



Thank you for attending the first Rosedale Community Update Meeting.

Following is the discussion agenda and verbal responses – October 28, 2010.

A. LET'S MEET: WHO'S IN CHARGE AND WHAT'S THE PLAN?

Who is involved in this new partnership?

It is a new company formed between Brookfield Homes, Starwood and Christopher Development Group called Rosedale Land Partners. This new venture was formed shortly after we gained control of the property from US Bank.

What is different about this venture than the last?

The addition of another developer with strong experiences and capabilities plus additional financial support alongside a developer with the knowledge and experiences of this place, its challenges, and opportunities is a stronger partnership moving forward.

Will the partners build homes or just develop and sell lots?

Each of the partners will have the right to develop homebuilder lots within Rosedale and each has current plans to proceed with building new home neighborhoods here in the near future.

B. THE STATUS OF THE MASTER COMMUNITY AMENITIES

What is the timing for the Community Recreation Center/Clubhouse?

We understand the community's desire to open the recreation center/clubhouse as soon as possible – which is also the desire of Rosedale Land Partners. However, there are many issues that need to be understood and resolved prior to the completion and opening of the Community Center/Clubhouse and adjacent Public Park.

The community currently has approximately 122 occupied homes with a combined 146 homes subject to assessments. The estimated costs to maintain operations of the completed facility are \$25,000 - \$35,000 per month. The original plan had the opening at the 224th home occupancy. With several new neighborhoods opening in the next six months, occupancies would likely meet the budget goal by around the end of 2011. However, given the circumstances and demand, the partnership has agreed to bring the clubhouse completion forward and intend upon having it ready for occupancy by the end of summer, 2011. In addition, the partnership will be continuing to evaluate ways to defray or reduce operating costs while completing the center for the enjoyment of the residents prior to that date.

A comment was made regarding the seemingly high cost of maintenance and an action item was created that the HOA maintenance budget for the recreation center would be posted for resident review. The resident sentiment that improvement dollars to the community would be most valued in regards to the clubhouse facility completion were noted. Furthermore, it was confirmed that the current HOA dues payments do not include any payment toward the Community Recreation Center.

Are all the proposed amenities within the Clubhouse going to stay the same?

There is no change to the proposed Community Recreation Center/Clubhouse amenities.

Who will have access to it?

All residents within Rosedale will have access to the private recreation center/clubhouse. The public park adjacent to the recreation center as well as the many parks throughout the community will be for resident and public access enjoyment.

When will the other parks be completed?

The parks have each been phased according to the development schedule of the surrounding neighborhood occupancies. For instance, when the first few phases of homes are delivered within a neighborhood, the parks within that area will be completed and turned over to the city of Azusa to maintain for the benefit of all. Maintenance of the parks is paid by some of the CFD assessments included in your property taxes. The only exception will be that the park immediately adjacent to the Recreation Center will be maintained by the HOA.

What about completing the park adjacent to the Clubhouse sooner?

This was an excellent idea brought up by one of the homeowners and one that the partnership will explore and report on at our next Community Update Meeting.

What about the fire station and its completion schedule?

The fire station is to be completed prior to May, 2015.

C. THE STATUS OF THE OTHER AMENITIES

What is the latest with the school?

As you may or may not know, there is a school agreement in place between Azusa Unified School District and the Rosedale community. This particular agreement calls for a number of things to happen; classroom improvements to Dalton Elementary, the construction of a 600 student school when student generation calls for it, and the payment of fees for the High School students who attend AUSD. At present, there are a number of conditions that make the construction timing of the school a little challenging to answer.

First, the site that the school is to be built on must comply with state approvals for suitability. There are still unresolved issues regarding the existence of a disputed old earthquake fault on the current school site and its impact on the school location. Second, the school student attendance rate must trigger the need for a school to be built. If not triggered, it remains in question whether a school is required and therefore would need to be built. School attendance programs offered by adjoining districts (Glendora being the main one) have given residents in Rosedale the option of sending their children to adjoining schools under the State School District of Choice program. Discussions between Rosedale Land Partners and the AUSD have commenced but are still at an early stage to conclude definitive direction on the school agreement. The show of hands from residents indicated that there were no children currently enrolled within AUSD.

If there is a new school, when will it be built?

The requirement for it to be operational is six months after the 460th student is generated from the Rosedale community.

If there is not a new school, what will happen to the land?

There would be a number of options to consider including a public library, parks or other community amenities. It would probably become a public facility for the benefit of the greater community.

Is there any new information on the transit station?

The transit station will likely open in 2014 when the current Gold Line extension is scheduled to be complete. We will then begin construction of the Transit 2 development site. We are required to set aside one acre of land for the transit station parking, along with the construction of a public plaza to permit access to the train station. We will keep you posted of discussion progress with the Metro staff and developments on the extension. As it relates to the crossing of the train lines at Palm Avenue, we do anticipate construction of the Palm Avenue extension sometime early in the New Year. This will facilitate access to the Rosedale community from E. Foothill Avenue.

D. NEW NEIGHBORHOODS OF HOMES

When will new neighborhood development start?

There will be a variety of new neighborhoods and price points opening in 2011. Besides new neighborhoods by LA Urban and Lyon Homes, there is the potential that the balance of the home sites owned by Chase Bank (Mapleton and Magnolia models) will be sold by the end of 2010 with sales and new construction commencing in 2011.

What is the timing for the Lee Homes/LA Urban communities?

LA Urban has just installed their Coming Soon signs for three new communities (Arborview, Greenbriar, and Heritage Oaks) and they plan to begin construction on their model homes within the month and additionally plan to open a sales center prior to the end of 2010. The homes are expected to be the same floor plans and elevations as before. Model grand openings are planned for sometime in the first quarter of 2011.

What is the timing for the Lyon Homes communities?

They will be commencing some construction enhancements to their model homes (Sage Court and Gardenia) and eagerly anticipate opening their models in late 1st quarter to early 2nd quarter, 2011.

When do we envision the community being "built out"?

We cannot forecast exactly how fast the community will progress but the plan estimates that lot sales will be concluded by 2015 with all homes occupied by 2017.

E. PLEASE UPDATE US ON THE HOME OWNERS ASSOCIATION & DUES

What is the status of the North and South HOA's?

We are eager to make the HOA dues as efficient for the homeowners as possible. This means that they are neither wasteful nor administering amenities that have little or no benefit for the residents.

What may change with the North and South HOA's?

We are considering breaking out the South HOA and re-allocating the common areas to their respective HOA's; thereby reducing their monthly fees. In the North HOA we have refreshed the assumptions for maintenance and made sure that we have accurate costs in the budgets. We are striving for ways to reduce the monthly fees here as well.

F. STAYING INFORMED AND OTHER QUESTIONS

Where can I find the most information on what is happening at Rosedale?

We have a page on the RosedaleAzusa.com website that has a tab for News. We will update that as well as adding new information on the Rosedale Resident facebook page as often as we can.

Will you send me updates?

It is very important that we have your email address so that we can proactively and timely send information to you. 2011 is going to be a busy year so let's stay in touch. Additionally, an e-survey will be going in the next week or so to all Community Update attendees. We want to get your impressions on the community, this evening's meeting, and get to know you a little better. Each family that completes it will receive a thank you gift so keep your eyes open for that.

Will there be any follow up meetings? When?

This is only the start of the conversation. We hear your concerns and we want to keep the dialogue open. We will plan to have another one of these community meetings in the first quarter of the New Year and personally share the progress we have made on resolving issues and furthering the vision of Rosedale.

Other questions, comments, or suggestions...

What about "green" homes and solar? Can we make our community more environmentally friendly?

How will new homes comp in regards to pricing, qualifying and appraisals?

What is the mello-roos tax strategy? Special assessments need further research.

What about HOA over-reserves? How or can these be used and where?

Please feel free to send any additional questions to info@rosedaleazusa.com.

We look forward to continuing the conversation!