

# **APTOS KNOLL MOBILE HOME PARK**

**600 Trout Gulch Road  
Aptos, California 95003  
(831) 688-4422  
(831) 662-8381 Fax**

## **INFORMATION PACKAGE**

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**APTOS KNOLL MOBILEHOME PARK**  
**A Resident-Owned Adult Mobilehome Park**  
**600 Trout Gulch Road**  
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Facts and Information Important to Prospective Buyers

INTRODUCTION:

Aptos Knoll Mobilehome Park is a resident-owned Adult mobile home park owned by Aptos Knoll Mobilehome Owners Association (AKMOA). AKMOA is incorporated under California law as a non-profit, mutual benefit Corporation. There are 75 members assigned to the same number of sites for mobile homes. Park government is by a seven member Board of Directors. The Board manages park operation in conformity with AKMOA's Bylaws, Rules and Regulations and Occupancy Agreement. The Board meets monthly on the second Tuesday. The annual meeting of the membership with elections is held on the last Saturday in January of each year.

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 large meeting room, library, office, kitchen, game room and restrooms. A pool and hot tub is adjacent to the clubhouse. Water is supplied through contract with Soquel Water District and weekly garbage pick up is done by Green Waste. These expenses are included in residents monthly fees. Electricity, gas, phone service and TV reception for all homes are separately arranged 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-owned member must be at least 55 years of age, with the 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 occupant, so rental and/or absentee ownership of homes is prohibited under any circumstance.

#### PROCEDURE FOR PURCHASE/SALE:

Approval by the Board of Directors is required to be a resident-member of Aptos Knoll. An application form and financial package, available from AKMOA shall be completed and returned for consideration by the Board of Directors as soon as possible after the opening of escrow. The Board of Directors will move to 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. Mobile homes in the Park are owned by resident-member and negotiation for purchase is made directly with the owner. A share in the Corporation is requirement for ownership/residence in the Park. Some original residents purchased shares through an AKMOA loan program. These loans are not assumable by the buyer. If the seller has paid for the share in full then purchase price of the share is part of the negotiation between buyer and seller.

#### FINANCIAL INFORMATION:

In February 2005, Aptos Knoll Park was sold to 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 signed a 30-year note with Column Financial, a subsidiary of Credit Suisse (Boston). The 30-year note is to be refinanced in February, 2015. Two plans for purchase of shares were offered to the original corporation members.

The resident-members chose between paying the full amount for their share, or paying a down payment and signing a note to finance the balance of the share price. These notes were financed by the Corporation for 20 years at 8% fixed interest and secured by the Membership share. The original certificate will be held by the Corporation until payment in full. The notes on the membership are not assumable. The agreement was that they would be repaid in full along with interest, through escrow, at the time the home is sold.

#### MONTHLY MAINTENANCE FEE:

The monthly maintenance fee (i.e. monthly shareholder's dues) is based on the inclusion of the current debt service and property taxes. It also includes, but is not necessarily limited to, AKMOA's costs for water, garbage, maintenance of the sewer system, water system, all common areas (including streets, pool, hot tub, clubhouse, buildings, retaining walls, etc.), licenses, insurance and other business expenses necessary for operation of the Park.

## PROPERTY TAXES:

Because of state-mandated changes in property taxes, AKMOA's property taxes on Park real estate and common improvements will be billed to the new resident. When homes are purchased by new buyers, there will be an increase in the property taxes paid by AKMOA. The new buyer's monthly membership dues will be increased to reflect this. Please refer to the detailed sheet in the Application Package, "Property Tax Issues for New Buyers in Aptos Knoll Park" for more information should you decide to buy into the Park.

Thank you for your interest in Aptos Knoll Mobilehome Park.

The Board of Directors

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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 Office Manager is at (831) 688-4422. The Office Manager, 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 Park Management 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.

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

- Social Security Card (copy)
- Driver's License (copy)
- Current DMV report
- Current Credit report
- Past 2 months statements for all bank accounts & investment funds
- Proof of income (i.e., Social Security Award letter, pay stubs)
- Last 2 years of tax returns.

If you have a pet, you 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.

**A transfer fee of \$3,000 is to be paid to AKMOA when escrow closes..**  
Park Management then verifies all information on the application. *Please note that normal turnaround time is 4 to 10 working days after AKMOA's receipt of a complete application package. Missing forms will delay the process.*

If you have any questions contact the Office Administrator, (831) 688-4422



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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 Housing Authority of the County of Santa Cruz. Effective April 15, 2015, 50% of the County's median income is **\$35,300 (for a one person household)**. For a **two person household**, 50% of the median income is **\$40,350**.

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 of filed Federal Tax returns for this 2-year period is 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.