

To the UPSES board of directors and community,

Our Property management team "The Mendes Company" received notice that where we had one tenant advise they would be moving out in November, which caused a negative on rent for November and December on unit 2821 Avenida De Portugal, San Diego, CA 92106; the rent was \$1,695.00 we (the UPSES board property management committee) reviewed the unit and made the decision that the unit needed upgrades to maintain market value on rent for this unit. We solicited and received 3 bids to improve the unit with new floors, windows, cabinets, paint, water heater, toilet, and lighting fixtures. Therefore, the loss of revenue occurred for 2 months in 2024. (Most of the long-term expenses will happen in 2025, as that is when we will pay the contractor as they finish upgrading the unit.) We hope to have it finished and rented by February 1, 2025. Then, in December 2024, we received notice that another long-term tenant who occupied unit 2819 Avenida De Portugal, San Diego, CA 92106 the tenant will vacate in mid-January, at which time the property management company and our committee will review and bring the board our recommendation on the maintenance needs of that unit. Since it is becoming vacant, we will discuss how to get the unit to fair market value and review any upgrades that may be needed. Thank you. 2024 was a good and steady year for the units and tenants.

Thank you.

Property Management Chair and co-chair.

Kelly Madruga

Babita Sousa