

APTOS KNOLL MOBILE HOME PARK

**600 Trout Gulch Road
Aptos, California 95003
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APTOS KNOLL MOBILEHOME PARK
A Resident-Owned Senior Mobilehome Park
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Facts and Information Important to Prospective Buyers

INTRODUCTION:

Aptos Knoll Mobilehome Park is a resident-owned senior mobile home park owned by Aptos Knoll Mobilehome Owners Association (AKMOA). AKMOA is incorporated under California law as a non-profit mutual benefit corporation, with 74 members. Park government is by a seven-member Board of Directors. The Board manages park operation in accordance with AKMOA's Bylaws, Rules and Regulations and Occupancy Agreement. The monthly Board meeting is open to all residents, and the annual meeting of the membership with elections is held in January of each year.

Note: the term "resident-owned" is a common industry-wide term meaning that the park is not owned by a private investor but rather by an organization of the residents themselves. In Aptos Knoll, legally each homeowner is a member-owner who rents a space from AKMOA, the nonprofit corporation which owns the land.

MEMBERSHIP IN AKMOA:

In addition to owning your mobile home, you own a membership in AKMOA. That means you have the right to enjoy all the facilities and all the common areas. By historical practice, you have the use and assumed maintenance of your patio, driveway, fences between your property and neighbors, and the landscape areas around your home mentioned in the Rules and Regulations.

REAL PROPERTY AND FACILITIES:

The Park is situated on a knoll surrounded by redwood groves in the community of Aptos, California. In addition to common areas of landscaping, grassy areas, streets and walks, there is a clubhouse with a large meeting room, library, office, kitchen, game room and restrooms. A pool and hot tub are adjacent to the clubhouse. Water is supplied through contract with Soquel Water District and weekly garbage pickup is done by GreenWaste. These expenses are included in residents' monthly fees. Electricity, gas, and communication service (phone, internet, TV) are separately arranged and paid for by individual homeowners.

SENIOR STATUS:

Aptos Knoll was planned as a senior adult community from the very beginning. When the residents incorporated AKMOA in 1998, the intention was to purchase and manage the park

with continuation of senior adult status. AKMOA's Bylaws and other official documents maintain that status *in perpetuity*. The primary resident-member must be at least 55 years of age, with an optional second resident at least 45 years of age. No more than two persons may reside in each home. If the primary resident-member dies, leaving a membership to the second resident who is at least 45 years of age, that resident-member may remain until his/her death, or until vacating the home. If, upon the death of the senior-adult resident-member, the heirs or assigns of the estate do not satisfy the senior adult age requirement, the share membership and the home must be sold to a fully qualified member. The Bylaws mandate owner occupancy, so rental and/or absentee ownership of homes are prohibited under any circumstance.

PROCEDURE FOR PURCHASE/SALE:

Approval by the Board of Directors is required to become a resident-member of Aptos Knoll. An application form and financial package available from AKMOA shall be completed and returned for consideration as soon as possible. The Board of Directors will review the application as quickly as possible so that notice of approval or denial can be communicated promptly to the applicant and/or his agent, as directed. Homes in the Park are owned by each resident-member and negotiation for purchase is made directly with the owner. A membership in the Corporation is a requirement for ownership/residence in the Park.

FINANCIAL INFORMATION:

In February 2005, Aptos Knoll Park was purchased by the residents organized under the name Aptos Knoll Mobilehome Owners Association, Inc. (AKMOA), a non-profit mutual benefit corporation. AKMOA paid a significant down payment and borrowed the remainder. The current commercial mortgage is financed locally by Santa Cruz County Bank.

MONTHLY MEMBERSHIP FEE:

The Membership Fee includes each resident's portion of the Park's mortgage obligation. It also includes, but is not necessarily limited to, AKMOA's costs for water, trash/recycle/green waste collection, maintenance of the sewer system and water system, all common areas (including streets, pool, hot tub, clubhouse, buildings, retaining walls, etc.), licenses, insurance and other business expenses necessary for Park operation.

PROPERTY TAXES:

AKMOA's property taxes on Park real estate and common improvements are billed to each resident monthly, in addition to the Membership Fee. The proportionate obligation for taxes of each member is based on the purchase price of each home, as mandated by Santa Cruz County. Please refer to the detailed sheet in the Application Package, "Aptos Knoll Mobilehome Park Property Tax Determination" for more information on how property taxes are calculated. If you own a newer home, you will also pay a separate Personal Property Tax directly to the County of Santa Cruz. Owners of older homes pay a separate fee to the CA Department of Housing and Community Development.

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Membership Purchase Procedures

When Seller puts property up for sale he/she notifies the Park Office Administrator of potential sale of their home. The Park Office Administrator is Judy Keenan at (831) 688-4422. She, in turn, will give the seller and/or agent, an information package that informs all parties of procedures to buy into the Park.

When the seller or his/her agent has a prospective buyer, they will need to contact the Park Administrator who will then provide an application/financial package, along with specific instructions to complete the package, in order to obtain eligibility to prospective buyer in a timely manner. The buyer will be notified, as soon as possible, of confirmation or denial. If confirmed a meeting will be set up with of the Board of Directors to meet with buyer for approval into the Park.

The Buyer mails (or delivers by hand) completed application package to AKMOA Office Administrator, 600 Trout Gulch Road, Aptos, CA 95003. Buyer must also provide copies of the following documents for each applicant:

- Driver's License (copy)
- Current DMV report
- Current Credit report (<https://www.ftc.gov/faq/consumer-protection/get-my-free-credit-report>)
- Past 2 months statements for all bank accounts & investment funds
- Proof of income (i.e., Social Security Award letter, pay stubs)

If Buyer has a pet, they must provide a current veterinarian record showing that all immunizations are current, along with the weight of the pet. Only veterinary records 6 months old or less will be accepted.

Three personal references are required for each applicant. Please fill out the top part of the reference letters and mail to references asking them to mail the completed form back to Park Management as soon as possible.

At close of escrow, we ask for a voluntary contribution of \$3000 to our Maintenance Reserve Fund to maintain the high quality and attractiveness of the Park.

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Minimum Income Standards for Membership in AKMOA

Those interested in membership in AKMOA must provide evidence of household income for the past two years.

To meet the threshold income requirements for AKMOA membership, interested persons must provide to Aptos Knoll Management evidence of income as follows: "Income equal to or exceeding 50% of the median income for Santa Cruz County."

Income statistics for the County are published by the Department of Housing and Community Development. Effective April 15, 2019, 50% of the County's median income is **\$42,950 (for a one person household)**. For a **two person household**, 50% of the median income is **\$49,110**.

This may be earned income or income from investments (e.g., brokerage or bank accounts, rental income, income from a family trust). It also may be a combination of these income types.

Employee pay stubs, pension stubs etc. for this 2-year period will provide sufficient proof of income.

Interested persons who meet these basic income standards may be denied membership in AKMOA by its Board for other legitimate reasons. Meeting these basic standards does not guarantee membership in AKMOA to the interested person.

Those who do not meet these minimum income standards will not qualify for membership in AKMOA, and should not apply.

<https://www.hacosantacruz.org/wp-content/uploads/2019/04/Federal-Income-Limits-2019-SC.pdf>

and

<http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf>