

Montecito Terrace HOA Board Resolution

Subject: Termination of Management Agreement with Western Regional Management Company

WHEREAS, the Montecito Terrace Condominium Homeowner Association (the "Association") entered into a Management Agreement (the "Agreement") with Western Regional Management Company (hereinafter, the "Management Company") on December 31, 2024; and

WHEREAS, the Agreement provides for termination under certain conditions, including the following:

- **Material Breach:** A material breach by Western Regional Management of the terms and conditions of this Agreement, including but not limited to:
 - Unpaid bills.
 - Writing checks to their family-owned business without proper documentation and approval.
- **License Revocation:** Western Regional Management's license or certification required to perform the services hereunder is revoked or suspended. Furthermore, the organization is no longer registered with the Secretary of State.
- **Dissolution Participation:** Western Regional Management has refused to provide proper financial records during the dissolution process. Furthermore, the company owner is currently incapacitated and unable to assist with the necessary bank closures and name transfers.

WHEREAS, the HOA Board of Directors (the "Board") has determined that it is in the best interest of the HOA to terminate the Agreement with the Management Company; and

WHEREAS, the Board has duly considered the terms of the Agreement and all relevant factors;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby gives 5 days' written notice to the Management Company of its intent to terminate the Agreement, effective December 31, 2024. The Management Company shall cease and desist from issuing any further checks or making any further disbursements on behalf of the Association effective **December 27, 2024**. This written notice follows oral and text notifications of contract termination provided over three months ago, which was necessitated by Western Regional Management's consistent delays in progressing the transition process.

BE IT FURTHER RESOLVED, that the President of the Board is hereby authorized to execute all necessary documents and take all necessary actions to effectuate the termination of the Agreement; and

BE IT FURTHER RESOLVED, that the Board shall assume responsibility for all HOA management functions, including but not limited to association maintenance, financial management, maintenance, and collections as of the Effective Date of Termination; and

BE IT FURTHER RESOLVED, that copies of this Resolution shall be provided to the homeowners of the organization and for HOA records.

PASSED AND ADOPTED this 26th day of December, 2024, by a vote of 2 ayes, 0 nays, and 0 abstentions.

Andy Chiu

President

Michael Quach

Vice President