

Newsletter of Horizon Communities Improvement Association, Horizon City, Texas

Fall 2002

update

NEWSLETTER

Moving forward

In this newsletter we will be extending our covenants initiative to commercial units in Mountain Shadow Estates. Other units in turn will be offered the opportunity to participate in subsequent newsletters. Please hold onto the form from the Fall 2001 newsletter until your turn comes. But if you need another form we can always send you one on request.



At the same time we are about to begin our first experiment with lot assembly. Lot owners in Unit 24 of Horizon View Estates are presently being contacted individually to invite their participation.

Overall the responses from Horizon View Estates were disappointing, but this was a trial and much was learned from it. One of the major lessons was that the newsletter alone was not enough. Follow up letters helped boost the response rates. We will be better geared up to do this in future.

This newsletter also covers the coming Annual Membership Meeting, as well as local news items of interest. 2002 looks like being another record year for Horizon growth.

Vince Murphy
General Manager

Services, amenities fueled by growth

Building approvals and new water connections confirm that our growth rate in 2002 has accelerated, even if the rest of the year is relatively slow! There are some special factors presently running in our favor. Builders in the City of El Paso are literally running out of lots. The current City administration is presently discouraging new suburban development. This will eventually change. The PSB, the City of El Paso's own water authority, is under pressure to start releasing some of the several thousand acres of land it owns within the city limits. In the next few years land will also be released for subdivision in the large triangle formed by Montana, Zaragosa and Joe



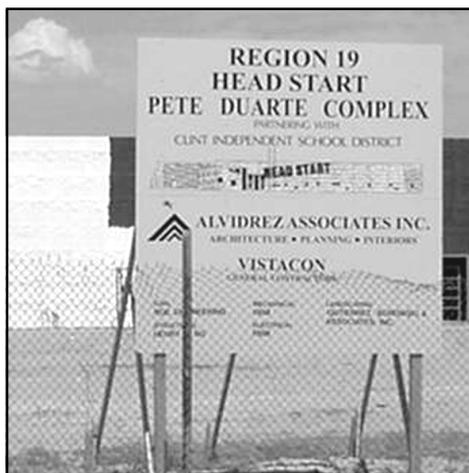
When completed, this overpass located at Eastlake Dr. and I-10, will offer Horizon area residents a third major route in and out of the area. It should greatly relieve the congested I-10/Horizon Blvd. intersection and provide easy access to Mission del Paso, a campus in the El Paso Community College system.

Battle, to our northwest.

Services catching up

In the meantime Horizon has a window of opportunity. If the area maintains its standards and gains sufficient momentum it will become more of a desired location in its own right. The area is also reaching a threshold in terms of self-sufficiency.

Commercial development is about to catch up with the rapid growth in population. Several new shops and office suites are due to be built in the next six months, and HCIA's long search for a local doctor has at last been rewarded. Dr. Rodin Mendoza-Castillo, a pediatrician, has opened a local clinic and it is hoped that other providers will follow. At a time when El Paso and the border regions are losing doctors, HCIA has helped make the new clinic a reality. Special mention must also be made of the most generous contribution by Carefree Homes, one of our established local builders. HCIA is extremely grateful for the way Carefree took the lead in helping get the clinic established. Thank you Carefree.



The new Head Start facility is well under construction. Other Clint ISD initiatives will see 60 employees at their new centralized administration complex by the middle of 2003, and 55 employees at their new Horizon warehouse/depot.

INSTRUCTIONS FOR COMMERCIAL LOT OWNERS IN MOUNTAIN SHADOW ESTATES

In this newsletter we are inviting all owners of commercial lots in Mountain Shadow Estates to participate in our "changes to covenants" initiative. Amongst other things, this will allow you to reduce the assessments you pay to HCIA, if a majority is achieved in your unit. If your annual bill shows **project code 357**, this invitation applies to you.

If you still have the "tear off" page from our Fall 2001 newsletter, you need to fill it out, have it notarized and return it to us as soon as possible. If you no longer have the form call us on our toll free number and we can send you a replacement. The form, once executed, will become an important legal document. Please read the instructions below carefully and satisfy yourself that you understand what is being proposed. If you are unsure about anything you may also wish to obtain independent legal advice. If you, or your attorney, have any questions please do not hesitate to contact us.

The proposal

All of the protective covenants affect-

ing our members' land have a clause which permits the covenants to be amended from time to time by a majority vote of lot owners in the same subdivision unit.

The proposal is to add to this clause to provide for amendments to be made in other ways, without the need to go back to a majority vote. This power is to be limited to amendments with respect to permissible land uses. The power is given to a local zoning authority if there is one, and to HCIA. HCIA may only exercise its power in specified circumstances. There must be an application from one or more members and an expert report is required. HCIA must notify everyone in the subdivision of any change made by HCIA. All members retain their right to overturn any such amendment by a majority vote.

Before you start

Before filling out the form you will need to know your lot numbers, and which unit and block they are in. You will find these on the retained portion of your annual assessment notice. If you do not have this

or you are unsure, call us on our 800 number and we will assist you over the phone.

1. The project code is in the first column of *your assessment notice*. **Your project code should be 357. The table provided applies to this project code only. Other subdivisions will be dealt with in subsequent newsletters.**

2. The second column in the assessment notice gives you your unit number. The third column gives you your block number.

If you own lots in more than one unit or block you will need to fill out a separate form for each. Please call HCIA for additional copies of the form. Good quality photocopies of the form are also acceptable.

3. Your lot numbers are listed in column four of your assessment notice. If you own more than one lot they should all go on the same form, so long as they are in the same unit and block.

Now that you have these details you are ready to fill in the blanks on the form.

Filling in the form

There are nine blanks you need to fill in. Step by step instructions are set out below.

1. Enter your lot number(s) in the first blank space. Remember, if you own lots in more than one unit, do a separate form for each unit.

2. Enter the unit number for this lot, or lots, in the second blank space.

3. Enter the block number in the third blank space.

4. Enter the name of your subdivision, which is "Mountain Shadow Estates" in the fourth blank.

For the remaining blanks you will need to go to the table (left). This information provides the necessary references to the original covenants recorded in the County property register. Find the row which applies to your unit, and fill in the remaining spaces with the numbers in the last five columns of your row. The second column (Unit Numbers) will determine the row which applies to your property. Don't copy any information in the colored boxes of

The Project Number and Unit Number below will tell you which row applies to you for filling in blanks 5-9		Enter this number in blank space 5	Enter this number in blank space 6	Enter this number in blank space 7	Enter this number in blank space 8	Enter this number in blank space 9
Project Code	Unit Numbers	Book Number	First Page Number	Second Page Number	Date	Last Page Number
357	1, 2, & 3	222	1808	1812	September 13, 1968	1808
357	9, 11, 16, 17, & 20	233	0985	0989	December 16, 1968	0985
357	29, 30 & 31	238	1274	1279	February 6, 1969	1274
357	32, 34, 35 & 36	243	1737	1741	March 12, 1969	1737
357	43	249	2089	2093	April 30, 1969	2089
357	60	259	1091	1095	July 22, 1969	1091
357	66	262	0501	0504	August 8, 1969	0501
357	64, 69 & 72	265	0408	0411	September 2, 1969	0408
357	75	271	0560	0562	October 16, 1969	0560
357	78, 79 & 80	343	0873	0877	May 26, 1971	0873

Information

Continued from Previous Page

the table. You will already have entered your lot and unit details in the first four blanks on the form.

5. Enter the book number for your unit (and type) in the fifth blank space. This number is in column three of the table.

6. Enter the first page number in the sixth blank space. This number is in column four of the table.

7. Enter the second page number in the seventh blank space. This number is in column five of the table.

8. Enter the date in column six of the table in the eighth blank space.

9. Enter the page number in column seven of the table in the ninth blank space.

Signing the document

Once you have completed the document have it formally executed. If you are a resident of the United States you will sign the document in the presence of a Notary Public. The Notary will need to complete your name and the other details in the blanks provided at the end of the form.

If you live outside the United States you need to find a notary public or some other official authorized to administer oaths in the jurisdiction where you will be signing. That person should cross out anything on the form which does not apply, and enter the capacity in which he or she acknowledges your signature.

All registered lot owners must sign the form for it to be valid. If an original partner has died, been divorced or is no longer a partner for whatever reason, you must contact us first to register the change in ownership details.

Lodgment

Once executed, the form should be returned to HCIA without delay. Make a copy for your own records. HCIA will keep a tally of forms as they are received. As the necessary 50% is achieved in each unit, the forms will be lodged with the County and placed on the public record as an official amendment to the covenant. We ask that you give this your immediate attention. Any delay could be to the detriment of all your fellow lot owners.

Toll-free help: 1-800-729-4242

Not too late

Time is running out for Horizon View lot owners to get their "change to covenants" forms sent in. You have until the end of September. This opportunity is unlikely to be offered again in Horizon View Estates for at least another two years. If you need help please call our office. The call is toll free: 1-800-729-4242.

Horizon Communities Improvement Association Statements of Financial Position December 31, 2001 and 2000

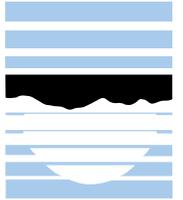
<u>ASSETS</u>	<u>2001</u>	<u>2000</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 622,831	\$ 219,868
Short-term investments	1,428,704	1,449,265
Certificates of deposit	58,237	54,428
Assessments receivable, net of allowance for uncollectible assessments	589,975	1,019,807
Prepaid expenses	<u>1,238</u>	<u>2,019</u>
TOTAL CURRENT ASSETS	<u>2,700,985</u>	<u>2,745,387</u>
PROPERTY AND EQUIPMENT		
Land - community purposes	1	1
Land - investment	3,815,826	5,342,495
Furniture and fixtures	239,645	217,607
Office building and land	289,558	289,558
Vehicle	25,465	25,465
Less accumulated depreciation	<u>(271,633)</u>	<u>(276,899)</u>
TOTAL PROPERTY AND EQUIPMENT	<u>4,098,862</u>	<u>5,598,227</u>
OTHER ASSETS		
Accounts receivable - settlement agreements, net	<u>1,000</u>	<u>1,000</u>
TOTAL OTHER ASSETS	<u>1,000</u>	<u>1,000</u>
TOTAL ASSETS	<u>\$ 6,799,847</u>	<u>\$ 8,344,614</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 24,721	\$ 14,465
Accrued property taxes	99,729	146,749
Deposits	-----	1,202
Long-term debt (current portion - vehicle)	<u>4,129</u>	<u>4,129</u>
TOTAL CURRENT LIABILITIES	<u>128,579</u>	<u>166,545</u>
LONG-TERM DEBT		
less current portion	<u>8,946</u>	<u>13,074</u>
TOTAL LIABILITIES	<u>137,525</u>	<u>179,619</u>
NET ASSETS		
(total assets less total liabilities)	6,662,322	8,164,995

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HCIA Update, Fall 2002

Web Site: horizoncommunities.com

Board reaffirms priorities

The HCIA Board of Directors strongly reaffirmed its commitment to lot assembly at its annual planning meeting in July. Unit 24 in Horizon View Estates is going to be our first candidate. It immediately adjoins existing development. There is at least one developer interested, and it is the only single family residential unit in Horizon View to vote for the necessary changes to covenants.

The only other units to vote for change in Horizon View Estates were smaller

commercial and multifamily units. The HCIA Board acted immediately to reduce the assessments of the members in these units.

Despite the limited success of the trial in Horizon View, the HCIA Board is determined to push on with covenant changes in other areas. Lot assembly cannot proceed without these changes. *Without lot assembly in place, sale of lots without services will remain a virtual impossibility. There is no alternative.*

Eggleston is Board candidate

There is one Board position to be filled in this year's ballot. The Board's nominee is William Eggleston. William joined our Board last year to fill a casual vacancy. Mr. Eggleston works with El Paso Electric and has acquired an extensive knowledge of our area. He was selected for his expertise in urban planning, which includes a geography and geology background. His experience includes land management, water and electricity projects, land appraisal, taxation and property law. William is married with two young sons.



William Eggleston

Annual meeting

This year's annual meeting is scheduled for 7:30 p.m. on Thursday, October 3. The venue will be the Emerald Springs Conference Center here in Horizon. If you plan to attend the meeting in person please call us on our toll free number.

Our audited balance sheet for 2001 is included in this newsletter. Amongst other things, it shows a decrease in the value of our assets. This is largely due to a more realistic appraisal of the value of HCIA's land holdings. It has been several years since these values were reappraised, and no account had previously been taken of the impact of House Bill 1001. This is a paper write-down only. Our non-property balance sheet is unchanged. HCIA has followed a conservative policy in investing its reserves. This policy has literally paid dividends, protecting our members' investment against the global trend of the last two years.

New computers

We experienced some inevitable teething problems with our new computer system. This resulted in a few anomalies in this year's annual billing. These have all been attended to and we apologize to those who were inconvenienced.