

15 Nov 2021

To the Investors at The Villas at Northgate LLC:

Hopefully, our 29 Oct 2021 Annual Meeting was a beneficial one. For those who could or did not attend and still have concerns please pass on them on to our **new management company**. Yes, we had to make a major change in that regard.

Our **new firm** will be **All County Colorado Springs Company**, located at 811 S Tejon Street, Colorado Springs, CO 80903, 719-445-7172. Your primary point of contact will be Kari Rodriguez with Scott Glascock (Broker/Owner) in a supporting role.

This above change in management was done for a number of reasons to include failure to meet transitional Colorado State audit requirements, lack of timely communications and the inability of having in-person formal meetings.

Our next periodic Villas at North Gate Board of Directors (BOD) - All County Meeting will be on **7 Dec 2022 @ 3 pm**. We would encourage you to express your concerns prior to that time so they can be formally addressed.

Our next Annual Meeting, open to all owners/investors, either in person or by video conferencing, will be next year during the first week of November 2022. Actual time specifics TBD.

Enclosed are the 29 Oct 2021 Annual Meeting Minutes for your review and formal approval. Please forward your approval or non-approval to Kari Rodriguez at: VillasatNorthgate@allcountycs.com

Again, any concerns please let us know.

All the Best,

Tina Swonger
President, The Villas at Northgate LLC.

Villas At Northgate Owner-Investor Newsletter – Nov 2021

(Owner-Investors: The following information will repeat resident information to ensure inclusivity)

The Northgate Board of Directors (BOD) have taken the initiative, as part of our ongoing process improvements, to send out periodic updates on your investment. The following are some current issues that you need to be aware of:

1. All-County Colorado Springs Management Company (ACCSMC) HOA Payments

The BOD has authorized operational payments of \$2000.00 or less without electronic approval of 2 BOD members. Payments in excess of \$2,000.00 will go through our routine checks and balances and 2 BOD electronic signatures. All payments will comply with full disclosure and standard accounting procedures.

2. HOA Dues

HOA dues will increase to \$411/month effective on 1 Jan 2022. Payments can be done either by check, ACH or electronic bill paying transfers. Coordinate payments with ACCSM, VillasatNorthgate@allcountycs.com.

3. Annual HOA Meetings

A hybrid Annual Meeting system has been implemented. Owners/proxies can attend in person or by teleconference.

4. Individual Property Management Contact Information

Please send your applicable individual property management contact information to VillasatNorthgate@allcountycs.com.

5. Snow Staging

As part of our common road sharing policy with Thrive Commercial LLC, which is the business development just south of our community, we are now able to stage snow on the dead end of this street. This will open up 3 guest parking slots in our community during significant snow falls.

6. Future Gated Community

The BOD is in the process of securing our community with an electronic gate system at each of our entrance-exit sites. Future rules of engagement will be forthcoming when this gate system is nearing installation. The overriding goal of this system is ease of operation, convenience and providing a safe and quiet neighborhood. Our competitive bid process is still being negotiated between 2 vendors. Land Development LLC has submitted \$50,000 to fund this endeavor.

7. Future Entry Sign Construction

Two information signs, for public viewing, will be placed on the outside of our future automated locking gates. Each informational sign will contain emergency phone numbers to: All-County Colorado Springs Management Company (ACCSMC), VAN authorized towing company, rental and sales news directed to ACCSMC and our automated gate servicing company. If you have any other community orientated informational suggestions, please let us know.

8. Dog Policy Review

Villas At Northgate is now officially a **NO** dog community due to the **numerous** noise complaints, safety issues, landscaping damages and unsightly dung left behind on our and surrounding neighborhoods.

The **only** exception to this NO dog policy, going forward, will be Federal and Colorado State compliant service and/or emotional support animals that have been registered with the Villas at Northgate Homeowners Association (VAN HOA).

Previously, approved, and registered **non-service/emotional** support animals will be grandfathered in but must abide with **all** the VAN HOA rules and regulations. These directives cover lack of dog owner supervision, biting incidents, noise disturbances, landscaping damage, violating VAN HOA's 2-dog over 35 pounds each policy, violating VAN HOA's \$100 **annual** registration fee and continually ignoring VAN HOA's \$50 per month fine for owners who have not registered their dog annually. Penalties will range from increasing fines and to dog removal.

If you have any suggestions and/or concerns now or in the future, you will need to contact either your landlord/owner or property manager and he or she will forward them to the responsible authority.

8. Rental Rates

For your information, here are a couple of websites, as a comparison, for rental rates in the Colorado Springs area.

[RentCafé](#)

[Apartment List](#)

If you have any suggestions and/or concerns, now or in the future, on how to improve your investment, please contact Kari Rodriguez:
VillasatNorthgate@allcountycs.com

All the Best!

Tina Swonger
President, Villas at Northgate Homeowners Association

Villas at Northgate (VAN) Investor Newsletter – April 2022

(Owner-Investors: Applicable (italicized) information below will be sent out to our VAN residents to ensure inclusivity)

1. The BOD has finalized our agreement with Thrive Commercial, our neighbors to the south, over sharing the common access road that borders our VAN southside entry/egress street. Under this agreement, we will maintain the cost of the northside of this road and underlying utilities. In addition, the east side of the northern end of this street and will be used as our snow staging area. A written agreement has been signed and recorded at the El Paso County Office.
2. *All disposal containers need to be stored in the garage spaces per HOA rules and regulations and need to be removed from the street curb at the end of each Monday pick-up day.*
3. *Visiting parking slots are only for guests/visitors. No resident parking is allowed in these areas. Klaus Towing, 719-390-6790, is our official towing company. They will **immediately** tow vehicles in fire lanes, per city regulations. The curbs of these lanes will be designated with red paint shortly. Unauthorized guest parking will be issued a first warning of 24 hours with subsequent towing thereafter. The VAN HOA does not pay for this service and their existence/incentive is dependent upon parking violators. Currently, violators are assessed \$350 per tow and a \$50/day storage fee. These are some steep prices so the HOA would advise that you inform your respective tenants and management companies of this fact to avoid these unnecessary costs.*
4. The Reserve and Operating Fund monthly balances are \$11,667 and \$80,513 respectively. Currently, our monthly income is at \$7,809 which pays for our monthly operating expenses and provides an undetermined set amount, as of this writing, to our Reserve Fund. In 2023, we will be conducting a Reserve Fund Audit to fulfill our needs going 5, 10, 15, 20 years into the future.
5. *There are instances of unsightly oil stains on driveways within our community. The use of kitty litter and dish detergent for oil stain removal is a possible solution. A \$25 fine will be issued for non-compliance.*
6. The All-County management team will accept VAN HOA due payments by walk-in and mail to avoid the current \$2.95 electronic transaction fee. To reduce these fees, All-County will also accept longer periods of payment, quarterly, annual, etc. Currently, All-County is working with <https://www.zellepay.com> to avoid these electronic transaction costs all together.
7. *All past holiday decorations need to be removed as soon as possible. Please inform your residents of this concern.*
8. *Pet Registration and DNA testing will be on 8 April 2022, 9 am – 11 am. The BOD decided that fecal stations in the common areas would only encourage dogs and it will be owner's sole responsibility to remove fecal material and discard it in their individual garbage containers. Right now, we have 15 documented service/emotional support animals and grandfathered animals in our community.*
9. Tina Swonger had an on-site visit with a Colorado Springs Utility technician on 30 Mar 2022. It was revealed that we have been receiving water for the past watering season without a meter. The common community water valve was shut off and will be re-opened once the administrative paperwork has been completed turning the account over to the Villas at Northgate HOA. Billing for this past watering season has yet to be determined.
10. Current rental rates are ever increasing over the past 3 years but are showing weakness in the 4th quarter of 2021.
11. Multifamily investor rental townhomes are still in short supply in Colorado Spring area. This is an acute situation especially with newer construction.
12. Community Problems, Concerns, and Improvement Suggestions:
If you have any community suggestions and/or concerns, now or in the future, on how to improve your investment, please contact Kari Rodriquez: VillasatNorthgate@allcountycs.com who services our community on a daily basis via All-Country Property Management

All the Best!

Tina Swonger
President, Villas at Northgate Homeowners Association

The Villas At Northgate (VAN) Owner-Investor Newsletter – August 2022

Proposed Items to cover:

1. As of 9 Aug 2022, our Operating and Reserve Accounts are at \$27,256 and \$61,667 respectively. The Reserve Account has an unrestricted amount of \$11,667 and \$50,000 earmarked/restricted for our gated community capital improvement. Kari Rodriguez is developing a projected operating budget to cover our upcoming monthly expenses for this calendar year. Hopefully, we will also have a 2023 calendar yearly budget, doing the same, in time for our upcoming November annual HOA membership meeting.
2. There is **no** HOA state requirement to establish a reserve fund for future capital expenditures, e.g., road maintenance, irrigation replacements, and other common area upgrades, etc. However, to avoid untimely special assessments, the BOD, in conjunction with All-County Colorado Springs Management, has determined that we need to fund our reserve account on a monthly basis. It was determined we should fund our reserve fund at a rate of \$1,667 per month over a course of 10 years. This will accumulate a fund of 200K. With this plan, BOD has also decided to forego a reserve study saving in the neighborhood of \$3-4K.
3. The BOD has also approved placing our reserve funds into "I" (Inflation) Bonds. These are **US government protected** bond treasuries. Currently, this investment is earning an interest rate of 9.62%. I-bonds has a 1-year liquidity restriction which prohibits withdrawals during this period from the initial investment date. After which, withdrawals during the initial 5-year investment period are penalized by losing 90 days of interest earned. After 5 years, there are no withdrawal penalties. All things considered; this is a near ideal investment for our HOA reserve funds. Using the investment rule of 72, at the current I-bond interest rate, our funds could double every 7.5 years. This is a sound way to protect our reserve funds from inflation and thereby reduce our increases to our monthly HOA dues. Below are some website articles that discusses this type of investment which are applicable to many types of tax entities, i.e., from individual to HOA limited liability companies.
<https://districtcapitalmanagement.com/i-bonds/>
<https://thefinancebuff.com/buy-i-bonds-business-sole-proprietor-llc.html>
<https://www.northwestregisteredagent.com/llc/tax-exempt>
<https://spectrumam.com/are-hoas-non-profit/>
<https://hoatax.com/colorado-hoa-tax-return-filing/>
4. There is one HOA owner delinquent account due to the payment of old HOA dues rate versus the current \$411 per month. As an aside, The Villas at Northgate Board of Directors (BOD) has decided that a late HOA dues assessment provision will be added to The Villas at Northgate covenants. It will read as followings: "After the 9th day of each month there will be a \$25 fee and a \$100 fine after each additional 30 days of being past due. After the third month, a property lien will be initiated with owner notification being sent out by certified mail.
5. The concept of implementing a gated community was negotiated between Land Development Companies and the first building purchaser(s) of The Villas at Northgate. \$50,000 was allocated by Land Development Companies for this purpose. Kari Rodriguez is now finalizing the bidding process with commercial vendors and specific site locational requirements with the Colorado Springs city inspectors. Our goal is to have these 2 gates installed and running by this winter which will secure access to our community to residents, service and emergency personnel and authorized guests. However, before implementation, an instructional manual will be issued by the selected service vendor.
6. Northgate Business HOA updates: We are still negotiating with Northgate Business HOA to get a substantial savings to our dues versus paying the business rate.
7. We are in the process of terminating the services of our present attorney, Bill Short. Scott Glasscock and Kari Rodriguez, of All-County Colorado Springs Property Management/719-445-7172, are investigating prospects for replacing our existing Villas at Northgate HOA attorney. If you have any recommendations, in this regard, please submit them to Kari or Scott for consideration. Our goal is to retain a competent/trustworthy attorney for future issues that will invariably arise and at the same time limit our overall legal expenses.
8. The BOD has finally resolved a 2-year ongoing water tab issue between VAN, Colorado Springs Utilities (CSU) and Land Development Companies. A long story short, Land Development Companies paid the water development fee to bring the water infrastructure onsite. For whatever reason, unbelievably, the water tab fee of \$15,567 was not paid and a community water meter

was not installed even though water was being delivered. Last May, CSU discovered this error which resulted in our community water being completely shut off, without notice. Quick action, by Kari Rodriguez battling all sorts of CSU and corporate bureaucracies, resulted in the water being turned on again averting a catastrophic demise of our recently installed landscaping. The damages could have been in the hundreds of thousands of dollars. However, BOD had to pay the water tab fee, later reimbursed by Land Development Companies, in order to make this happen. Right now, we may still be liable for the 2 years of HOA community non-metered water usage.

9. The snow staging and guest parking signs are in the final stages of site placement and should be installed by September 2022.
10. The BOD has approved that subsequent/future HOA dues increases will require a simple majority of all owners in order to be implemented.
11. Payment of HOA dues, without a transaction cost, can be accomplished via your bank bill payment service, mail-in check or in-person payment. However, electronic payments will be assessed a transaction fee.
12. The BOD is exploring the concept of finding a common Villas of Northgate property management company to manage the collective rental activities of individual owners. This could present a power of scale discount for those owners who would like to participate. If you have a firm that you could recommend, please contact Kari Rodriquez.

If you have any questions and/or comments to improve our fiduciary relationship with you, our investor-owners, please do not hesitate to contact Kari Rodriquez at All-County, kari@allcountycs.com

Sincerely

Villas at Northgate LLC HOA, President
Tina Swonger

The Villas At Northgate (VAN) Owner-Investor Newsletter – October 2022

Dear Owner/Investors:

Here are some important informational items you should be aware of after our VAN Board of Directors (BOD) which was held on 30 September 2022.

1. Tina Swonger will be stepping down from her Villas at Northgate HOA Presidency and her BOD membership. This will be effective after our annual meeting on 18 November 2023. Her steady hand at the keel was **absolutely essential** during the past two tumultuous years since the creation of our HOA. During this period, a number of unexpected items could have easily **bankrupted** our HOA. This included an unforeseen city water shut-off to our common grounds – avoiding a \$100,000 plus in landscaping devastation. She also ensured that our land developer, Land Development Companies, transferred the promised \$50,000.00 allocated to our community gate project. Tina also pressed the Northgate Business Owners Association into giving us our justified residential status versus having to pay business HOA dues rate in perpetuity – saving another near \$5,000 annually. Tina, we thank you for your fantastic service!
2. Geir Tonnessen has also notified the BOD and All-County that he will be stepping down from his BOD membership at the end of his term in November 2023. As you can see, we could experience a huge leadership vacuum which will not bode well if other VAN owners do not respond. If you are interested in being a BOD member, please put your name and qualifications in for consideration via an email to Kari Rodriguez, contact@allcountycs.com prior to our annual meeting on 18 November 2022. During our upcoming annual meeting we will be electing, from the pool of BOD applicants, the new President, Vice President and Secretary/Treasurer.
3. Speaking of our annual meeting, we would like maximum in-person attendance at 811 S. Tejon Street, Colorado Springs, CO 80903. If you cannot attend personally, All-County will set up a live video conference call. Please contact All-County at 719-445-7172 or at Contact@AllCountyCS.com so you are aware of the administrative taskings prior to the meeting on 18 November 2022 at 3:00 pm Mountain Time. If for some reason you cannot attend, proxy voting will be established for you prior to the meeting.
4. Going forward all resident newsletters will be provided to the owner-investor and/or their respective managing company who ultimately have the responsibility to forward this information onto their tenants. This provision/process will be established as an owner requirement and will be part of our VAN covenants. This will help ensure resident awareness of their community responsibilities. Parenthetically, if not already done so, it would be wise to include into your lease agreements a paragraph delineating the tenant responsibility in complying with all of our VAN covenants, bylaws, rules and regulations. Of particular interest, is making sure all tenant trash dumpsters are stored in garages during non-pick-up days and not parking in designated guest parking slots.
5. Going forward, it is ultimately the responsibility of the landlord for any-and-all HOA management correspondence to their tenants. However, All-County will try to duplicate this effort with hardcopy postings of these informational items to each resident door, e.g., resident newsletters.
6. In the near future, All-County will placing all investor, resident newsletters onto the owner electronic portal. Thus, this information will be password protected and outside of the public purview, <https://acpm.twa.rentmanager.com/Shared/Login?locationID=13>. However, All-County will ensure that resident newsletters, VAN bylaws, rules and regulations, and covenants will be part of the general website: <https://www.villasatng.com>
7. Our upcoming HOA Annual Meeting will have the follow items for an at-large membership vote.
 - i. BOD membership and officer positions.
 - ii. Future HOA dues increases will need a 2/3 HOA approval
 - iii. The BOD has approved that they can spend up to 10% of the reserve fund for needed capital expenditures, without an HOA vote. If the expenditure is in excess of 10% then the BOD needs to obtain a greater than 50% HOA approval.
 - iv. The BOD has approved a “no dog” community policy that can only be overturned via a 2/3 ownership vote. Once approved it will be an amendment to our VAN covenants.
 - v. All pertinent residential informational items, to include newsletters, will ultimately be an owner’s responsibility to forward these items to their respective tenants. If continued tenant non-compliance becomes an issue, owners will be held responsible.
 - vi. All approved items, i.e., points i. thru v. above, will then be recorded as VAN covenants.

8. In order to avoid handling charges when paying your HOA dues payments to All-County, they must be in the form of ACH transfer or USPS. Credit and debit payments will incur a small transactional fee.
9. Installation of the south facing gate, of our gated community project, will be starting this fall. After all the hard and software problems have been "ironed" out these solutions will be transferred to the Oracle Blvd gate. We anticipate some delay with the Oracle gate due city and fire department approval procedures.
10. The BOD has negotiated a residential rate which will drastically reduce our \$6,132 "business" annual due assessment forced on us by the Northgate Business Owner Association. We are in the process of paying legal and past dues, at the residential rate, over the next year. By August 2023 this debt will be satisfied. Going forward, we will be paying a residential annual base rate of \$1,216. As of yet, we have not received a 2023 dues notification.

If you have any questions and/or comments to improve our fiduciary relationship with you, our investor-owners, please do not hesitate to contact Kari Rodriguez at All-County, kari@allcountycs.com

Sincerely

Villas at Northgate LLC HOA, President
Tina Swonger