

**Hiller Highlands Phase 1 Association
Annual Board Minutes
January 17, 2008**

The annual meeting of the Phase I Homeowners Association was called to order at 7:15 pm on January 17, 2008. The meeting was presided over by the Directors.

President:	Ken Pytlewski
Vice President:	Tricia Swift
Treasurer:	Steve Cobbledick
Secretary:	Evan Delegeane

It was established that there was a quorum of ballots for the election of directors returned by the members for the annual meeting.

The minutes from the January 2007 Annual Meeting were read and approved.

Insurance:

Present at the meeting was Victor Habib, our insurance agent from Farmers Insurance. Mr Habib gave a presentation regarding our current insurance coverage and the general changes in our coverage. There was discussion from the floor regarding the association insurance coverage. Mr Habib fielded questions from the members. Mr Habib recommended we increase the building upgrade amount to \$500,000.

Delinquent Dues:

Present at the meeting was Stacy Longley, Senior Trust Officer from Allied Trustee Services. Ms Longley gave a presentation on the process of a non-judicial foreclosure (NJP) on a unit severely delinquent in payment of homeowner's association dues. Ms. Longley fielded questions from homeowners. Allied Trust Services will handle the Non-Judicial Foreclosure process according to the governing laws and regulations.

Treasurer's Report:

Steve Cobbledick, our treasurer, presented the treasurer's report. The total in operating account is \$10,573.74. Our reserve funds include a Money Market fund of \$41,391.07 and a 7-Month Certificate of Deposit (CD). We originally invested \$60,000 in March. We rolled over \$61,223.54 into another CD (5.05% annual yield) in August. The CD will mature on March 9, 2008.

CORE:

Steve Cobbledick also gave a short report on CORE, calling for a new representative for 2008,

New Board Members for 2008:

Ed Ono served as Inspector of Elections to count the votes on the secret ballots for the election of the Board of Directors for 2008.

Tricia Swift
Rosalind Palmer
Steve Cobbledick
Chuck Scurich

Landscape:

Dave Azevedo, Trimacs Director, was recognized by the Board for his positive work with the landscape on Spyglass Hill. Evan Delegeane will continue his post as landscape head. Please contact Evan at 848-8193 for any requests regarding the landscape on Spyglass Hill.

Excess Income:

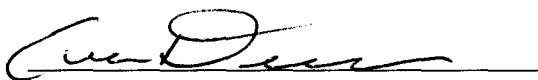
All members present, who constituted a majority, approved the excess income vote.

Speed Limit and Chain:

The speed limit on Spyglass Hill is 15 MPH. It is very apparent when vehicles are exceeding the speed limit. Please remind visiting family and friends that this crucial limit is to be adhered to at all times.

The chain at the south end of Spyglass Hill is to be linked at all times, with the exception of Waste Management's collection days. On collection days, the chain will be linked back by 12:00 pm.

Respectfully submitted,



ED
Evan Delegeane
Secretary

1/20/08

Date

Hiller Highlands Phase 1 Association
2008 Board Minutes
January 17, 2008

The newly elected 2008 Board met in open session after the Annual Meeting. The meeting was called to order at 8:10 PM. Present were Steve Cobbledick, Rosalind Palmer Ono, Chuck Scurich and Tricia Swift. Ed Ono was also in attendance.

By motion MSP, the Officers were agreed to as follows:

President: Tricia Swift
Vice President: Rosalind Palmer Ono
Treasurer: Chuck Scurich
Secretary: Steve Cobbledick

Steve Cobbledick will set up a meeting with the Bank's representative to fill out appropriate new signature cards to reflect changes in the Board.

Chuck Scurich motioned and Rosalind Palmer seconded that we start the assessment lien procedure for APN 048H-7585-003-00. The motion was passed unanimously.

The open Board Meeting concluded at 8:15 PM, and the Board moved to executive session.

Executive session was called to order at 8:15 PM. After discussion, by motion MSP, the Board voted to authorize Allied Trustee Services to proceed with the next step in the delinquent assessment collection process and to issue a Notice of Delinquent Assessment for APN 048H-7585-003-00.

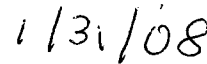
The next meeting of the Board of Directors will be on February 5, 2008, 7 PM at 7 Spy Glass Hill.

The executive session was adjourned at 8:20 PM.

Respectfully submitted,



Steve Cobbledick
Secretary



Date

January 18, 2008

Dear Spy Glass Hill Owners,

We had an excellent Homeowners Association Annual Meeting on Thursday, with more than 20 owners in attendance! To those of you who came, many thanks for participating and contributing deliciously to our potluck. To those who were not able to be present (thank you to so many who sent in their ballots), you missed an efficient meeting and a jolly party. Minutes will follow shortly, but in the interim, here is a quick summary

Our Annual Meeting covered all the necessities: approval of the 2007 Annual Meeting Minutes; approval of the 2008 budget; election of the 2008 Board of Directors; and approval to roll over into the 2008 budget the small excess income from 2007. In addition, there was discussion of our insurance coverage, the process of delinquent assessments recovery, landscaping, and the 15 mph speed limit on our street.

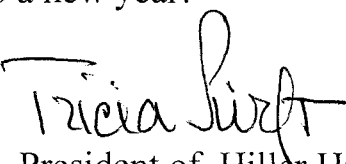
Immediately after the Annual Meeting, the newly elected Board of Directors convened to select officers and vote on a matter relating to delinquent assessments. The new officers are: Tricia Swift, President; Ros Ono, Vice President; Steve Cobbledick, Secretary; and Chuck Scurich, Treasurer. Evan Delageane, while not a Board Member, will continue to serve as our excellent and vigilant liaison to Trimac regarding landscape maintenance.

The next Board Meeting will be on February 5, 7 pm, at #7 Spyglass Hill. Minutes from January 16 and a draft agenda for the February 5 meeting will be circulated shortly.

Our potluck dinner was another great Spyglass Hill gathering: table cloths and "real" napkins and glasses magically appeared as grace notes to an abundant feast of lasagna, salad, garlic bread, many bottles of wine, and a profusion of desserts. We turned out the last lights at close to 10 o'clock!

Now – on to a new year!

Yours truly,



Tricia Swift, President of Hiller Highlands Phase I Board of Directors

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
February 5, 2008**

The Board of Directors meeting was called to order at 7:05 P.M on Tuesday, February 5th, 2008 at 7 Spyglass Hill. All Board Members were in attendance.

President:	Tricia Swift
Vice President:	Rosalind Palmer Ono
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

It was M/S/P to approve the minutes of the January 2008 Board meeting

Homeowners' Forum

A homeowner sent a letter voicing concerns about the increase in dues and expenses for repair of the carport under unit 42. The treasurer of the 2007 Board responded with a letter. Any homeowner may examine the financial records of the HMA.

A homeowner wrote a letter about a black SUV driving extremely fast on Spy Glass Hill. The driver sometimes also took down the chain at the south end of the street and did not put it back up. The speed limit for Spy Glass Hill is **15 MPH**. The chain is used to keep strangers off our street.

Treasurer's Report

The balance for the operating account is \$10,545.16. The balance in the reserve account is \$44,175.38. In addition, \$61,223.54 from the reserve account is in a certificate of deposit that matures on March 9th, 2008.

There was a brief report from Stacy Longley at Allied Trustee Services about the lien process concerning the late assessment status for APN 048H-7585-003-00.

Homeowners are reminded that dues have increases and the schedule of fees is in the annual meeting packet. If you have lost or misplaced it, another can be obtained by dropping a note in the Phase mail box at 36 Spy Glass Hill.

C.O.R.E.

Dawn Willoughby has volunteered to be our new C.O.R.E. representative. There will be a citywide emergency drill on Saturday, April 26th from 9:00 AM to 12:00 PM.

Substantive

Landscape issue: Hiller Highlands Phase III wants to trim trees to preserve views. This discussion has been ongoing over the past year. Evan Delegeane and Fred Booker walked the slope and checked the marked trees. They determined there was only one on our property and it will not impact the privacy of our Phase.

The railing on the steps from Phase I down to the club needs to be repainted. Tricia Swift called Tim Palmer, Highlands Country Club manager, and he said the Club will repair and repaint.

The board discussed anticipated 2008 issues:

1. Welcoming new owners as homes change ownership.
2. Delinquent dues collection
3. Irrigation drip system and controller replacement
4. The appearance of our street and whether it should be resealed before the scheduled 2009 repair.
5. Mailbox repair.
6. The condition of retaining walls—to be monitored.

It was M/S/P that a street walk be scheduled for concerned residents after the next board meeting. Tricia will contact Fred Booker to lead us.

Speed Limit Reminder

The speed limit on Spyglass Hill is 15 MPH. Please remind visiting family and friends of this important safety rule.

Next meeting: Saturday, March 1, 2008 @9:30 A.M - Unit 55.

The Meeting was adjourned at 8:25 P.M

Respectfully submitted,

Steve Cobbledick
Secretary

Date

February 7, 2008

Dear Spy Glass friends and neighbors,

For whom of us is our home on Spy Glass Hill not THE single largest asset that we have, or among our most valuable assets? Who among us does not care about the value of this asset?

As we approach the 15th anniversary of our street's rebuilding, we have all enjoyed, virtually worry free, our "new homes." Approximately 10 years ago we had a gratis repainting. We have lived in our beautiful homes with little need for attention to maintenance. Our HOA fees have taken care of landscape, street, and carport maintenance to enhance the beauty of our 34-home neighborhood.

A few of us have repainted and those homes look fresh and good. There are now two homes on our street for sale. As the Realtor representing one of them, I have listened to the comments of a number of potential buyers, and have been challenged to look with different eyes at the condition of our Spy Glass Hill. I invite you to look as well. What do you see?

I can see, for starters, and much to my amazement, that my own home needs repainting. (When/how did this happen – why, I just moved in yesterday, it seems!) I am committed to having that done as soon as weather permits. I can see other homes that also need repainting. I can see, too, that my entry railing is flaking and needs to be repainted, and that I am not alone. I notice small rust stains on the bottoms of metal railing upright pieces, and entry porches that are un-cared for, some rust stains and streaks, and some frayed awnings.

I have learned from neighborhood chat that at least one of us has had a hot water heater fail, and I know that another of us has pro-actively replaced a hot water heater before having to deal with a mess. I expect to change out my water heater this year and install a "tankless" model. And I intend to have my trusty furnace serviced as well.

At least one of us has recently experienced a roof leak, resulting from cracked caulking around a protruding vent – thankfully a small roofing repair. That tells me that, once the deluge stops, I need to have my roof, vent caulking, and gutter systems inspected and repairs made as necessary. Our roofs are 15 years old, and their life expectancy is in the range of 15 to 25 years, most likely.

And our appliances are all in ripe old age at this time. I replaced an oven this year, and gratefully found a repair service for my old, perfectly sized microwave. (A whole generation of appliances has gone by since we rebuilt, and finding the right size is a challenge.) We all need to check our washing machine hoses and replace them with the new no-burst type. Oh yes – and my tub and shower tiles are in need of the ministrations of "The Grout Doctor" to prevent minute water seepage. Who would not invest a few dollars in such maintenance items to avoid a damaging water leak?

Water may be the best thing for our bodies, but for our homes it is nothing but trouble, damaging to underlying wood, creating rot, and weakening structural members. Damaged wood does not heal – it must be repaired or replaced. Furthermore, damp wood attracts bugs (termites) and fungus and mold. I once heard about an ounce of prevention....

The painting of surfaces is more than a cosmetic issue: it is the first defense against water intrusion and subsequent deterioration of wood siding, wood decking, or the wood substructure under solid surfaces of entries or decks. On our entry railings, it retards rust and prolongs useful life. The cost of painting may look significant, but the investment is worth 5 to 10 times the cost in both preventing serious damage and improving home values. Good maintenance is an excellent investment.

In summary, we are all going to face maintenance issues in the near and very near future that we have not had to think about since 1993. We all need to be alert and aware, and we all need to budget for these kinds of individual maintenance items, just as our HOA budgets, with our Reserve Fund, for our collective infrastructure maintenance.

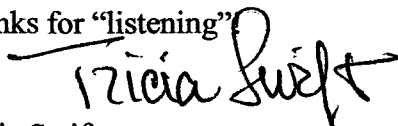
Our property values – both our own and our neighbors' – are directly related to our individual as well as our collective attention to maintenance.

How we look as the Hiller Highlands Phase I entity affects ALL of our property values. Other Hiller HOA's have in their CC&R's coercive measures to assure, for instance, that owners paint their homes. On Spy Glass Hill we have relied on the good sense and prudence of each other to insure that our street remains handsome and desirable. Whether we are selling or staying, resident or non-resident, we are all in this together.

As your HOA President, I encourage you to let the Board know if you have leaks, water heater failures, or other such issues – your experience can instruct us all about what's coming down the pike. If we band together in repainting or other repairs, we may be able to achieve some economies of scale. (Would anyone else besides me like to paint in the next few months?*) As a Realtor, I have lists of reputable service providers for almost every need, and I am glad to share them. As a fellow neighbor and property owner, I am grateful every day for the pleasures and beauties of Spy Glass Hill, the spirit of community, and the opportunity to learn from others. I want our collective and individual investments here to prosper.

So – I invite you to look about, too. What do YOU see?

Thanks for "listening"



Tricia Swift
President, Hiller Highlands Phase I Board of Directors

** Remember that when we paint, the By-Laws require that we stay within a prescribed color scheme. The standard color for our metal entry railings is Oxford Brown. To make any exterior changes, Board approval is required.*

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
March 1, 2008**

The Board of Directors meeting was called to order at 9:40 A.M on Saturday, March 01, 2008 at 55 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick
Guests:	John Merchant-President of Phase III

There is a correction to in the February minutes (*in bold italics*):

A homeowner wrote a letter about a black SUV driving extremely fast on Spy Glass Hill. The driver sometimes also took down the chain at the south end of the street and did not put it back up. The speed limit for Spy Glass Hill is **15 MPH**. The chain is used to keep *our street from being a drive-thru street*.

It was M/S/P to approve the minutes of the February 2008 Board meeting

Homeowners' Forum

Tricia raised two concerns: maintenance and appearance of our street, and non-resident vehicles parked on the street. No action was taken, and further discussion was postponed pending the Board's "WalkAbout".

The owner of Unit 61 has complained of a dark area near his driveway. He has asked to install another bollard light similar to the ones in front of his unit. He will pay all costs. It was M/S/P to approve his installation of an additional bollard light entirely at his expense.

Treasurer's Report

The balance for the operating account is \$4,893.23. The balance in the reserve account is \$46,924.38. In addition, \$61,223.54 from the reserve account is in a certificate of deposit that matures on March 9th, 2008.

Allied Trustee Services has sent to Alameda County a Notice of Delinquent Assessment (NODA) to be recorded against APN #048H-7585-003-00. Tricia has asked that the Board be cc'd with all action and communication in this matter.

The 2007 tax material has been sent to Carol Stalker.

Substantive

Roster: the roster of owners/residents on Spy Glass Hill is currently being updated. If any of your information has changed, please notify Steve Cobbledick. If we don't have your email address, please include it with your dues payment.

Architectural Control Committee: one resident has volunteered for such a committee, should it be formed, to review the approved paint colors and monitor the street appearance, as is done in other Hiller Highlands HOA's, and per our CC&R's. Anyone who is interested in serving on such Committee is invited to contact the Board.

It was M/S/P at 10:20 A.M. that we walk the uphill V-ditch, with the intent of understanding the property line between Phase I and Phase III. John Merchant, President of Phase III identified the three trees that Phase III residents want trimmed or removed to preserve their views. The bill for this tree work is \$750, and Phase III has requested that Phase I pay for 50% as suggested by the Oakland View Ordinance, a copy of which John Merchant brought to the meeting. After finding the markers and walking the property line, all agreed that only one tree is on Phase I property. It was M/S/P that Phase I contribute \$125 (50% of cost to trim one tree) to Phase III, as a neighborly gesture and in the spirit of the Oakland View Ordinance.

The Board then walked the length of our street with Fred Booker, Ed Ono and Evan Delegeane to check the condition of the landscape, railings, fences and structures on Spy Glass Hill. That landscape looks good, but needs to be trimmed back in some areas. It was noted that there is considerable deterioration to wood trim paint, railings and awnings on many of the units. Some have a serious dry rot problem. As far as repairs needed:

1. There is a drainage problem near Unit 1 which Evan will ask Trimacs Landscape Care to fix.
2. There is a Jack Daniels bottle and a bath mat in the branches of a tree below unit #20 which Evan will ask Trimacs to remove
3. Letters concerning the condition of units will be sent to individual owners.

Speed Limit Reminder

The speed limit on Spyglass Hill is 15 MPH. Please remind visiting family and friends of this important safety issue.

Next meeting: Saturday, April 5, 2008 @9:30 A.M - Unit 35.

The Meeting was adjourned at 12:30 P.M

Respectfully submitted,

Steve Cobbledick
Secretary

Date

Hiller Highlands Phase I Association

Dear Board:

The chain at the southern entrance/exit to Spyglass Hill is for the safety of the street. It helps to prevent crime. Lately we have noticed a black SUV driving extremely fast up the hill and exiting through this area and leaving the chain down. This is in violation of the Phase rules. The black SUV is driven by a female driver who does not appear to be an owner of one of the units on Spyglass Hill (or we do not recognize her).

Please once again notify homeowners that the speed limit is 15 miles/ph and that the entrance and exit area is at the north end of the street. Do not take the chain down for an individual convenience. If this is a service person please inform her of the correct entrance/exit.

Only on Monday morning is the chain down to allow the Waste Management trucks to service the entire street. This is a time of the year that crime increase and unknown vehicles are on our street. Let us all be more aware to help protect all of us on Spyglass Hill.

Thank you for your assistance in this matter.

#59

Treasurer's Report for March 1, 2008

Account	Balance as of March 1, 2008	
Operating	\$4,893.23	
Reserve	\$46,924.38	
Cert of Dep	\$60,000.00	
Total	\$111,817.61	
Homeowner in #1 Spyglass request for 2007 treasurers books	Chuck called homeowner and left a long message on the answering machine, letting them know that anytime they wish to see transactions, I will provide what they need. They should call me back and let me know what they would like to have.	

Delinquent Dues

Unit	Months skipped	Current Status
1	February not paid	Left Message on phone and sent letter
5	January short \$1.00 and February not paid	Sent letter and talked on phone. Will pay full amount with late fee March 1st
20	January and February not paid	Sent letter and talked on phone. Will pay 3 month plus 3 months of late fees in March
46	Ongoing, no payments	Undergoing lien procedures

March 3, 2008

Dear Spy Glass Hill neighbors and friends,

Watchwords for March: Look to your fascia boards and trim! When Helen Wehr and I had our homes painted last month, we discovered that our fascia boards are prone to dry rot.

Q: How are you likely to discover dry-rot?

- 1) By walking around and looking for peeling paint and split, distorted, or depressed wood trim
- 2) By having a "Structural Pest Report" -- for example, when you prepare to sell your home, or at regular intervals as a matter of prudence
- 3) By painters' prep work when you decide to paint your home

Q: When is it a GOOD thing to find dry rot?

- 1) When the repair doesn't cost an arm and a leg
- 2) Before it grows and spreads
- 3) Before it blights the general condition (and value) of your home and neighborhood

Q: When should one repair it?

- 1) Now, or
- 2) Sooner rather than later

It is clear to me that the wood trim on the weather side of our homes really takes a beating from the sun and the weather that arrives on prevailing West winds. Furthermore, many of us have on our West porches plants that overflow when we water them, compounding the already punishing conditions. Several years ago, simply as a matter of prudence and curiosity, I had a "Structural Pest Inspection" of my home. Small amounts of dry rot were discovered then and repaired in conjunction with other porch work. When my house got a good prep job prior to painting last month, dry rot was found again in many of the same areas, PLUS in some of my garage trim. So – I have to conclude that the design of our homes necessitates that we keep constant watch, and keep all surfaces – especially West-facing ones – well sealed and painted.

In addition, the wood deck at the rear of my home also has some dry rot, even though I keep my potted plant "garden" elevated over the surface. I have elected this year to simply put preservative/sealant on again (as I have done every few years) to protect and nurse it along for another 2 to 3 years before replacing it with TREX or a like kind of miracle material.

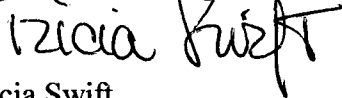
In the course of your Board of Directors' March 1 meeting, and accompanied by several interested owners, Board Members did what I call a "Walk-About." We walked the perimeter of our entire Phase I land and the length of our private street. We noted the condition of all structures on Spy Glass Hill. This was an enormously interesting and informative exercise. I am going to recommend to subsequent Boards that this be at least an annual, if not a semi-annual, exercise.

Now, none of us on the Board is a structural pest inspector or a professional painter, but we were able to see just with our own eyes that many of our homes are in need of paint and what appears to be dry rot repair. By our CC&R's, which we all bought into when we purchased our lovely homes, our governing documents stipulate that homeowners are responsible for 1) the maintenance of their own exterior, and 2) preventing conditions conducive to dry rot. Mindful of that, the Board will be communicating our observations to each of you in hopes that we can alert you before damage becomes blight, and with the expectation that you are invested in maintaining the value of your individual property value and our collective community value, which undergirds each of our own investments.

By joining together for one large job, as opposed to contracting individually for two smaller jobs, Helen Wehr and I believe we have saved about 15% on the cost of repainting. We are enjoying the pleasures of our better looking homes (I feel like the mother of a newborn!), the satisfaction of making timely and necessary repairs, and the knowledge that we have protected ourselves from the elements for another 5 to 10 years.

Again – I invite you to walk about your own home. What do YOU see?

~~Thanks for listening –~~



Tricia Swift

President, Hiller Highlands Phase I HOA Board of Directors

Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
April 5, 2008

The Board of Directors meeting was called to order at 9:35 A.M on Saturday, April 05, 2008 at 55 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Vice-President	Rosalind Ono
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

It was M/S/P to approve the minutes of the March 2008 Board meeting

Homeowners' Forum

1. A Homeowner wrote to request a change in the late dues assessment policy. This matter is defined in the CC&R's. To make a change requires an amendment to the CC&R's and a vote of all the owners. After discussion, the Board M/S/P to recommend against such an amendment to the CC&R's. Tricia will communicate this by letter.
2. A Homeowner is relocating his direct TV dish. The board has no objection to the relocation of this particular dish but agreed that general policy, since location of a satellite or direct TV dish could impact views, any owner who is installing or relocating a dish should obtain the consent of neighbors. Tricia will communicate this by letter.
3. A Homeowner reported that the South gate has rusted and that he has had it repaired. A bill was forwarded to the Board. The homeowner offered to split the bill with the HOA, as he had ordered the repair without prior Board approval. By motion M/S/P the Board agreed to pay half of the cost, but noted that in the future, any request for repair to community property must be approved by and ordered by the Board on behalf of the HOA. Tricia will communicate this by letter.
4. Phase III sent an invoice for \$125 for half of the cost of trimming one tree, located on Phase I property, per our agreement M/S/P March 1, 2008. By motion M/S/P it was approved.
5. Board has received complaints about an RV parked on Spy Glass Hill. It has been moved and is now parked elsewhere.
6. The Club has written to Phase I regarding possible damage to the ponds resulting from the fire hydrant incident on March 6. Tricia has notified our insurance agent, Victor Habib, that a claim may be made against Phase I and/or the owner of the service vehicle that caused the problem.
7. Residents of Binnacle Hill and Marlin Cove have complained to Phase I about barking/crying dogs. Spy Glass Hill neighbors have complained about dog litter left in our landscaping. Owners are responsible for clean up and removal of animal waste products by their pets. Tricia will contact dog owners on the street per Article 3.1.4 of the CC&R's.

8. Fidelity Title has notified us that Carole Anderson has completed her purchase of #47. We welcome her to the street. Steve will revise the roster when she has a phone number.
9. Fred Booker and Blythe Mickelson are moving to their new home this month. We will miss them and thank them for everything they have done for Phase I over the years.

Treasurer's Report

The balance for the operating account is \$15,289.71. The balance in the reserve account is \$41,100.09. Our certificate of deposit matured in March, and the funds were invested in a \$63,000 CD earning 3.4% interest (annually) that will mature on Sept. 30, 2008.

It was M/S/P to approve the Treasurer's Report.

Substantive Landscape

Leaks have been reported on the upper slope. Evan will ask Trimacs to check and repair them as part of the annual irrigation system check in April.

The cherry trees are beautiful this year. A thank you to Evan for making sure the landscape crew did not trim back the trees before they bloomed.

Tricia will ask Pat Geohegan about replanting the bare area at the South end of Spy Glass Hill where all the plants were removed 3 years ago

Evan will contact Trimacs again to correct the drainage problem near Unit 1.

Home Maintenance

Tricia and Rosalind will prepare letters to homeowners re our March 1 Walkabout notations, and attach to them the relevant Articles from our CC&R's defining maintenance responsibilities, as well as noting paint colors that were used for each unit in 1998 (thankfully found by Fred Booker). Reminder: our CC&R's require Board approval to change paint colors.

(Please Note: Owners' maintenance responsibilities are defined in Exhibit B of our CC&R's, as listed on page 37. In some sections of the CC&R's they are referred to as in Exhibit D, which is incorrect.)

Formation of the Architectural Control Committee was postponed.

Speed Limit Reminder

Thank you for driving slowly while on Spy Glass Hill. **The speed limit on Spyglass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Next meeting: Saturday, May 10, 2008 @9:30 A.M - Unit 59. **PLEASE NOTE THAT THIS IS A CHANGE FROM OUR PUBLISHED SCHEDULE.**

The Meeting was adjourned at 10:45 A.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

4/17/08
Date



Patricia Swift
7 Spyglass Hill
Oakland, Ca 94618

April 9, 2008

Re: Phase Homeowner Annual Meetings

Dear Ms. Swift,

The Highlands Country Club, for many years, has extended the use of the Fireside Room and kitchen facilities to the six homeowner associations in Hiller Highlands for their monthly, quarterly, and annual meetings without charge.

Beginning January 1, 2009, Hiller Highlands Homeowner Associations will be charged \$100 for their Annual Meetings due to rising labor costs and wear and tear on the facility.

Associations may continue to schedule small monthly board meetings on a space available basis free of charge.

If you have questions regarding this new policy contact Club Manager, Tim Palmer, at 510-849-0743.

Sincerely,

A handwritten signature in cursive script that reads 'Robin Mickle'.

Robin Mickle, President
For The Board of Directors

TO CHUCK SCURICH
AND THE BOARD OF SPYGLASS HILL

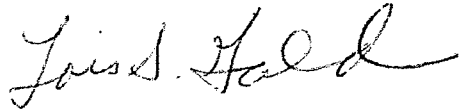
MARCH 1, 2008

I REQUEST THAT THE BOARD RECONSIDER THE INEQUALITY IN THE LATE FEE PENALTY FOR DUES FOR HOMEOWNERS. EVERYONE SHOULD HAVE THE SAME LATE FEE, AND I SHOULD NOT HAVE TO BE AN EXHORBITANT AMOUNT OF \$38.50 BECAUSE I MISSED A SINGLE MONTH (I WAS ON THE EAST COAST FOR A FAMILY MEDICAL EMERGENCY AND MISSED THE TIME).

I SUGGEST THAT THE FEE BE 10% OF THE DUES ONLY EXCLUDING THE EARTHQUAKE INSURANCE PAYMENT. THAT IS THE ACTUAL DUES. THE SAME FEE SHOULD APPLY TO EVERYONE. THIS WOULD BE \$21.00.

THANK YOU.

LOIS

A handwritten signature in cursive script, appearing to read "Lois", written in dark ink.

Tricia Swift

From: SCobbledick@comcast.net
Sent: Saturday, March 22, 2008 9:14 AM
To: Rosalind Ono; Tricia Swift; Chuck Scurich
Subject: Gate at South Exit

Fellow Board Members:

Pat Geoghegan left a message that the gate is suffering from rust. In fact, one of the balls on the posts has fallen off. Could you please all check this out so we can discuss this at the April 5 meeting.

Also, who said surfing the net was a waste of time. I was checking out whitepages.com and found a phone number for Kevin Dawson at 46 Spy Glass Hill: (510) 486-8776. I don't know if this is his cell or not. I don't want to make that call.

Steve

Tricia Swift

From: rosienjohn@aol.com
Sent: Wednesday, March 19, 2008 8:01 AM
To: Tricia Swift
Subject: From John Merchant

Hi Tricia,
The trees are trimmed! You'll be getting a statement from our treasurer for 1/2 of one tree!

On another subject;
We are in the process of reviewing our CC&R's, especially in the area of insurance coverage.
Would it be possible for us to have a copy of your CC&R's so we could compare what you have in that area?
We'd be happy to pay for making copies.
If it's OK give me a time when I can pick them up.
John

Supercharge your AIM. Get the [AIM toolbar](#) for your browser.

Tricia Swift

To... vhh52@comcast.net

Cc...

Bcc...

Subject: RE: FIREHYDRANT CLAIM

Attachments:

Dear Victor,

Thanks very much for your prompt response to my call on this issue. I will indeed keep you informed as soon as I hear anything from Highlands Country Club. Is there any chance that EBMUD would bear any responsibility since they took so very long to respond (45 minutes)? Let us see how it all sorts out.

Yours, Tricia Swift

From: vhh52@comcast.net [mailto:vhh52@comcast.net]

Sent: Tue 3/11/2008 12:13 PM

To: Tricia Swift

Cc: VHH52@COMCAST.NET

Subject: FIREHYDRANT CLAIM

HI , TRICIA. PER OUR CONVERSATION 03/11/08 REGARDING A POSSIBLE CLAIM OF 3/6/08 REGARDING THE FIRE HYDRANT FOR HILLER HIGHLANDS PHASE 1 . FIRST, THANK YOU FOR THE HEADS -UP REGARDING THIS POSSIBLE CLAIM.

AS SOON AS YOU HEAR FROM THE CLUB HOUSE, PLEASE ADVISE ME SO I MAY MAKE THE CALLS NEEDED TO THE LANDSCAPERS INSURANCE COMPANY TO SEE IF A CLAIM HAS BEEN TURNED IN.

THEY PROBABLY ARE WAITING TO HEAR FROM THE CLUB HOUSE ALSO. THIS SHOULD BE A LIABILITY ISSUE FOR THE LANDSCAPERS INSURANCE CO. SOON AS YOU HEAR, LET ME KNOW.

THANKS AND HAVE A NICE DAY

VIC HABIB

Tricia Swift

From: vhh52@comcast.net
Sent: Tuesday, March 11, 2008 12:14 PM
To: Tricia Swift
Cc: VHH52@COMCAST.NET
Subject: FIREHYDRANT CLAIM

HI , TRICIA. PER OUR CONVERSATION 03/11/08 REGARDING A POSSIBLE CLAIM OF 3/6/08 REGARDING THE FIRE HYDRANT FOR HILLER HIGHLANDS PHASE 1 . FIRST, THANK YOU FOR THE HEADS -UP REGARDING THIS POSSIBLE CLAIM.

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THEY PROBABLY ARE WAITING TO HEAR FROM THE CLUB HOUSE ALSO. THIS SHOULD BE A LIABILITY ISSUE FOR THE LANDSCAPERS INSURANCE CO. SOON AS YOU HEAR, LET ME KNOW.

THANKS AND HAVE A NICE DAY

VIC HABIB

3/14/2008



Tricia Swift
7 Spyglass Hill
Oakland, CA 94618

March 20, 2008

Re: Incident of March 6, 2008

Dear Tricia,

I am writing to let you know that we are in the process of assessing the damage caused to the Club landscaping and water feature as a result of a fire hydrant on Spyglass Hill that was hit by a truck belonging to your Landscape Service on Thursday, March 6, 2008.

Massive amounts of water flooded the Club grounds for almost an hour.

I will be in touch with you once we ascertain what, if any, damage was caused as a result of this incident.

Sincerely,

A handwritten signature in black ink, appearing to read 'Timothy Palmer', written in a cursive style.

Timothy Palmer

Unit #(s)

Owner Name(s)

Color scheme used in 1998*

- **Base**
- **Trim**

3/1/08 Board Walkabout observations/comments

* All colors were Kelly Moore Paints

Unit #(s)

Owner Name(s)

Color scheme used in 1998*

- **Base**
- **Trim**

3/1/08 Board Walkabout observations/comments

* All colors were Kelly Moore Paints

Highlands Phase 1 Association
Minutes of the Board of Directors Executive Session
April 17, 2008

The Board of Directors Executive Session was called to order at 7:45 P.M on Thursday, April 17, 2008 at 7 Spyglass Hill. Board Members in attendance were:

President: Tricia Swift

Vice-President: Rosalind Ono

Secretary: Steve Cobbledick

Treasurer: Chuck Scurich voted by email to pass tonight's motions.

Substantive

It was M/S/P to affirm the "Authorization to Publish Notice of Trustee's Sale" because of delinquent dues for APN 048H-7585-003.

It was M/S/P to affirm that the transfer fee is \$100 for any property sold on Spy Glass Hill.

The Meeting was adjourned at 7:50 P.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

4/28/08
Date

Dear Association,

April 24th, 2008

First of all, we have to convey our special thanks to all of you who are making efforts to make this charming neighborhood a pleasant place to live in!

We have 3 requests to enhance our enjoyment of our place, at 44 Spyglass Hill.

- 1) The trees along the deck leading to our front door bear a small kind of fruit which has the unpleasant characteristic of making a total mess of the deck, especially when they are squashed, which inevitably happens as people walk on the deck. On Evan's side of the deck, there are maple trees which make a better job of covering the wall and do not appear to have little messy fruits... We were wondering whether our side of the deck could benefit from the same arrangement.
- 2) Our balcony looks a little shabby and will require attention this year. We have noticed that # 26 Spyglass Hill has a different railing which is a significant improvement over ours, as it offers a much less obstructed view of the beautiful scenery. As we intend putting some stone tiles on our balcony, we were wondering whether it would be a good time to change the railing as well.
- 3) Finally, our downstairs railing, going to the back of the house, is almost as shabby as the balcony one, and has the additional feature of serving no purpose, as there are only two steps to get to ground level. What we would really like to do is do away completely with this superfluous railing.

We look forward to your concurrence on the above points, and we are, of course, ready to answer any question you might have in these regards.

Thanking you again and best wishes,

Michael and Anyo

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
May 10, 2008**

The Board of Directors meeting was called to order at 9:40 A.M on Saturday, May 10, 2008 at 7 Spyglass Hill. Board Members in attendance were:

President: Tricia Swift
Secretary: Steve Cobbledick

Because the Board was absent a quorum, this was an informative meeting. No motions could be passed.

Homeowners' Forum

1. Tricia, Rosalind Ono and Fred Booker met with Pat Geoghegan to review the bare spot at the southwest end of the street. They agreed that an appropriate plant might be a dwarf manzanita. Evan and Trimacs will develop a budget and plant one or two to see if this is a good choice.
2. Trimacs will be asked to check and correct the excessive watering around # 1.
3. Units 33, 35, 41 & 43 are having deck railings repaired and repainted.
4. The railing between the Club and Spy Glass Hill has been prepped and the first coat of paint applied. Tricia will write a note to the Club thanking them.
5. Yasmine Zaeni has completed her purchase of #20. We welcome her to the street. Steve will revise the roster.

Treasurer's Report

The balance for the operating account is \$13,220.27. The balance in the reserve account is \$47,657.77. Our certificate of deposit matured in March, and the funds were invested in a \$63,000 CD earning 3.4% interest (annually) that will mature on Sept. 30, 2008.

Substantive

Landscape

Evan will look into planting something like the dwarf manzanita in the bare area behind #11.

Bids will be solicited to repair the mailbox posts and reinforce them with a concrete base. The Board will also obtain bids for painting the brown metal railings down to # 38, 40, 44 & 46.

Our Waste Water Discharge Permit which allows us lower rates for water used for irrigation is good through 2012. To keep these rates, we must not exceed a mandated level of use. Watch for water conservation advisories this summer if there is no rain this month.

Landmarks

Helen Weir passed away April 17. Her home will soon be going on the market. Tricia will contact the listing agent to advise her of our one sign policy and \$100 transfer fee.

Speed Limit Reminder

Thank you for driving slowly while on Spy Glass Hill. **The speed limit on Spyglass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Next meeting: Saturday, June 7, 2008 @9:30 A.M - Unit 7.

The Meeting was adjourned at 10:08 A.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

5/15/08
Date

May 19, 2008

Dear Spy Glass Hill Friends and Neighbors –

Well, Spring has definitely sprung on Spy Glass Hill! Our lovely clouds of blossoms have dispersed and given way to newly unfurling green leaves. Birds are singing their hearts out – even at night! Does anyone know what bird it is that sings so happily in the wee small hours? When I think of the post-fire devastation and lifelessness of our street, I marvel at our current condition and abundance of trees and wildlife. We have come from **nothing** to restored beauty in just 15 years, thanks to the efforts of so many Board Members and dedicated individuals who have tended our community through the years.

Two new owners have joined us and we welcome them: Carolyn Anderson in #47 and Yasmin Zaeni in #20. Both are hard at work settling in and tailoring their new homes to fit their needs, as well as addressing repair issues. I will soon have a wine and cheese gathering so that all can meet one another.

Following the distribution of Board observations of conditions up and down the street there is a rippling and stirring of repair activity, which is wonderful. The Board is gathering bids for repairs and painting of common area facilities as well. I am aware that there are multiple conversations happening about workmen who can do this and that – a welcome sharing of resources.

A quick word to the wise about hiring contractors and workers: I have always been advised to hire only licensed contractors and to check to make sure that their workers are covered by workers' compensation. Licensing does not guarantee de facto that contractors are necessarily good, but it does provide assurance that they can be held to a standard of performance and are accountable to a higher power. Good work will enhance the value of your home; shoddy work will devalue your investment. Workers' compensation can protect us from liability for medical costs and lost wages if a worker is injured on the job. A penny saved is not necessarily a penny earned in the case of hiring people to work on our homes: I am always comforted and happy to pay a little more, not only for people that I trust and like to have around, but also to have the peace of mind that they are licensed and appropriately insured. Again...just a word to the wise.

The Club has prepped and given a first coat of paint the handrail from our street to the Clubhouse. Kudos to Tim and Joan for choosing a handsome dark green color – a great improvement! When you see or talk with them, be sure to let them know that we notice and appreciate.

Nine of us from Spy Glass Hill attended a lovely memorial service for Helen Wehr on April 26 – a gratifying expression of community spirit and our affection for this gracious lady. Her home will be on the market soon, so you might let the word out to anyone you know who has expressed interest in living on Spy Glass Hill.

In their early morning walks, Sonja Woodham and Ann Mulligan recently saw and brought to my attention an incredible phenomenon: a true swarm of bees! First on the deck of #9, and now near the roof line of #7 (my own home), the swarm appears as a sort of black carpeting, which, when you look closely, is moving and vibrating. Lots of in and out bee activity, but no discernable sound. I have heard about such things, but never witnessed it myself, and I am thrilled. Helen Wehr's daughter Sandra remembered reading something about bee keepers being willing to remove a swarm, and has set that up for us to happen on Tuesday evening the 20th between 5 and 8. As fascinating and wonderful as it is to see a swarm, I am happy to have someone safely relocate them to an appropriate spot other than my roofline or our neighbors' deck! Wish I could be there to watch but I have to be elsewhere. You might want to see it for yourself, and someone take pictures, please!

As always, I encourage you to go outside and look at our beautiful street and views as well as bee swarms. We are looking better and better every month! What do you see?

Thanks for "listening"...

Yours truly,

A handwritten signature in cursive script that reads "Tricia".

Tricia Swift
President, HHI HOA Board of Directors

TO: Board of Hiller Highlands Phase I
FROM: Reger and Faye Baron
RE: View at 38 Spyglass Hill
DATE: MAY 23, 2008

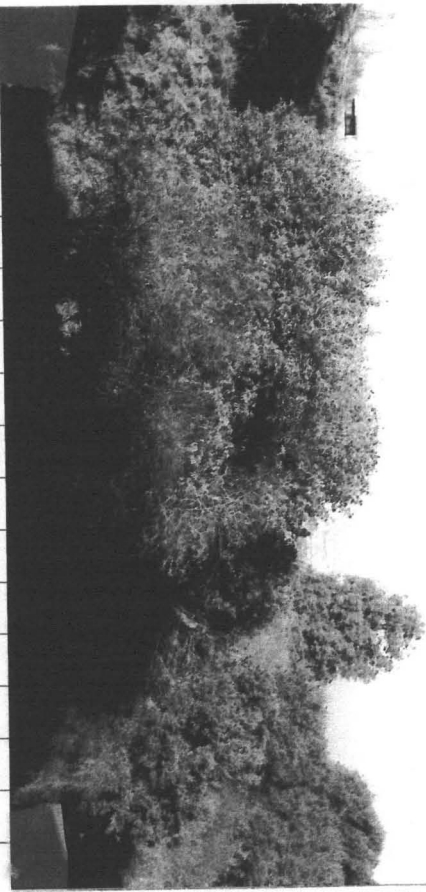
Since moving into 38 Spyglass Hill after the Unit was rebuilt after the fire, we have been paying \$200.00 - \$400.00 a year to Hiller Highlands Country Club to have them "trim" the bushes on the hillside of Country Club Property that obstruct our view of San Francisco and the Bay. This view is a valuable asset and when obstructed depreciates the value of our property and reduces our enjoyment of it.

Enclosed are some pictures I took in September 2006 that show what the view looks like now and what it would look like once these bushes are "trimmed." Unfortunately, "trimming" these bushes is only a temporary solution to the problem and restores our view for only about 6 months. What needs to happen is for these bushes to be replaced by other plants that will not grow to obstruct our view or at least to cut these bushes down to their roots so they will take several years to grow back.

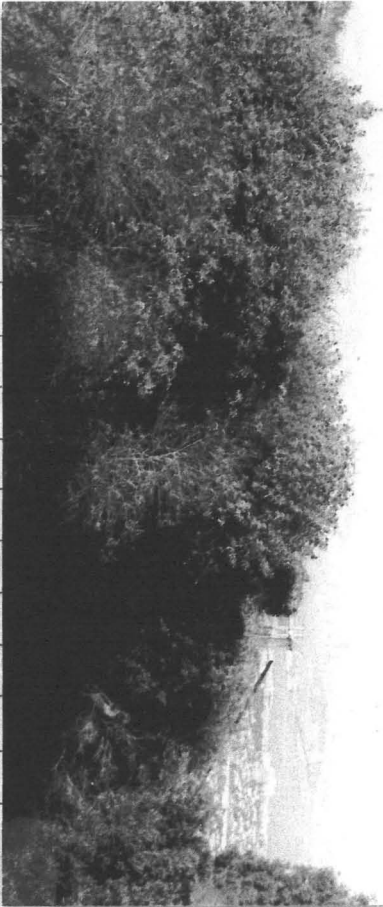
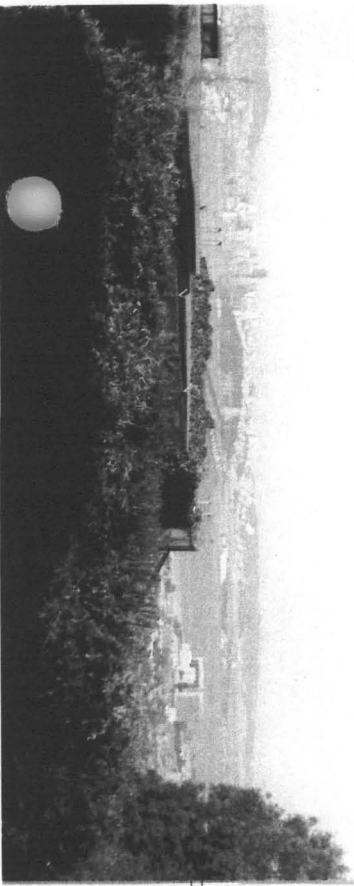
We would appreciate whatever help you could provide in dealing with Hiller Highlands Country Club to resolve this problem. If it cannot be successfully resolved as discussed above, perhaps you could have our landscaping people do the trimming.

Thanks in advance for considering this matter.
Reger Baron & Faye Baron

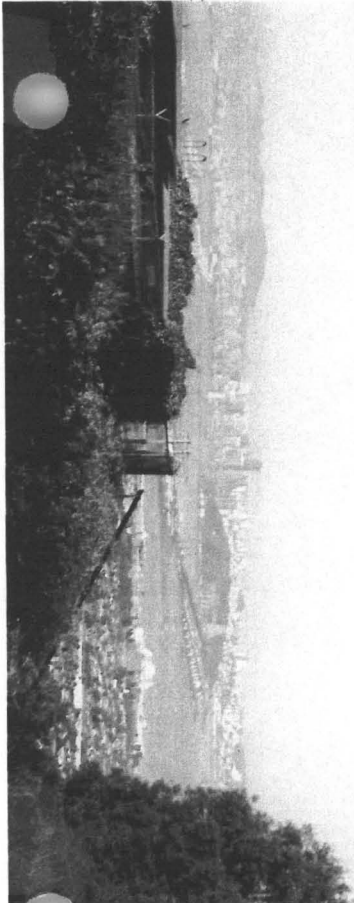
P.S. Please save the pictures for us.



LEFT SIDE OF DECK (DINING ROOM)



RIGHT SIDE OF DECK (DINING ROOM)



28
SPRUESS
HILL

9/11/06
before
bushes
cut

9/15/06
after
bushes
cut

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
June 7, 2008**

The Board of Directors meeting was called to order at 9:35 A.M on Saturday, June 7, 2008 at 7 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Vice President:	Rosalind Ono
Secretary:	Steve Cobbledick

Homeowners in attendance were:

Roger Baron
Fred Booker

Because last month's Board meeting was absent a quorum and no motions could be passed, the minutes were reviewed but not approved.

Homeowners' Forum

1. Fred Booker asked about the responsibility for repairing damage caused by a cracked sewer pipe in the wall of the building that contains units 41 & 43. Because the damage was not from a sudden catastrophic break and has taken place over time, both homeowners' insurance agents have said their personal insurance policies will not cover the cost of repair. The wording in Maintenance Section (pg. 41 & 42) of the C.C. &R.'s is not clear. It states that permanent fixtures are the homeowners' responsibility. It was M/S/P that the Board will ask Ann Rankin for an interpretation.
2. Roger Baron asked someone from the Board to speak with a representative of the Highland's Country Club about trimming shrubbery which is blocking his view from unit 38. He has been splitting the cost of this with the club for the past few years. However, Tim Palmer of the Club has told him that all the other Phases negotiate directly with the Club. We are the only association that has individual homeowners do this. Tricia volunteered to speak to the club about the issue of shrub and views. It was M/S/P that Tricia discuss this matter with Tim on behalf of the Board.
3. Lois Gold has written a letter expressing frustration with the wet area at the side of unit 1. We have asked Trimacs to try to find a solution to this problem, and they are working on it. Tricia will write a letter explaining this.
4. The Board received a request from Diane Reilly to install a satellite dish at unit 30. The Association policy is that homeowners get all neighbors who will be impacted by the dish to sign off on it and then the Board will OK it. Tricia will contact Diane.

Treasurer's Report

The balance for the operating account is \$11,890.88. The balance in the reserve account is \$50,457.31. Our certificate of deposit matured in March, and the funds were invested in a \$63,000 CD earning 3.4% interest (annually) that will mature on Sept. 30, 2008.

The Association received a letter from the I.R.S. that we overpaid our 2007 taxes and will be receiving a \$113.37 refund.

It was M/S/P to accept the Treasurer's report.

Substantive

Landscape

Trimacs has told Evan that it will cost \$350 for 35 one gallon dwarf manzanitas in the bare area at the southwest end of the street. It was M/S/P the Board will ask Pat Geoghegan if we can proceed with the planting.

Trimacs has said the cost of planting five gallon dwarf manzanitas in the bare area behind #11 will be \$735. Tricia will discuss planting one gallon plants with Evan and Trimacs.

Tricia will ask Jeremy Davidson, the Club handyman about the cost of repairing the mailbox posts and reinforcing them with a concrete base. Other bids will also be solicited. She will also ask him what he would charge for painting the brown metal railings down to # 38, 40, 44 & 46. One bid has already been received for this project.

Water Drought

The Board has examined water usage for all units on our street. Attached are summaries showing gallons per day used over the last two months and past year. EBMUD has warned that water costs are going to rise considerably. This will force us to raise dues unless all residents cut back on their water use. We have also asked Trimacs to cut back on our landscape watering. Please check how much water your unit has used in the past. Be aware that silent toilet and water heater leaks can affect your water usage. Also look for irrigation leaks around your home.

All residents need to conserve water by not using dish washers until they are full, using as few loads as possible for their clothes, and taking their vehicles to a car wash. Low flow showerhead and faucet aerators are available at no cost from EBMUD. Call 1-866-403-2683 or email custsvc@ebmud.com. You can also obtain a "Navy Showerhead" at any hardware store. In case you were not around for the last drought, these showerheads have a button that you can push in to stop water flow while you soap up.

Transfer Documents

Tricia and Steve are working on a receipt to be signed by a seller or seller's agent. It will acknowledge they have received a form about dues responsibility and other documents needed for the property transfer.

National Night Out

Last September's event took place outdoors right here on Spyglass Hill and was a big success. Anyone interested in helping put together this year's party should contact the Board.

July 4th

Previous boards have taken precautionary steps in an attempt to reduce the possibility of fire and prevent damage to the landscape on the July 4th holiday, when many citizens

come to our area to view fireworks. The Board would appreciate any volunteers to patrol the street and remind visitors that Spy Glass Hill is a private street.

Speed Limit Reminder

Thank you for driving slowly while on Spy Glass Hill. **The speed limit on Spyglass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Next meeting: Saturday, July 12, 2008 @9:30 A.M - Unit 59.

The Meeting was adjourned at 10:45 A.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

6/18/08
Date

April and May Water Use (Gal./Day)

Prepared by Steven L. Cobbledick 6/7/2008



Spyglass Hill Address	03/30/08 Meter (cu ft)	05/26/08 Meter (cu ft)	Water Used (cu ft)	Water Used (gal)	Days of Use Since Last Reading	Water Used (Gal./day)	Days of Use since 2007 Reading	Water Used (Gal./day)
38	114853	117490	2637	19726	57	346	331	287
3	85480	87625	2145	16046	57	282	331	229
53	48824	50683	1859	13906	57	244	331	198
29	88252	89383	1131	8460	57	148	331	165
22	59498	60596	1098	8214	57	144	331	87
5	50620	51690	1070	8004	57	140	331	92
31	72697	73751	1054	7884	57	138	331	148
51	112751	113736	985	7368	57	129	331	272
11	88602	89492	890	6658	57	117	331	117
41	99683	100517	834	6239	57	109	331	149
9	81582	82397	815	6097	57	107	331	347
7	65286	66066	780	5835	57	102	331	103
45	103016	103790	774	5790	57	102	331	108
35	42586	43325	739	5528	57	97	331	84
42	32304	32996	692	5177	57	91	331	80
57	97405	98094	689	5154	57	90	331	91
43	56888	57565	677	5064	57	89	331	75
59	50485	51151	666	4982	57	87	331	83
62	30389	30974	585	4376	57	77	331	70
26	55273	55848	575	4301	57	75	331	79
1	47281	47841	560	4189	57	73	331	72
48	61867	62405	538	4025	57	71	331	92
55	122942	123467	525	3927	57	69	331	162
46	30132	30644	512	3830	57	67	331	77
61	56069	56473	404	3022	57	53	331	71
28	99826	100183	357	2671	57	47	331	73
44	47796	48133	337	2521	57	44	331	34
47	62507	62839	332	2484	57	44	331	9
20	73572	73859	287	2147	57	38	331	32
40	50327	50589	262	1960	57	34	331	35
30	124327	124530	203	1519	57	27	331	42
33	103323	103447	124	928	57	16	331	9
24	120733	120763	30	224	57	4	331	49
60	37576	37591	15	112	57	2	331	1

Yearly Water Use (Gal./Day)
 Prepared by Steven L. Cobble Dick 6/7/2008



Spyglass Hill Address	03/30/08 Meter (cu ft)	05/26/08 Meter (cu ft)	Water Used (cu ft)	Water Used (gal)	Days of Use Since Last Reading	Water Used (Gal./day)	Days of Use since 2007 Reading	Water Used (Gal./day)
9	81582	82397	815	6097	57	107	331	347
38	114853	117490	2637	19726	57	346	331	287
51	112751	113736	985	7368	57	129	331	272
3	85480	87625	2145	16046	57	282	331	229
53	48824	50683	1859	13906	57	244	331	198
29	88252	89383	1131	8460	57	148	331	165
55	122942	123467	525	3927	57	69	331	162
41	99683	100517	834	6239	57	109	331	149
31	72697	73751	1054	7884	57	138	331	148
11	88602	89492	890	6658	57	117	331	117
45	103016	103790	774	5790	57	102	331	108
7	65286	66066	780	5835	57	102	331	103
5	50620	51690	1070	8004	57	140	331	92
48	61867	62405	538	4025	57	71	331	92
57	97405	98094	689	5154	57	90	331	91
22	59498	60596	1098	8214	57	144	331	87
35	42586	43325	739	5528	57	97	331	84
59	50485	51151	666	4982	57	87	331	83
42	32304	32996	692	5177	57	91	331	80
26	55273	55848	575	4301	57	75	331	79
46	30132	30644	512	3830	57	67	331	77
43	56888	57565	677	5064	57	89	331	75
28	99826	100183	357	2671	57	47	331	73
1	47281	47841	560	4189	57	73	331	72
61	56069	56473	404	3022	57	53	331	71
62	30389	30974	585	4376	57	77	331	70
24	120733	120763	30	224	57	4	331	49
30	124327	124530	203	1519	57	27	331	42
40	50327	50589	262	1960	57	34	331	35
44	47796	48133	337	2521	57	44	331	34
20	73572	73859	287	2147	57	38	331	32
47	62507	62839	332	2484	57	44	331	9
33	103323	103447	124	928	57	16	331	9
60	37576	37591	15	112	57	2	331	1

ANN RANKIN
arankin@annrankin.com

TERRY WILKENS
twilkins@annrankin.com

EILEEN MCCAULEY
emccauley@annrankin.com

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E-MAIL: info@annrankin.com

TEL: (510) 653-8886
FAX: (510) 653-8889

TOLL FREE
TEL: (800) 354-4529

June 9, 2009

Hiller Highlands Phase I HOA
C/o Ms. Tricia Swift
Broker Associate
The Grubb Company
1960 Mountain Blvd.
Oakland, CA 94611

Re: **Allocation of Cost of Repair of Property Damage Caused by Leaking Sewer Pipe**

Dear Board Members:

Thank you for your e-mail of June 7 regarding the allocation of the cost of repairing a leak in a cast-iron sewage pipe in the wall between Units 41 and 43 and the resulting property damage.

As I understand it, Fred Booker owns Unit 41. He has discovered a leak and resulting property damage caused by a split cast iron sewer pipe in a wall of the building that contains Mr. Booker's Unit 41 and Unit 43 above, which belongs to Sonja Woodham. The leak has been ongoing, and the source has just been discovered; the repair cost is likely to be about \$10,000. The waste that is leaking out of the split pipe is coming from Unit 43. You want to know how to allocate the cost of repair.

In order to answer this question, we must review the Association's Declaration of Covenants, Conditions and Restrictions ("CC&Rs").

Exhibit B to the CC&Rs provides that, unless the Owners of a particular building come to a written agreement that allocates costs differently, maintenance and repair costs shall be allocated according to Exhibit B. Exhibit B, Section 9 governs the four-plex which includes Units 41, 43, 45 and 47: "(a) **The Owners of #41 and #45 are assigned the interiors of their respective Units including nonbearing walls, partitions and permanent fixtures; the repair but not the exterior painting of the wood entryways, wood fences, wood decks leading to the front doors, the front doors and bayside decks, and the repair and/or replacement of the glass window panes of the lower Units.** (b) **The Owners of #43 and #47 are assigned the interiors of their respective Units including nonbearing walls, partitions and permanent fixtures; the repair but not the exterior painting of the wood stairs leading to the front doors, front porches and their railings; the front doors and bayside decks; and the**

Board of Directors
Hiller Highlands I HOA
C/o Ms. Tricia Swift
June 09, 2008
Page 2

repair and/or replacement of the glass window panes of the upper Units. (c) **All other maintenance and repairs are assigned jointly to the Owners of each Duplex to be shared equally** including the roofs, repairs involving weatherproofing, the outside structural shells, foundations, bearing walls, floors and all exterior painting including entryways, entry fences, entry stairs, and street side decks." (Emphasis supplied.)

The term "Duplex" is defined in Article 1: "Duplex' shall mean a building which contains two Condominium Units as noted on Exhibit D attached hereto."

CC&Rs 5.6.4 provides for the Association to maintain underground sewer laterals, even if they are under the buildings.

Conclusions: The broken pipe is to be maintained in accordance with CC&Rs, Exhibit B, Section 9 (c). This maintenance cost is to be "shared equally" by the Owners of 41 and 43. Property damage caused by the broken pipe is allocated the same way. The "pipe" is a different component from the "interior non-bearing wall." CC&Rs Sec. B 9(a) and B 9 (b) enumerate the specific components that are to be maintained and repaired by the Owners of Units 41 and 43, respectively; Exhibit B Sec. 9 (c) covers all other components that are not maintained by the Association or allocated according to Exhibit B Sec. 9(a) or 9(b). The pipe is not an Association responsibility because the broken pipe is not underground.

This concludes my comments. I hope this helps. Please call or email me if you have any questions.

Please call, fax or email me any questions.

Very truly yours,

LAW OFFICES OF ANN RANKIN

Ann Rankin

AR:gr

Welcome to Spyglass Hill!

Those of us who own property on Spyglass Hill are, by law, Members of the Hiller Highlands One Association (HHIA). The Rules of HHIA are binding for all of us whether we are Owners or renters. These Rules are designed to enhance a spirit of cooperation, to promote neighborliness, and to protect property values in which all of us have a substantial investment. Our Rules, legally called CC&Rs (Covenants, Conditions, and Restrictions), are far from perfect and serve better as guidelines than they serve as strictures. When we work together – with good will and courtesy – our CC&Rs suggest preferred working relationships. When we disregard the rights of our neighbors or disrupt the tranquility of our street, the CC&Rs provide a legal basis for protecting the neighborhood and maintaining agreed upon standards.

This welcoming statement describes some features of our CC&Rs, but you should read and understand the CC&Rs since they affect your welfare.

The Board. There is a Board of Directors elected each year that makes decisions and acts for the Association. Learn the names of Board Members and contact them if you have questions. Remember they are volunteers who donate their time. Think of them as friends not enemies, as "us" rather than "they". All of us should serve on the Board when it is our turn.

Management of our Association. The Association is self-managed and relies on the Board of Directors to carry out management functions. Call a current Board Member if there is an emergency related to the association or our property. For other questions, complaints or concerns, place a note or other written correspondence in the Association's mailbox, #36, and a Board Member or other volunteer will address your concern. Please be considerate of the Board Members, who selflessly devote their time and attention to our Association.

Monthly Dues. The Association has monthly dues that are set out in a schedule distributed to Owners in a disclosure packet each year. You will not receive a bill and are responsible for paying your dues on or before the first of each month. If you don't pay your dues timely, you will have to pay a penalty, as set out in the disclosure packet.

Parking. Those who live here should park their cars in a Garage, Carport, or Assigned Parking Space. If you plan to park regularly on the street in a space not assigned, please contact a Member of the Board to discuss the best possible solution.

Repairs and Maintenance. The Owners of single family dwellings and the joint Owners of a Duplex are responsible for keeping their buildings, decks, porches, and walkways in good repair and properly repainted. The costs of repair and painting are to be paid by Owners. Plans for all repairs, maintenance, and construction that can be seen from outside the house should be approved by the Board before work starts.

Insurance. The Association purchases a blanket insurance policy to provide for the costs of reconstruction in the event of damage by fire or some other insurable hazard. In the

unlucky event that the costs of reconstruction exceed insurance proceeds, each Owner is legally responsible for paying the difference. All Owners should know that the insurance policies of the Association for both fire and earthquake include deductible clauses. A prudent Owner should consider purchasing "Loss Assessment Coverage" as advised by your own insurance agent to cover the deductible amounts of the Association's fire and earthquake policies. As The Board has the right to require homeowners to purchase and maintain insurance to the extent it is required to reconstruct the interior of a dwelling homeowners should fully understand their insurance responsibilities to be certain there are no gaps in insurance coverage. (For information regarding The Association's insurance have your agent contact: Victor Habib Insurance Agency, Farmers Insurance, 2151 Salvio Street, Suite U, Concord, CA 94520, (925) 689-1112.

Gardening and Views. For landscape concerns, contact a Board Member to get the name of the Landscape Committee Zone Leader who is in charge of coordinating the work of our gardeners with the requests of those who live on your part of the street. Please work with this Zone Leader rather than making requests directly to our professional gardeners. When your view is threatened an early warning will help to reduce costs.

Hiller Highlands – Phase I
Documents Prepared for Transfer of Ownership of #5 Spy Glass Hill – June 10, 2008

- 1. Information about dues, dues payment, and Phase I - 1 page
- 2. Phase I Monthly Allocation Schedule – 1 page
- 3. Hiller Highlands Phase I 2008 Board Meeting Schedule – 1 page
- 4. "Welcome to Spyglass Hill" – 2 pages
- 5. Insurance Policy Declarations – 3 pages
- 6. Hiller Highlands I Association Financial Statements and Supplemental Information 12/ 31/07 – 10 pages
- 7. Hiller Highlands Phase I Maps – 10 pages
- 8. Hiller Highlands Phase I CC&R's, Articles of Incorporation, Bylaws – 88 pages
- 9. Hiller Highlands Phase I Homeowners' Association Delinquent Assessment Collection Policy Statement - 2 pages
- 10. Hiller Highlands Phase I Homeowners Association Description of Internal Dispute Resolution Procedure – 1 page
- 11. Alternative Dispute Resolution - 1 page
- 12. Minutes – 34 pages
 - February 1, 2007
 - March 3, 2007
 - April 7, 2007
 - May 9, 2007
 - June 9, 2007
 - July 14, 2007
 - September 29, 2007
 - October 15, 2007
 - November 18, 2007
 - January 17, 2008 Annual Meeting
 - January 17, 2008
 - February 5, 2008
 - March 1, 2008
 - April 5, 2008
 - April 17, 2008
 - May 19, 2008
 - June 7, 2008
- 13. Hiller Highlands I Association Budget- for 2008 – 1 page
- 14. Hiller Highlands I Reserve Fund Information – 6 pages
- 15. President's Informal Newsletters – 11 pages
 - January 18, 2008
 - February 7, 2008
 - March 3, 2008
 - April 2008
 - May 19, 2008

Patricia L. Swift June 12, 2008

Tricia Swift, President
7 Spy Glass Hill

Seller

Listing Agent

Gayle Tartan 6/18/08

Hiller Highlands Phase I – Homeowners' Association

The Homeowners' Association monthly fee for # 5 is \$383 per the schedule published for the 2008 Annual Meeting, included in the HOA information packet.

Dues are paid monthly by check payable to Hiller Highlands Phase I. No billing statement is issued by the Homeowners' Association. Dues are payable on the first of the month and are subject to a late fee if not received by the 15th of the month.

Checks may be mailed or deposited in Phase I's mailbox #36 Spy Glass Hill.

Some homeowners elect to prepay their dues quarterly. Automatic payments may be arranged with the Treasurer, Steve Cobbledick.

Dues cover the following major items: water use, landscaping maintenance, road maintenance (Spy Glass Hill is a private road), blanket hazard and earthquake insurance, and Reserve Fund payments.

About Hiller Highlands Phase I:

All homes on Spy Glass Hill are included in Hiller Highlands Phase I. Phase I is self-managed by a volunteer Board of Directors and volunteer committee chairs. The Board of Directors usually meets once a month on Saturday mornings, and homeowners are always welcome. The Annual Meeting in January is generally a convivial pot-luck dinner as well as a business meeting. Involvement in Phase I activities and issues is welcome and encouraged.

Phase I/Spy Glass Hill was the initial phase of the original Hiller Highlands development. It has homes of several different sizes, floorplans, and designs. It also has more land area than any other of the phases of Hiller Highlands.

Phase I, along with all homes in Hiller Highlands, was burned to the ground in the 1991 Oakland Fire. All homes were rebuilt with our blanket insurance policy, all by W.L. Butler, General Contractor. The completion dates for our homes ranged from late 1993 to early 1994.

Hiller Highlands – Phase I
Documents Prepared for Transfer of Ownership of #33 Spy Glass Hill – June 10, 2008

1. Information about dues, dues payment, and Phase I - 1 page
2. Phase I Monthly Allocation Schedule – 1 page
3. Hiller Highlands Phase I 2008 Board Meeting Schedule – 1 page
4. “Welcome to Spyglass Hill” – 2 pages
5. Insurance Policy Declarations – 3 pages
6. Hiller Highlands I Association Financial Statements and Supplemental Information 12/ 31/07 – 10 pages
7. Hiller Highlands Phase I Maps – 10 pages
8. Hiller Highlands Phase I CC&R’s, Articles of Incorporation, Bylaws – 88 pages
9. Hiller Highlands Phase I Homeowners’ Association Delinquent Assessment Collection Policy Statement
- 2 pages
10. Hiller Highlands Phase I Homeowners Association Description of Internal Dispute Resolution
Procedure – 1 page
11. Alternative Dispute Resolution - 1 page
12. Minutes – 34 pages
 - February 1, 2007
 - March 3, 2007
 - April 7, 2007
 - May 9, 2007
 - June 9, 2007
 - July 14, 2007
 - September 29, 2007
 - October 15, 2007
 - November 18, 2007
 - January 17, 2008 Annual Meeting
 - January 17, 2008
 - February 5, 2008
 - March 1, 2008
 - April 5, 2008
 - April 17, 2008
 - May 19, 2008
 - June 7, 2008
13. Hiller Highlands I Association Budget- for 2008 – 1 page
14. Hiller Highlands I Reserve Fund Information – 6 pages
15. President’s Informal Newsletters – 11 pages
 - January 18, 2008
 - February 7, 2008
 - March 3, 2008
 - April 2008
 - May 19, 2008
 - June 17, 2008

Steve Cobble
Steve Cobble, Secretary
35 Spy Glass Hill

Seller

Patricia L. Suest 6/23/08

Listing Agent

Hiller Highlands Phase I – Homeowners' Association

The Homeowners' Association monthly fee for #33 is \$300. per the schedule published for the 2008 Annual Meeting, included in the HOA information packet.

Dues are paid monthly by check payable to Hiller Highlands Phase I. No billing statement is issued by the Homeowners' Association. Dues are payable on the first of the month and are subject to a late fee if not received by the 15th of the month.

Checks may be mailed or deposited in Phase I's mailbox #36 Spy Glass Hill.

Some homeowners elect to prepay their dues quarterly. Automatic payments may be arranged with the Acting Treasurer, Steve Cobbledick.

Dues cover the following major items: water use, landscaping maintenance, road maintenance (Spy Glass Hill is a private road), blanket hazard and earthquake insurance, and Reserve Fund payments.

About Hiller Highlands Phase I:

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Phase I, along with all homes in Hiller Highlands, was burned to the ground in the 1991 Oakland Fire. All homes were rebuilt with our blanket insurance policy, all by W.L. Butler, General Contractor. The completion dates for our homes ranged from late 1993 to early 1994.

Hiller Highlands – Phase I
Documents Prepared for Transfer of Ownership of #41 Spy Glass Hill – June 10, 2008

1. Information about dues, dues payment, and Phase I - 1 page
2. Phase I Monthly Allocation Schedule – 1 page
3. Hiller Highlands Phase I 2008 Board Meeting Schedule – 1 page
4. “Welcome to Spyglass Hill” – 2 pages
5. Insurance Policy Declarations – 3 pages
6. Hiller Highlands I Association Financial Statements and Supplemental Information 12/ 31/07 – 10 pages
7. Hiller Highlands Phase I Maps – 10 pages
8. Hiller Highlands Phase I CC&R’s, Articles of Incorporation, Bylaws – 88 pages
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- 2 pages
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 - April 5, 2008
 - April 17, 2008
 - May 19, 2008
 - June 7, 2008
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15. President’s Informal Newsletters – 11 pages
 - January 18, 2008
 - February 7, 2008
 - March 3, 2008
 - April 2008
 - May 19, 2008
 - June 17, 2008

Steve Cobble
Steve Cobble, Secretary
35 Spy Glass Hill

Seller

Patricia L. Swift 6/23/08
Listing Agent

Hiller Highlands Phase I – Homeowners' Association

The Homeowners' Association monthly fee for #41 is \$ 381.70 per the schedule published for the 2008 Annual Meeting, included in the HOA information packet.

Dues are paid monthly by check payable to Hiller Highlands Phase I. No billing statement is issued by the Homeowners' Association. Dues are payable on the first of the month and are subject to a late fee if not received by the 15th of the month.

Checks may be mailed or deposited in Phase I's mailbox #36 Spy Glass Hill.

Some homeowners elect to prepay their dues quarterly. Automatic payments may be arranged with the Acting Treasurer, Steve Cobbledick.

Dues cover the following major items: water use, landscaping maintenance, road maintenance (Spy Glass Hill is a private road), blanket hazard and earthquake insurance, and Reserve Fund payments.

About Hiller Highlands Phase I:

All homes on Spy Glass Hill are included in Hiller Highlands Phase I. Phase I is self-managed by a volunteer Board of Directors and volunteer committee chairs. The Board of Directors usually meets once a month on Saturday mornings, and homeowners are always welcome. The Annual Meeting in January is generally a convivial pot-luck dinner as well as a business meeting. Involvement in Phase I activities and issues is welcome and encouraged.

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June 17, 2008

Dear Spy Glass friends and neighbors,

The key issues this month, as well as ongoing maintenance, are ***FIRE and WATER: FIRE PREVENTION AND PREPAREDNESS and WATER CONSERVATION.***

FIRE/FIRE PREPAREDNESS

Last Thursday, June 12, was a wake-up call for us all: we had a fire scare in Hiller with the grass fire below Charing Cross Road. Several homes on Charing Cross were scorched or damaged. My daughter in Boston called me to say that her friend in SF had called regarding a fire in our neighborhood (how's that for communication today!). When I got back to Spy Glass Hill the air was alarmingly smokey, Tunnel Road was blocked by police, and blessed Fred Booker was out on the street, setting up fire hoses from our Emergency Box with the help of Neville Colaco and Brian Louie (Erin Bailey's spouse). For those of us who lost houses in 1991, the adrenaline rush and memories made the situation especially frightening.

This is only June – the beginning of a long dry summer in drought conditions. ***If you were the only person on the street and noticed a fire or heard about a nearby fire, what would you do?*** Clearly we need a protocol and we need EVERYONE to know what to do and where equipment is.

Our own Ed Ono ("Mr. CORE") has responded by setting up a CORE mini-training on Saturday morning June 21, 9:15 AM, at our Emergency Box near #48 Spy Glass Hill. Please, everyone, make this a priority! Ed and our own CORE coordinators, Steve and Dawn Willoughby, have vital life- and property- saving information for you that will address my in-going thoughts:

- ***PERSONAL SAFETY IS PARAMOUNT – YOURS AND ALL OUR NEIGHBORS'***
- ***Notify EVERYONE*** on the street (phone tree and/or door knocking) and call police and fire before doing ANYTHING else; does anyone on the street need special assistance in the event of an emergency?
- ***Then protect structures:***
 - unlock front doors so firemen can enter if necessary without breaking in the door
 - bring in from decks and porches all cushions and flammables that might ignite with flying embers
 - unlock doors to rear patios so firemen can access easily the rear of our structures
 - connect garden hoses and put on rear patios
 - close all doors and windows to prevent embers from blowing through
- ***Open our CORE Emergency Box*** and disburse fire-hoses; connect fire-hoses to our two fire hydrants; what else is in it for use in an emergency?

- ***THINK NOW about the adequacy of your personal property insurance:*** do you know what is in your house? What your insurance will cover? Keep a list off-site; ask your insurance agent to verify in writing that your insurance is adequate (as your HOA has done with regard to our blanket fire and earthquake policies)
- ***LIST NOW what to take and where it is if you have to evacuate quickly*** – e.g. pets, financial data CD, most precious photos (limited), jewelry, other specific high-value item(s) (limited). If you are in a rush and/or panicked, a list in a prominent place will assist you in thinking clearly and prevent delay. **PERSONAL SAFETY IS PARAMOUNT.** Every minute of delay can jeopardize personal safety if evacuation is necessary. A fire can move with incredible speed.
- ***Know two evacuation routes*** – by car, by foot
- ***In an emergency, know or delegate persons to be in charge*** (CORE training and procedures are essential): Who does what in what order? Who is in charge? When do you take initiative? When do you follow orders?
- Etc., etc., etc.

Those of us who have been through this know that *lives and relationships are priceless and cannot be replaced. PERSONAL SAFETY IS PARAMOUNT. We are not the Fire Department. Virtually everything that is material can be replaced. Like the Boy Scouts, we need to BE PREPARED – so let's see everyone at the Emergency Box on Saturday morning the 21st at 9:15 and thank Ed Ono for his willingness to help us help ourselves to safety procedures.*

WATER

We have all gotten the word from EBMUD: *we are in a drought and all need to reduce our water use.* Your Board has directed Trimac, our landscape contractor, to cut back the irrigation on our common spaces. We also have *individual responsibilities.* Because our domestic water comes as part of our HOA fees, it is easy to think that water conservation doesn't affect us. Because we don't get an individual monthly bill for water, as we do for gas and electricity, our use may seem invisible. But it's not. The June Board Minutes will include a chart showing everyone's water usage (yes, we read individual water usage on a regular basis). Look at yours: is it high? Low? Average? Let us all challenge ourselves to use at least 15% less in the future months than we have in the past. If we do not reduce usage to meet EBMUD guidelines, our collective water *rate* will rise, resulting in a necessary increase in our monthly HOA fee. I am training myself to think "increased fees" whenever I have water running down the drain, unused. With that association, I turn it off pretty quickly: between soaping and rinsing in the shower; between preparing my toothbrush and rinsing it. I am trying to run my dishwasher and washing machine less frequently, to flush toilets less frequently, take shallower baths, and to not let water overflow from my potted plants. And I am on the prowl for leaks. Let's see if, working together, we can cut our water usage by 15% or more and keep our *rate* down.

I want to do all I can to prevent an increase in our HOA fees, don't you? *Wasted water can mean increased HOA fees. If we can reduce our use, we can help control our HOA fees.*

MAINTENANCE

There's lots of activity on the street! We are spiffing up, and looking better and better! Keep it up! We will soon have three properties for sale on our street: #5, #33, and #41. The better these properties sell, the better all our values will be. And then there is the simple satisfaction of taking care of our homes and investments...

SPYGLASS HILL or SPY GLASS HILL?

I have always thought of ourselves as "Spyglass Hill," and our street sign says that. But County records show us as "Spy Glass Hill." The mail gets delivered either way, and if one is trying to find us on a map we're easy, either way. I find I am moving increasingly to Spy Glass Hill to reflect officialdom – take your choice!

THIS 'N THAT

The other afternoon, in the aftermath of the fire scare and after marveling at the hummingbird life among the honeysuckle blossoms on my deck, I heard rustling in the underbrush. I looked out expecting to see a deer. Instead, what to my wondering eyes should appear but a fat bold black and white *skunk*, waddling through the manzanita in broad daylight! So keep your eyes peeled, even during the day! Where there's one, there's probably a family close by...

As always, I invite you to go out and look about our beautiful and beautifying street – what do you see? We are fortunate indeed to have ready, willing and able people who pitch in to help, support, and protect us all.

I hope to see YOU on Saturday morning the 21st at 9:15 at the Emergency Box!

Thanks for "listening" –

Tricia

Tricia Swift
President, Hiller Highlands Phase I Board of Directors

Dear Board,

We are preparing for extensive repairs to be done to our home in late June and July. We will be painting our home #26 (#216 Malibu beige, stock Kelly Moore color and closest match to our current color) and repairing all dry rot. Furthermore, we will be replacing our upper and lower bay side wood railings with a Aluminum cable railing. The railings will be to current code 42" high and cables spaced 2 1/2" apart. We are paying extra to have the railings powder coated the same color as the home as to not draw attention.

The deck railings are on the bay side and not visible from the street. This is a change from the existing wood railing and would like board approval.

Scaffolding is required to do this work and will be installed by Bay Area High reach (see website below). All of the companies, contractors, involved in the project are licensed and insured. We are confident that the work will be completed within one month. Since the scaffolding will be here we have and will notify other homeowners of the savings they can benefit from by doing similar work this summer.

During the boards street walk the fencing in front of our carport was commented on as being in the need of a fresh coat of stain and or paint. We would like to paint the fencing the same color (#216 Malibu Beige) as our home, please let us know if the board would approve of fence painting? Thank you.

Dawn & Steve Willoughby

Companies and Contractors

Bay Area High Reach www.bayareahighreach.com

CertaPro Painters www.certapro.com/berkeley

Feeney Cable Rail www.feeneywire.com

July 5, 2008

Dear Spy Glass Hill friends and neighbors,

We came through the July Fourth evening with flying colors! Evan Delegeane posted signs at both ends of the street in the morning, and as the evening grew dark, a number of us were out on the street to watch over things: Pat Geoghegan, Helen Fisher, Sonja Woodham, the Friants, the Willoughby's, and I gathered at the South end of the street where, despite Evan's signage, a small group of non Spy Glass Hill people gathered to watch the fireworks. It is a spectacular spot to be sure. The people who came were quiet, not smoking, not setting off firecrackers. Pat only interceded to ask a few to be careful to not step on plants. Our neighborhood number appeared to be a critical mass – a friendly presence, a representation of community. Thankfully, all went well.

Ever more fix-up going on:

The Willoughbys and the Thompsons (Byers) are scaffolded for painting and repairs, and word is that Mildred Hughes will be next, and Yasmine Zaeni tells me she'll be painting next year.

For those 4 of us who are free standing, maintenance is relatively easy and clear. Planning and decisions can be made autonomously. For those 14 of us who are side-by-side, things are almost as autonomous, for we can each paint and roof solo, although economies of scale can make cooperation very rewarding. For those 14 of us who are above or below in two-unit buildings, there is a different set of challenges: maintenance responsibilities are shared for roof, exterior, and infrastructure. Unilateral decision making is not an option. The upstairs owner will know if the roof leaks sooner than the downstairs owner who shares the expense; the downstairs owner will bear the brunt of infrastructure failures of plumbing lines – supply and waste – sooner than the upstairs owner who shares the expense, simply by the law of gravity. Together they must address the issues of painting and exterior repair, termite, and dry rot. Joined as they are, the upstairs and downstairs owners will be well served to plan and budget together, almost like a mini HOA. Recently a downstairs owner had extensive repairs because of plumbing leak from a common plumbing line. The repairs did not exceed our blanket policy deductible, and thus did not involve our HOA blanket policy (although Victor Habib, our agent, did become helpfully involved). Helping us to clarify our CC&R's, our attorney Ann Rankin, opined that the upstairs owner shared financial responsibility for some of the repair work. But the upstairs owner's insurance company did not agree that the upstairs owner had any liability. One thing that upstairs and downstairs owners can both do is discuss our CC&R's and the matter of shared liability with their own insurance companies BEFORE problems arise. You may want to give your insurance company a copy of our CC&R's detailing your liability and responsibility.

And then there are 2 of us over parking spaces and HOA Common Area facilities, where maintenance costs and responsibilities are apportioned by the CC&R's among the unit

owners, the HOA, and the owners of the parking easement owners below – even more complex!

Some further thoughts about Fire/Emergency preparedness

I spent the 4th of July in bliss: I slept late, did not dress for success, did not leave my home except to walk up and down the street periodically to keep an eye out on things, and I putzed to my heart's content in my "garden" of potted flowers and tomatoes. While I worked away, pruning and clearing dead leaves and flowers, I pondered much. On the day of the Charing Cross Fire scare last month, my first reaction on hearing about the fire was for MY house, and MY things. Then it flashed upon me that I have a greater responsibility: as your HOA president, I and the Board Members and our CORE people have significant responsibility for ALL of us, ALL of our homes, ALL of our things. I thought of Ned Flanders and the HOA Board at the time of the Oakland Fire. I was embarrassed to have initially thought only about MY house – the house that was rebuilt because of the efforts of that prior Board, on behalf of all the owners on Spy Glass Hill.

I am fiercely independent, but that is a flawed concept. None of us lives truly alone, in a vacuum. A community is not formed of ONE. We live in a sequence of communities: our family; our next door neighbor; our building-sharing neighbor; Spy Glass Hill Homeowners' Association; Hiller Highlands; Oakland; California; U.S.A.

The news tonight had a story about how the Marines stand by the families of their fallen. It struck me profoundly as a supreme example of citizenship: taking care of one another in crisis; giving of oneself to others; building solidarity; being community.

On a day-to-day basis we can maintain an illusion of independence, but in an emergency that illusion is shattered: an every person for him/her self approach is neither appealing nor likely to be successful. So who is your community? For whom are you community? I encourage you to take a few moments and think about this.

- Which two or three neighbors are you most likely to call on in an emergency?
- Which two or three neighbors may need your help?
- Are these two lists the same?
- Is your community a 3 person community? A 7 person community? Somewhere in between?

Do you have telephone numbers for these people and they for you? Emergency numbers for them and they for you? Do you go so far as to have keys to their home or they to yours? Do they know of your availability for them and your expectations of them?

This is not about liking one another. This is about building life-lines, about building community, about starting conversations. This could be about saving lives. This is about being community.

So – food for thought. Thanks for listening!

Tricia Swift HHH HOA Pres

July 11, 2008

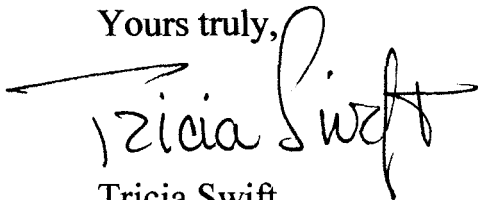
To the Board of Directors, Hiller Highlands Phase I

Dear Board,

I would like to ask that the trees and shrubs in front of my house be trimmed back so they do not grow above my window level and impede my view. I do not know the best time to do this trimming, and recognize that it may be best done when leaves have fallen in the Autumn. In as much as such trimming would benefit me and my view, and that this trimming might not be done except at my request, I am more than happy to share the cost with Phase I, per the Oakland view preservation policy.

Thank you for your consideration of this request.

Yours truly,

A handwritten signature in black ink that reads "Tricia Swift". The signature is written in a cursive style with a long horizontal stroke extending to the left from the start of the name.

Tricia Swift
#7 Spy Glass Hill

A Note from
Mildred Hughes

Tricia,

I would like to
paint my house
213 Lemongrass
with white trim
What do I need to
do?

June 12, 08
at Ass.
ing on
glass Hill
in Frost
- approval.
Thompson
of Fawn St
Ca 95928
343-7847

Received
7/08/2008



A proud supporter of World Wildlife Fund
WFE504

Dear Board,

We are preparing for extensive repairs to be done to our home in late June and July. We will be painting our home #26 (#216 Malibu beige, stock Kelly Moore color

and closest match to our current color) and repairing all dry rot. Furthermore, we will be replacing our upper and lower bay side wood railings with a Aluminum cable railing. The railings will be to current code 42" high and cables spaced 2 1/2" apart. We are paying extra to have the railings powder coated the same color as the home as to not draw attention.

The deck railings are on the bay side and not visible from the street.

This is a change from the existing wood railing and would like board approval.

Scaffolding is required to do this work and will be installed by Bay Area High reach (see website below). All of the companies, contractors, involved in the project are licensed and insured. We are confident that the work will be completed within one month. Since the scaffolding will be here we have and will notify other homeowners of the savings they can benefit from by doing similar work this summer.

During the boards street walk the fencing in front of our carport was commented on as being in the need of a fresh coat of stain and or paint. We would like to paint the fencing the same color (#216 Malibu Beige) as our home, please let us know if the board would approve of fence painting? Thank you.

Dawn & Steve Willoughby

Companies and Contractors

Bay Area High Reach www.bayareahighreach.com

CertaPro Painters www.certapro.com/berkeley

Feeney Cable Rail www.feeneywire.com

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
July 12, 2008**

The Board of Directors meeting was called to order at 9:30 A.M on Saturday, July 12, 2008 at 59 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Vice President:	Rosalind Ono
Secretary:	Steve Cobbledick

Homeowners in attendance were:

Fred Booker

It was M/S/P to approve last months minutes.

Homeowners' Forum

1. Fred Booker request that the Board approve holding a special election to transfer parking easement P12 from unit 33 to unit 41. Unit 33 is smaller than unit 41, however it has two parking spaces while unit 41 has one. Because this parking space is an easement and not a deeded space, it must first be transferred to the HOA. A secret vote will be taken. The transfer must be approved by three quarters of the members. Fred will pay for all the expenses involved. It was M/S/P to approve the special election by secret ballot (Chuck Scurich approved by email, Tricia Swift abstained lest there be perceived a conflict of interest).
2. Tricia Swift requested that the trees in front of unit 7 be trimmed. The City of Oakland View Preservation Ordinance states that the benefiting homeowner pay half of the cost and the owner of the trees pay half. In line with this policy, Tricia will pay half of the cost and the Association will pay the other half. It was M/S/P to trim the trees.
3. Roger Baron asked that the Association split the cost with the Highlands Country Club to trim the overgrowth on the Club's property behind unit 38. . It has been established policy for many years that the benefiting homeowner share any cost of trimming trees or shrubbery on the Club's property with the Highlands Country Club. It was M/S/P to decline his request
4. The owner of unit 22 is repainting the structure and asked to change its color to lemongrass with white trim. The colors are shown on the palette of acceptable exterior colors. It was M/S/P to approve the change.
5. The owner of unit 24 is repainting the structure and asked to change its color to Malibu beige. This color is shown on the palette of acceptable exterior colors. It was M/S/P to approve the change.
6. The owner of unit 26 is repainting the structure and asked to change its color to Malibu beige. This color is shown on the palette of acceptable exterior colors. It was M/S/P to approve the change. The owner would like to replace the current wooden slat deck railing with a tension stainless steel cable that would allow for unobstructed bay views. Contingent upon verification that the homeowner has approval from the City of Oakland Building Department, the board will approve the request to use this style of railing on the deck

Treasurer's Report

The balance for the operating account is \$12,062.39. The balance in the reserve account is \$53,261.92. The Association also has a \$63,000 CD earning 3.4% interest (annually). As of June 30, the accrued interest was \$539.90. It will mature on Sept. 30, 2008.

It was M/S/P to pay a bill for legal services from Ann Rankin.

The Highlands Country Club has informed us that in the future, all Hiller Homeowners' Associations must pay \$100 to hold their annual meeting at the Club.

It was M/S/P to accept the Treasurer's report.

Substantive

Landscape

The owners of unit 46 have requested that the vegetation in the common area behind their unit be trimmed and cleaned up. Also, Trimacs has not done any maintenance in the uphill area at the south end of the street for several months. Evan will talk to Trimacs about working in these areas.

The cost of laying bark on the bare area behind unit 11 is prohibitive. Evan will speak to Trimacs about finding another solution.

Trimacs advised us to wait till fall to see how the dwarf manzanitas across from unit 61 do before planting any more.

Maintenance Issues

We still need to get bids for repairing the mailbox posts and reinforcing them with a concrete base.

We received two bids for painting the brown metal railings down to # 38, 40, 44 & 46. It was M/S/P to accept the low bid of \$450. Tricia will ask if they need to be reinforced with fresh concrete.

The irrigation system has been suffering from component breakdowns this year. The Board will look into upgrading the system.

Many of the retaining walls behind the uphill units are showing signs of wear. In some cases, the face of the bricks is beginning to deteriorate. Please check the walls behind your unit and contact the Board if you find evidence of this.

Water Drought

The Board will be checking water usage at the end of July to see how successful the units have been in reducing water usage. Per last month's minutes, EBMUD has warned that

water costs are going to rise considerably. This will force us to raise dues unless all residents cut back on their water use. We have also asked Trimacs to cut back on our landscape watering. Please make a conscious effort to scale back your water usage. Also look for irrigation leaks around your home.

All residents need to conserve water by not using dish washers until they are full, using as few loads as possible for their clothes, and taking their vehicles to a car wash. Low flow showerheads and faucet aerators are available at no cost from EBMUD. Call 1-866-403-2683 or email custsvc@ebmud.com.

National Night Out

Dawn Willoughby will be coordinating our block party on the evening of August 5. Please contact her if you are interested in helping out

CORE Refresher Class

Ed Ono will be giving another class in emergency preparation at 9:00 AM on the morning of Saturday August 9 at the CORE box located to the south of unit 48.

Annual Meeting

The Phase I annual meeting has been tentatively scheduled for Thursday evening, January 22, 2009. Volunteers are needed for next year's Board. If you are interested in serving, please leave a note in the HOA mailbox (36 Spy Glass Hill) or contact a current Board member

Speed Limit Reminder

Thank you for driving slowly while on Spy Glass Hill. **The speed limit on Spy Glass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue. Also remind them that Spy Glass Hill is not a thru-street. Vehicles should only enter and exit at the north end.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Next meeting: Saturday, August 9, 2008 @9:30 A.M - Unit 35.

The Meeting was adjourned at 10:35 A.M

Respectfully submitted,


Steve Cobbledick, Secretary

7/18/08
Date

Hillier Highlands Phase One Homeowners' Association

July 14, 2008

Anyo and Michael Lemaire
44 Spy Glass Hill
Oakland, CA 94618

Dear Anyo and Michael,

My profound apologies for taking so long to respond to your letter about the messy trees along the walkway to your home. Both Evan Delegeane and I have looked at the area with Dave, who heads up the team from Trimac, our landscaping contractor. We agree that trimming and cleanup needs to take place to improve the area, and have asked Dave to take care of this. If you will notify us when you are going to be here, Dave can make special efforts to keep the area swept and clean.

On another note, recently there was an unpleasant incident with the person who I believe is tending to your mail – Karen, I believe, is her name, although I could be mistaken. Another owner on the street observed her to going very fast – apparently faster than our 15 mph speed limit – and suggested that she slow down, as there are often children and pets on the street. Apparently the suggestion was not well received. I did not witness this myself, but if there is truth to it, I hope you will ask Karen to respect our speed limit.

Many thanks for your letter and bringing the unpleasant overgrowth to our attention. You will also be pleased, I am sure, that the Homeowners Association is having the railings from the street level down to your home and the Barons' repainted to improve the attractiveness of your entry. We hope to see you on the Spy Glass Hill soon again. There's lots of fix-up activity going on!

Yours truly,

Tricia Swift, President

Hillier Highlands Phase One Homeowners' Association

July 14, 2008

*Mildred Hughes
22 Spy Glass Hill
Oakland, CA 94618*

Dear Mildred,

*I am pleased to let you know that your request to paint your home
Lemongrass Yellow with white trim was approved at the July 12,
2008 meeting of the Board of Directors of Hillier Highlands
Phase I.*

Yours truly,

Tricia Swift, President

Hiller Highlands Phase One Homeowners' Association

July 14, 2008

*Steve and Dawn Willoughby
26 Spy Glass Hill
Oakland, CA 94618*

Dear Steve and Dawn,

I am pleased to let you know that your request to paint your home Malibu Beige with Frost trim was approved at the July 12, 2008 meeting of the Board of Directors of Hiller Highlands Phase I. The Board also approved your change of deck railing, provided that you document that the change meets Oakland's building code. If you are obtaining a building permit, a copy of that permit would be quite sufficient.

Yours truly,

Tricia Swift, President

Hiller Highlands Phase One Homeowners' Association

July 14, 2008

*Sally and Stuart Thompson
24 Spy Glass Hill
Oakland, CA 94618*

Dear Sally and Stuart,

I am pleased to let you know that your request to paint your home Malibu Beige with Frost trim was approved at the July 12, 2008 meeting of the Board of Directors of Hiller Highlands Phase I. If you are also changing your deck railing along with the Willoughbys, the Board will also approve that change, provided that you document that the new railing meets Oakland's building code. A copy of your building permit would be quite sufficient.

Yours truly,

Tricia Swift, President

Hillier Highlands Phase One Homeowners' Association

July 14, 2008

*Roger and Faye Baron
38 Spy Glass Hill
Oakland, CA 94618*

Dear Roger and Faye,

At its July 12 meeting, the Board again discussed your request that the Phase I Homeowners' Association pay for half of the cost of trimming trees on the Club's property to preserve your view. We reviewed again the Flanders/Ploss document from the 1980's. The Flanders/Ploss document has not been ratified by any subsequent Board of Phase I that we know of. It is our policy, and it has been our practice, that the benefitting owner bear the shared cost of tree trimming for the benefit of view. For that reason, the Board voted to respectfully decline your request. Attached are the photographs that you provided to the Board and to the Club.

Yours truly,

Tricia Swift, President

Cc: Jim Palmer, Manager Highlands Country Club

Tricia Swift

To... loisswirskygold@yahoo.com

cc... scobbledick@comcast.net; rosalind_palmer@yahoo.com; chuck@democracynow.org

Subject: RE: Proposed Transfer of Parking Spaces - an explanation

Attachments:

Dear Lois -- With regard to your questions:

1) There are no other units just like #41
2) Re: the maintenance of the carport area containing the carport space (on the West side of the street) which Fred and Blythe want to transfer, I am looking at Exhibit B.7.f which states that "#33 shares the maintenance costs of five stall Assigned Parking Spaces." Then I look at B.8.d, which further details that those who have parking spaces in these open garages share the maintenance costs. I believe the HOA has no responsibility for that carport structure. If I understand your concerns correctly, I think they focus on the garage areas, both closed and open, beneath dwelling units, of which #33 has, and will retain, one. If I am reading the CC&R's correctly, there is consistency that these garage areas beneath #33 and 35, #51 and 53, #42, and #48 are all assigned to the HOA regarding "foundations...doors to storage areas, and the structural support systems up to the ceilings of the garages..." I do not know the history of this assignment. If you ask why is this so, my answer at this time has to be because the CC&R's say it is so. At our Board meeting tomorrow morning at 10 at Steve Cobble Dick's home (which you are welcome to attend) I will report your concern. From a process perspective, I think it is appropriate for the Board to recommend that this matter be examined anew at such time as the CC&R's are reviewed as a whole (which they need) and perhaps revised on a comprehensive basis. That is a long and arduous process which will not be taken up by this Board this year (not enough time between now and the Annual Meeting to review, redraft if necessary, communicate/educate, and build understanding and consensus prior to membership vote). But it may be appropriate for this Board to recommend to next year's Board that, at the outset of the year a committee be appointed to address the need for CC&R revision. Perhaps this is a committee you would like to serve on?

Thank you for voicing your concern,

Tricia Swift

From: Lois Swirsky Gold [mailto:loisswirskygold@yahoo.com]
Sent: Sun 7/20/2008 10:02 AM
To: Tricia Swift
Subject: RE: Proposed Transfer of Parking Spaces - an explanation

Tricia, I won't be back until late Monday night. I have 2 questions relevant to the Booker's proposal:

1. Do any units of that type have 2 carport spaces?
 2. Is Unit 41 carport that the Bookers want to change ownership for, one of the carports that the whole Association is responsible for, like the one we just had to pay for the repair for?
- Thanks. I think everyone should have this information.-Lois

--- On Wed, 7/16/08, Tricia Swift <TSwift@GRUBBCO.com> wrote:

- > From: Tricia Swift <TSwift@GRUBBCO.com>
- > Subject: RE: Proposed Transfer of Parking Spaces - an explanation
- > To: loisswirskygold@yahoo.com
- > Date: Wednesday, July 16, 2008, 7:09 PM
- > Dear Lois -- And I am in Idaho for a few days! #41 has only
- > one parking space easement. It has no designated spot or
- > easement on the street. Whether that parking space easement
- > for #33 remains with #33 or is transferred to #41, the
- > carport maintenance issue remains the same. I don't
- > have my CC&R's with me, so I cannot, from Idaho,
- > respond to your question about maintenance. But again,
- > whether the space in question remains with #33 or is
- > transferred to #41, the maintenance issue remains the same.
- > I'll be back on Saturday by noon. When are you back?
- > Let's look at the CC&R's together. TS

JULY 21, 2008

**HILLER HIGHLANDS
PHASE I ASSOCIATION BOARD**

RE: ED & ROSALIND ONO
59 SPYGLASS HILL
OAKLAND, CA 94618

ATTACHED ARE PHOTOS OF OUR BRICK WALL SURROUNDING OUR PATIO AND BETWEEN OUR HOUSE AND OUR NEIGHBORS HOUSE (#61) .

FOR SEVERAL YEARS, WE HAVE NOTIFIED THE PHASE BOARDS OF THE DETERIORATING BRICK WALLS. (WHEN FRED BOOKER, ANN SCHIFF & MIRIAM FRIANT WERE THE PHASE PRESIDENTS). MIRIAM FRIANT, AS PRESIDENT, HAD AN ENGINEER TO LOOK AT THE BRICK WALL BEHIND OUR UNIT - #59 AND OTHER UNITS.

THIS YEAR APPEARS TO BE THE WORSE. THE PHOTOS SHOW WALLS WITH LARGE PIECES MISSING FROM SEVERAL BRICKS. ALSO INDICATED IN THE PHOTOS ARE MORE SHAVINGS ON THE GROUND.

THIS SITUATION IS NOT EXASPERATED BY OVER WATERING, CALIFORNIANS ARE IN A DROUGHT AND THE WATER BEHIND OUR HOUSE HAS ALWAYS BEEN MINIMUM. BACK OF OUR HOUSE OUR TOPOGRAPHY IS ALMOST AT THE TOP OF HILLER DRIVE. THE WATER TRAVELS UP HILL, AND AS THE BOARD IS AWARE WE HAVE HAD SEVERAL BRAKES IN THE PHASE IRRIGATION LINES AND THIS AFFECTS THE WATERING FOR THE SOUTH END UNITS ON SPYGLASS HILL.

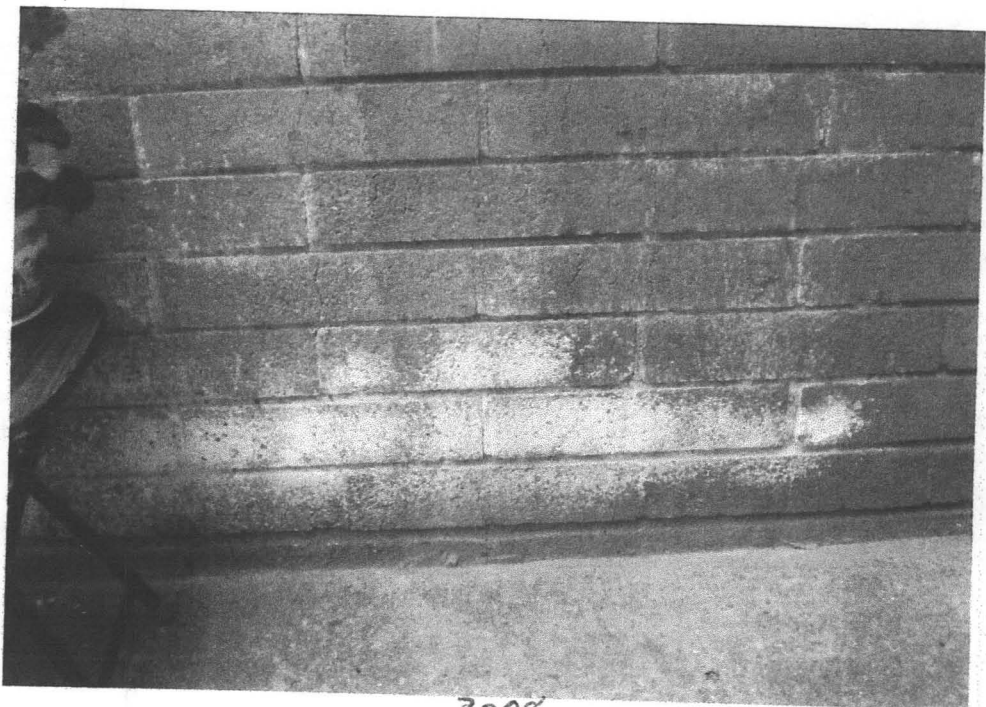
CONCERN PHASE I HOMEOWNERS.

Ono #59



Units 59 & 61 Wall - 2008

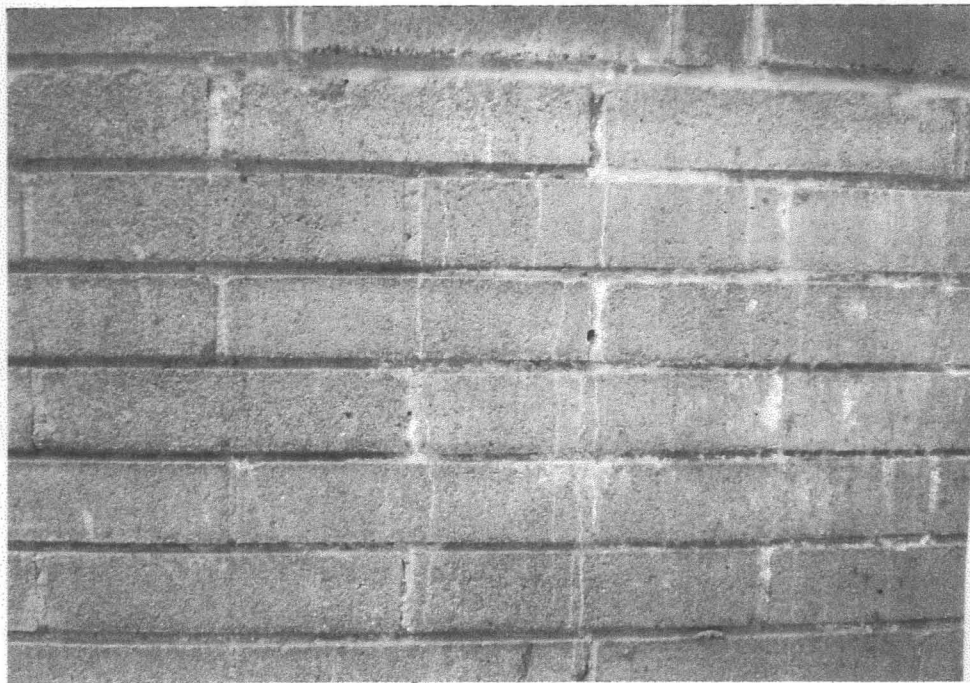
Lower wall 59 & 61



2008



Landscape Wall - 2008



Units 59 + 61 Wall - 2008



Units 59 & 61 Wall - 2008

Lower wall 59 & 61



2008

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
August 9, 2008**

The Board of Directors meeting was called to order at 10:10 A.M on Saturday, August 9, 2008 at 59 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

It was M/S/P to approve last months minutes.

Homeowners' Forum

1. Luckily, the weather forecasters were wrong and residents enjoyed a relaxing evening together August 5 celebrating National Night Out. The Board wants to thank Dawn Willoughby for putting this year's event together.
2. The owners of unit 59 sent a report with pictures to document the condition of the retaining wall behind their home.
3. The Board received a letter from the owner of unit 1, and noted her concern about the responsibilities for the garage areas per the CC&R's. The Board recommends that this matter be examined anew at such time as the CC&R's can be reviewed as a whole, and perhaps revised on a comprehensive basis.

Treasurer's Report

The balance for the operating account is \$10,886.08. The balance in the reserve account is \$56,067.57. The Association also has a \$63,000 CD earning 3.4% interest (annually). As of June 30, the accrued interest was \$539.90. It will mature on Sept. 30, 2008.

It was M/S/P to pay a bill for legal services from Ann Rankin subject to prior receipt of payment from the owners of units 33 & 41.

It was M/S/P to accept the Treasurer's report.

Substantive

Maintenance Issues

We still need to get bids for repairing the mailbox posts and reinforcing them with a concrete base.

The brown metal railings down to # 38, 40, 44 & 46 have been repainted and look great.

Wasps

Chuck Scurich has succeeded in getting rid of the wasps' nest by the stairs to the Highlands Country Club. It is safe to use the path again.

Water Drought

The Board checked water usage at the end of July to see how successful the units have been in reducing water usage. Our water use is down. The irrigation system has been cut way back and leaks are being repaired as soon as they are reported. Individual water use is better also. All 34 units used 200 gallons less per day, or 6% less water. However, some of this improvement may be because many owners go on vacation during these months and five units are vacant. Please check the attached meter readings for the April-May period and the June-July period. There is still room for improvement. EBMUD has increased water flow charges by 10% during the drought. We also received a letter which mandates bimonthly Water Use Allocation. We will be billed \$2 for each unit of water over the allocation amount. One unit of water is 748 gallons.

All residents need to conserve water by not using dish washers until they are full, using as few loads as possible for their clothes, and taking their vehicles to a car wash. Low flow showerheads (you may be a little cold but they really work) and faucet aerators are available at no cost from EBMUD. Call 1-866-403-2683 or email custsvc@ebmud.com.

Parking Space Transfer

If you have not done so yet, please send in your ballot regarding the transfer of the parking space easement from unit 33 to unit 41. The Board will hold a special meeting on or before August 20 to verify the ballot count.

Fire Inspection Report

All residents should have received a Vegetation Management Inspection Report from the Oakland Fire Dept. at the beginning of August. Please check and make sure your unit is in compliance, and then file it with your records. If your unit is not in compliance, notify the Board immediately.

Annual Meeting

The Phase I annual meeting will be Thursday evening, January 22, 2009. **Volunteers are needed for next year's Board.** One of the big jobs for next year may be reviewing the Bylaws and the Reserve Analysis. If you are interested in serving, please leave a note in the HOA mailbox (36 Spy Glass Hill) or contact a current Board member.

Speed Limit Reminder

Thank you for driving slowly while on Spy Glass Hill. **The speed limit on Spy Glass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue. Also remind them that Spy Glass Hill is not a thru-street. Vehicles should only enter and exit at the north end.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Spyglass Hill Address	03/30/08 Meter (cu ft)	05/26/08 Meter (cu ft)	Water Used (cu ft)	Water Used (gal)	Days of Use Since Last Reading	Water Used (Gal./day)	Days of Use since 2007 Reading	Water Used (Gal./day)
60	37576	37591	15	112	57	2	331	1
24	120733	120763	30	224	57	4	331	49
33	103323	103447	124	928	57	16	331	9
30	124327	124530	203	1519	57	27	331	42
40	50327	50589	262	1960	57	34	331	35
20	73572	73859	287	2147	57	38	331	32
47	62507	62839	332	2484	57	44	331	9
44	47796	48133	337	2521	57	44	331	34
28	99826	100183	357	2671	57	47	331	73
61	56069	56473	404	3022	57	53	331	71
46	30132	30644	512	3830	57	67	331	77
55	122942	123467	525	3927	57	69	331	162
48	61867	62405	538	4025	57	71	331	92
1	47281	47841	560	4189	57	73	331	72
26	55273	55848	575	4301	57	75	331	79
62	30389	30974	585	4376	57	77	331	70
59	50485	51151	666	4982	57	87	331	83
43	56888	57565	677	5064	57	89	331	75
57	97405	98094	689	5154	57	90	331	91
42	32304	32996	692	5177	57	91	331	80
35	42586	43325	739	5528	57	97	331	84
45	103016	103790	774	5790	57	102	331	108
7	65286	66066	780	5835	57	102	331	103
9	81582	82397	815	6097	57	107	331	347
41	99683	100517	834	6239	57	109	331	149
11	88602	89492	890	6658	57	117	331	117
51	112751	113736	985	7368	57	129	331	272
31	72697	73751	1054	7884	57	138	331	148
5	50620	51690	1070	8004	57	140	331	92
22	59498	60596	1098	8214	57	144	331	87
29	88252	89383	1131	8460	57	148	331	165
53	48824	50683	1859	13906	57	244	331	198
3	85480	87625	2145	16046	57	282	331	229
38	114853	117490	2637	19726	57	346	331	287
IRRIGATION								
UPHILL	3924672	4065108	140436					
DOWNHILL	1907231	2027619	120388					

Spyglass Hill Address	05/26/08 Meter (cu ft)	07/27/08 Meter (cu ft)	Water Used (cu ft)	Water Used (gal)	Days of Use Since Last Reading	Water Used (Gal./day)	Days of Use since 2007 Reading	Water Used (Gal./day)
60	37591	37602	11	82	62	1	351	1
44	48133	48237	104	778	62	13	351	29
41	100517	100750	233	1743	62	28	351	126
24	120763	121030	267	1997	62	32	351	23
40	50589	50856	267	1997	62	32	351	33
5	51690	51997	307	2297	62	37	351	89
33	103447	103852	405	3030	62	49	351	15
28	100183	100617	434	3247	62	52	351	66
35	43325	43810	485	3628	62	59	351	84
47	62839	63347	508	3800	62	61	351	19
1	47841	48360	519	3882	62	63	351	68
20	73859	74447	588	4399	62	71	351	29
48	62405	62998	593	4436	62	72	351	86
62	30974	31568	594	4443	62	72	351	70
61	56473	57071	598	4473	62	72	351	71
46	30644	31271	627	4690	62	76	351	77
57	98094	98753	659	4930	62	80	351	86
43	57565	58227	662	4952	62	80	351	76
26	55848	56555	707	5289	62	85	351	79
22	60596	61314	718	5371	62	87	351	87
59	51151	51869	718	5371	62	87	351	84
9	82397	83130	733	5483	62	88	351	321
30	124530	125264	734	5491	62	89	351	49
42	32996	33790	794	5940	62	96	351	84
45	103790	104601	811	6067	62	98	351	108
7	66066	66895	829	6201	62	100	351	103
3	87625	88540	915	6845	62	110	351	230
31	73751	74884	1133	8475	62	137	351	145
55	123467	124663	1196	8947	62	144	351	159
11	89492	90693	1201	8984	62	145	351	122
29	89383	90628	1245	9313	62	150	351	162
53	50683	51959	1276	9545	62	154	351	197
51	113736	116083	2347	17557	62	283	351	227
38	117490	119939	2449	18320	62	295	351	295
IRRIGATION								
UPHILL	4065108	4124005	58897					
DOWNHILL	2027619	2141004	113385					

Hiller Highlands Phase I Homeowners' Association

August 11, 2008

Lois Gold
1 Spy Glass Hill
Oakland, CA 94618

Dear Lois,

Thank you for your letter to the Board, which was reviewed at our meeting on Saturday, August 9.

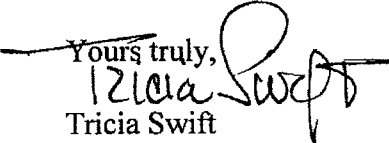
As you will see in the Minutes, the Board has noted your concern as a matter to consider when the CC&R's are next reviewed and comprehensively revised. I copied Board Members with my 8/8 email to you, and they concur with the content of my email. The Board respectfully declines to re-state the CC&R's for you, and refers you back to them and the Reserve Analysis, which was included in your Annual Meeting Package sent last November, for illumination about the scope of the HOA's responsibility, and our planning for it via the Reserve Fund.

At this time, while a number of people can see a need for a comprehensive review and possible revision of the CC&R's, we have not heard from anyone else who shares your particular perspective and anxiety about the HOA's responsibility for maintaining common areas. The reason for the HOA's responsibility for aspects of the garage areas under 33/35, 45/47, 51/53, 42, and 48 appears to derive from the fact that there are common area facilities in each of these areas. As I said in my email to you, undertaking the CC&R revision process is not on the current Board's agenda for this year. We may recommend to the next Board that this be undertaken next year.

As I have offered before, I would be willing to sit down with you and go through the CC&R's with you to help you understand them, and understand some of the history of Phase I. I can meet with you after August 27, when I am (hopefully) back in my re-painted and re-carpeted house, and suggest the evening of Thursday, August 28, 7 p.m. at my home. Let me know if that works for you.

As I have suggested in the past, a way for you to gain traction on your issue is to become involved with the activities of the Homeowners' Association and build support for your views. Again, thank you for communicating your concerns to the Board of Directors.

Yours truly,


Tricia Swift

President, Hiller Highlands Phase I Board of Directors

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
September 6, 2008**

The Board of Directors meeting was called to order at 9:40 A.M on Saturday, Sept. 6, 2008 at 55 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Vice President:	Rosalind Ono
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

Also in attendance was our Association's insurance agent, Victor Habib.

It was M/S/P to approve last months minutes with a typo-correction that the address of the meeting was 35 Spy Glass Hill.

It was also M/S/P to approve the minutes of the August 21 meeting for the special election to permit the transfer of parking space P-12 from unit 33 to unit 41.

Treasurer's Report

The balance for the operating account is \$12,730.46. The balance in the reserve account is \$58,872.87. The Association also has a \$63,000 CD earning 3.4% interest (annually). It will mature on Sept. 30, 2008.

It was M/S/P that Chuck Scurich will reinvest the funds from the current CD into the Union Bank of California CD which offers the best interest for a 6 to 9 month period of maturity.

It was M/S/P to hold all bills for legal services for the parking space transfer from Ann Rankin until the final bill is received and then issue a check, subject to prior receipt of payment from the owners of units 33 & 41. Chuck will contact Ann Rankin.

It was M/S/P to accept the Treasurer's report.

Insurance Policy

Victor Habib reported that firm figures are not yet available for our 2009 insurance premiums. The renewal date for our policies is November 1. Our current policy is for \$14.5 million in fire protection and \$12.5 million in earthquake coverage. He said the Board should consider raising our earthquake coverage because it is based on the market value of our homes per Marshall & Swift. It should be based on Total Insurable Value (TIV). He said that the cost of replacement of destructible improvements should be based on replacement cost instead of than market value.

He gave us a summary of the Association policies, a sheet with advice for individual condo-owner policies and a Building Valuation Report for Spy Glass Hill.

Substantive

New Residents

Alec and Maja Gru have purchased #5 Spy Glass Hill. The Board welcomes them to our street.

Building Permits for New Deck Railings

The Board has still not received any documentation in the form of building permits about the new cable railings at the entry to units 22 & 24 and units 26 & 28 or for the decks of units 22 and 26. Tricia will contact the owners again to verify that these railings are in conformance to City code.

Insects

The hornets' nest next to the stairway to the Club was larger than first thought. However, it has now been eradicated, thanks to the persistent efforts of Chuck Scurich.

Maintenance Issues

The Club has repaired the broken faucet behind unit 22 and will forward the bill to the scaffolding company responsible for the damage.

Rosalind will check which mailbox posts need to be reinforced with a concrete base. Tricia will contact a repairman to get the work done.

Landscape

The owner of # 61 has said he will pay for the replanting of the slope across from his unit. Four dwarf manzanitas were planted earlier in the year and have survived this hot summer. Tricia will get approval from the owner to move forward with the replanting.

Dave Azevedo, who has been our Trimacs' supervisor, has moved on. Evan will now be working with Raylene Ojeda. The Board wants to thank Evan for his vigilance about the landscaping of Spy Glass Hill.

Water Drought

EBMUD has increased water flow charges by 10% during the drought. We also received a letter which mandates bimonthly Water Use Allocation. We will be billed \$2 for each unit of water over the allocation amount. One unit of water is 748 gallons.

All residents need to conserve water by not using dish washers until they are full, using as few loads as possible for their clothes, and taking their vehicles to a car wash. Low flow showerheads (you may be a little cold but they really work) and faucet aerators are available at no cost from EBMUD. Call 1-866-403-2683 or email custsvc@ebmud.com.

Annual Meeting

The Phase I annual meeting will be Thursday evening, January 22, 2009. **Volunteers are needed for next year's Board!** One of the big jobs for next year may be reviewing the Bylaws and the Reserve Analysis. If you are interested in serving, please leave a note in the HOA mailbox (36 Spy Glass Hill) or contact a current Board member.

Speed Limit Reminder

Thank you for driving slowly while on Spy Glass Hill. **The speed limit on Spy Glass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue. Also remind them that Spy Glass Hill is not a thru-street. Vehicles should only enter and exit at the north end.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Phase Walk Through

The Board walked the street with Victor Habib to check the condition of both the landscape and structures. Rosalind Ono had prepared a report about trees and shrubbery. The conclusion was that it is time to trim trees and bushes back from the buildings. Victor Habib said that because of the fire danger, insurance companies want trees to be trimmed away from the sides of buildings. He also said that trees or large bushes growing against a structure offer ants and termites a way to gain entry to buildings.

Owners will be receiving evaluations about structural improvements needed.

Next meeting: Saturday, October 4, 2008 @9:30 A.M - Unit 7.

The Meeting was adjourned at 12:10 P.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

9/17/08
Date

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
August 21, 2008**

The Board of Directors meeting for the special election was called to order at 7:10 P.M on Thursday, August 21, 2008 at 11 Spyglass Hill. Board Members in attendance were:

Vice President:	Rosalind Ono
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

Also in attendance was: Election Inspector: Ken Pytlewski

Special Election

The election was called because the homeowners' of Unit 33 and Unit 41 asked to transfer the parking space designated P-12 from Unit 33 to Unit 41. The ballots were opened and counted by the Election Inspector. On the motion to transfer the parking space, the vote was thirty (30) in favor and one (1) opposed. Three (3) homeowners did not vote.

It was M/S/P to transfer parking space P-12 from Unit 33 to Unit 41.

The Meeting was adjourned at 7:20 P.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

9/17/08
Date

HILLER HIGHLANDS PHASE I HOA INSURANCE MAP

MASTER FIRE POLICY

COVERS THE STRUCTURES AND FOUNDATIONS.
ELEVATORS.

COVERS THE INTERIOR WALLS, FLOORING, CABI-
NETS, TOILETS, SINKS, BATH TUBS, SHOWERS,
ELEVATORS, THAT ARE **THE ORIGINALS** THAT
WERE PUT IN PLACE AFTER THE 1991 FIRE.

GENERAL LIABILITY, DIRECTORS AND OFFICERS

CONDO OWNERS POLICY

PERSONAL CONTENTS COVERAGE

PERSONAL LIABILITY COVERAGE

BUILDING ADDITIONS AND ALTERATIONS
COVERAGE. (recommend at least \$50,000).

LOSS ASSESSMENT COVERAGE.
(recommend \$50,000 at least)

MASTER UMBRELLA POLICY

GENERAL LIABILITY

MASTER E.Q. POLICY

COVERS THE STRUCTURES, FOUNDATIONS, ELE-
VATORS FOR EARTHQUAKE

E.Q. CONTENTS POLICY

CONTENTS COVERAGE

LOSS ASSESSMENT COVERAGE (recommend
\$50,000)

REAL PROPERTY (recommend \$25,000. this is the
only amount sold thru CEA).

VICTOR HABIB INSURANCE AGENCY - CA LICENSE # 0471560
Farmers Insurance Group of Companies
2151 Salvio Street, Suite U, Concord, CA 94520 (925) 689-1112 (925) 682-0388 fax
11/26/2007

PROPERTY INSURANCE DISCLOSURE

In compliance with Civil Code 1365, the following is a summary of the Hiller Highlands Phase I HOA insurance coverage's.

Property Insurance / General liability Coverage

1. Name of Insurer: TRUCK INSURANCE EXCHANGE (FARMERS INSURANCE EXCHANGE)
2. Property Insurance Limits: \$14,565,201
3. Deductible: \$25,000
4. General Liability Insurance Limits: \$1,000,000 (Deductible -None)
5. Policy Period : Nov 1, 2007— Nov 1, 2008
6. Policy # 600158241

Directors & Officers liability Coverage

1. Name of Insurer : TRUCK INSURANCE EXCHANGE (FARMERS INSURANCE EXCHANGE)
2. Policy Limits of Insurance: \$1,000,000
3. Policy Period: Nov 1, 2007— Nov 1, 2008
4. Policy # 600158241 (included in Master Policy)

Employee Dishonesty

1. Name of Insurer : TRUCK INSURANCE EXCHANGE (FARMERS INSURANCE EXCHANGE)
2. Policy Limits of Insurance: \$500,000
3. Policy # 600158241 (included in Master Policy)

Excess (Umbrella Liability)

1. Name of Insurer: TRUCK INSURANCE EXCHANGE (FARMERS INSURANCE EXCHANGE)
2. Policy Limits of Insurance : \$2,000,000 with self-insured retention \$10,000
3. Insurance Deductible : None
4. Policy # 600671638 Effective date Nov 1, 07 to Nov 1, 08

Earthquake Insurance Policy / Dif/Con - (Flood Insurance not Covered)

1. Name of Insurer: Insurance Company of the West
2. Policy Limits of Insurance: \$ 12,500,000
3. Insurance Deductible: 15%
4. Policy #: T.B.D.
5. Effective Date: Nov 1, 2007— Nov 1, 2008
6. Building Ordinance Coverage (yes) \$ 1,250,000
7. Rated A-IX Admitted

"This summary of the association's policy of insurance provides only certain information, as required by subdivision (e) of Section 1365 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policy of insurance. Any association member may, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage."

Commercial Building Valuation Report

Brought to you by Farmers Insurance

PAGE 3

Policy: ESTIMATE-67821

10/16/2007

INSURED

HILLER HIGHLANDS PHASE I HOA
36 SPYGLASS
OAKLAND, CA 94618

Effective Date: 11/01/2007
Expiration Date: 11/01/2008
Cost as of: 06/2007

BUILDING

HILLER HIGHLANDS PHASE I HOA
36 SPYGLASS HILL
OAKLAND, CA 94618

SECTION 1

Superstructure

Occupancy:	100% Deluxe Condominium	Story Height:	9 ft.
Construction Type:	100% Frame (ISO 1)	Number of Stories:	2
Gross Floor Area:	51,640 sq.ft.	Gross Perimeter:	7,474 ft.
Construction Quality:	2 - Average		

SUMMARY OF COSTS

Reconstruction

SUPERSTRUCTURE

Site Preparation	7,336
Foundations	568,769
Foundation Walls, Interior Foundations, Slab On Ground	
Exterior	3,228,092
Framing, Exterior Wall, Structural Floor, Roof	
Interior	2,634,570
Floor Finish, Ceiling Finish, Partitions	
Mechanicals	3,886,183
Heating, Cooling, Fire Protection, Plumbing, Electrical, Elevators	
Built-ins	682,021

SUBSTRUCTURE

TOTAL RC SECTION 1	\$11,006,972
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TOTAL RC BUILDING	HILLER HIGHLANDS PHASE I HOA	\$11,006,972
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VALUATION GRAND TOTAL	Reconstruction	\$/sq.ft.
	\$11,006,972	51,640
		\$213.00

Although this report is provided by Farmers for your consideration, the property limits are only estimated values based upon information that you have provided. You are responsible for determining the appropriate Building and/or Business Personal Property coverage limits.

2007

EQ INSURANCE SERVICES

MULTIPLE BUILDING SCHEDULE

Bldg No.	Address	Year Built -95	Sq Feet	# of Units	Bldg Const	Bldg Amount	Contents	Loss of Rents	Loss of Earnings	Extra Expense
1	1 SPY GLASS	1994	2020	1	Frame	488,840				
2	3 SPY GLASS	1994	2020	1	"	488,840				
3	5 + 7 SPY GLASS	1994	4040	2	"	977,680				
4	9 + 11 "	1994	4040	2	"	977,680				
5	20 + 22 "	1994	3100	2	"	750,200				
6	24 + 26 "	1994	3100	2	"	750,200				
7	28 + 30 "	94	3100	2	"	750,200				
8	29 "	94	1750	1	"	423,500				
9	31 "	94	1750	1	"	423,500				
10	33 + 35 "	94	2080	2	"	677,600				
11	42 "	94	1250	1	"	302,500				
12	41 + 43 "	94	3400	2	"	822,800				
13	38 + 40 "	94	1950	2	"	471,900				
14	48 "	94	1410	1	"	341,220				
15	44 + 46 "	94	1950	2	"	471,900				
16	45 + 47 "	94	2800	2	"	677,600				
17	51 + 53 "	94	2080	2	"	677,600				
18	60 + 62 "	94	2800	2	"	677,600				
19	55 + 57 "	94	3500	2	"	847,000				
20	59 + 61 "	94	3500	2	"	847,000				
21										
22	TOTALS	94	51,640	34	"	12,500,000				
23										
24										
25										
26										

TO: HILLER HIGHLANDS PHASE I HOA OWNERS

BELOW ARE IMPORTANT ITEMS TO DISCUSS WITH YOUR INSURANCE AGENT TO MAKE SURE THAT YOU HAVE PROPER COVERAGE ON YOUR CONTENTS POLICY AS WELL AS YOUR OWN EARTHQUAKE POLICY.

CONTENTS POLICY

**How much contents coverage do I have?
How much loss of use coverage do I have?
How much liability coverage do I have?
How much extra would it cost to go to \$500,000 ?
How much extra would it cost to go to \$1,000,000 ?**

**How much coverage do I have for building coverage on my contents policy?
This coverage is also known as building additions and alteration coverage. This coverage would be used to replace items in your home that was not original at the time the units were built such as new cabinetry, wall to wall carpeting, hardwood floors, toilets, baths etc.
I recommend at least \$50,000**

**How much loss assessment coverage do I have?
This coverage comes into play in case you were assessed by the association for a covered loss.
I recommend at least \$50,000**

**EARTHQUAKE POLICY
(IMPORTANT)**

I would recommend that each unit owner purchase a separate earthquake policy for contents, loss of use, real property (interior walls, counter tops etc.) and most importantly "LOSS ASSESSMENT COVERAGE FOR EARTHQUAKE".

**I recommend \$50,000 and more if you can find it for loss assessment.
I recommend \$25,000 for real property coverage (this is the only amount sold thru CEA)
Loss of use and Contents coverage are bundled together and loss of use is sold at \$1,500, \$10,000 and \$15,000.**

The California Earthquake Authority sells a policy that you may obtain thru your insurance agent. THIS COVERAGE WILL HELP TO BUY DOWN YOUR DEDUCTIBLE IN CASE OF AN EARTHQUAKE SHOULD YOU BE ASSESSED BY THE ASSOCIATION.

Should anyone at Hiller Highlands Phase I HOA need any assistance, please call me.

**Victor Habib (Broker)
2151 Salvio st. #U
Concord, Ca. 94520
Ca. License #0471560**

LANDSCAPE OF SPYGLASS HILL 9/4/08:

Starting at the North Entrance:

Right side of the entrance has Ivy and needs attention as to watering and fertilizing. Left side looks in good shape. Many of the plants are mature and appear healthy.

Starting with Units:

1. A good trimming of bushes, trees and plants *near* the side and entrance of the house is warranted. Also trees that are between 1 & 3 should be trimmed as they are touching the houses.
 3. The renter would like the bottle brush plant and everything trimmed.
 5. Plants need attention.
 - 7 & 9. Front and side plants need some trimming.
 11. Back of unit need attention-ground cover.
- Right side of street (parking area) all bushes needs a trim.
29. Ok
 31. Trim of bushes in front and side entrance.
 - 35/37. Front of unit trees need trimming away from balconies.
 - 43/41. Trim Trees from house number and going upstairs to units. Trees between the units are touching the houses.
 - 42 Japanese Maple tree slight trim.
 - 40/38-46/44. Board walk area need slight trim of plants.
 - 48/46. Front & side ok
 - 47/45. Trim trees away from windows. Slight trim in shaded area.

48/46. Front and side ok

53/51. Slight trim between units.

Parking space area between 47/45 trim bushes and trees.

55. Remove dried Rosemary from brick wall.

57. Trim bushes on the left side of entrance.

62/60. Front Rosemary and side bushes need attention.

The back of all the units need serious attention. Planting behind Units 11, 53/51, 59, 61. Maintenance behind ALL units needs more attention than has been given in the past.

A big THANKS to all the homeowners that plant additional plants on their property and taking upon themselves to foot the cost for planting, trimming trees and bushes. You all have help save the association money and help maintain the beauty of our street.

Thanks to Evan for his vigilance about the landscape of Spyglass Hill.

September 20, 2008

Dear Spy Glass Hill friends and neighbors,

Let us welcome Alec Gruszczynski and Maja Grusznski (same last name – different spellings) who have bought #5 Spy Glass Hill! They are engaged in an extensive remodel of their new home and expect to be substantially moved in (although not finished) by the end of September.

Further turnover news is that both #33 and #41 have accepted offers, so we should soon have more new neighbors.

As summer draws to a close and we anticipate the winter rains, our maintenance season is also coming to an end. And look around at what we have accomplished! We've been busy on the street with scaffolding, dry rot and balcony repairs, painting and remodeling, railing and entry maintenance, mailbox repair and painting – and much is still in process.

So let's button up for those rains, and protect our lovely homes from water intrusion and damage! And think positively for getting through the most critical Fire Season months safely before the rains come.

Speaking of water, we need to continue to conserve our precious resource, lest we be penalized by EBMUD and have to raise our dues. Please review your consumption, as recorded and sent to you in recent Minutes. Some of us are clearly using at de minimis levels; some of us are using lots. The data is there for all to see. It is the collective use that EBMUD is looking at. Remember that your HOA fee includes your water use. Hiller Highlands Phase I is charged a commercial rate for our collective use. If you are a guzzler, please help us all – your neighbors – by looking for ways to cut back, and by checking for leaks.

As the days grow shorter and we turn inward, I continue to focus on our community, and furthering our *sense* of community. That sense of community is fostered by such simple things as a friendly wave or smile as we pass or drive by, social gatherings such as our National Night Out or

newcomer greetings, and by our January Annual Meeting (on the calendar for January 22, 2009 at Highland Country Club), and frequent communication (thank you Lois Gold for alerting me to my open garage door the other day).

Another aspect of Spy Glass Hill life that fosters community is that we are self-managed again, after a few unsatisfying years, some time back, of hiring a professional company to manage our HOA affairs. What does this mean to us, you may ask?

What it means is that the handful of people who sit on the Board of Directors, plus those who take on specific responsibilities (Evan Delegeane for landscaping; Ed Ono for CORE leadership plus preparing the deposits of our HOA fees, Dawn Willoughby for our NNO event and CORE coordination on the street, Steve Cobbledick for water meter reading), plus those who, having served on prior Boards, are a reservoir of knowledge and history, carry responsibility for us all.

We who serve in these capacities are volunteers for you. Your constructive ideas and suggestions are always welcome, particularly when accompanied by your person, willing to actually do, either by Board service or by committee service, what you want done. We know we can't please all people all the time, but please be kind in your disagreement or criticism! The Board listens and responds, and prefers civil dialogue!

Another consequence of self-management is clearly cost savings. First, no management fee. And then, let us consider our recent wasp problem. Gring or Western Exterminator would have charged us \$200 or more to take care of this. Intrepid Board member Chuck "Fearless Wasp Slayer" Scurich did the job with a few cannisters of spray from Ace Hardware in the course of three midnight visits (when the critters were quietly in their nest). Cost: roughly \$30 or less.

When communication needs to be gotten to owners, a Board member walks the street delivering to each mailbox, and mails to every non-resident owner.

When the Annual Meeting packet is distributed in November, Board members develop the components, prepare the ballots and various envelopes, copy the paperwork, stuff the large envelopes, and deliver or mail to you.

And every first Saturday of the month at 9:30, Board members gather at the home of one or another (who provides coffee, tea/juice and treats) on a rotating basis, for 1 to 2 hours of issue discussion, decisions, and task assignments. Twice this year we have done "Walkabouts" to review the condition of our community.

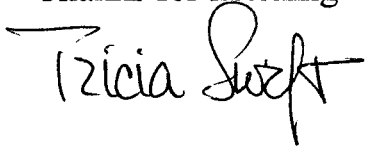
Yes, Board service takes some time. It also builds relationships and strengthens knowledge of our Spy Glass Hill universe and responsible governance and management.

This year, thanks be, we have had no crises. I think that we look back and marvel with appreciation that after the 1991 Firestorm it was a volunteer Board, not a paid company, that led and managed all that went into the two and a half year process of rebuilding of our 34 home community. In that incredible time we had a very tight sense of community. Those of us who remain from those years (Ann Mulligan, Steve Cobbledick, Fred Booker and Blythe Mickelson, and myself) remember it as yesterday. For those of you who have joined the community since then, take a look at the plaque at the top of the Club steps where the names of the Board members who gave their time so generously for us all are memorialized. I am grateful every day.

And I am grateful for your trust and support of the current Board and your appreciation of and caring for our community. We are scouting for new Board members, so consider your energies and commitments to Spy Glass Hill and your neighbors. Let us know if you'd like to be nominated.

As always, take a moment to look about our community. Those of us who live on the South end of the street see the entirety every time we drive in or out. Those of us who live on the North end might stroll the length of the street from time to time to get a sense of us as a whole. What do you see?

Thanks for listening -

A handwritten signature in black ink that reads "Tricia Swift". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the left from the start of the name.

Tricia Swift, President

September 30, 2008

To: Hiller Highlands Phase I Board of Directors and Neighbors
From: Diane Reilly, #30 & #31 Spyglass Hill

I am very appreciative of the campaign undertaken by the Board of Directors, under the direction of President, Tricia Swift, to improve the appearance of the homes on Spyglass Hill.

The Board made observations about the condition of the exterior of my properties at #30 and #31 back in March 2008 and suggested that deferred maintenance items, namely decks, railings and window trim, needed repair or replacement. I did not realize the extent of deterioration of my properties until I was encouraged to take a closer look.

There is water damage and dry rot to the decks, railings and window trim of both units #30 and #31 and the siding of #30 and the paint on both units has deteriorated. The cost of these repairs is significant and could have been prevented if I had been more diligent about maintaining my properties on an annual basis. Had the Board not pressed me to address the condition of my properties I probably would have let it go unattended and the damage could have been worse, resulting in even greater cost in the long run. I had the roofs inspected and will be making repairs to insure that they are water-tight and extend the life of the roofs.

I encourage all neighbors who have not done so to take a close look at their property and, if necessary, maintain or make repairs immediately to prevent damage that may in the long run require replacement at a much higher cost and inconvenience.

Thanks again to our Board for being pro-active and for the time and effort they have put forth to make Spyglass Hill a great place to live.

Sincerely,

Diane

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
October 4, 2008**

The Board of Directors meeting was called to order at 9:43 A.M on Saturday, Oct. 4, 2008 at 7 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Vice President:	Rosalind Ono
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

It was M/S/P to approve last months minutes.

Homeowner's Forum

Tricia, Rosalind & Steve met last Monday per a request from the owner of unit # 30 to change the base & trim colors. The base is to be Cabot Solid Stain Thatch and the trim Cabot Solid Stain Mossy. It was M/S/P to approve the color change.

Attached is a letter from the owner of unit #'s 30 & 31 regarding upkeep of the exterior of homes on the street.

The transfer of the parking space from unit # 33 to # 41 is being recorded. The responsibility for maintenance that goes with that parking space also transfers with the recording of that deed. The Buyer of unit # 33 is no longer responsible for any maintenance of the carport. The Buyer of # 41 now assumes the maintenance responsibility. The C.C. &R.'s will need to be revised by an addendum to reflect this change.

Treasurer's Report

The balance for the operating account is \$17,126.52. The balance in the reserve account is \$61,681.01. The Association also had a \$63,000 CD which matured on Sept. 30. The money was rolled over to a six month FDIC insured CD earning 2.9% A.P.R.

The owners of unit #'s 33 & 41 have reimbursed the Homeowners' Association for all bills for legal services for the parking space transfer from Ann Rankin, and she has received payment.

The bills from Trimacs Landscaping and Maintenance have been increasing due to component breakdowns in our irrigation. The repair or replacement of the system was to take place this year. However, last spring the system was working fine. It was M/S/P for Evan to ask Trimacs for a bid to proceed with this work next spring.

It was M/S/P to accept the Treasurer's report.

Insurance Policy

Victor Habib reported that our current Master Fire Policy has been increased \$873,900 to \$15,439,100. Our premium will be \$25,448, an increase of only \$164 from last year. The Master \$2,000,000 Umbrella policy will renew at the same price as last year. He will notify the Board as soon as he hears anything in regards to our Master Earthquake Policy.

Fred Booker sent an email to Victor and the Board, asking if the Homeowners' Association could save money if the master policy insured just the shell of the building, a "studs out" policy. Victor researched the matter and found that the premium for a shell policy is that same as the all inclusive policy. The policy is written either way based on the C.C. &R.'s of the homeowners' association.

Fred replied that he meant we could reduce our coverage with the shell policy since there would be less to insure.

The Board will ask Victor will talk about this at the annual meeting. At this time, the Board does not recommend any change.

Substantive

Landscape

Rosalind and Evan made a list of all the cutting that needs to be done, submitted it to Trimacs, and the work is proceeding. Evan will keep a watch on trees to keep them within height limits and away from homes.

Evan had Trimacs plant lilies in the bare area behind unit # 11. They are doing well and more will be planted there.

The owner of # 61 has said we can go forward with the replanting of dwarf manzanitas on the slope across from his unit. Evan will ask Trimacs about the best time to proceed with this planting.

Maintenance Issues

The mailbox posts have been reinforced with a concrete bases.

Party!!!

Tricia will host another Newcomers' Welcome Party on Saturday Oct. 25, 3:30 PM to 5:30 PM at 7 Spy Glass Hill.

Water Drought

We are making progress about conserving water (see the attached meter readings for August & September). However, the drought is not over, and weather forecasters are warning this will be a dry winter.

Please help conserve water by not using dish washers until they are full and by using as few loads as possible for your clothes. Don't leave the water running when brushing your teeth, washing your hands, shaving, or doing the dishes. Use the garbage disposal only if you must. Consider taking your vehicles to a car wash even though it is more expensive. Find and fix all leaks, especially toilet leaks. Call Steve Cobbledick at 849-4658 if you would like a toilet tank leak detecting dye tablet.

EBMUD customers can get a combined rebate from EBMUD and PG&E for \$125 or \$200 for installing a high-efficiency clothes washer from the Consortium for Energy Efficiency's (CEE) tier 2 or tier 3 qualifying product list if purchased before December 31, 2008. The application must be postmarked within 90 days of the purchase date. Use the Phase I EBMUD account number 15390312 when applying for a rebate.

EBMUD also offers free home visits to assess water usage. The number is (510) 287-1900. The attached newspaper article talks about other ways to conserve water use.

Annual Meeting

The Phase I annual meeting will be Thursday evening, January 22, 2009. **Volunteers are needed for next year's Board.** One of the big jobs for next year may be reviewing the Bylaws and the Reserve Analysis. If you are interested in serving, please leave a note in the HOA mailbox (36 Spy Glass Hill) or contact a current Board member.

Safety Reminder

It is getting darker much earlier these days. Please be aware of your surroundings and drive slowly while on Spy Glass Hill. **The speed limit on Spy Glass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue. Also remind them that Spy Glass Hill is not a thru-street. Vehicles should only enter and exit at the north end.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Next meeting: Saturday, November 8, 2008 @9:30 A.M - unit # 59. **NOTE CHANGE FROM NOVEMBER 1!**

The Meeting was adjourned at 11:00 P.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

10/07/08
Date

September 30, 2008

To: Hiller Highlands Phase I Board of Directors and Neighbors
From: Diane Reilly, #30 & #31 Spyglass Hill

I am very appreciative of the campaign undertaken by the Board of Directors, under the direction of President, Tricia Swift, to improve the appearance of the homes on Spyglass Hill.

The Board made observations about the condition of the exterior of my properties at #30 and #31 back in March 2008 and suggested that deferred maintenance items, namely decks, railings and window trim, needed repair or replacement. I did not realize the extent of deterioration of my properties until I was encouraged to take a closer look.

There is water damage and dry rot to the decks, railings and window trim of both units #30 and #31 and the siding of #30 and the paint on both units has deteriorated. The cost of these repairs is significant and could have been prevented if I had been more diligent about maintaining my properties on an annual basis. Had the Board not pressed me to address the condition of my properties I probably would have let it go unattended and the damage could have been worse, resulting in even greater cost in the long run. I had the roofs inspected and will be making repairs to insure that they are water-tight and extend the life of the roofs.

I encourage all neighbors who have not done so to take a close look at their property and, if necessary, maintain or make repairs immediately to prevent damage that may in the long run require replacement at a much higher cost and inconvenience.

Thanks again to our Board for being pro-active and for the time and effort they have put forth to make Spyglass Hill a great place to live.

Sincerely,

Diane

Here are ways to conserve water use

WE HAVE ALL read it. EBMUD has declared a drought and water restrictions have been posed.

See your latest bill or go to www.ebmud.com for more information on these restrictions and their effect on your bills.

Not everyone has lived in dry area like California all their lives and may not be familiar with numerous ways you can reduce water usage at home either for free or very expensively. I grew up in the lush and humid state of New Jersey and I knew where water came from: the tap. For the past 18 years, I have resided in the arid state of California and my perspective has changed. My water comes from the Sierra. There is your cultural difference in a nutshell.

I needed some help with the concept of water conservation so I polled a few friends and neighbors who have lived through other droughts in the late 1970s and early 1980s and offer their suggestions. I also found some interesting Web sites that offer additional tips.

By simply becoming more aware of a running faucet and modifying your behaviors in a few ways, you can impact your water usage, affect your water bill and live more environmentally responsibly. Planning and organization can help you make some of these changes.

Check for leaks: Turn off your water faucets and toilets and look at your water meter. If it is moving you have a leak and need to do further investigating.

In the kitchen:

- Scrape plates in to the green recycle can to reduce cost of the garbage disposal.
- Keep a small tub in the kitchen to soak dishes before placing in the dishwasher instead of rinsing under running water.
- Use less dish detergent when hand washing to reduce water use.
- Run only full loads in dishwasher.



NINA JOHNSON
Staff Writer

■ Hand-washing dishes uses more water. Full loads in the dishwasher are a better choice.

■ Do not defrost foods in hot water. Take food out of the freezer the day before using and store in the refrigerator.

■ Soak fruits and vegetables to clean them instead of rinsing under running water.

■ Install low flow aerators on all faucets in the kitchen and bath (EBMUD has free devices)

In the bathroom:

■ Turn off the faucet while you brush your teeth.

■ Flush less often.

■ Fix a running toilet by replacing the flapper (the hardware store can help you with this).

■ Only in older, large tank toilets you can drop in a brick, bag with pebbles or a "tummy toilet" available from EBMUD to displace water and reduce the total capacity of each flush.

■ EBMUD offers rebates of up to \$150 for replacement qualifying high efficiency toilets.

■ Learn to take a shorter shower by timing your shower, then making a goal (with a clock) to reduce your shower by a minute each day for five days.

■ Turn off running water while brushing your teeth and shaving.

■ Install low-flow showerhead or flow restrictors (EBMUD provides one free showerhead per household).

Laundry:

- Wash only full loads
- Reclaim run-off by diverting out flow water hose

FYI

Here are a few helpful Web sites to conserve water use:

- www.graywater.net
- www.innolake.org/water-conservation
- www.oasisdesign.net
- www.rewater.com

can to use to outdoor watering. (Use only biodegradable detergent if you are going to do this).

■ Upgrade your old washer to a high efficiency model with a possible rebate from EBMUD of up to \$200.

Outdoors:

■ Stop washing the driveway and use a broom. It's good exercise too.

■ Water your garden "slow and low."

■ Turn off the water before there is run off.

■ Slow water will seep in to the dirt more efficiently.

■ Water early in the morning (best) or late in the

evening when the sun and wind are less apt to evaporate the water.

■ Adjust irrigation controls seasonally.

■ Add mulch to your garden to maintain moisture, suppress weeds and protect your irrigation system.

In addition to reducing water use from the tap, you can also reuse "graywater."

What is graywater? Any water that has been used in the home, except water from toilets, is called graywater.

Dish, shower, sink, and laundry water make up from 50 percent to 80 percent of residential "waste" water. This may be reused for other purposes, especially landscape irrigation.

Ways to use graywater:

■ Soak dishes before loading the dishwasher.

■ Flush toilets.

■ Water indoor and outdoor plants.

Other long-term solutions may include rainwater harvesting.

See JOHNSON, Page 7

Johnson

FROM PAGE 2

investing. You don't have to do it all, but even a few of these suggestions put in to action can affect your water usage and your bill. We lowered our daily usage by 34 percent in May and June by raising our

consciousness and trying a few of these ideas.

For information regarding free aerators, shower heads and possible rebates, go to www.ebmud.com

Nina Johnson is a professional organizer who lives in the Oakland hills. Go to www.simply-org.com for more organizing tips.

Spyglass Hill Address	07/27/08 Meter (cu ft)	09/27/08 Meter (cu ft)	Water Used (cu ft)	Water Used (gal)	Days of Use Since Last Reading	Water Used (Gal./day)	Days of Use since 2007 Reading	Water Used (Gal./day)
33	103852	103884	32	239	62	4	366	14
44	48237	48277	40	299	62	5	366	23
41	100750	100816	66	494	62	8	366	103
5	51997	52073	76	569	62	9	366	81
24	121030	121114	84	628	62	10	366	20
40	50856	51041	185	1384	62	22	366	31
60	37602	37830	228	1706	62	28	366	5
47	63347	63782	435	3254	62	52	366	27
35	43810	44275	465	3478	62	56	366	81
61	57071	57572	501	3748	62	60	366	68
48	62998	63514	516	3860	62	62	366	81
59	51869	52402	533	3987	62	64	366	84
9	83130	83700	570	4264	62	69	366	268
62	31568	32149	581	4346	62	70	366	70
43	58227	58809	582	4354	62	70	366	76
22	61314	61914	600	4488	62	72	366	81
28	100617	101235	618	4623	62	75	366	69
20	74447	75073	626	4683	62	76	366	31
26	56555	57182	627	4690	62	76	366	79
57	98753	99404	651	4870	62	79	366	84
46	31271	31923	652	4877	62	79	366	80
53	51959	52645	686	5132	62	83	366	182
42	33790	34555	765	5723	62	92	366	85
1	48360	49143	783	5857	62	94	366	72
45	104601	105405	804	6014	62	97	366	107
7	66895	67708	813	6082	62	98	366	103
11	90693	91670	977	7308	62	118	366	123
31	74884	76001	1117	8356	62	135	366	140
3	88540	89666	1126	8423	62	136	366	215
29	90628	91882	1254	9381	62	151	366	163
51	116083	117359	1276	9545	62	154	366	222
30	125264	126933	1669	12485	62	201	366	76
55	124663	126751	2088	15619	62	252	366	169
38	119939	122247	2308	17265	62	278	366	297

FACSIMILE TRANSMISSION FROM

HABIB INSURANCE AGENCY

2151 SALVIO STREET, SUITE # U

CONCORD, CA. 94520

TELE: 925 689-1112 FAX 925 682-0388

IMPORTANT NOTE: THIS FACSIMILE TRANSMISSION INCLUDING ALL OF ITS ACCOMPANYING DOCUMENTS, MAY CONTAIN INFORMATION WHICH IS CONFIDENTIAL OR PRIVILEGED IN NATURE. **LEGAL PRIVILEGES AND CONFIDENTIALITY ARE NOT WAIVED** JUST BECAUSE THE MESSAGE IS SENT BY FACSIMILE. IF YOU ARE NOT THE INTENDED RECIPIENT YOU ARE HEREBY NOTIFIED THAT ANY DISCLOSURE, COPYING, DISTRIBUTION, OR OTHER USE OF THE CONTENTS OF THIS TELECOPIED INFORMATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY HABIB INSURANCE OFFICES BY PHONE IMMEDIATELY AND RETURN THE DOCUMENT(S) BY MAIL. THANK YOU.

TO: TRICIA

DATE: 10/8/08

FROM: VIC HABIB

SWIFT

FAX # 510-339-9129

RE: HILLER HIGHLANDS
Phase I HOA.

OF PAGES INCLUDING COVER:

5

HE, TRICIA, GREAT NEWS ON THE
EQ THIS YEAR, PLEASE SEE ATTACHED
QUOTES FOR 5% DED, 10% DED, 15% DED

BEST TO YOU

**VICTOR HABIB
BROKER**

PLEASE ADVISE

BEST TO YOU ALWAYS

RESPONSE (IF ANY):



EQ INSURANCE SERVICE

1399 Ygnacio Valley Rd, #2, Walnut Creek, CA 94598
Office: (925) 945-8800 Fax: (925) 945-8502 or (925) 937-6578

DATE: 10/7/08

REGARDING: Hiller Highlands.

TO: Victor Habib.

PROPOSED TERM (DATE): 11/1/08 - 11/1/09

FAX: _____

PROPERTY LOCATION: 1-62 Spy glass Hill
Oakland, CA 94618

THE PRIMARY COMPANY WILL BE Insurance Company of the West A-IX

THE EXCESS COMPANY WILL BE _____

1. POLICY PROVIDES: DIC INCLUDING EARTHQUAKE, _____
 NAMED PERIL

2. DIRECT DAMAGE TO:

		PREMIUM:
A. BUILDING/TENANT IMP	\$ <u>12,500,000</u>	\$ _____
B. PERSONAL PROPERTY	\$ _____	\$ _____
C. BUSINESS INCOME	\$ _____	\$ _____
D. LOSS OF RENTS	\$ _____	\$ _____
E. OTHER PROPERTY COV	\$ _____	\$ _____
F. BLDG ORD, ICC, DEMO: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <u>1,250,000</u>	Submit	\$ _____

3. SINGLE LOSS CLAUSE (TIME PERIOD)
 168 HOURS 72 HOURS

4. DEDUCTIBLE APPLIED: TIV PER LOCATION PER UNIT
 MIN DEDUCT PER OCCURRENCE

5. DEDUCTIBLE: 10% DEDUCT OPTIONS (IF ANY): yes

6. VALUATION: REPLACEMENT COST ACV

PREMIUM: <u>35,475.00</u>
MIN EARNED PRM: <u>25%</u>
PLCY FEE: <u>-</u>
INSP FEE: <u>-</u>
SLA FEES: <u>-</u>
BRK FEE: <u>1500.00</u>
TOTAL: <u>36,975.00</u>

COMMENTS: PLEASE CALL FOR BINDING INSTRUCTIONS. QUOTE EXPIRES ON 11/1/08

5% ded: \$40,563 + Fees

15% ded: \$31,625 + Fees

Agst Comm: 7.5%

X INSURED ACCEPTANCE X DATED

E.Q. INSURANCE SERVICE

1399 YGNACIO VALLEY ROAD #2
WALNUT CREEK, CALIFORNIA 94598
PH: (925) 945-8800 FAX: (925) 945-8802



ICW GROUP

Insurance Services
Insurance Company of the West
Explorer Insurance Company
Independence Casualty and Surety Company

DIC Quotation

Date: 10/1/2008

To: Janelle Jolley
CROUSE - SF

From: Carrie Jackson

Re: HILLER HIGHLANDS PHASE I CONDOMINIUM

We are pleased to offer this quotation for property coverage in Insurance Company of the West. PLEASE REVIEW CAREFULLY. COVERAGES, TERMS AND CONDITIONS OFFERED HEREIN MAY BE MORE RESTRICTIVE THAN THOSE REQUESTED IN YOUR APPLICATION. THIS QUOTE LETTER IS NOT INTENDED TO INDICATE ALL EXCLUSIONS, TERMS, AND CONDITIONS CONTAINED IN THE POLICY. IT HIGHLIGHTS ONLY CERTAIN ASPECTS OF THE COVERAGE BEING QUOTED.

Confirmation of quote valid until 11/1/2008

Policy Term: Annual

Location(s) Covered: 1-62 Spyglass Hill, Oakland, CA 94618

Limits: \$12,500,000 Per Occurrence/Annual Aggregate as respects EQ

Sublimits: \$1,250,000 Building Ordinance Coverage B & C Combined (Full Limits for Coverage A)

Included with no additional charge: \$312,500 Underground Utilities

Included with no additional charge: \$30,000 EDP Equipment; \$30,000 EDP Media; \$10,000 Valuable Papers and Records; \$25,000 Architectural and Engineering Costs; and \$30,000 Additional Security

Coverage: Building (Including Foundations), Business Personal Property, Maintenance Fees and Association Dues

Perils: Difference in Conditions Including Earthquake
Excluding EQSL, Flood, Burglary and Theft

Valuation: Replacement Cost/AJS Time Element

Deductibles: Option 1: 5% Option 2: 10% Option 3: 15% of the total values at risk at time of loss per unit, subject to \$50,000 minimum per occurrence as respects EQ; and \$25,000 per occurrence as respects All Other Perils

Premium: Option 1: \$40,563 Annual Option 2: \$35,475 Annual Option 3: \$31,625 Annual
Based on submitted values of \$12,500,000

Additional Premium for Certified Acts of Terrorism as provided by the Terrorism Risk Insurance Extension Act as amended, excluding nuclear, biological and chemical terrorism¹: \$3,000 Annual
(TRIEA Coverage will remain excluded until premium is received by ICW)

Minimum Earned Premium: 25%

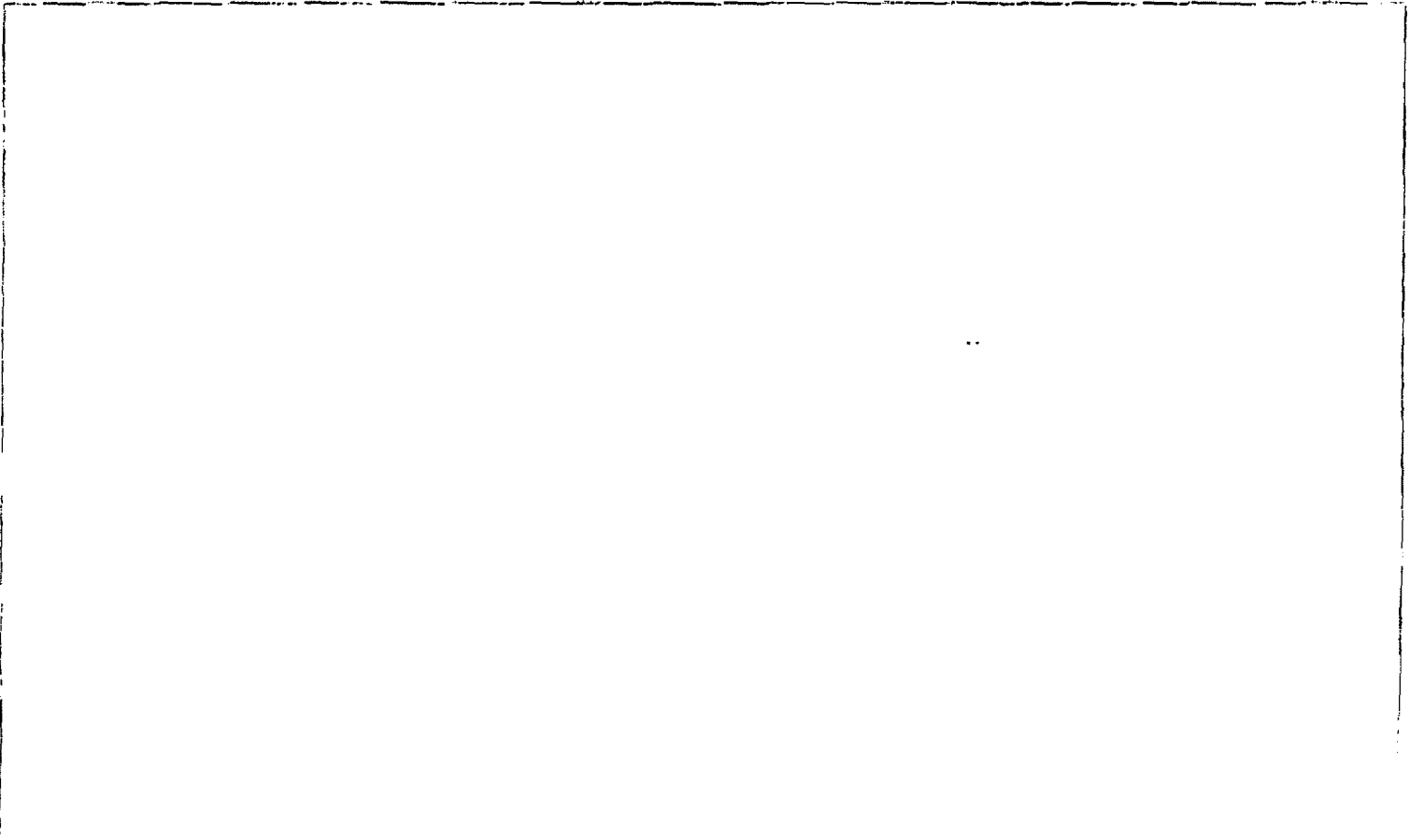
+ \$1500 BF

PAGE- 2-

Forms: Insurance Company of the West and/or ISO forms including but not limited to the following:
 Insurance Company of the West Difference in Conditions Homeowners Association Coverage
 Insurance Company of the West California Changes - Cancellation and Nonrenewal (30/10 day)
 Insurance Company of the West Statement of Values Clause
 Insurance Company of the West Asbestos, Pollution, Contamination, Burglary, Theft and Earthquake
 Sprinkler Leakage Exclusion Clauses
 Insurance Company of the West Flood Exclusion Endorsement
 Insurance Company of the West Debris Removal Amendatory Clause
 ICW Exclusion of Certain Computer Related/Data Corruption Loss Clause
 Insurance Company of the West Terrorism Exclusion Endorsement
 Insurance Company of the West Mold, Mildew, Fungus, Bacteria, Virus, Condensation, Wet or Dry Rot
 Limitation

Conditions: -Warrant All Risk Underlying Policy
 -Warrant No Soft Story/Tuck-Under Parking
 -Mid-term cancellations requested by the insured will be calculated with short-rate penalty.
 -If TRIEA coverage is purchased, it is warranted that TRIEA coverage must be purchased from the
 All Risks carrier as well. ICW MUST receive proof that TRIEA coverage is purchased on the All
 Risk policy before binding TRIEA.
 -Warrant No Prior Losses from Covered Perils in Last 5 Years, Unless Previously Reported
 -New locations added or existing locations deleted mid-term will be subject to risk modeling and additional
 or returned premium will be calculated per the modeling results, not necessarily the account rate.
 -Quote cannot be bound without underwriter's consent

Thank you for the opportunity to quote this account. Please do not hesitate to call me should you have any questions or concerns.



DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE FOR QUOTES

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State, and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure, to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION YOUR COVERAGE MAY BE REDUCED.

ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE

UNDER FEDERAL LAW, YOU HAVE THIRTY (30) DAYS TO CONSIDER THIS OFFER OF COVERAGE FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM AND SUBMIT THE QUOTED PREMIUM REQUIRED WITHIN 30 DAYS OF THE POLICY EFFECTIVE DATE. IF YOU DO NOT MEET THIS REQUIREMENT, YOU WILL NOT BE COVERED FOR LOSSES RESULTING FROM ANY CERTIFIED ACTS OF TERRORISM.

	I hereby elect to purchase coverage for certified acts of terrorism for a prospective premium of \$3,000.
	I hereby reject coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from any certified acts of terrorism.

Policyholder's/Applicant's Signature

INSURANCE COMPANY OF THE WEST

Insurance Company

Print Name

HILLER HIGHLANDS PHASE I CONDOMINIUM

Named Insured

Date

**Highlands Phase 1 Association
Minutes of the Board of Directors Meeting
November 8, 2008**

The Board of Directors meeting was called to order at 9:35 A.M on Saturday, Nov. 8, 2008 at 59 Spyglass Hill. Board Members in attendance were:

President:	Tricia Swift
Vice President:	Rosalind Ono
Treasurer:	Chuck Scurich
Secretary:	Steve Cobbledick

It was M/S/P to approve last months minutes.

Homeowner's Forum

After checking the water usage sheet distributed last month, one owner of a high use residence asked for a packet of the toilet tank leak detecting tablets. He found that both his toilets had silent leaks. He called a plumber and had them fixed. Call Steve Cobbledick at 849-4658 if you would like toilet tank leak detecting dye tablets. You can also get them along with other items for conserving water at www.ebmud.com. Click on the *Drought Help Center* tab on the left and then on *Free Conservation Items* to have them mailed to you at no cost.

Treasurer's Report

The balance for the operating account is \$7,353.18. The balance in the reserve account is \$64,760.05. The Association also has a \$63,000 invested a six month FDIC insured CD earning 2.9% A.P.R which will mature in February 2009.

It was M/S/P to accept the Treasurer's report.

Insurance Policy

Victor Habib emailed that premium for the Master Earthquake Policy (15% deductible) including EQ Insurance Services' brokerage fees will be \$33,125. With financing charges, the total cost will be \$34,377.

Substantive

New Residents

Rosanna Poret has purchased #33 Spy Glass Hill, and Dr. Lynette Francis has purchased #41 Spy Glass Hill. The Board welcomes them to our street.

Annual Meeting

The Board reviewed the preliminary budget, reserve analysis and dues schedule for 2009. A date was set to prepare the package to be sent out by November 30, 2008. **Volunteers are needed for next year's Board.** If you are interested in serving, please leave a note in the HOA mailbox (36 Spy Glass Hill) or contact a current Board member.

Safety Reminder

It is getting darker much earlier these days. Please be aware of your surroundings and drive slowly while on Spy Glass Hill. **The speed limit on Spy Glass Hill is 15 MPH.** Please remind visiting family and friends of this important safety issue. Also remind them that Spy Glass Hill is not a thru-street. Vehicles should only enter and exit at the north end.

Dues Reminder/Suggestion

Dues are to be paid by the 15th of each month by drop off at the black mailbox (#36) at the northeast corner of unit 42. To assure timely dues payment, it is possible to arrange direct pay from your bank account. A representative at your branch office can help set this up.

Next meeting: Annual Meeting, 7:00 PM, Thursday, January 22, 2009 at the Highlands County Club. Our annual meeting is traditionally followed by an informal dinner. Lasagna will be provided by the HOA. Side dishes, wine or other beverages and dessert are potluck.

The meeting was adjourned at 11:20 A.M

Respectfully submitted,

Steve Cobbledick
Steve Cobbledick, Secretary

11/17/08
Date

Chronology of HHI HOA with Kevin Dawson

4/28/06 COE
Kevin K. Dawson, Trustee, Buyer
Cendant Mobility/Cartus (relocation company), Seller
Cornerstone Title, Title Company
Liat Bostick, Realtor, Coldwell Banker Montclair
Represented both Seller and Buyer

2/25/06 Miriam Friant, President, responded to request from Title for HOA docs. She checked a box that said "Rules and Regulations," meaning a document by that name. Such a document does not exist. When asked for the document, apparently she replied that there was/were no "Rules and Regulations," and changed the check mark beside "Rules and Regulations," meaning the document, NOT that there were no rules and regulations.

4/22/06 Coldwell Banker correspondence from Joan Alford, escrow coordinator, to Kevin Dawson states that "there are no rules and regulations for the homeowner association," thereby erroneously interpreting the fact that there was no "Rules and Regulations" document, separate from the CC&R's which, of course, is the governing document for the HOA in which rules and regulations are embedded.

Soon after close of escrow, Dawson and Fred Booker had an encounter about Dawson's contractor doing something on the walkway. Dawson claimed that there were no rules and regulations. It is believed that Roger Baron witnessed this encounter.

Also soon after, Dawson and Johnny Mulligan had encounters both on the street and at Grogan's in Montclair, a local restaurant and bar. It is alleged that racial epithets were exchanged.

5/22/06 Letter from Dawson to Miriam Delay-Friant, HOA President, complaining further about these incidents, alleging "hostile behavior from belligerent, ill-educated and ignorant people."

6/7/06 Letter from Dawson to Friant referring to a June 1 phone conversation about the above encounters and a May 31 letter (not in our

files). Also saying that “During my escrow I signed a document that no HOA rules existed...”

6/8/06 Correspondence from Miriam Friant, President, to Ken Pytlewski re Payments made by the relo company through May or July – unclear. In fact, Cendant/Cornerstone ultimately did pay through August, and the check numbers are documented in our files. *[After looking at the correspondence we have on this matter, it appears to me that Cornerstone may have/is likely to have collected the May through August payments from Dawson at close of escrow, but not sent them through to us. This matter is/was an issue between Dawson and Cornerstone. However, that Cornerstone may have dropped the ball on this, and that the lynchpin of the problem was invisible to all for several months, certainly exacerbated Dawson’s irritation with the HOA and the HOA’s irritation with the (apparent) non payment of dues, as he kept being billed by the HOA for payments that had been collected from him by Cornerstone, but not passed on to the HOA. Ken Pytlewski’s efforts with Cornerstone in January-February of 2007 finally cleared it up, but the issue certainly poisoned the entire relationship.]*

6/26/06 Letter from Ann Rankin to HOA Board re Dawson issues. Also expressing surprise that there are no “Rules and Regulations” meaning document.

7/13/06 Letter from HOA to Dawson, apparently responding to a complaint of his re treatment. Letter welcomes him, apologizes, and invites him to July 26 Board Meeting. SJS (Sandy Springs) appears to be the sender.

7/20/06 Letter from Dawson to HOA in response

7/26/06 Letter from HOA to Dawson, in response to 7/20/06 also over SJS signature

12/06 Letter from HOA to Dawson, probably over Ken Pytlewski’s signature, notifying him of delinquent dues beginning May 2006 and where to pay them, plus the Allocation Tables for 2006 and 2007. NB that this calculation was correct at the time inasmuch as Cornerstone Title had not yet sent the HOAS a check for the May through August dues

1/24/07 HOA letter from Steve Cobbledick, new Treasurer, to Dawson re delinquent dues, providing current amount due, where to send or drop off payment, and citing the efforts to communicate with Cornerstone, not yet resolved.

1/27/07 Letter FAXed and sent to Kai Hse at Cornerstone Title Company with HHI HOA accounting of payments due, and requesting examination and verification.

1/30/07 Letter from Sherri Searles, Cornerstone Title Company, says Cendant/Cartus is sending check for August dues, and that Dawson is responsible from September 1, 2006, onwards. "Settlement Statement clearly states 'Association Dues 4/28/06 to 9/1/06 @ \$226/mo' paid. Cornerstone Title Company and Cartus Financial Corp will not be responsible for back dues that have accumulated from September 2006 forward."

1/30/07 Letter FAXed and sent from Ken Pylewdski to Kai Hse at Cornerstone Title documenting amount owed for August 2006, with schedule of delinquent payments attached.

2/7/07 From Ken to Ann Rankin, documenting Unit 46's dues record of payment.

2/12/07 Letter from Ann Rankin to Dawson, via certified mail, informing Dawson of \$1,414.72 owed (including delinquent amount and collection fee), and including references to Fair Debt Collection Act, et al. Also stating that if payment is not received by March 14, 2007, account will be turned over to Allied Trustee Service.

2/20/07 Email from Dawson to Pylewski saying he would pay dues but not late fees, and claiming that he was not billed or informed of payment protocol.

2/20/07 Emails among Ken, Sandra Spring, and Ann Rankin referencing spreadsheets sent by certified mail and letter from Cornerstone Title saying that Dawson was informed that he was informed of dues owed from September '06 onward.

3/5/07 Steve Cobbledick to Dawson re delinquent payments, giving amount owed, direction as to where to drop off or mail payment, and citing

that “Our past Treasurer has investigated the issue with Cornerstone Title and Cendant Mobility...and has communicated his findings on the facts of this situation in writing to you.”

3/23/07 Email from Dawson to Rankin asserting that he would assemble his data for her review, and alleging racism, slander and fraud on the part of the HOA. He asserts he will pay “only accurate and proper amounts.”

3/26/07 Cobbledick to Dawson re delinquent assessments, as above

4/26/07 Cobbledick to Dawson , as above

5/20/07 Cobbledick to Dawson, as above

6/07 Dawson apparently encountered Evan, he says in his 5/14/08 letter. Dawson says Evan apologized for threats of foreclosure “I did not know what he was talking about.” Dawson says he gave Evan his business address and contact information, and that he had never been further contacted by the Board or anyone else. “I did inform Evan that I expected the Board to give me an honest accounting of my Association fees and they would be paid.” (quotations from 5/14/08 Dawson letter referenced below).

6/23/07 Cobbledick to Dawson, as above

8/1/07 Cobbledick to Dawson, as above

8/26/07 Cobbledick to Dawson, as above

9/29/07 Cobbledick to Dawson, as above

10/21/07 Cobbledick to Dawson, as above

11/19/07 Cobbledick to Dawson, as above

12/22/07 Cobbledick to Dawson, as above

1/9/08 Declaration of Default, signed by Ken for Allied Trustees

1/14/08 Emails between Ken and Rankin re process: "Non-judicial foreclosure has to be done correctly or the delinquent owner can get an injunction to stop it and you will have to start all over again.

1/22/08 Tricia Swift, new President, signs document for Allied Trustee to start formal procedure. NOTE THAT FROM THIS POINT FORWARD, ALLIED TRUSTEE SERVICES HANDLES EVERYTHING WITH DAWSON. IT IS A DELIBERATELY ARMS' LENGTH PROCEDURE. ALLIED TRUSTEE SERVICES DOES NOT TELL US ANYTHING ABOUT WHAT THEY ARE DOING.

SINCE THEN, HOA HAS SENT DAWSON ALL ORDINARY COMMUNICATIONS (MINUTES, NEWSLETTERS, ANNOUNCEMENTS, INVITATIONS) TO HIS P.O. ADDRESS.

5/14/08 Letter from Dawson to Swift. "I was not billed or offered any information regarding the handling and payment of my monthly dues from the time I closed escrow until I moved out of #46 in January 2007. Also alleging inaccurate accounting, fraud, and that an "accurate accounting...has never been furnished."

5/17/08 Letter from Swift to Dawson, saying matter has been referred to Ann Rankin.

5/19/08 FAXed handwritten note from Dawson to Swift: "Thank you for your response – I will await Ann Rankin's call to resolve these issues."

5/19/08 Letter from Rankin to Dawson by FAX and mail, with accounting and inviting him to "provide clear explanation of each item in dispute so that I will be able to easily understand it and investigate your concerns."

11/27/08 Notice of Sale posted at 46 Spy Glass Hill – Thanksgiving Day.

11/27/08 Message left on Swift's home phone at 10:37 PM by Dawson, protesting Notice of Sale and threatening legal action.

11/30/08 Swift retrieves message and activates system, promising response on 12/2/08



FAX TO ANY EMAIL ADDRESS

RESIDENTIAL BROKERAGE

0 1 2 3 4 5 6 7 8 9 . - _ A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

Underline all boxes that contain numbers

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J F A L F O R D

@ I X . N E T C O M . C O M

V12

Notes:

Hello Kevin,

I am the escrow coordinator for Liat for 46 Spyglass. here is a document I need you to acknowledge: there are no rules and regulations for the homeowner association and I had Liat send me an email to that effect. Please sign , date and fax back to me at 510-339-4791.

Thanks so much.
Joan Alford
Coldwell Banker

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From: Liat Bostick <liatbostick@yahoo.com>
 To: jfalford@ix.netcom.com
 Cc: liatbostick@yahoo.com
 Subject: rules and regulations
 Date: Mar 15, 2006 11:21 AM

Hi Joan,
 I am re-emailing you this message since you did not get the right format last week. After speaking to Mariam, the HOA secretery, I found out that there are no rules or regulation. Mariam said that she checked the box by mistake. My phone conversation with her took place last Thursday March 9TH at 7pm. Thanks,Liat.

Read & Received

✓ _____
 ✓ _____
 ✓ Date _____
 # of Pages 1

May 22, 2006

Miriam Delay-Friant, President
Hiller Highlands Phase I Homeowners Association

Re: 46 Spyglass Hill, Oakland, California

To Whom It May Concern:

It has come to my attention that persons claiming to act under the authority of the Homeowners' Association (HOA) have instructed both my workers and me to act in the manner inconsistent with the rights of the unit owner and the duties of the Association.

On or about May 10, 2006, Fred Booker, claiming to represent the Association, interceded with my workers during the installation of tile and granite in my unit. He claimed that we had no right to cut tile outside, "on the property owned by the Association". Further, he interrupted our operations and delayed the job until the workers contacted me for further instruction. I informed Fred that he was wrong about the rights and ownership of the common area, as the Association is no more than a collection of the rights of the individual owners and, as such, I am, in fact an equitable and legal owner in this Association. That said, we have a right to utilize every square inch of common-area property in a manner consistent with the ownership and utilization of said property.

Fred suggested we cut tile inside the apartment. Aside from his ignorance over the legal rights and obligations of the Association and their respective owners, he has shown significant ignorance in the details of construction. It is simply impossible to utilize a water saw in an enclosed area such as an apartment. The resultant damage would be significant.

Nevertheless, the belligerent and hostile behavior of Fred Booker, acting as a representative of the Association, was further manifest on May 18, 2006 by yet another resident.

On that date, a small-frame man living at 48 Spyglass Hill, the unit above my assigned parking space, approached me in a hostile and, again, belligerent manner. He instructed me to clean up the common areas as the grounds were soiled by workmen who were installing flooring, and allegedly, tile in my unit. The damage was caused by carpet installers in another unit during the same time-frame.

This person has limited control over the English language. I am unable to determine if his accent is Scottish or Irish, however understanding his English through that accent was quite cumbersome. But his menacing and hostile behavior was clear.

In my short ownership, approximately three weeks, I have been engaged in hostile conversations with two white men allegedly representing your Association. Further, my parking areas have been encroached upon by non-assigned users, both my covered and uncovered parking spaces have been used randomly by non-assigned drivers.

I am easy to get along with, but will not accept hostile behavior from belligerent, ill-educated and ignorant people.

I can surely educate the Association on their rights, duties and obligations as a homeowners' association. I am well versed in these legal issues as a result of my extensive work as a representative of business entities with relationships with homeowners' associations.

I am placing you, as an officer of the Association, on notice that my rights will be protected and defended, wherever my interest may appear. This includes my legal and personal interests, utilizing all of the resources I have available to address any threats to my person or to my property.

I noticed on Friday, May 19th maintenance had occurred in the common area adjacent to my property including the parking areas. All of the areas that were alleged to have been soiled by my workmen were, in fact, clean.

But I also noted a specific separation of the grounds and decking around my unit that had not been touched by the HOA maintenance workers. I suspect that the covert behavior employed by Fred, and the small man who speaks fractured English, and others representing the Association is intended to deny my interests and my rights.

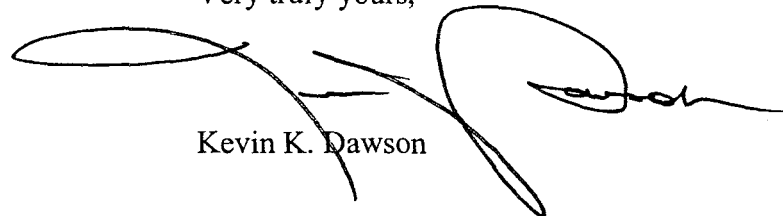
Therefore, I expect the grounds, including the lights for my address number "46" to be maintained consistent with the level of the surrounding common-area property. Let me be clear so there is no ambiguity. I expect the Association to properly maintain, clean and protect my property, including the common area.

I further expect that the Association will disavow any of the hostile behavior, including the racial derogatory remarks by the little man, in a subsequent communication.

Unless the Association separates itself from the hostile and belligerent actions of its members, allegedly acting under the color of authority of said Association, I will construe any further hostile actions against my person and my property as actions from the Association.

I do not make threats. I will protect my interest.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kevin K. Dawson". The signature is fluid and cursive, with a large loop at the end.

Kevin K. Dawson

June 7, 2006

Miriam Delay-Friant
President
Hiller Highlands Phase I Homeowners Association
36 Spyglass Hill
Oakland, Cal. 94618

Via FedEx

RE: 46 Spyglass Hill, Oakland, California

Dear Mariam:

Please refer to our telephone conversation of June 1, 2006.

After further consideration, I felt it incumbent upon me to respond to the improper attempts to assert authority against me and my property as outlined in your May 31, 2006 letter.

First and foremost, the conflict originated from Fred Booker's incursion into my construction activity, conducted by Superior Marble on May 10, 2006. He alleged that the unidentified tenant had access blocked to the unit below mine and, as a consequence, my workers needed to "cut marble inside your unit."

I had no knowledge of a tenant living downstairs. In fact, I was told that the owner was away in India. I never saw a tenant enter or leave those premises. My workers informed me that it was housecleaning staff attending to the unit below mine that had access blocked.

In my conversation with Booker, he could not verify the presence of a tenant in the lower unit.

Apparently, Fred believed I had no authority or opportunity to use the Common Area to perform marble cutting operations. In fact, Fred informed me in a telephone conversation that same date that the Common Area belonged to the Association and, consequently, I needed to seek Association permission before using said property.

Not only is this a ridiculous position, it is an illegal definition of the Common Area. As a member of the HOA, I too own a portion of every square inch of this area.

I informed Booker of such and further instructed him to cease interfering with my workers. I have been informed by staff of Superior Marble that he bantered with them for nearly two hours in an effort to obstruct their progress.

The workers of Superior Marble are of Chinese decent. They are independent contractors.

You made reference to the maintenance and resurfacing of the walkways and the cost of \$1,540.00; prior to issuing any threats of curing alleged damage, certain issues must properly be identified before a consideration can be made. There will not be any assertion of authority by the Association over me, my property, or my financial resources without due process.

It appears that the assertion of jurisdiction or authority over me and my unit has begot this communication of May 31, 2006.

In order to dispense with this issue, I demand that the original resurfacing specifications and invoices be presented to my attention; we need to determine what warranty, if any, was offered under that original resurfacing; we further need to know why the sealant used was not impervious to water, as the granite operations only included the cutting of stone and the use of water to temper the heat caused by such stone cutting operations.

I inquired and you concurred, there is no evidence of damage whatsoever to that walkway. There is an allegation of damage presumably offered by Booker, or, initiated by some other party. The fact is water residual and dust cannot be considered damage.

I will not accept any determination of damage by a third party that is hostile to my interest. I expect that the information requested herein will be acknowledged and furnished as well as any finding by any party of the allegation of damage. Thereafter, I expect to have an opportunity to review, rebut and consider any evidence so tendered.

I will not pay any money for any findings by those hostile to my interest. I believe that this allegation is simply a pretext to assert authority over my person and my property. I told Booker that his efforts were not gentlemanly and were certainly hostile to my interest, including the manner in which he talked to my workers, as well as the manner in which he talked to me.

I further told you that I had been verbally assaulted through racial hostility originated by Johnny Mulligan who lives over the carport in Unit 48. Find enclosed a letter that I previously authored, that I initially decided not to send, given the fact that I was just moving into the unit and wanted to cease any hostilities by simply ignoring them.

I am no longer willing to ignore hostilities against myself, my person, or property.

This HOA letter dated May 31, 2006 is without just cause; I consider this a pretext in the assertion of some authority by the HOA, hostile to my interests, asserting rules that simply do not exist.

During my escrow closing I signed a document stating that no HOA rules existed. I will not be subjected to an assertion of non-existent rules or ad hoc renegade rule making.

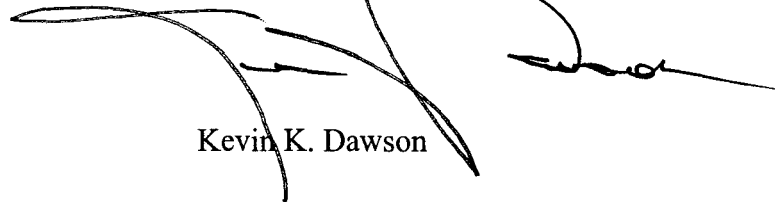
An example of the lack of enforceability by the HOA is exemplified by the vigilante parking regulations created by Mulligan. Note a curb painted "No Parking" in red outside of his unit.

This marking did not exist until I arrived and is atypical to the balance of Spyglass Hill. The unenforceable regulation of a non-existing right asserted by a single HOA member is damage to the Common Area.

Will you order the removal of this painted area and threaten the levy of cost for the damages?

Let it be clear and unambiguous. You and your cohorts are without authority over my person and my property. If the HOA or any of those who have acted hostile to me in the past seek to assert any authority over me, I will adamantly defend my person, my property and my financial interests.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kevin K. Dawson". The signature is stylized with a large, sweeping loop on the left side and a horizontal line extending to the right.

Kevin K. Dawson

HILLER HIGHLANDS, PHASE I
Homeowner's Association

July 13, 2006

Kevin K. Dawson
46 Spyglass Hill
Oakland, CA 94618

Dear Mr. Dawson:

Thank you for your letter of June 6, 2006. First, on behalf of the Board of Directors and the community in general, we want to welcome you to Hiller Highlands. It is unfortunate, that a disagreement arose so soon after your purchase.

We wish to make it very clear, on behalf of the Board of Directors of Hiller Highlands, that the Board does not condone racist behavior, whether with actions or words. Further, the Board of Directors does not condone ethnic slurs or attacks on a person's origin. Other than what you have related, we have no knowledge of, nor involvement with, the exchange between you and Mr. Mulligan.

You are correct, there is a constitutional right to free speech, and therefore, we cannot legislate it, nor are we responsible for it. We suggest that this is a matter which you should take up with your neighbor directly.

In regard to your concerns about the use of the common area, we refer you to the CC&Rs. It is surprising that you would take the position that you have a right to perform personal work, or have your contractors do so, in the common area. That is simply not the case. Even if it were, the common area could not be used to the detriment of other homeowners.

Fred Booker has been a dedicated member of the Board of Directors for the last several years, and has given a great deal of his personal time to the organization. He did not intend any offense in carrying out his duties of informing Superior Marble of the problem. In addition to the fact that common areas are not to be used for construction, ingress or egress cannot be blocked. There have been several of the homeowners who have had extensive tile work done over the last few years, and some within the last several months. All of their marble and tile workers did their cutting either inside the unit with the area protected by partitions or plastic, or on their own personal decks.

July 13, 2006

Page 2

Surely, based on your extensive knowledge of Homeowners' Associations, you are aware that when someone joins such an association, they give up certain privileges and gain others. The advantages of the Homeowners' Association include the spreading of the costs of insurance, maintenance, and landscaping over the number of units. There are other benefits. With that come certain restrictions, including the fact that all members give up certain rights, including the right to do work unless it is for the common good, and authorized by the Board of Directors.

We can assure you that no one is attempting to "assert" any authority over you, your property, or your financial resources. Rather, our efforts, and those specifically of Mr. Booker, were for the sole purpose of protecting all homeowners.

In regard to the "no parking" lettering on the unit, that was approved and authorized by the Homeowners' Association because people had begun to park in this area, an area where parking is not allowed. Parking in that area interferes with the ingress and egress of those units in the proximity of that curb, including your own unit.

The Board invites you to its next meeting, which will be held on July 26, 2006, at 28 Spyglass Hill, beginning at 7:00 p.m. We would welcome you attending at that time to air your concerns, and have a discussion with the Board about any issues which you choose to raise at that time, either related to the previous incident, or any other business.

If you wish to attend on that date, please leave a note to that effect in the mailbox of 28 Spyglass Hill, Sandra J. Springs, and we will make sure that you are heard promptly at 7:00 p.m. before other business is conducted, so that you do not have to wait.

In regard to your comments regarding "due process," please be advised that Civil Code §1636(h) provides that when the Board of Directors is to meet to consider or impose discipline on a member, the Board shall notify the member in writing, by either personal delivery or First Class Mail, at least ten days prior to the meeting. We will be reviewing the damage to the wooden walkway, if any, over the next few weeks, and will advise you of the results.

Finally, if you believe that any member of the Association is in violation of the CC&Rs, then you can make a written complaint to our Board, and request a Rules Enforcement Hearing.

The Homeowners' Association has an informal dispute resolution process, and if you wish to invoke this, you may do so. That form was sent with last month's minutes.

July 20, 2006

Hiller Highlands Phase I Homeowners Association
57 Spyglass Hill
Oakland, California 94618

Re: 46 Spyglass Hill, Oakland

To Whom It May Concern:

I have received your letter of July 16, 2006. Aside from your responsive comments to my earlier communication, I take this as some notice of alleged "discipline on a member", purportedly based upon an assumption of authority under California Civil Code § 1636(h).

I appreciate your distancing yourself from the inappropriate conduct of other members of the association in earlier interactions with myself. However, aside from your praise of Fred Booker, his conduct and behavior in interacting with me simply do not rise to the level of "protecting all homeowners".

Simply stated, Booker asserted authority that was both unnecessary and without a reasonable or logical basis. Whatever other homeowners have or have not done with tile cutting, one can approach an issue with concern and respect. Booker did neither.

Although Mr. Booker is now praised for his dedicated and selfless service to the association, we must question the integrity of his representations as well as those of the Association.

When Booker harangued my workers, the foreman phoned me to advise me of Booker's complaints. In my conversations with Booker, he informed me that the unit owner below me was unable to have access for his "tenant" who occupies that unit during the owner's absence.

In fact, I was informed by my realtor at the close of escrow that the lower unit owner lived in India and was then currently in that country. Further, after utilizing the deck area for several days, we never saw one person enter that lower unit.

For you to create such a storm of controversy over the alleged blockage, curtailed access or any other assertion of presumed power against my utilization of this area, it was based simply on a falsehood.

That unit owner was in India at the time. I have gotten to know the unit owner and discovered that the unit is never rented. In fact, the access that Booker alleged was blocked was the access provided to a housecleaner for dusting the unit in the absence of the unit's owner.

One thing I have learned from my residency in the Phase 1 Hiller Highlands complex is not to trust the representation of anyone who speaks to me. Not only is Mulligan an ignorant lout, Booker simply, as a representative of this association, made material misrepresentations of fact in an effort to create a controversy and to force hostility against my person and my property.

Booker told me I:

“You should have asked permission of the Board before cutting in the common area.”

A simple matter of cutting tile in an area that was not utilized, not a thoroughfare and not a throughway to other members is simply preposterous. Booker’s own words, also:

“You should have cut in the driveway or some other area and not blocked this walkway.”

Your current position that I cannot use any area of the common area is simply wrong, demonstrates ignorance and lacks enforceability. The Board does not own the common areas.

May I suggest that you promulgate rules and apply those rules uniformly, after proper approvals.

When I signed my escrow documents it was clear that the HOA Phase 1 had no rules. To now create rules and apply them as you see fit not only creates a problem with enforceability but belies the true motive of this entire controversy. Simply stated, I will not bend to the will of a renegade board.

The Association’s discrimination in enforcing the alleged rules is evident given the activity I witnessed this morning. Today, July 19, 2006 at 9:30am an unmarked van of an apparently unlicensed vendor was tossing old carpet and pad onto the common area driveway from a third floor balcony. This is the second time I have witnessed this activity.

Certainly, old carpet and pad being thrown from the third floor is a hazard and nuisance which hinders the intended use of the common driveway. What action is the Association taking to address this issue? Further, debris from the carpet litters the common areas.

In regards to maintenance of the common area, there are burned out light bulbs in the light fixtures that light the common area around my unit. The effort and energy you spend harassing me would be better spent ensuring the safety and maintenance of the common area.

I suggest transparency and honesty in the communications by the board, the board members and the members of the association. Then, and only then, will I have any interest in further communication. I do not want to be disturbed during my occupancy with the actions of this dishonest forum.

Since I am not under the authority of Booker and I recognize no authority by this Board of Directors to "consider or impose discipline on a member." I see no need to meet and debate any issue at your July 26, 2006 meeting.

Frankly, I would like to live peacefully in a unit I purchased in good faith and invested significant funds in updating to modern standards. I have a right to quiet enjoyment. You have no right to deny this benefit of ownership.

Beware of any attempt to veil your agenda in asserting authority for rules that have never been offered. I read the CC&Rs as a condition of my purchase; I also understand that this association claims to have "no rules." I consider your assertion of arbitrary and unenforceable rules where none were disclosed as a material misrepresentation.

Now, after I close escrow and personally engaged two members of your association in hostile interactions, it seems disingenuous, inappropriate and ill timed to now allege some imposition of discipline. I will neither accept any assertion of authority nor entertain any further disputes.

This letter writing will end now.

In my earlier communications I asked a series of questions regarding the purported, alleged and asserted "damage". None of those issues have been addressed. If you seek a legal battle with me you have chosen the right person.

I suggest that your next set of communications be responsive to alleges of damage with the ability to prove any assertion of damage. Thereafter, be prepared to prove your allegations in the appropriate forum.

Very truly yours,


Kevin K. Dawson

**HILLER HIGHLANDS, PHASE I
Homeowners' Association**

July 31, 2006

Kevin K. Dawson
46 Spyglass Hill
Oakland, CA 94618

Dear Mr. Dawson:

Thank you for your July 20, 2006, letter. We are sorry that you made the decision not to meet with us personally.

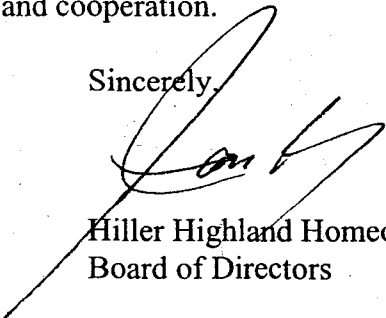
You are correct that you have a right to quiet enjoyment, but so do all Homeowners. We will respect your rights to the same degree that we respect all others.

If there has been any damage to the walkway of a permanent nature, we will inform you.

In the meantime, we welcome you to Hiller Highlands, appreciate your comments, insights and concerns, and look forward to your joining our community. In the meantime, if you should change your mind and wish to address the Board, the next meeting will be held August 30, 2006, at 7:00 p.m., at the home of Ken Pytlewski at 11 Spyglass Hill.

Thank you for your courtesies and cooperation.

Sincerely,



Hiller Highland Homeowners' Association,
Board of Directors

SJS:klg

ANN RANKIN
arankin@annrankin.com

TERRY WILKENS
twilkens@annrankin.com

EILEEN MCCAULEY
emccauley@annrankin.com

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TOLL FREE
TEL: (800) 354-4529

June 26, 2006

Hiller Highlands Phase I HOA
C/o Miriam Delay-Friant, President
57 Spyglass Hill
Oakland, CA 94618

Re: **Kevin Dawson Issues**

Dear Board Members:

Thank you for your letter of June 17 regarding your issues with Kevin Dawson. I have read the materials, and I offer the following advice:

It is unfortunate that Mr. Dawson has interpreted communications from the Association as some sort of racially based discrimination against him. In any communications with him, it is important to focus on the governing documents and on the rights and responsibilities of the Association and of the Members.

Your CC&Rs, Section 6.4, provides for a "Reimbursement Assessment." Section 6.4 provides, as pertinent: "The Board shall levy an assessment against any Owner whose failure to comply with this Declaration or the Rules of the Association results in monies being expended by the Association from the operating fund in performing its functions under this Declaration. Such assessments shall be for the purpose of reimbursing the Association, shall be limited to the amount so expended, and shall be due and payable to the Association when levied."

The subject of such disciplinary actions by the Association is also governed by Civil Code 1636(h), which provides as follows: "When the Board of Directors is to meet to consider or impose discipline upon a member, the board shall notify the member in writing, by either personal delivery or first-class mail, at least 10 days prior to the meeting. The notification shall contain, at a minimum, the date, time and place of the meeting, the nature of the alleged violation for which a member may be disciplined, and a statement that the member has a right to attend and may address the board at the meeting. The board of directors of the association shall meet in executive session if requested by the member being disciplined. If the board imposes discipline on the member, the board shall provide the member a written notification of the disciplinary action, by either personal delivery or first-class mail, within 15 days following the action. A disciplinary action shall not be effective against a member unless the board fulfills the requirements of this subdivision."

Conclusions:

1. Regarding possible damage to the Common Area, you need to obtain a written opinion from a contractor, and, if possible, photographs. If Mr. Dawson has caused damage, give him notice and an opportunity for a hearing, in accordance with Civil Code 1363(h). The hearing should reference the Section 6.4 of the CC&Rs, as well as the sections of the CC&Rs that Mr. Dawson allegedly violated, including Section 4.2.1.3. At the hearing, present evidence and witnesses. Allow him to question the witnesses. The board will then conclude the hearing and make its decision. Inform him of the decision, in writing, within 15 days.
2. Whether or not you impose a Reimbursement Assessment, I suggest that you also address his other complaints, such as the issue of the red painting of the curb and the issue of the alleged racial remarks. I don't have enough information about the curb-painting issue to shed any light on it. If an Owner who is not a board member did make racial remarks, the Association is not responsible for them unless the Association somehow ratifies them. Mr. Dawson may not understand this. If Mr. Dawson believes that another Owner is in violation of the CC&Rs, he can make a written complaint to the Board, and the Board can hold a rules enforcement hearing. You may want to invite him to an Informal Dispute Resolution Meeting ("IDR") for the purpose of listening to his complaints and trying to clear the air. If it would be helpful for me to attend any such IDR meeting, please let me know. Following the IDR meeting, you may wish to send Mr. Dawson a letter summarizing the Board's positions and disavowing any racially-based epithets or statements that were alleged by Mr. Dawson.
3. If you don't have written procedures for Members to ask the board to hold a hearing about another Member's alleged violation of the CC&Rs, you may want to adopt them.
4. I was surprised by the statement that the Association has no Rules and Regulations. You may want to implement some, as they are more flexible and easier to change than CC&Rs. Under Civil Code 1357.100 et seq. you must distribute new Operating Rules to the Members for a thirty-day comment period before you adopt them.

Board of Directors
Hiller Highlands I HOA
C/o Ms. Miriam Delay-Friant
June 26, 2006
Page 3

5. Of course, please make sure that you enforce the CC&Rs and all Rules in an even-handed manner. Discriminatory enforcement of CC&Rs is the most common cause of lawsuits against associations.

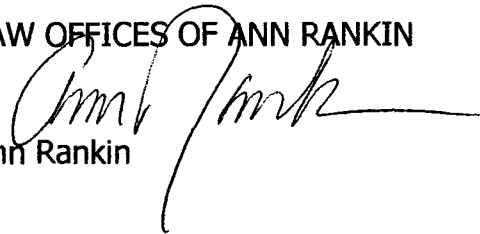
This concludes my comments. I hope this helps.

Please call, fax or email me any questions.

Very truly yours,

LAW OFFICES OF ANN RANKIN

Ann Rankin

A handwritten signature in black ink, appearing to read 'Ann Rankin', written over the typed name and extending to the right.

AR:gr

ANN RANKIN
arankin@annrankin.com

TERRY WILKENS
twilkens@annrankin.com

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FAX: (510) 653-8889

TOLL FREE

TEL: (800) 354-4529

February 12, 2007

CERTIFIED MAIL

Mr. Kevin K. Dawson
46 Spyglass Hill
Oakland, CA 94618

Re: 46 Spyglass Hill-Hiller Highlands I Association

Dear Homeowner:

This office represents Hiller Highlands I Association. We have been advised by the Association that you are delinquent in payment of certain assessments and resulting charges for the property referenced above. The total unpaid amount is as follows and detailed in Attachment 1 and Attachment 3:

2006 Delinquent Amount (Sept.-Dec.)	\$1,019.92
2007 Delinquent Amount (Jan.)	\$ 294.80
Collection Fees	\$ 100.00
TOTAL DUE BY DATE SHOWN BELOW:	\$1,414.72

IMPORTANT NOTICE:
IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE
BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE
SOLD WITHOUT COURT ACTION.

Your Homeowners' Association is obliged to act in the best interests of all Association members. This requires that the Association take timely action to collect past due accounts. **Please be advised that this office has been instructed to begin collection proceedings for your account unless *payment in full* of the "Total Amount Due" noted above is received by this office on or before 5:00 p.m. on March 14, 2007. If the payment is not received by this date, your account will be turned over to Allied Trustee Service.**

Other collection procedures will follow, possibly including the recording of a notice of default and a foreclosure sale of the unit. Each of these actions will result in substantial additional costs to you. These additional costs will become due and must be paid in order to release any lien and to avoid a non-judicial foreclosure of the property to enforce the lien. Please carefully review the enclosed Delinquent Assessment Collection Policy which details the Association's policies and procedures with respect to the collection of delinquent assessments.

No partial payments can be accepted and no other person or entity is authorized to accept payments due to the Association with respect to the Property until all amounts are paid. If it is determined that the Assessments were paid on time, you shall not be liable to pay the charges, interest, and costs of collection. You should direct all communications relating to this matter to my office.

If you have recently made payment on your account, we apologize for this letter. If you have questions regarding the balance due, or need further information, please contact my office at the address and phone number given on this letter. **YOUR PAYMENT MUST BE BY CASHIERS CHECK, CERTIFIED CHECK, OR MONEY ORDER, PAYABLE TO THE LAW OFFICES OF ANN RANKIN AND DELIVERED TO THE ADDRESS GIVEN ON THIS LETTER BY THE DEADLINE.**

Very truly yours,

LAW OFFICES OF ANN RANKIN

By: _____
Ann Rankin

FDCPA Notice

Pursuant to, and in compliance with, the Fair Debt Collection Act (15 USC §§1692-1692o) and the Rosenthal Fair Debt Collection Practices Act (CC §§1788-1788.32), the Trustee named in the Notice of Default provides the following notification:

We are attempting to collect a debt and any information we obtain will be used for that purpose.

The debt described in the Notice of Default is assumed to be valid unless the debtor disputes the validity of the debt within 30 days. If so disputed, the debt collector will obtain and furnish to the debtor the verification.

If a written request is made within 30 days by the debtor, the name of the original lender will be given if different than the current creditor. See 15 USC §1692g(a).

If the debtor notifies the debt collector within 30 days following receipt of the

foregoing notice that the debt is disputed in full or in part or the debtor requests the name and address of the creditor, the debt collector must cease collection of the debt (or the portion in dispute) until the collector obtains verification of the debt or a copy of a judgment or the name and address of the creditor (if requested) and the information has been supplied to the debtor. 15 USC §1692g(b).

The failure of a consumer to dispute the validity of a debt may not be construed by any court as an admission of liability by the consumer. 15 USC §1692g(c).

Enclosure: Association's Assessment Collection Policy
Fair Debt Collection Form
Assessment and Foreclosure Notice Form
Statement of Delinquent Charges

HILLER HIGHLANDS PHASE I HOMEOWNERS' ASSOCIATION

Delinquent Assessment Collection Policy Statement

1. Regular assessments are due, in advance, on the first (1st) day of each assessment period and delinquent if not received, in full, by the Association within fifteen (15) days after the due date thereof. Special and Special Individual assessments are due on the date(s) specified upon imposition and each installment thereof shall be delinquent if not received by the Association within fifteen (15) days after it is due. A late charge of ten dollars (\$10.00) or ten percent (10%) of the delinquent assessment, whichever is greater, shall be due on any such delinquent assessment.
2. At the option of the Association, interest shall be due on all such amounts, once due and unpaid for thirty (30) days, at the rate of twelve percent (12%) per annum.
3. If any portion of any such assessment or late charge remains unpaid thirty (30) days after the original due date thereof, a "Letter of Intent" to file a Notice of Delinquent Assessment ("Lien") will be prepared and sent to the record owner(s). Please be advised that the Association has the right to collect all reasonable costs of collection.
4. All such amounts, and all other assessments and related charges thereafter due to the Association until all such amounts are paid, must be paid in full and the Association shall not be required to accept any partial or installment payments from the "Letter of Intent" date to the time that all such amounts are paid in full.
5. If all such amounts have not been received sixty (60) days after the original due date thereof, a Lien will be prepared and recorded as to the delinquent property and the owner(s) thereof, and all resulting collection fees and costs will be added to the total delinquent amount.
6. If all such amounts have not been received, in full, within thirty (30) days after the recordation of such Lien, the Association may, without further advance notice, proceed to take any and all additional enforcement remedies as the Association, in its sole discretion, deems appropriate, including, without limitation, non-judicial foreclosure of such Lien, judicial foreclosure, or suit for money damages, all at the expense of the property owner(s).
7. All payments received by the Association, regardless of the amount paid, will be directed to the oldest assessment balances first, until which time all assessment balances are paid, and then to late charges, interest and costs of collection unless otherwise specified by written agreement.
8. The Association shall charge a "returned check charge" of twenty-five dollars (\$25.00) for all checks returned as "non-negotiable, "insufficient funds" or any other reason.
9. All above referenced notices will be mailed to the record owner(s) at the last mailing address provided in writing to the Association by such owner(s).
10. If the assessment is paid "under protest" the record owner(s) within thirty days of receiving a notice of delinquent assessment, must pay to the association (1) the amount of the assessments in dispute, (2) all late charges, (3) all interest and (4) all costs associated with the preparation and filing of the notice of delinquent assessment, including all mailing costs and including attorney fees not to exceed four hundred twenty five dollars (\$425.00). The owner must indicate in the payment transmittal that the payment is made "under protest."
11. No offsets of any nature shall be allowed against the assessments owed by an owner.
12. The Board of Directors of the Association may revise this policy, either generally or on a case-by-case basis, if it finds good cause to do so.

Date of Disclosure: 11/28/06

HILLER HIGHLANDS I ASSOCIATION


36 SPYGLASS HILL
OAKLAND, CA 94618

ATTACHMENT 1

Unit 46 Monthly Homeowner's Association Dues, HH1A Record of Payments for 2006

Cendant Mobility Check Date	HH1A Date Recorded	Check Number	Amount of Check	Dues Payment for the Month of
23-Dec-05	23-Dec-05	02098421	\$ 215.00	Jan-06
16-Jan-06	27-Jan-06	02106708	\$ 226.00	Feb-06
16-Jan-06	27-Jan-06	02106709	\$ 226.00	Mar-06
16-Jan-06	27-Jan-06	02106710	\$ 226.00	Apr-06
18-Jan-06	27-Jan-06	02107521	\$ 11.00	Balance for Jan-06
26-Jan-06	27-Jan-06	02111238	\$ 226.00	May-06
24-Feb-06	02-Mar-06	02122487	\$ 226.00	Jun-06
31-Mar-06	03-Apr-06	02135509	\$ 226.00	Jul-06
26-Apr-06	03-May-06	02144898	\$ 226.00	Aug-06, Cendant stopped payment on this check on 08-May-06. Cartus (formerly Cendant) has agreed as of 01/30/07 to re-issue a check for the dues for May-06 including late fee and interest charge.

The information presented above documents the monthly dues payments received for 46 Spyglass Hill in 2006 as recorded in the Operating Account ledger of Hiller Highlands Phase 1 Homeowner's Association.



Kenneth R. Pytlewski
Treasurer, 2006
President, 2007
Hiller Highlands, Phase 1, Homeowners Association
January 27, 2007

HILLER HIGHLANDS I ASSOCIATION

36 SPYGLASS HILL
OAKLAND, CA 94618

ATTACHMENT 3

46 Spyglass Hill Delinquent Dues Calculations, through January 31, 2007

Month (due on the 1st)	Monthly Dues, Unit 46	Late Fee @ 10% of Dues Amount	Dues + Late Fee	Days late, commencing 30 days after due date	Interest @ 12% per annum, per HH1A CC&R's	Subtotal
September 1, 2006	\$ 226.00	\$ 22.60	\$ 248.60	123	\$ 10.19	\$ 258.79
October 1, 2006	\$ 226.00	\$ 22.60	\$ 248.60	92	\$ 7.62	\$ 256.22
November 1, 2006	\$ 226.00	\$ 22.60	\$ 248.60	62	\$ 5.14	\$ 253.74
December 1, 2006	\$ 226.00	\$ 22.60	\$ 248.60	31	\$ 2.57	\$ 251.17
January 1, 2007	\$ 268.00	\$ 26.80	\$ 294.80	0	\$ -	\$ 294.80

2006 Delinquent Amount (Sept - Dec): \$ 1,019.92

2007 Delinquent Amount (Jan): \$ 294.80

Total Currently Due: \$ 1,314.72

LAW OFFICES OF ANN RANKIN
3911 Harrison Street
Oakland, CA 94611
Telephone (510) 653-8886

To: Homeowner(s)

**Re: NOTICE REQUIRED BY THE FAIR DEBT COLLECTION PRACTICES ACT
15 U.S.C. Section 1601, As Amended**

1. The estimated amount to reinstate your membership account must be requested. The most current amount to reinstate your membership is indicated in the attached letter.
2. The creditor is set forth in the enclosed letter and it is the creditor to whom the debt is owed.
3. The homeowner(s) may dispute the validity of this notice within 30 days. If the homeowner(s) does not dispute the delinquency within 30 days, then the same will be assumed valid by the creditor. If the homeowner(s) notifies the Law Offices of Ann Rankin in writing within 30 days from receipt of this notice, the Law Offices of Ann Rankin will obtain verification of the delinquency, and will mail a copy of the verification to the homeowner(s).
4. The law does not require me to wait until the end of the 30-day period before commencing legal action against you. However, if you request proof of the debt or any other information within the 30-day period that begins with your receipt of this notice, the law requires me to suspend my efforts (through legal action or otherwise) to collect the debt until I mail the requested information to you.
5. Written requests pursuant to this notice should be addressed to the above address.
6. This communication is for the purpose of collecting a debt, and any information obtained from the homeowner(s) will be used for that purpose. This notice is required by the provisions of the Fair Debt Collection Practices Act and does not imply that we are attempting to collect money from anyone who has discharged the debt under the Bankruptcy laws of the United States.

The state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or www.ftc.gov.

NOTICE

ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND NONJUDICIAL FORECLOSURE

The failure to pay association assessments may result in the loss of an owner's property without court action, often referred to as nonjudicial foreclosure. When using nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the lien is not paid. Assessments become delinquent 15 days after they are due, unless the governing documents of the association provide for a longer time. (Sections 1366 and 1367.1 of the Civil Code)

In a nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 1366 and 1367.1 of the Civil Code)

The association must comply with the requirements of Section 1367.1 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 1367.1 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail. Among these documents, the association must send a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 1367.1 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 1367.1 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, he or she may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Sections 1367.1 and 1367.1 of the Civil Code)

An owner may dispute an assessment debt by giving the board of the association a written explanation, and the board must respond within 15 days if certain conditions are met. An owner may pay assessments that are in dispute in full under protest, and then request alternative dispute resolution. (Sections 1366.3 and 1367.1 of the Civil Code)

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 1367.1 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 1367.1 of the Civil Code)

The board of the directors must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 1367.1 of the Civil Code)

----- Forwarded Message: -----
From: "Kevin Dawson" <kdawson@proadjuster.com>
To: <kpytlewski@comcast.net>
Subject: RE: Delinquent Dues for 46 Spyglass Hill
Date: Tue, 20 Feb 2007 16:31:40 +0000

I will pay the dues. I will not pay a late fee or interests on sums never billed or on fees where I was not informed the payment protocol. The amounts are wrong, as I was never billed or informed of the method and protocol for payments after I purchased. The prepayments in escrow were collected at closing.

In the unfriendly atmosphere shown me in my arrival, by Fred and other proxies of your association, there was never any notice by the Board of the fees, interest or penalties.

My entire experience with the unprofessional conduct of the Board's business has caused me to purchase a better place to live. Perhaps you can offer new owners some hospitality and advice of your protocols.

I have been threatened too many times by this Board. If you attempt to continue to harass me for any reason you will need to defend your conduct. I have spent a tremendous amount of money to purchase one and then a second residence due to the hostility of your Board and residents to my occupancy.

Perhaps you can finally tell me where the payments are to be sent and the payment schedule for dues. This may be tougher for your group to discern than the empty threats that I have received from you straw bosses.

It is truly a shame that you can retain a lawyer to act hostile to my interests but are unable to draft a letter simply informing a new owner of your procedures.

Thread very carefully as you cannot defend my claims.

KKDawson

**HILLER HIGHLANDS, PHASE ONE ASSOCIATION
STEVEN COBBLEDICK, TREASURER
35 SPYGLASS HILL, OAKLAND, CA 94618
TEL: 510-849-4658**

December 22, 2007

Mr. Kevin Dawson
PO Box 21358
Oakland, CA 94620

Dear Mr. Dawson,

As this year's Treasurer of the Hiller Highlands I Association, it is my duty to inform you that I have not received your dues payment again. Your monthly dues of \$268 for January through December (\$3216 total) have not been received. The monthly dues must be received by the 15th of each month. They are considered late after that date. Consequently, your dues for the entire **twelve** months of this year are now late.

In accordance with the CC&R's of this Association, a 10% late fee has been added to this amount. As of today, you owe the Association \$3537.60 (\$3216.00 + \$321.60) for your 2007 dues which go to pay for things like insurance, landscape maintenance and water use. The dues are to be dropped in the drop-box labeled "36" located immediately adjacent and to the south of the carport next to Unit #30 on the west side of Spy Glass Hill, or mailed to:

Hiller Highlands I Association
36 Spy Glass Hill
Oakland, CA 94618

The financial records of the Association indicate that dues for 2006 still remain unpaid. The board has obtained written confirmation that dues from September through December were due and payable by the property owner of the unit and were not included in the finances at the close of escrow. A copy of this letter can be provided upon request, or you can contact Kai at Cornerstone Title for verification.

The board has begun a nonjudicial foreclosure process to collect the overdue monthly assessments on the property.

Please be aware that the monthly dues are due on the 1st of each month, and are considered late after the 15th of the month. Dues that have not been paid by the 15th are considered delinquent and subject to the 10% late fee. At the option of the Association, interest shall be due on all such amounts, once due and unpaid for thirty (30) days, at the rate of twelve percent (12%) per annum.

I have included copies of the Phase 1 Monthly Assessment Allocation Table of homeowners' dues for both 2007 and next year, and the Delinquent Assessment Policy for Hiller Highlands Phase 1. If you have any questions regarding the Association's system of homeowner's dues, please feel free to call me at the telephone number provided in the letterhead.

Sincerely,

Steven Cobbledick, Treasurer
Hiller Highlands I Association

Kevin Dawson

From: fast@etitledocs.com on behalf of kjaeger@cornerstonetitleco.com
Sent: Tuesday, May 13, 2008 8:31 AM
To: kdawson@proadjuster.com
Cc: kjaeger@cornerstonetitleco.com
Subject: Final Statement for Spy Glass (Email Ref=549379738)



Closing Buyer.pdf
(32 KB)

File No.: 2087847A

Buyer: Kevin K. Dawson, trustee of the Kevin K. Dawson Family Trust U/D/D July 1, 2004

Seller: Cendant Mobility Financial Corp#1610677

Property Address: 46 Spy Glass Hill, Oakland, CA 94618

You can download Acrobat Reader at <http://www.adobe.com/products/acrobat/readstep2.html>

Kelly Jaeger
Escrow Assistant
Cornerstone Title Company
Phone: 925-750-1040
Fax: 866-262-5875

This message contains confidential information intended only for the use of the intended recipient(s) and may contain information that is privileged. If you are not the intended recipient, or the person responsible for delivering it to the intended recipient, you are hereby notified that reading, disseminating, distributing or copying this message is strictly prohibited.

If you have received this message by mistake, please immediately notify us by replying to the message and delete the original message immediately thereafter.

[Dispute a Charge/Check Dispute Status](#)

Due in Full Charges: 2,426.95
Flexible Charges: 0.00
Credits: -9.40
Payments: -1,854.18

*Indicates posting date

[PAY BILL](#)

[Select and Pay Option](#)

SUMMARY

Previous Balance \$	(-) Payment Activity \$	(+) New Activity \$ inc. Adjustments	New Balance \$
1,854.18	-1,854.18	2,417.55	2,417.55

[View Your Billing Statement](#)

Please Pay By 05/06/08 [PAY BILL](#)

[Select and Pay Option](#)

IMPORTANT MESSAGES

[See Your Statement Messages](#)

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November 10, 2008



Allied Trustee Services
WORKING TOGETHER TO IMPROVE YOUR COMMUNITY

HILLER HIGHLANDS I ASSOCIATION
36 SPYGLASS HILL
OAKLAND, CA 94618

ATTN: KEN PYTLEWSKI

T.S. No.: **08-10128**
Association: HILLER HIGHLANDS PHASE I HOA
Account No.: 048H-7585-003
Owner(s): KEVIN K. DAWSON, TRUSTEE OF THE KEVIN K. DAWSON FAMILY TRUST U/D/D
JULY 1, 2004
Property: 46 SPYGLASS HILL
OAKLAND, CA 94618

Please note the following item(s) checked below:

- "Pre-Lien" Notice (copy enclosed)
- Authorization to Record Notice of Delinquent Assessment
- Notice of Delinquent Assessment (copy enclosed)
- Authorization to Record Notice of Default
- Notice of Default recorded **04-09-2008** (copy enclosed)
- Authorization to Publish Notice of Trustee's Sale
- Trustee's Sale is scheduled for **01-09-2009** (copy enclosed)
- Bankruptcy Filed
- Small Claims Hearing is scheduled for **N/A**
- Authorization to File Small Claims Case
- Other: _____

Sincerely,

LISA HODGSON

RECORDING REQUESTED BY
FIRST AMERICAN TITLE (CONCORD)

AND WHEN RECORDED MAIL TO

ALLIED TRUSTEE SERVICES
3721 Douglas Blvd. , Suite 345
Roseville, CA 95661
(800) 220-5454

Trustee Sale No. - **08-10128**
Title Order No. - **3627268**

NOTICE OF TRUSTEE'S SALE

Space above this line for Recorder's use only

YOU ARE IN DEFAULT UNDER A NOTICE OF DELINQUENT ASSESSMENT DATED **02-27-2008**. UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE NATURE OF THE PROCEEDINGS AGAINST YOU, YOU SHOULD CONTACT A LAWYER.

On **01-09-2009** at **12:00 PM**, ALLIED TRUSTEE SERVICES (Trustee) under and pursuant to Notice of Delinquent Assessment, recorded **03-03-2008** as Instrument **2008079057** Book - - Page - - of Official Records in the Office of the Recorder of ALAMEDA County, CA, property owned by: **KEVIN K. DAWSON, TRUSTEE OF THE KEVIN K. DAWSON FAMILY TRUST U/D/D JULY 1, 2004**

WILL SELL AT PUBLIC AUCTION TO THE HIGHEST BIDDER FOR CASH, CASHIER'S CHECK/CASH EQUIVALENT or other form of payment authorized by 2924h(b), (payable at time of sale in lawful money of the United States) at: **THE STEPS TO THE COUNTY COURTHOUSE 1225 FALLON STREET OAKLAND CALIFORNIA**

all right, title and interest under said Notice of Delinquent Assessment in the property situated in said County, describing the land therein: **A.P.N.: 048H-7585-003**

The street address and other common designation, if any, of the real property described above is purported to be:

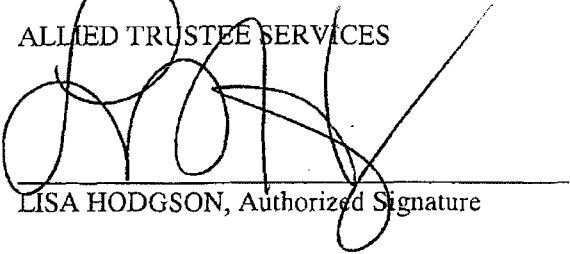
**46 SPYGLASS HILL
OAKLAND, CA 94618**

The undersigned Trustee disclaims any liability for any incorrectness of the street address and other common designation, if any, shown herein. Said sale will be made, but without covenant or warranty, expressed or implied, regarding title, possession, or encumbrances, to pay the remaining principal sum due under said Notice of Delinquent Assessment, with interest thereon, as provided in said notice, advances, if any, estimated fees, charges, and expenses of the Trustee. The estimated total amount of the unpaid balance at the time of the initial publication of the Notice of Sale is **\$11,945.13**. **PROPERTY WILL BE SOLD SUBJECT TO THE RIGHT OF REDEMPTION.**

The claimant, **HILLER HIGHLANDS PHASE I HOMEOWNERS' ASSOCIATION** under said Notice of Delinquent Assessment heretofore executed and delivered to the undersigned a written Declaration of Default and Demand for Sale, and a written Notice of Default and Election to Sell. The undersigned caused said Notice of Default and Election to Sell to be recorded in the county where the real property is located and more than three months have elapsed since such recordation.

DATE: November 10, 2008

ALLIED TRUSTEE SERVICES


LISA HODGSON, Authorized Signature

ALLIED TRUSTEE SERVICES MAY BE ACTING AS A DEBT COLLECTOR TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

FOR SALES INFORMATION, CALL (619)590-1221

ITEMIZED STATEMENT AS OF 12/08/2008

Date: 12/8/2008

T.S. Number: 08-10128

Account Number: 048H-7585-003

Association: HILLER HIGHLANDS PHASE I HOMEOWNERS' ASSOCIATION

Owner(s): KEVIN K. DAWSON, TRUSTEE OF THE KEVIN K. DAWSON FAMILY TRUST U/D/D JULY 1, 2004

Property Address: 46 SPYGLASS HILL
OAKLAND, CA 94618

ASSOCIATION ASSESSMENTS, LATE CHARGES, INTEREST AND COSTS OF COLLECTION

	DESCRIPTION	AMOUNT	FROM	THRU	RATE	TOTAL
4	Monthly Delinquent Assessments @	\$226.00	09/01/2006	12/31/2006	12.00%	\$904.00
12	Monthly Delinquent Assessments @	\$268.00	01/01/2007	12/31/2007	12.00%	\$3,216.00
12	Monthly Delinquent Assessments @	\$280.00	01/01/2008	12/08/2008	12.00%	\$3,360.00
4	Late Charges @	\$22.60	09/01/2006	12/31/2006		\$90.40
12	Late Charges @	\$26.80	01/01/2007	12/31/2007		\$321.60
11	Late Charges @	\$28.00	01/01/2008	12/08/2008		\$308.00

Interest on Assessments from 10/01/2006 to 12/08/2008 \$1,017.31

COSTS OF COLLECTION AND ADVANCES

	DESCRIPTION	AMOUNT	FROM	THRU	RATE	TOTAL
1	COLLECTION COST	\$100.00	02/12/2007	02/12/2007	0.00%	\$100.00
1	INTEREST ADJUSTMENT	\$17.98	12/01/2006	12/01/2006	0.00%	\$17.98
1	PAYMENT OF PRE-LIEN FEE BY ASSOCIATION	\$225.00	01/11/2008	01/11/2008	0.00%	\$225.00

Interest on Advances thru 12/08/2008 \$0.00

Total due Association as of 12/08/2008: \$9,560.29

TRUSTEE'S FEES, COSTS, AND EXPENSES

DESCRIPTION	TOTAL
PRE-LIEN FEE PAID BY ASSOCIATION	\$-225.00
PRE-LIEN FEE	\$225.00
VESTING VERIFICATION	\$35.00
CERTIFIED - PRE-LIEN	\$17.91
NODA FEE	\$325.00
RECORDING - NOTICE OF DELINQUENT ASSESSMENT	\$11.00
CERTIFIED - NODA	\$17.91
TRUSTEE FEE	\$425.00
TRUSTEE SALE GUARANTEE	\$290.00
RECORDING - NOTICE OF DEFAULT	\$14.00
RECORDING - NOTICE OF RESCISSION	\$15.00
TEN DAY MAILING	\$23.88
ONE MONTH MAILING	\$11.94
PUBLICATION NTS	\$600.00
POSTING NTS	\$120.00
RECORDING - NOTICE OF TRUSTEE'S SALE	\$14.00
CERTIFIED MAIL - NOS	\$72.00
NOTICE OF SALE MAILING	\$42.28
Total due Trustee for Fees and Costs:	\$2,034.92

Total required to reinstate as of: 12/08/2008	\$11,595.21
--	--------------------

HILLER HIGHLANDS I ASSOCIATION
FAX -



Allied Trustee Services
WORKING TOGETHER TO IMPROVE YOUR COMMUNITY

November 19, 2008

HILLER HIGHLANDS I ASSOCIATION
36 SPYGLASS HILL
OAKLAND CA 94618
ATTN: KEN PYTLEWSKI

T.S. No.: **08-10128**
Association: HILLER HIGHLANDS PHASE I HOA
Account No.: 048H-7585-003
Owner(s): KEVIN K. DAWSON, TRUSTEE OF THE KEVIN K. DAWSON FAMILY TRUST U/D/D
JULY 1, 2004
Property: 46 SPYGLASS HILL
OAKLAND, CA 94618

Allied Trustee Services (ATS) has scheduled a Trustee's Sale for **01-09-2009 at 12:00 PM** on the above-referenced property. In an effort to provide the Association with information in making a determination on how to proceed with the Trustee's Sale, ATS provides the following information for your review.

Data provided is obtained from third party sources and ATS cannot guarantee the accuracy of such information.

Senior Encumbrances	DEED OF TRUST TO SECURE AN ORIGINAL INDEBTEDNESS OF \$311,430.00
Senior Foreclosure Activity	Senior NOD recorded N/A Senior SALE scheduled N/A
Property Tax Information	TAXES FOR THE FISCAL YEAR 2007-2008, FIRST INSTALLMENT: \$3,576.16, DELINQUENT. PENALTY: \$357.61. SECOND INSTALLMENT: \$3,576.16 OPEN.
Estimated HOA Opening Bid	\$11,945.13
Comparable Sales	\$310,000
Estimated Equity	-\$20,900
Owner Contact	None

ATS is prepared to conduct the Trustee's Sale as scheduled barring payment in full, an approved payment plan/extension or bankruptcy filing. Should the Association wish to postpone or cancel the Trustee's Sale, please contact our office immediately by calling (800) 220-5454 - Option 6 or by faxing your instructions to (877) 294-0601. Please note that a delay in the scheduled sale that is not due to mutual agreement or an automatic stay due to bankruptcy, may result in the Association being responsible for ATS's fees and costs.

If ATS does not receive instructions to postpone or cancel the sale prior to the scheduled sale date, we will assume your approval and proceed with the Trustee's Sale. If you have any questions, please contact our office immediately.

Sincerely,
LORETTA ECHOLS

November 30, 2008

Trish Swift, President
Hiller Highlands I Homeowners
Association Board of Directors

Via FedEx and Hand Delivery

Re:

Dear Ms. Swift:

On Thanksgiving Day, November 26, 2008, I was contacted by my tenant, at 46 Spyglass Hill, who frantically called several times disturbing my peace of mind, as well as hers.

The calls emanated from a posting on her occupied unit claiming that a trustee's sale was scheduled for January 9, 2009.

First and foremost, you know that I do not live in that unit; secondly, you know that on the morning of a national holiday it would be inappropriate to serve such a notice on a tenant-occupied space; third, you agreed, through the words of your attorney Ann Rankin, to serve any future notices to me at my business address:

2200 Powell Street, Suite 840, Emeryville, California 94608

I consider the actions by the board hostile and repugnant to my interests. The repudiation of whatever minimal agreement reached in May 2008, regarding smooth and effective communications, was clearly violated by this nakedly hostile action.

From the commencement of my ownership, to this day, this board has been hostile to my property interests. The issue is not the amount of fees or the timeliness of the payments. I have stated repeatedly, from February 2007 through May 2008 that an accurate accounting of the properly charged fees must occur, for my unit, before I would make payments.

I have reviewed my records. In February 2007 the then treasurer, later appointed president of the association, threatened foreclosure for fees of approximately \$1,000.00. In my response, a copy was sent to Ms. Rankin, I stated that I was never properly informed how to make payments or to whom to make payments and sought an accurate and honest accounting of fees from the association. That has never occurred.

I have offered to meet with any responsible party representing the association so that my evidence of the duplicitous charges and double billing could be observed. That has never occurred.

Ann Rankin offered to review my evidence, with written explanations, but is not an accountant. The board has a fiduciary duty to all association members and unit owners to handle these funds in trust and must submit to a scrutiny of their accounting practices.

I have evidence that the then treasurer (later president) in fact collected fees redundantly, failing to give my unit account credit for those collections; and, based on this deceptive accounting practice and my refusal to honor this fraud, now seeks to effect a legal confiscation of my property based on this improper and fraudulent accounting.

My patience with this association has ended. I want to know, immediately, who on this board participated in the decision to go forward with a foreclosure action against my property without giving me a fair opportunity to be heard or an accounting of this improper fee collection action.

I want the names of those involved individuals, so my planned litigation will properly name those responsible as defendants in my action, against the board and its individual members.

There is no insurance coverage to defend the contemplated litigation that I will file, charging fraud by the board and its members, against my interests. Be certain that the improper and fraudulent accounting will be exposed and any effort to steal monies from me, even a dollar, will be defeated.

I demand an immediate cancellation and suspension of any scheduled sale and proper notice of the board's recession of this action.

I demand that you provide me with proof of service of said trustee's sale, as well as proof of service of said amounts that are sought to be collected in the January 2009 trustee sale. You will find that there is no such proof of service, because the board and its members have intentionally evaded properly serving me in an effort to fraudulently confiscate my property.

You should know better. In case you do not know who I am you will certainly learn. I have three properties in the 94618 areas above Highway 13; the Spyglass unit is the least valuable, as is each property of other members of your association. This dispute is not over solvency, but the renegade and fraudulent business practices of association members, now ratified by your association and failure at dispute resolution.

I gave you every opportunity to properly meet with me to adjudicate this civil dispute. Neither you nor the board saw fit to meet and confer with me on these disputes. Now, I demand that sale be canceled, an appropriate person be appointed to have the power to accept a proper accounting of monies due for my association fees and, consequently, leave me and my tenant at peace.

Be sure you want my money and be very sure you want to take my property. The incumbent risk is upon you, as president of this board and the collaborating board members. This fraud will be addressed in a separate forum if not immediately resolved.

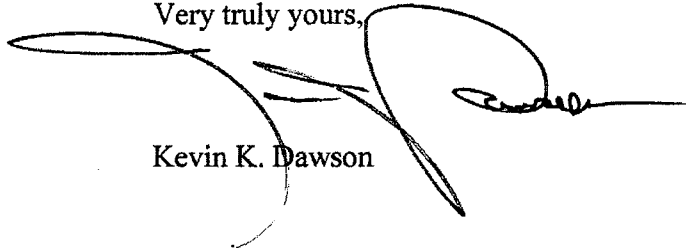
I fear not your board or these improper and illegal collection actions.

Ms. Rankin seems to be the only sensible person associated with your organization, yet she does not have the authority to adjudicate the dispute; my mistake was buying into a community of hostile neighbors who have a false sense of authority or prosperity. Kind of like a trailer park.

I expect and demand a fair adjudication of any dispute I have with this board and association within five days of this letter. Or, I will move forward with litigation against this board including a demand for damages for slander of title; for the improper, fraudulent and erroneous assessment of monies against my unit; the interference by this board with my tenant relationship that has caused damage; and any subsequent collateral damage will also be sought against your individual participating members and organization.

In five days I expect an adjudication or litigation will commence thereafter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Kevin K. Dawson', with a long horizontal flourish extending to the right.

Kevin K. Dawson



December 30, 2008

HILLER HIGHLANDS I ASSOCIATION
36 SPYGLASS HILL
OAKLAND, CA 94618

Account #: 048H-7585-003

T.S. Number: 08-10128

Association: HILLER HIGHLANDS PHASE I HOMEOWNERS' ASSOCIATION

Owner(s): KEVIN K DAWSON, TRUSTEE

Property Address: 46 SPYGLASS HILL
OAKLAND, CA 94618

Status Report

ASSOCIATION ASSESSMENTS, LATE CHARGES, INTEREST AND COSTS OF COLLECTION

	DESCRIPTION	AMOUNT	FROM	THRU	RATE	TOTAL
4	Delinquent Assessments @	\$226.00	09/01/2006	12/31/2006	12.00%	\$904.00
12	Delinquent Assessments @	\$268.00	01/01/2007	12/31/2007	12.00%	\$3,216.00
12	Delinquent Assessments @	\$280.00	01/01/2008	12/23/2008	12.00%	\$3,360.00
4	Late Charges @	\$22.60	09/01/2006	12/31/2006		\$90.40
12	Late Charges @	\$26.80	01/01/2007	12/31/2007		\$321.60
12	Late Charges @	\$28.00	01/01/2008	12/23/2008		\$336.00

Interest on Assessments from 10/01/2006 to 12/23/2008 \$1,056.31

ADVANCES INFORMATION

	DESCRIPTION	AMOUNT	FROM	THRU	RATE	TOTAL
1	COLLECTION COST	\$100.00	02/12/2007	02/12/2007	0.00%	\$100.00
1	INTEREST ADJUSTMENT	\$17.98	12/01/2006	12/01/2006	0.00%	\$17.98
1	PAYMENT OF PRE-LIEN FEE BY ASSOCIATION	\$225.00	01/11/2008	01/11/2008	0.00%	\$225.00
1	PAYMENT BY HOMEOWNER	\$-9,900.29	12/23/2008	12/23/2008	0.00%	\$-9,900.29

Interest on Advances thru 12/23/2008 \$0.00

Total due Association as of : 12/23/2008 \$-273.00

Comments:

Please apply overage toward homeowners account. Account closed, thank you.

45343

ALLIED TRUSTEE SERVICES

TRUST ACCOUNT
3721 DOUGLAS BLVD., SUITE 345
ROSEVILLE, CA 95661
916-960-0600

WESTAMERICA BANK
POINT WEST OFFICE
1610 ARDEN WAY, SUITE 199
SACRAMENTO, CA 95815
90-4021-1211

12/30/2008

PAY TO THE ORDER OF Hiller Highlands I Association

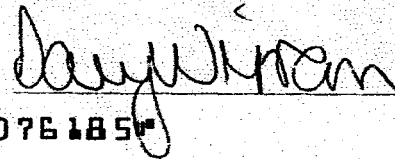
\$ **9,900.29

Nine Thousand Nine Hundred and 29/100*****

DOLLARS

Hiller Highlands I Association
36 Spyglass Hill
Oakland, CA 94618

MEMO 048H-7585-003



⑈045343⑈ ⑆121140218⑆ 0601076185⑈

ALLIED TRUSTEE SERVICES TRUST ACCOUNT
Hiller Highlands I Association

08-10128


12/30/2008

45343

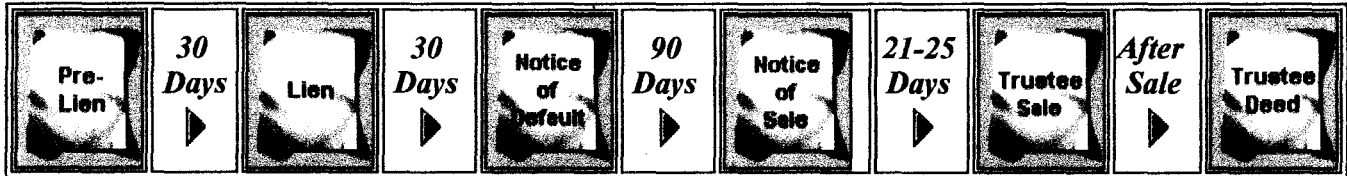
9,900.29

Client Trust Account 048H-7585-003

9,900.29

	<p><i>Assessment Lien Non-Judicial Foreclosure</i></p>
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The following is a flow chart which represents, in summary form, the assessment lien and non-judicial foreclosure process. The "pre-lien" notice is required pursuant to Civil Code Section 1367.1(a). This Code Section also requires that the minimum time period between the mailing of the "pre-lien" notice to the member and the recordation of a Notice of Delinquent Assessment ("Lien") is 30 days. Civil Code Section 1367.1(g) requires a minimum time period of 30 days between the recording of a Lien and the recording of a "Notice of Default" which begins the non-judicial foreclosure process. The minimum time period for the non-judicial foreclosure process is three months plus three weeks for publication as set forth in Civil Code Section 2924.



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Pre-Lien Notice




With the passage of Assembly Bill 1317 in 1996, a pre-lien notice is required to be sent to a member who is delinquent in the payment of membership assessments.

This notice must include an itemized statement of the assessments, late charges and collection costs charged to the member's account, describe the procedures used by the association to collect delinquent assessments and certain prescribed disclosures. The pre-lien notice must be mailed, by certified mail, to all owners at their last known address and before the recording of a Notice of Delinquent Assessment. With the passage of Assembly Bill 2289 in 2002, the minimum time period between the mailing of the "pre-lien" notice to the member and the recordation of a Notice of Delinquent Assessment ("Lien") is 30 days.

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Notice of Delinquent Assessment



The Notice of Delinquent Assessment, when recorded, creates a "Lien" on a property. This Lien represents a claim against the real property of the delinquent member. In addition to any requirements specified in the association's CC&Rs, the Notice of Delinquent Assessment must include the legal description of the subject property, a detail of the assessments, late charges, interest and costs of collection, the names of all of the record owners and, if the Lien is to be enforced by non-judicial foreclosure, the name and address and the appointed trustee. A copy of the Lien must be sent, by regular first class and certified mail, to the owners of the property to their last known address. This mailing must occur no later than 10 days from the recording of the Lien. An affidavit or declaration of mailing must be completed and maintained in association files to evidence compliance with this mailing requirement.

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Notice of Default


 After the expiration of 30 days from the recording of the Notice of Delinquent Assessment and, absent receipt of payment of all amounts owed to the association, Allied will prepare a Notice of Default and Election to Sell. The official beginning of the "Trustee's Sale Proceeding" (non-judicial foreclosure) occurs when the Notice of Default is recorded by Allied at the county recorder's office.

There are several parties entitled to receive a copy of the Notice of Default. Allied will mail a copy of the notice within ten days after recording to the record owners and all persons who have recorded a "Request for Notice". Further, Allied will send notice to other parties having an interest in the property within thirty days as required by law.

At the time Allied records the Notice of Default, a "Trustee's Sale Guarantee" (TSG) is purchased from a title company. The TSG is a type of insurance policy which provides the trustee with certain information that is needed to properly conduct a non-judicial foreclosure and insures the homeowners association and Allied in the event the information is incorrect or incomplete.

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Notice of Sale




When the delinquency is not cured within three months from the recording of a Notice of Default and, after receiving authorization from the association, Allied will prepare the Notice of Trustee's Sale. This notice includes, among other information, a description of the property, an estimate of the amounts owed to the association (the "opening bid") and the time, date and place of the sale of the property. The Notice of Sale is then sent to a legal newspaper to publish the notice once each week for three consecutive weeks, the first publication to occur at least 20 days before the conduct of the sale. The Notice of Sale is recorded, posted on the property and in at least one public place where the sale is to take place. The parties who were mailed a copy of the Notice of Default will now be additionally sent a copy of the Notice of Sale. Any taxing agencies entitled to receive notice will also be provided with the same.

The trustee will also prepare an Affidavit of Non-Military Status for signature by the association or management agent. The affidavit is a sworn statement that, to the best of the association's knowledge, the subject property owners are not in active military service. This signed affidavit is required before the sale because of certain protections granted to military personnel by the Soldier's and Sailor's Civil Relief Act of 1940. There are extremely few situations when a property owner claims protection under the act.

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Trustee's Sale



The date of the Trustee's Sale was decided upon at the time the Notice of Trustee's Sale was prepared. It usually falls within 21-25 days after the end of the Pre-Publication Period, depending upon whether or not there are federal tax lien notification requirements. The exact date is also influenced by the location of the Trustee's Sale and by the frequency of publication of the newspaper which Allied is required to use.

The sale is a public auction sale and is open to all bidders. Bids are made orally and each person wishing to bid must first show the auctioneer the amount and form of money which he/she intends to use in the event that he/she is the successful bidder. Only cash equivalents, such as cash, cashier's checks, etc. are permitted. Personal checks are not acceptable. The total amount must be paid by the highest bidder prior to the acceptance of the final bid. The association who is foreclosing doesn't need any money unless it wishes to bid more than the total debt, including trustee fees and costs. If the association wishes to bid more, it must also have enough money to pay the difference between the amount of its debt and the final bid. The sale is completed when the highest bid has been received and the auctioneer accepts that bid.

POSTPONEMENT

There are various reasons why a Trustee's Sale may

be postponed. A bankruptcy, association authorized payment program or legal proceeding may prevent us from holding the sale on the scheduled date. The association and the homeowner may jointly request any number of postponements. However, there is a limit of three postponements by the association or trustee, alone. State law requires publication of a new Notice of Sale when there are more than three postponements by the association or trustee. Each postponement must be made to a definite future date. Once the date has been announced, the sale cannot be held prior to that date.

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Trustee's Deed Upon Sale



A Trustee's Deed Upon Sale will be prepared after the sale has been completed. The Deed is executed by Allied and sent to the recorder's office. After recording, it is forwarded to the purchaser at the Trustee's Sale.

Unlike other types of foreclosure sales, there is no right of redemption after a Trustee's Sale and the purchaser is entitled to immediate possession. The one exception is the right of the federal government to redeem within 120 days if a federal tax lien affects the property.

No policy of title insurance is given to the party who becomes the owner at the Trustee's Sale. Normally, title insurance becomes involved when the property is subsequently sold or refinanced. Associations have found that it is nearly impossible to sell properties which they have foreclosed upon and taken title to because title insurance could not be obtained by subsequent purchasers without the association conducting a "quiet" title action. A "quiet" title action is a judicial proceeding where a court is petitioned to "quiet" any claims from the previous property owner(s) who lost the subject property. If successful, insurable title will result. Many title companies will now provide, with some qualifying conditions, insurable title after assessment lien trustee's sales to purchasers of association