A homeowner brought their concern about financing to the attention of Director Bill Green.
(Respecting privacy, names have been removed)
For ease of reading, this chain of emails is displayed in reverse chronological order.
While a response to the follow up email is pending (May 26, 2026), this exchange outlines the unknowns surrounding an SV sponsored loan.

Sent: Friday, May 22, 2026 8:56 AM
To: Casey Jones <contactus@sunrisevillashoa.com>
Subject: Pls fw to Director Green - Project Funding

Dear Director Green,

Regarding the proposed desert scaping project, I understand you are overseeing the Project Funding. To better understand how it will be structured, I have several questions concerning the "private loan" component to this deal.

ASSUMPTION:
- My understanding is that to accommodate homeowners choosing Option C, the Board will take out a master loan from a bank (e.g., $100) and then distribute those funds to individual borrowers (e.g., 10 borrowers at $10 each).
- Is this assumption correct?

Once understanding that, please also address the following questions:

1. QUALIFIED BORROWING
- How will loan applications be scrutinized?
- Will the Board conduct background checks, or will a third-party specialist be hired? (In fairness to both the lender and borrower, applications may need to be processed by a third-party.)
- If a homeowner does not qualify based upon income or assets, what are the consequences? Is that homeowner exempt from the assessment, or would they be forced to sell their home?

2. COLLATERAL
What collateral is the bank requiring? A loan specialist called these options viable:
- Cash Flow.
- Communal Property: In the event of default, this allows the bank to take ownership of common areas such as the greenbelt, the corner of Sonora and Cerritos, etc.
- Unencumbered Reserves: For the loan's duration, does the bank require the full loan amount to remain liquid in the reserves fund? Potentially, would this necessitate further assessments for future reserve fund needs?

3. MANAGEMENT
- Who will manage the master loan and individual loans?
- Will this fall to Director Bowen as Treasurer, a new financial advisor, or CAFS?
- If managed by an independent financial advisor or CAFS, what are the anticipated increases in service fees over the next 15 years?

4. DELINQUENCIES
- According to the CC&Rs (Articles 4, Sections 4.10 and 4.11), the primary penalty for default is a lien.
- If a borrower does not sell or refinance for many years, will the burden of that loan and its compounded interest transfer to all other homeowners through increased monthly dues or other manner?
- After a collected lien, how will homeowners be repaid for those many years when covering for a delinquent borrower?

As a dues-paying homeowner, even if I pay my portion in full ($16,000), I am effectively co-signing a loan for the Association and its borrowers. I need assurance that the Association is not sacrificing its financial stability or putting individual homeowner finances at risk.

Thank you for your timely attention to these concerns.

Director Green’s response:

On Mon, May 25, 2026 at 2:14 PM <contactus@sunrisevillashoa.com> wrote:

Good morning-

Thank you for your questions. The Board understands the importance of clarity around both the proposed project and any potential financing option. At this time, however, it’s important to note the following:

Any information gathered so far has been preliminary only. The Association cannot finalize or commit to any financing model unless the membership first approves the special assessment.

• All details will be released to all owners at the same time.
To ensure fairness and accuracy, no individual owner will receive terms or commitments in advance. Full information about any financing option will be provided only after the assessment is approved.

• Specific questions about underwriting, collateral, management, and delinquency cannot be answered yet.
These items depend entirely on the lender’s requirements and the structure of any program the Board may evaluate after membership approval. The Board will not agree to any arrangement that puts Association assets, reserves, or non-participating owners at risk.

• Owners remain responsible for any approved special assessment.
A voluntary financing option—if offered—would not change an owner’s obligation to pay the assessment under the CC&Rs and the Davis–Stirling Act.

The Board’s commitment is to protect the Association’s financial stability and ensure that all owners receive complete, vetted information before any decisions are required.

The homeowner concern also prompted the following “what’s happening” post

https://www.sunrisevillashoa.com/p/Current-News/article/POTENTIAL-FINANCING-1799562852

Homeowner Follow up Response May 26, 2026:

To the Board.
Thank you for your timely response to my finance questions. And thank you for referencing those questions in today’s “News; Potential Financing” update. I appreciate the opportunity to participate in the process - ensuring homeowners have clear and accurate information as they review landscape/finance options.

That stated - These two questions are follow-ups. Please note they are not rhetorical:

1. Which Board member(s) would be comfortable in assuming a mortgage or car loan when unaware of the size of the house or the car being purchased?

2. If the most elementary questions of financing cannot be addressed before the landscape proposal is approved (or not approved) please take a moment to inform how the Board was advised, thinking it both fair and smart, to put the horse and the cart on the same ballot.

Thanks in advance for a timely response.