY ZISSEL	B-603	\$8,179.60
ANDERSON-TOBIAS	V-20	\$16,271.56
	<b>TOTALS</b>	<b>\$73,128.17</b>

# ACEF ABOGADOS



C. Owners of Las Palmas A.C.

In this letter we send you the required information about the legal matters in which this law firm is working.

In relation to whether if we can leave the lawsuit of Robin Winters or any of the lawsuits that exist against Las Palmas or some member in the office of the Association of owners so that the owners can review them? Yes, you can review them; we do not see any inconvenience.

There is a new lawsuit that Olayn Garcia Cinco filed against Las Palmas, the current legal status of that process is that the lawsuit is going to be presented the following week, we must present the statement that we will do it in writing, I believe that this case is will close without problems.

On what is your obligation with the money that belongs to the HOA and that some of these owners still pay in court, your question is whether Osvaldo has collected any part of the money or what has happened to the legal status of those deposits? They have to notify us, when that happens, we can receive it or refuse to sign and explain why it is not received.

In relation to whether there is any legal reason why owners should worry about the stability and capacity of Las Palmas to perform their daily operations, we do not consider that there is a cause for which the owners may have a legal problem, they are two bad lawsuits that will be closed within the next 15 days.

# ACEF ABOGADOS



## C. Propietarios de Las Palmas A.C.

En el presente escrito le hago llegar la información requerida sobre los asuntos legales en los que esta firma de abogados está trabajando.

En relación de que si se puede dejar la demanda de Robín Winters o cualquiera de las demandas que existen en contra de las palmas o algún miembro de las palmas en la oficina de la Asociación de propietarios para que los propietarios puedan revisarlas? Si, pueden revisarlas no vemos ningún inconveniente.

Existe una denuncia nueva que puso Olayn Garcia Cinco en contra de Las Palmas, el estado legal actual de ese proceso es que la demanda se presenta la semana siguiente, debemos presentar la declaración de que lo haremos por escrito, creo que este caso se cerrará sin problemas.

Sobre cuál es su obligación con el dinero que pertenece a la HOA y que alguno de estos propietarios aun paga en la corte, la pregunta de ustedes es si Osvaldo a recogido alguna parte del dinero o que ha pasado con el estado legal de esos depósitos, tienen que notificarnos, cuando eso suceda, podemos recibirlo o negarnos a firmar y explicar porque no se recibe.

En relación a si existe alguna razón legal por la cual los propietarios deberían preocuparse por la estabilidad y capacidad de las palmas para poder realizar sus operaciones diarias, nosotros no consideramos que exista una causa por la cual los propietarios puedan tener un problema legal, son dos juicios malos que se cerraran dentro de los próximos 15 días.