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Specializing in Community Associations

(800) 464-2817 (310) 945-0280

LOS ANGELES
2566 Overland Ave.
Suite 730
Los Angeles 90064

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San Diego 92108

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Sacramento 95814

ORANGE COUNTY
100 Pacifica
Suite 130
Irvine 92618

RIVERSIDE
11801 Pierce St.
Suite 200
Riverside 92505

March 15, 2011

Sent via U.S. Mail and Electronic Mail

Samuel J. Arsht, Esq.
Silver & Arsht
1860 Bridgegate Street, Suite 100
Westlake Village, California 91361-1409

Your Clients: Ted and Paula Sullivan
Property: 406 Wood Ranch Parkway, Simi Valley, CA 93065
Lot 384, Tract 4053 ("Property")
Our Client: Wood Ranch Sycamore Canyon Village HOA ("Association")

Dear Mr. Arsht:

This letter is in response to your letter dated March 11, 2011 concerning the Sullivans' request for mediation. The Board has considered the request and the Association declines the Sullivans request for mediation for the following reasons:

The Sullivans have been advised on several occasions that they are responsible for maintenance of the 47 trees that are located on their property along Martha Morisson Drive. The Sullivans, however, insist that the Association agreed in 1999 to maintain and water the 47 trees in perpetuity at its sole costs.

On November 11, 2010, the parties participated in an in-person meet and confer pursuant to Civil Code Section 1363.810 et seq. on the Property along with their attorneys and arborists and they were unable to resolve their differences. The meeting was productive in that the parties and arborists were able to identify the 47 trees that are in dispute and to examine the condition of the trees.

On December 13, 2010, the Association offered to compromise the dispute by removing 16 non-viable trees as determined by the Association's arborist and to pay for the costs of removal. The Association also agreed to remove the Split Tree at the Association's cost even though the Split Tree is still viable according to the Association's arborist. The Association also agreed to a one-time pruning of the remaining 30 trees and to turn over the maintenance of the remaining 30 trees to the Sullivans. The Association also agreed to a one-time clearance of the weeds along the inside of the split rail fence. The parties would bear their own attorneys fees and costs.

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On December 29, 2010, the Sullivans rejected the Association's offer and demanded that the Association remove all the 47 trees at its sole cost, or alternatively, that if the Association removes the 16 non-viable trees, that the Association pay the Sullivans a one-time payment for installation of an irrigation system and for maintenance for the life of the trees, that the Association perform a one-time pruning at its sole costs, that the Association add the Sullivans as an additional insured on the Association's liability insurance policy, that the Sullivans maintain rights of removal over the remaining trees without Association consent with certification of 2 arborists, and that the Association reimburse the Sullivans for all of their attorneys fees and costs related to this matter.

On January 12, 2011, the Association again put the Sullivans on notice that they are responsible for maintenance of the 47 trees on their property located along Martha Morisson Drive, and extended their prior settlement offer to January 19, 2011. The Sullivans were advised that if they rejected the Association's settlement offer, their refusal would act as a waiver of any damages related to the trees as well as open them up to future liability and damages to third parties for failure to accept the Association's reasonable settlement offer.

On January 19, 2011, the Sullivans refused to accept the maintenance obligations of the trees, or to accept any compromise resolution. The Sullivans again demanded that the Association either (1) remove all of the 47 trees on the Sullivans' property at its sole cost and expense or (2) pay the Sullivans in exchange for their undertaking the maintenance and ownership obligations of the remaining viable trees, subject to the provisions of the Sullivans' December 29, 2010 letter.

On January 28, 2011, the Association again offered to remove 16 non-viable trees as determined by the Association's arborist, and the viable Split Tree. The Association again offered to do a one-time pruning of the remaining 30 trees. Thereafter, the Sullivans would continue to be responsible for maintenance of the remaining 30 trees on their Property. The Sullivans were once again placed on notice that if they refused to remove and/or maintain the trees on their property, they will be responsible for any damages to a third party who is injured or suffered damages in the future as a result of the trees. The Sullivans were advised that the Association's offer would expire on February 4, 2011. The Sullivans failed to respond to the Association's January 28, 2011 offer.

The Association has in good faith tried to resolve this dispute and offered a meaningful compromise whereby the Association and the Sullivans would split the costs of the tree removal. As to any trees that were not removed, the Association would pay for a one-time pruning of the remaining trees, and then the Sullivans would be responsible

for the maintenance of the remaining trees. Each party would bear their own attorneys fees and costs. Please refer to the Association's letter dated December 13, 2010 in this regard.

Instead, on February 28, 2011, the Sullivans made a request for Alternative Dispute Resolution pursuant to Civil Code Section 1369.510 et seq. The Sullivans requested that the Association agree to mediation, but indicated that they reserve their rights to file an enforcement action that is not solely for declaratory, injunctive or writ relief, and for monetary damages exceeding \$7,500. Based on this representation, Civil Code Section 1369.510 et seq. is not implicated and the Association does not have to agree to participation in ADR. In light of the Sullivans' claimed damages, ADR is not required prior to the Sullivans filing their proposed lawsuit against the Association.

Furthermore, there is no indication from the Sullivans' counteroffers and correspondence that the Sullivans have any intention of compromising their claim. The Association believes that the Sullivans' request for mediation was not made in good faith and that mediation will not resolve the dispute between the parties. In fact, in your letter dated January 19, 2011, the Sullivans stated that they intended to file a lawsuit against the Association and inquired whether our office is authorized to accept service. On that date, the Sullivans began conducting informal discovery when they requested that the Association produce all of the minutes of the Association from the date of its formation in 1989 until the present. The Sullivans conducted their initial inspection of the Association minutes in February and the inspection was completed on or about March 9, 2011 when the Emmons Company mailed the remaining minutes to the Sullivans as requested by Marsha Brilliant in your office.

On March 8, 2011, the Association advised the Sullivans that during a recent inspection of the community, it was noted that many of the 47 trees located on the Sullivans property along Martha Morisson Drive are overhanging and/or need pruning. The Sullivans were requested to prune all 47 trees within 20 days from the date of the Notice in accordance with Article 3.6(a) of the CC&Rs. The Sullivans were advised that if they fail to prune the trees within 20 days, the Board will make arrangements to have the 47 trees trimmed on a one-time basis, and the Board shall assess the cost thereof, including the cost of any permits, to the Sullivans in accordance with Article 3.6(b) of the CC&Rs. If the Sullivans fail to allow the Association's representatives entry on their property for the tree pruning, the Association shall have the right to assess all expenses including attorney fees incurred by the Association arising from the Sullivans' refusal to allow entry. See Article 3.6(c) of the CC&Rs. The Sullivans were requested to advise the Association's property managers, the Emmons Company, once the tree pruning is completed.

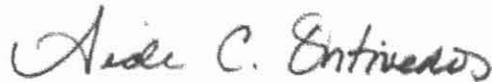
Samuel J. Arsht
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To date, the Sullivans have not responded to the Association's March 8th request other than to ask for clarification on March 11, 2011 whether the Association has rejected the Sullivans' request for mediation. The Sullivans have until **March 28, 2011** to prune the trees based on the Notice sent to you on March 8, 2011.

The Association has acted more than reasonably in trying to resolve the dispute related to the Sullivans trees, and in evaluating whether the matter is amenable to resolution by mediation. The Association's efforts have been rebuffed by the Sullivans at each turn, and your clients will only accept complete capitulation to their demands. Therefore, the Sullivans request for mediation has been rejected because there is little, if any, hope of success in submitting the matter to ADR. At this point in time, the Association believes that mediation will only serve to delay a resolution to this dispute and will drive up the attorneys' fees and costs for both parties.

In the event that the Sullivans decide to file a civil lawsuit against the Association, please be advised that our office is authorized to accept service of the Summons and Complaint. Please feel free to contact me if you have any questions or wish to discuss this matter further.

Very truly yours,



Aide Ontiveros, Esq.
Adams Kessler PLC