



## **LAND LEASE DISCLOSURE**

Update to prior Disclosure Approved by  
Oceanside Community Association Board of Directors 9-29-2021

The community of Oceana, located at 550 Vista Bella, Oceanside, CA, 92057, has a 99-year Land Lease with the Oceanside Land Company for all the common areas within the community. This Land Lease Disclosure is to provide interested parties with information on which property is purchased when a home is purchased and which is leased as a common area, how the Land Lease originated, and how it is administered today by the Association. The terms and descriptions below are here to assist you in understanding this Land Lease Disclosure.

**OCA** Oceanside Community Association

**OLC** Oceanside Land Company

**LAND LEASE** Agreement executed by OLC and OCA

**LAND LEASES** Oceana was developed in stages called "units." During the 1960's, individual unit agreements were executed by OLC and OCA as each unit was completed.

**PROPERTY COVERED BY THE LAND LEASE** – Oceana covers approximately 150 acres. **Homeowners own the land beneath their home's "footprint."** The rest of the land in Oceana is Common Area, owned by OLC and leased to OCA for community use. Homeowners have equal access to all common areas. The common area includes ground surrounding each home, driveways, slopes, streets, sidewalks, community garden area, dog park and amenities. Amenities include a clubhouse with an auditorium, card rooms, computer center, library, wood shop, art room, lapidary, ceramics, re-sale shop, billiards room and two pools with a spa.

**HISTORY** - In the late 1960's and early 1970's, the OLC developed and built Oceana as a Planned Unit Development. Originally, the age restriction was 45+, and has since been revised to age 55+. There are 932 homes with a variety of floor plans and housing types, both detached and attached. The original OLC Land Lease with OCA was at a monthly rate of \$15.00 per home. In the mid-1960s, OLC instituted an escalation clause in the land lease agreement with OCA. The escalation formula set forth by OLC includes an adjustment based on the CPI (Consumer Price Index). The escalation was charged in the twentieth (20<sup>th</sup>) year after the first home was sold in each unit. The charge is recalculated every ten (10) years thereafter based on the date of purchase of the individual home. This resulted in a significant disparity in the land lease payment amounts associated with individual homes until March 2022

**MONTHLY ASSESSMENT** – On March 19, 2022, at the annual meeting of the Members, an Amendment to the CC&Rs was voted on, and passed by a majority of the required quorum, equalizing the Land Lease expense among all 932 homeowners. (Recording #2022-0140083). As of May 1, 2022, the land lease payments are paid monthly, as an Association expense, and every homeowner is contributing the same amount to this expense through their monthly HOA fees, just like all other expenses paid by the Association.