



WATERGATE COMMUNITY ASSOCIATION

8 CAPTAIN DRIVE
EMERYVILLE, CALIFORNIA 94608/ (510) 428-0118 FAX: (510)428-0379

Date: May 10, 2009
To: Members of the Watergate Community Association
Re: Notice of Assessment Increase

After conducting two open session budget meetings with the Finance Committee and management, the Board of Directors adopted the 2009/2010 Pro Forma Operating Budget at the April 20, 2009 regular session board meeting. A summary of the final approved budget, which takes effect July 1, 2009, is distributed to all members of record and becomes the basis for setting the annual assessment to each property owner.

Accordingly, the Board of Directors hereby notifies the members of the Watergate Community Association that there will be a 3.0% increase to your annual assessment effective July 1, 2009.

Watergate management and staff will continue to manage daily operations at the same operating fund assessment amount allocated for this current year. **One hundred percent of the annual assessment increase for the upcoming fiscal year will be designated for the replacement fund to help meet your Association's common area major component maintenance and replacement obligations.**

The two major replacement projects, currently in the planning and review stages, are common area renovations and building fire suppression. These projects are intended to enhance your living environment and protect your investment.

All of the major projects noted in the current reserve study are scheduled to be funded from annual regular assessments. No special assessments are planned or contemplated by the Board of Directors at this time.

After reviewing the information contained within the budget, you should file it along with other important documents relating to this property. Should you decide to sell your unit, California Civil Code requires that you make this document available to prospective buyers.

The following documents have also been included as required by California Civil Code: Notice Assessments and Foreclosure, Association Delinquent Assessment Collection Enforcement Policy, Delinquent Assessment Collection Fees and Costs Schedule, Schedule of Fines, Insurance Disclosure Statement, Alternative Dispute Resolution (ADR), Formal and Informal Dispute Resolution Guidelines and Application Procedures for Modification of Units.

If you have any questions, please contact the WCA office at (510) 428-0118. The office is open Monday through Friday between 8:30 a.m. and 5:30 p.m.

Sincerely,
Watergate Community Association

Robert C. Blain, President
WCA Board of Directors