CARMEL MOUNTAIN RANCH RESIDENTIAL COMMUNITY ASSOCIATION

October 08, 2021

Personal and Confidential-Important Information

Re: Approval of the Trails at Carmel Mountain Ranch

Dear Carmel Mountain Ranch Residential Community Association (Master HOA) Member,

On September 23, 2021, following the City of San Diego's approval of the Trails at Carmel Mountain Ranch ("Trails project"), the Carmel Mountain Ranch Residential Community Association Board of Directors ("Board") met with its counsel and carefully reviewed the City's decision to approve the Trails project. Following its deliberation, the Board on behalf of CMRRCA, voted to file a lawsuit to challenge the City of San Diego's approval of the Trails project. The Superior Court lawsuit will challenge the City's failure to comply with the requirements of the California Environmental Quality Act, as well as the Trails project's violations of provisions of the Carmel Mountain Ranch Community Plan and the City's Municipal Code. The lawsuit will be brought against the City of San Diego and the project applicant.

The Trails project will have a significant impact on our community regarding traffic, density of the development and environmental issues. While the Board had hoped it could resolve the concerns over the Trails project with the developer, all attempts at a resolution failed. The Board was hoping that the City of San Diego at the recent hearing on the Trails project, would have recognized and addressed the legal concerns and the community concerns raised by the CMRRCA owners, community groups, CMRRCA lawyers and its consultants. Our community owners and various organizations concerns were ignored. The City of San Diego's approval has left us no choice but to seek legal redress.

We expect the lawsuit to be filed within the next thirty (30) days. We have done everything possible to avoid filing the lawsuit. Unfortunately, because of legal constraints the lawsuit must be filed to preserve CMRRCA's right to contest the Trails project. At this stage, we don't know if there will be an early resolution. We will provide additional information on the lawsuit following the filing in San Diego Superior Court. In the meantime, if you have questions please attend our monthly Board meetings held on the second Tuesday of each month at 6:00 p.m. or you can email: hwiltshire@waltersmanagement.com.

Sincerely,

The Carmel Mountain Ranch Residential Community Association

Board of Directors