



LAKESIDE AT THE RESORT HOMEOWNER ASSOCIATION 2020-2021 Budget Package

March 12, 2020

Re: 2021 Budget Summary Report; Reserve Summary; Annual Policy Statement; Collection Policy; Summary of Internal and Alternative Dispute Resolutions; Notice Assessment Foreclosure; FHA-VA; Insurance Summary Disclosure; Enforcement Policy; Architectural/Landscape Summary and Applications; Document Fee Disclosure, Direct Debit Form; Opt-Out Form; Email Opt-In Form; Annual Notice of Address; and TownSq Flyer

Dear Lakeside at the Resort Homeowners:

Please find enclosed the approved 2021 Operating Budget and the updated Reserve Funding Disclosure Summary, together with other disclosure requirements in compliance the California Civil Code. **The Board approved the annual budget at its meeting on March 3, 2021 in the amount of \$192,284. The monthly residential assessment remains the same at \$470.00 per month.**

The Board of Directors worked diligently on the Budget using a bottom up approach scrutinizing actual costs using historical expenditure data. The goal was to build a budget based on reality that would cover necessary cost increases for fixed costs such as utilities including water, trash and electricity. Other major budget line-items include snow removal service, dock repair and maintenance, plumbing, roof repair and maintenance and entry gate services including callboxes. Prudent line-item adjustments were made to maintain operating service levels and as a result the transfer to reserves will not be as robust this year as in the past. However, the reserves in the next year's budget will be adjusted to maintain or exceed previous years transfers to the reserves.

As required by California Civil Code Section 5300(b)(9), we have enclosed the Association's insurance information. Please be advised that even though a claim may be covered, you may be responsible for all or a portion of the deductible that applies. **The Association strongly encourages you to contact your insurance agent or broker to acquire individual unit owner coverage.**

Also included is a summary of Civil Code Section 5925, regarding Alternative Dispute Resolution ("ADR"), and an authorization agreement to request direct debit from your checking account for the monthly assessment amount. Debits are made on or after the 5th of every month. Should you elect this option, be advised that it may take up to 60 days before Desert Resort Management can process your payment automatically. You must continue to pay by check until you receive confirming notification from Desert Resort Management with a starting date.

Upon written request and during reasonable business hours, Minutes of Board Meetings and other records are available at Desert Resort Management, 42-635 Melanie Place, Suite 103, Palm Desert, CA 92211.

The Board of Directors would like to take this opportunity to thank owners who faithfully pay their assessments, which enables the Association to make timely payments to our service providers. Please note the late fee for assessments is \$10.00 or 10% of the assessment (whichever is greater), which will be charged in accordance with the Governing Documents of the Association.



If you have any questions regarding the enclosures, please do not hesitate to contact your Management Agents at www.townsq.io, 760.346.1161, or via email at Donna Rickman– DRickman@drmineternet.com or Ciara Shuster – CSHuster@drminetemet.com

Sincerely,
Board of Directors
LAKESIDE AT THE RESORT HOMEOWNER ASSOCIATION

Budget Summary Report
The Lakeside at the Resort
Dept: 370 - Operating

	<u>2021 Budget</u>
Operating Income	
4000 - Residential Assessments	191,760.00
Total Operating Income	191,760.00
Collections Income	
4710 - Late Fees	200.00
Total Collections Income	200.00
Other Income	
4835 - Miscellaneous Income	180.00
Total Other Income	180.00
Investment Income	
4900 - Interest Earned - Operating Accounts	144.00
Total Investment Income	144.00
Total Operating Income	192,284.00
Administrative	
5000 - General Administrative	250.00
5015 - Bank Charges	110.00
5210 - Printing & Copying	125.00
5215 - Postage	125.00
5400 - Insurance Expense	20,170.00
Total Administrative	20,780.00
Professional Services	
7000 - Audit & Tax Services	250.00
7020 - Legal Services	10,000.00
7040 - Management Fees	18,000.00
Total Professional Services	28,250.00
Utilities	
6000 - Electric Service	2,800.00
6005 - Gas Service	300.00
6025 - Water Service	68,000.00
6035 - Trash and Recycling Service	3,100.00
6050 - Telephone Service	900.00
Total Utilities	75,100.00
Landscaping	
6100 - Grounds & Landscaping - Contract	9,000.00
6199 - Landscape - Extras	3,200.00
Total Landscaping	12,200.00
Contracted Services	
6414 - Fire Prevention & Protection	840.00
6422 - Gate Services	7,664.00
6430 - Janitorial Services	2,400.00
6436 - Plumbing Services	4,300.00
6440 - Safety & Security	0.00
6442 - Snow Removal Services	12,000.00
Total Contracted Services	27,204.00
Repair & Maintenance	
6515 - Building Repair & Maintenance	1,200.00

**Budget Summary Report
The Lakeside at the Resort
Dept: 370 - Operating**

	<u>2021 Budget</u>
Repair & Maintenance	
6530 - Common Areas Repair & Maintenance	4,500.00
6545 - Electrical Supplies/Repair & Maintenance	0.00
6565 - Fire System Repair & Maintenance	3,000.00
6600 - General Repair & Maintenance	2,000.00
6640 - Lighting Supplies/Repair & Maintenance	500.00
6645 - Locks & Keys Repair & Maintenance	500.00
6660 - Marina Repair & Maintenance	10,000.00
6690 - Pest Control Supply/Repair & Maintenance	1,200.00
6725 - Roof Repair & Maintenance	5,000.00
6745 - Signage Repair & Maintenance	150.00
Total Repair & Maintenance	28,050.00
Taxes	
9000 - Federal/State Tax	50.00
Total Taxes	50.00
Reserve Contributions	
9105 - Reserve Contribution Expense	650.00
Total Reserve Contributions	650.00
Total Operating Expense	192,284.00
Total Operating Net Income / (Loss)	0.00

Budget Summary Report
The Lakeside at the Resort
Dept: RESERVE - Reserves

	<u>2021 Budget</u>
Reserve Expenses	
9826 - Common Area Expenses	0.00
9964 - General Expenses	0.00
Total Reserve Expenses	0.00
Total Reserves Expense	0.00
Total Reserves Net Income / (Loss)	0.00
Total Association Net Income / (Loss)	0.00



ADVANCED RESERVE SOLUTIONS, INC.

Membership Disclosure Summary

**Mail this information
to the membership
in your annual budget mailing**

California Civil Code requires CIDs to include an "Assessment and Reserve Funding Disclosure Summary." This summary is included herein along with directions for use. This summary was designed to meet the legal requirements for membership disclosure in the State of California. Note, this page need not be distributed.

Lakeside at the Resort Homeowners Association

Executive Summary

Directed Cash Flow Calculation Method

Client Information:

Account Number	41057
Version Number	1
Analysis Date	11/18/2020
Fiscal Year	1/1/2021 to 12/31/2021
Number of Units	34
Phasing	1 of 1

Global Parameters:

Inflation Rate	2.00 %
Annual Contribution Increase	2.00 %
Investment Rate	1.50 %
Taxes on Investments	30.00 %
Contingency	3.00 %

Community Profile:

This community was originally constructed in 1984 and converted to condominiums in 1997.

For budgeting purposes, unless otherwise indicated, we have used January, 1998 as the average placed-in-service date for aging the components included in this analysis.

Most of the components in this analysis have been repaired, replaced or otherwise maintained since original installation. When known, the date of the last repair, replacement or other maintenance has been used as the placed-in-service date for aging each component; when this date is unknown, it has been estimated based on the component's condition at our most recent site visit.

Level of service: Level 2 - update report with site visit.

Most recent ARS site visit: November, 2020.

Adequacy of Reserves as of January 1, 2021:

Anticipated Reserve Balance	\$160,001.79
Fully Funded Reserve Balance	\$671,364.04
Percent Funded	23.83%

Recommended Funding for the 2021 Fiscal Year:	Annual	Monthly	Per Unit
			Per Month
Member Contribution	\$33,750	\$2,812.50	\$82.72
Interest Contribution	\$1,220	\$101.67	\$2.99
Total Contribution	\$34,970	\$2,914.17	\$85.71

Lakeside at the Resort Homeowners Association

Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Streets & Drives	\$79,965	\$7,034	0-25	5-25
020 Lighting	\$10,140	\$9,329	2	25
030 Grounds	\$1,925	\$1,771	2	25
040 Landscape	\$10,000	\$10,000	0	10-12
050 Fencing	\$98,360	\$0	6-16	20-29
060 Buildings	\$302,698	\$111,207	0-30	15-30
070 Painting	\$76,061	\$16,001	0-5	5-18
080 Roofs	\$250,743	\$0	9	26
090 Recreation	\$277,000	\$0	11-16	25-30
Contingency	n.a.	\$4,660	n.a.	n.a.
Total	\$1,106,892	\$160,002	0-30	5-30

Lakeside at the Resort Homeowners Association

Projections

Directed Cash Flow Calculation Method

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2021	\$160,002	\$33,750	\$1,220	\$59,808	\$135,164	\$670,219	20%
2022	\$135,164	\$42,187	\$1,630	\$0	\$178,981	\$734,176	24%
2023	\$178,981	\$52,734	\$985	\$109,778	\$122,921	\$685,090	18%
2024	\$122,921	\$65,917	\$1,615	\$0	\$190,453	\$751,386	25%
2025	\$190,453	\$82,397	\$2,176	\$21,919	\$253,107	\$797,330	32%
2026	\$253,107	\$93,369	\$2,153	\$91,744	\$256,886	\$775,011	33%
2027	\$256,886	\$90,507	\$2,157	\$93,877	\$255,673	\$752,248	34%
2028	\$255,673	\$92,692	\$2,027	\$105,938	\$244,454	\$720,020	34%
2029	\$244,454	\$92,153	\$3,024	\$0	\$339,630	\$799,726	42%
2030	\$339,630	\$93,585	\$873	\$299,661	\$134,428	\$571,141	24%
2031	\$134,428	\$88,905	\$1,358	\$46,364	\$178,326	\$605,468	29%
2032	\$178,326	\$89,950	\$2,093	\$21,137	\$249,232	\$668,417	37%
2033	\$249,232	\$91,536	\$3,004	\$6,341	\$337,431	\$749,631	45%
2034	\$337,431	\$93,216	\$4,010	\$0	\$434,658	\$840,622	52%
2035	\$434,658	\$95,078	\$5,045	\$0	\$534,780	\$934,952	57%
2036	\$534,780	\$96,481	\$4,761	\$127,680	\$508,343	\$898,579	57%
2037	\$508,343	\$96,417	\$1,846	\$377,516	\$229,089	\$600,554	38%
2038	\$229,089	\$96,558	\$2,607	\$26,185	\$302,070	\$667,290	45%
2039	\$302,070	\$97,701	\$3,659	\$0	\$403,429	\$764,515	53%
2040	\$403,429	\$98,812	\$4,733	\$0	\$506,975	\$865,362	59%
2041	\$506,975	\$100,054	\$5,157	\$63,948	\$548,239	\$902,754	61%
2042	\$548,239	\$102,243	\$6,278	\$0	\$656,759	\$1,009,822	65%
2043	\$656,759	\$104,560	\$7,434	\$0	\$768,753	\$1,120,812	69%
2044	\$768,753	\$106,941	\$8,627	\$0	\$884,322	\$1,235,837	72%
2045	\$884,322	\$109,197	\$9,429	\$40,613	\$962,335	\$1,312,347	73%
2046	\$962,335	\$110,277	\$7,812	\$272,384	\$808,039	\$1,148,693	70%
2047	\$808,039	\$112,336	\$9,068	\$0	\$929,442	\$1,269,858	73%
2048	\$929,442	\$113,248	\$6,792	\$337,520	\$711,963	\$1,040,811	68%
2049	\$711,963	\$110,385	\$6,513	\$145,132	\$683,729	\$1,011,310	68%
2050	\$683,729	\$106,246	\$3,029	\$445,281	\$347,723	\$667,925	52%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

LAKESIDE AT THE RESORT HOMEOWNER ASSOCIATION

ANNUAL POLICY STATEMENT

This Annual Policy Statement is provided to members of the Lakeside at the Resort Association (“Association”) as required by *Civil Code* Section 5310(a). The Annual Policy Statement is a disclosure of the following:

(1) Name and Address of Person Designated to Receive Official Communications to the Association (*Civil Code* Section 4035)

Board of Directors
c/o Desert Resort Management
Attn: Donna Rickman, CMCA, CACM
42-635 Melanie Place, Suite 103
Palm Desert, California 92211
Telephone: (760) 346-1161

The Association consents to receiving notice by facsimile and personal delivery. For personal delivery, the Association will provide a written receipt acknowledging delivery of the document. Additionally, pursuant to Section 4035(b)(3), documents or notice to the Association may be sent by first-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service center.

(2) Right to Request to Have Notices Sent to Two Different Addresses (*Civil Code* Section 4040(b)) Notices provided by the Association pursuant to *Civil Code* Section 4040(b) will be sent to the Member at the address last shown on the books of the Association. Members have the right to identify one additional secondary address for delivery of these notices. If you wish to identify a secondary address for purposes of such notices, please identify such address in writing and send to the Person identified in Section 1 above.

(3) Location for Posting General Notices (*Civil Code* Section 4045(a)(3)) The Association hereby designates the following location for posting of those items which may be provided to members by “General Notice/General Delivery”:

Near the entrance gate

(4) Member’s Option to Receive Individual Notice/Individual Delivery of Items to be Provided by General Notice/General Delivery (*Civil Code* Section 4045(b)) Members may elect to receive any notice that may be delivered by General Notice/General Delivery by Individual Notice/Individual Delivery instead. “General Notice” and “Individual Notice” are defined below. If you wish to elect to receive by Individual Notice/Delivery that material which would otherwise be delivered by General Notice, please provide a written request to the Person identified in Section 1 above. Upon receipt of such request in writing, notices delivered pursuant to Section 4045 will be delivered to you by Individual Delivery pursuant to *Civil Code* Section 4040.

“General Notice” is defined pursuant to *Civil Code* Section 4045 as follows:

(1) Any method provided for delivery of an individual notice.

(2) Inclusion in a billing statement, newsletter or other document that is delivered by one of the methods provided in this Section.

(3) Posting the printed document in a prominent location accessible to all members as designated in the Association's Annual Policy Statement.

(4) By broadcast television programming, if such is used by the Association for the purpose of distributing information as to association business to its members.

"Individual Notice" is defined pursuant to *Civil Code* Section 4040 as follows:

(1) First class mail, postage prepaid, registered or certified mail, express mail, or overnight mail, addressed to the address last shown on the books of the Association.

(2) Email, facsimile or other electronic means, if the recipient has consented in writing to that method of delivery, which may be revoked in writing by the recipient.

(5) Notice of Member's Right to Receive Copies of Meeting Minutes (*Civil Code* Section 4950(b)) Members have the right to obtain a copy of minutes, including drafts of proposed minutes, of meetings of the Board, other than executive sessions, within 30 days of the Board meeting. Copies are available to any Member upon written request to the Person identified in Section 1 above, and with the submission of payment for copying and mailing costs.

(6) Statement of Assessment Collection Policies (*Civil Code* Section 5730) See attached Collections and Full Pay Policy and Notice Assessments and Foreclosure.

(7) Statement of Association's Policies and Practices in Enforcing Lien Rights or Other Legal Remedies for Default in the Payment of Assessments. See attached Collections and Full Pay Policy.

(8) Statement Describing Association's Discipline Policy, Including Schedule of Penalties/Fines for Violations of the Governing Documents (*Civil Code* Section 5850) See Attached Enforcement and Fine Policy.

(9) Summary of Dispute Resolution Procedures (Internal Dispute Resolution ("IDR") pursuant to *Civil Code* Section 5920) and Alternative Dispute Resolution ("ADR") pursuant to *Civil Code* Section 5965) See enclosed Alternative Dispute Resolution Measure and Procedures (ADR) and the Internal Dispute Resolution (IDR) process. California law requires that certain types of disputes between the Association and the Member be submitted to ADR with a third party neutral to resolve the dispute before the filing of a lawsuit by any party.

(10) Summary of Requirements for Association Approval of a Physical Change to the Property (*Civil Code* Section 4765) See attached summary regarding architectural approval.

(11) Address for Overnight Mail for Purposes of Assessment Payments (*Civil Code* Section 5655)

If account is handled by Association:

Lakeside at the Resort Association
c/o Desert Resort Management
Attn: Collection Department
42-635 Melanie Place, Suite 103
Palm Desert, CA 92211
Tel: (760) 346-1161

(12) Other Disclosures/Information: Included with this Annual Policy Statement is the form “Annual Address/Information Update Form. This form is being provided to the Members pursuant to *Civil Code* Section 4041, effective January 1, 2017. The Association is required to solicit the information requested in the Annual Address/Information Update Form. The information provided by the Members will be input into the Association’s records. **If you do not complete and return this form, your property address within the Association will be deemed to be the address to which all Association notices will be delivered.**

Sincerely,

The Board of Directors
Lakeside at the Resort Association

first to the Operating Fund, until that portion of the Annual Assessment has been satisfied, and second to the Reserve Fund.

Notwithstanding any other provisions of this Declaration or the Bylaws regarding the term and termination of contracts with Declarant for providing services to the Association, Declarant may enter into a written maintenance agreement with the Association under which Declarant shall pay all or any portion of the operating Common Expenses and perform all or any portion of the Association's maintenance responsibilities in exchange for a temporary suspension of Annual Assessments. Such maintenance agreement shall extend for a term and shall be on such conditions as are approved by the DRE, and may require Owners to reimburse Declarant, through the Association, for a portion of the costs expended in satisfaction of Common Expenses.

5.6 Capital Improvement Assessments. The Board of Directors of the Association may levy, in any Fiscal Year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that Fiscal Year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement or other such addition upon the Common Property including fixtures and personal property related thereto; provided that any proposed Capital Improvement Assessments in any Fiscal Year which, if added to the Capital Improvement Assessments already levied during such Fiscal Year, exceeds five percent (5%) of the Budgeted gross expenses of the Association for such Fiscal Year, shall require the vote or written consent of Members casting a majority of votes at an Increase Election. Notwithstanding the foregoing, the Board may levy in any Fiscal Year, a Capital Improvement Assessment applicable to that Fiscal Year which exceeds five percent (5%) of the Budgeted gross expenses of the Association for such Fiscal Year if such increase is necessary for addressing an Emergency Situation as defined in Section 5.4 (e).

5.7 Delinquency. Any installment of an assessment provided for in this Declaration shall be delinquent if not paid within fifteen (15) days of the due date as established by the Board of Directors of the Association. The Board shall be authorized to adopt a system pursuant to which any installment of Annual Assessments, Capital Improvement Assessments, Special Assessments, or Reconstruction Assessments not paid within thirty (30) days after the due date, plus all reasonable costs of collection (including attorneys' fees) and late charges as provided herein, shall bear interest commencing thirty (30) days from the due date until paid at the rate of up to twelve percent (12%) per annum, but in no event more than the maximum rate permitted by law. The Board may also require the delinquent Owner to pay a late charge in accordance with California Civil Code Section 1366(c)(2). The Association need not accept any tender of a partial payment of an installment of an assessment and all costs and attorneys fees attributable thereto, and any acceptance of any such tender shall

not be deemed to be a waiver of the Association's right to demand and receive full payments thereafter.

5.8 Creation and Release of Lien. All sums other than Special Assessments assessed in accordance with the provisions of this Declaration shall constitute a lien on the respective Condominium prior and superior to (a) any declaration of homestead Recorded after the Recordation of this Declaration, and (b) all other liens, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any Recorded mortgage or Deed of Trust with first priority or seniority over other Mortgages or Deeds of Trust) made in good faith and for value and Recorded prior to the date on which the "Notice of Lien" (described in this Section) against the respective Condominium was Recorded. The lien shall become effective upon Recordation by the Board or its authorized agent of a Notice of Assessment ("Notice of Lien") securing the payment of any Annual, Capital Improvement or Reconstruction Assessment or installment thereof, levied by the Association against any Condominium Owner as provided in Section 1367 of the California Civil Code. The Notice of Lien shall state (i) the amount of the assessment or installment, as the case may be, and other authorized charges and interest, including the cost of preparing and Recording the Notice of Lien, (ii) the expenses of collection in connection with any delinquent installments, including without limitation reasonable attorneys' fees, (iii) a sufficient description of the Condominium against which the same has been assessed, (iv) the name and address of the Association, (v) the name of the Owner thereof, and (vi) in order for the lien to be enforced by nonjudicial foreclosure, the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice of Lien shall be signed by any authorized officer or agent of the Association. The lien shall relate only to the individual Condominium against which the assessment was levied and not to the Property as a whole. Upon payment to the Association of the full amount claimed in the Notice of Lien, or other satisfaction thereof, the Board of Directors shall cause to be Recorded a Notice of Satisfaction and Release of Lien ("Notice of Release") stating the satisfaction and release of the amount claimed. The Board of Directors may demand and receive from the applicable Owner a reasonable charge, to be determined by the Board, for the preparation and Recordation of the Notice of Release before Recording it. Any purchaser or encumbrancer who has acted in good faith and extended value may rely upon the Notice of Release as conclusive evidence of the full satisfaction of the sums stated in the Notice of Lien.

5.9 Enforcement of Liens. It shall be the duty of the Board of Directors to enforce the collection of any amounts due under this Declaration by one (1) or more of the alternative means of relief afforded by this Declaration. The lien on a Condominium may be enforced by sale of the Condominium by the Association, the Association's attorneys, any title insurance company authorized to do business in California, or other persons authorized to conduct

the sale as a trustee, after failure of the Owner to pay any Annual, Capital Improvement or Reconstruction Assessment, or installment thereof, as provided herein. The sale shall be conducted in accordance with the provisions of the California Civil Code, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any manner permitted by law. An action may be brought to foreclose the lien of the Association by the Board, or by any owner if the Board fails or refuses to act, after the expiration of at least thirty (30) days from the date on which the Notice of Lien was Recorded; provided that at least ten (10) days have expired since a copy of the Notice of Lien was mailed to the Owner affected thereby. The Association, through its agents, shall have the power to bid on the Condominium at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Unit, and the defaulting Owner shall be required to pay the reasonable rental value for such Unit during any period of continued occupancy by the defaulting owner or any persons claiming under the defaulting Owner. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving any lien securing the same, but this provision or any institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from a suit at law or in equity initiated pursuant to this Section may include reasonable attorneys' fees as fixed by the court.

5.10 Priority of Assessment Lien. The lien of the assessments provided for herein, including interest and costs (including attorneys' fees), shall be subordinate to the lien of any previously Recorded first Mortgage upon one or more Condominiums. Sale or transfer of any Condominium shall not affect the assessment lien. However, the sale or transfer of any Condominium pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Condominium from liens for any assessments thereafter becoming due. When the Beneficiary of a first Mortgage of record or other purchaser of a Condominium obtains title pursuant to a judicial or nonjudicial foreclosure of the first Mortgage, such Person, his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Condominium which became due prior to the acquisition of title to such Condominium by such Person. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Owners of the Condominiums including such Person, his successors and assigns.

5.11 Initial Contribution. Upon acquisition of the record title to a Lot from Declarant, each Owner shall contribute to the capital of the Association an amount equal to two (2) month's Annual Assessment. This amount shall be deposited by the

**SUMMARY OF INTERNAL DISPUTE RESOLUTION PROCEDURES
SUMMARY OF ALTERNATIVE DISPUTE RESOLUTION PROCEDURES**

Internal Dispute Resolution
(Civil Code §§ 5900 - 5920)

Pursuant to *Civil Code* § 5905, the Association is required to provide a fair, reasonable and expeditious dispute resolution procedure. The Association adopts the following Internal Dispute Resolution Procedure to apply to disputes between the Association and an Owner regarding their respective rights, duties or liabilities pursuant to the Davis-Stirling Common Interest Development Act, the Non-Profit Mutual Benefit Corporation Law, or the Association's Governing Documents:

1. The party may request, in writing, that the other party meet and confer in an effort to resolve the dispute.
2. A Member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
3. The party receiving a request must respond within a reasonable time and in no event later than 15 business days after the request is mailed. If a Member does not respond within this time frame that Member will be deemed to have rejected the request.
4. If the request is accepted, the parties shall, in good faith, coordinate the meeting to take place within 30 days of acceptance at a mutually convenient time and place. If, through no fault of the Association, the parties are unable to schedule the meeting within this time frame, the requirements of Civil Code Section 5900 et. seq. will be deemed to have been met unless the parties mutually agree to extend this time frame.
5. The Association's board of directors may designate a member or members of the board to meet and confer with the Member. The Association's community manager, relevant expert and/or legal counsel may attend the meeting at the Association's sole cost. If the Association intends to have legal counsel present at the meeting, the Member shall be advised at least 10 days prior to the meeting.
6. The Member may be assisted at the meeting by an attorney or other person at the Member's sole cost. If the Member intends to have an attorney present at the meeting, the Member must advise the Association at least 10 days in advance of the meeting. If the Member does not provide this required notice and attends the meeting with an attorney, the meeting will not take place. Thereafter the Association will have the right to either reschedule the meeting or determine the requirements to have been fulfilled without a subsequent meeting.
7. At the meeting the parties shall explain their positions to each other, and confer in good faith in an effort to resolve the dispute. Discussions at the meeting are not confidential unless all attendees sign a confidentiality agreement.
8. A resolution of the dispute reached at the meeting binds the parties and is judicially enforceable if the following conditions are satisfied:

- i. The agreement is not in conflict with the law or the Governing Documents of the Association.
 - ii. The agreement is either consistent with the authority granted by the Board of Directors to its designee(s) or the agreement is ratified by the board of directors.
 - iii. The agreement is in writing and is signed by all parties, including the Board designee(s).
9. A member of the Association may not be charged a fee by the Association to participate in the IDR process. The parties may mutually agree to make use of local dispute resolution programs. If these programs are agreed to by the parties, the parties shall split the costs thereof.
10. The Association is not obligated to agree to use a mediator for IDR or to contribute towards any of the costs of that mediator and will not do so, unless agreed to in writing, in advance.

Alternative Dispute Resolution (ADR)
(Civil Code §§ 5925 - 5965)

Each year, pursuant to *Civil Code* § 5965, the Association is required to notify the Owners of the requirements for Alternative Dispute Resolution (“ADR”) for disputes regarding the enforcement of the Davis-Stirling Common Interest Development Act (*Civil Code* §§ 4000 - 6150), the Nonprofit Mutual Benefit Corporation Law (*Corporations Code* §§ 7110 - 8910) or the Governing Documents of the Association. ADR means mediation, arbitration, conciliation or other non-judicial procedure that involves a neutral party in the decision-making process, and may be binding or non-binding with the voluntary consent of the parties.

Prior to an Owner or the Association filing an enforcement action in the Superior Court solely for declaratory, injunctive or writ relief, or for relief in conjunction with a claim for monetary damages not in excess of the jurisdictional limits stated in *Code of Civil Procedure* §§ 116.220 and 116.221, the parties shall have endeavored to submit their dispute to alternative dispute resolution. [*Civil Code* § 5930] The pre-litigation ADR requirement does not apply to small claims actions or an assessment dispute except as otherwise provided by law. Any party to the dispute may initiate the process by serving on all other parties in the dispute a Request for Resolution by ADR. The Request for Resolution must contain: (1) a brief description of the dispute between the parties; (2) a request for alternative dispute resolution; and (3) a notice that the party receiving the Request for Resolution is required to respond within thirty (30) days of receipt or the request will be deemed rejected. The Request for Resolution must be served by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide actual notice of the Request. A copy of the following Civil Code sections must accompany the Request.

The Association is required to provide the following language with this summary:

Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of the member’s right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

CIVIL CODE §§ 5925 - 5965

Civil Code § 5925 Definitions

As used in this article:

(a) “Alternative dispute resolution” means mediation, arbitration, conciliation, or other non-judicial procedure that involves a neutral party in the decision making process. The form of alternative dispute resolution chosen pursuant to this article may be binding or nonbinding, with the voluntary consent of the parties.

(b) “Enforcement action” means a civil action or proceeding, other than a cross-complaint, for any of the following purposes:

- (1) Enforcement of this act.
- (2) Enforcement of the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code).
- (3) Enforcement of the governing documents.

Civil Code § 5930 ADR Prerequisite to Enforcement Action

(a) An association or a member may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to this article.

(b) This section applies only to an enforcement action that is solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of the jurisdictional limits stated in Sections 116.220 and 116.221 of the Code of Civil Procedure.

(c) This section does not apply to a small claims action.

(d) Except as otherwise provided by law, this section does not apply to an assessment dispute.

Civil Code § 5935 Request for Resolution

(a) Any party to a dispute may initiate the process required by Section 5930 by serving on all other parties to the dispute a Request for Resolution. The Request for Resolution shall include all of the following:

- (1) A brief description of the dispute between the parties.
- (2) A request for alternative dispute resolution.
- (3) A notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the request will be deemed rejected.
- (4) If the party on whom the request is served is the member, a copy of this article.

(b) Service of the Request for Resolution shall be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the party on whom the request is served actual notice of the request.

(c) A party on whom a Request for Resolution is served has 30 days following service to accept or reject the request. If a party does not accept the request within that period, the request is deemed rejected by the party.

Civil Code § 5940 ADR Process

(a) If the party on whom a Request for Resolution is served accepts the request, the parties shall complete the alternative dispute resolution within 90 days after the party initiating the request receives the acceptance, unless this period is extended by written stipulation signed by both parties.

(b) Chapter 2 (commencing with Section 1115) of Division 9 of the Evidence Code applies to any form of alternative dispute resolution initiated by a Request for Resolution under this article, other than arbitration.

(c) The costs of the alternative dispute resolution shall be borne by the parties.

Civil Code § 5945 Tolling of Statute of Limitations

If a Request for Resolution is served before the end of the applicable time limitation for commencing an enforcement action, the time limitation is tolled during the following periods:

(a) The period provided in Section 5935 for response to a Request for Resolution.

(b) If the Request for Resolution is accepted, the period provided by Section 5940 for completion of alternative dispute resolution, including any extension of time stipulated to by the parties pursuant to Section 5940.

Civil Code § 5950 Certification of Efforts to Resolve Dispute

(a) At the time of commencement of an enforcement action, the party commencing the action shall file with the initial pleading a certificate stating that one or more of the following conditions are satisfied:

(1) Alternative dispute resolution has been completed in compliance with this article.

(2) One of the other parties to the dispute did not accept the terms offered for alternative dispute resolution.

(3) Preliminary or temporary injunctive relief is necessary.

(b) Failure to file a certificate pursuant to subdivision (a) is grounds for a demurrer or a motion to strike unless the court finds that dismissal of the action for failure to comply with this article would result in substantial prejudice to one of the parties.

Civil Code § 5955 Stay of Litigation for Dispute Resolution

(a) After an enforcement action is commenced, on written stipulation of the parties, the matter may be referred to alternative dispute resolution. The referred action is stayed. During the stay, the action is not subject to the rules implementing subdivision (c) of Section 68603 of the Government Code.

(b) The costs of the alternative dispute resolution shall be borne by the parties.

Civil Code § 5960 Attorney's Fees

In an enforcement action in which attorney's fees and costs may be awarded, the court, in determining the amount of the award, may consider whether a party's refusal to participate in alternative dispute resolution before commencement of the action was reasonable.

Civil Code § 5965 Notice in Annual Policy Statement

(a) An association shall annually provide its members a summary of the provisions of this article that specifically references this article. The summary shall include the following language:

“Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.”

(b) The summary shall be included in the annual policy statement prepared pursuant to Section 5310.

NOTICE ASSESSMENTS AND FORECLOSURE
(*Civil Code § 5370*)

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)

VA DISCLOSURE

Certification by the Federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development **is** a condominium project. The association of this common interest development **is not** certified by the Federal Department of Veterans Affairs.

FHA DISCLOSURE

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development **is** a condominium project. The association of this common interest development **is not** certified by the Federal Housing Administration.

Lakeside at the Resort HOA Insurance Disclosure

Pursuant to California Civil Code, Community Associations must provide information regarding the Association's insurance policies and coverage information. This is a summary of the Association policies. It provides only certain information as required by sub-section (e) of Section 1365 of the California Civil Code and should not be considered a substitute for the complete terms and conditions contained in the actual policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance do not cover your property, including personal property or real property improvements (from the studs inward) to or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker for appropriate additional coverage.

Master HOA Policy Coverage

Name of Insurer: Truck Ins. Exchange part of
Farmers Insurance #09435 95 74
Policy Limits: \$2,000,000/\$4,000,000 aggregate
Structure: \$9,984,000
Policy Deductible: none
Renewal Date: 8/17/2021
Premium \$16,524.00 annually

Agent of Record

Farmers Insurance
Jesse Valdez/Elsa Ramirez
1524 E. Los Angeles Ave
Simi Valley, CA 93065
farmersagent.com/jvaldez
Tel. (805) 416-1498 office
Fax (805) 582-9747

Directors & Officers Coverage

Name of Insurer: Truck Ins. Exchange part of Farmers Insurance #09435 95 74
Policy Limits: \$2,000,000/\$2,000,000 aggregate
Policy Deductible: none
Renewal Date: 8/17/2021
Premium \$941.00 annually

Umbrella Coverage

Name of Insurer: Truck Ins. Exchange part of Farmers Insurance #60668-74-52
Policy Limits: \$2,000,000/\$4,000,000 aggregate
Policy Deductible: none
Renewal Date: 8/17/2021
Premium \$935.00 annually

Dock Coverage

Name of Insurer: United States Liability Insurance Company
Policy Limits: \$1,000,000 per occurrence/\$2,000,000. aggregate
Policy Deductible: \$1,000.
Renewal Date: 1/25/2021
Premium \$1,750.00 annually

The Board of Directors maintains these policy limits in accordance with California Civil Code and the opinion of the insurance agent of record. This coverage is for Association property only and does not cover any personal property or personal liability. The Board of Directors recommends that each owner speak with a licensed insurance agent to determine the correct coverage for personal property and liability. No individual Owner or resident may make a claim against any of the Association's insurance policies. The Board of Directors MUST approve a claim to be filed. Individual Owners may be responsible for paying a portion or all of the deductible, based on the circumstances of the claim.

Improvement for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for that Improvement in the Planned Construction Statement appended to the Bond. If the Association has given an extension in writing for the completion of any Common Property Improvement, the Board shall be directed to consider and vote on the aforesaid question if a Notice of Completion has not been filed, within thirty (30) days after the expiration of the extension.

14.2 Consideration by the Members. A special meeting of Members, for the purpose of voting to override a decision by the Board not to initiate action to enforce the obligations under the Bond or on the failure of the Board to consider and vote on the question, shall be held no fewer than thirty-five (35) days nor more than forty-five (45) days after receipt by the Board of a petition for such a meeting signed by Members representing five percent (5%) of the total voting power of the Association. A vote of a majority of the voting power of the Association residing in Members other than Declarant to take action to enforce the obligations under the Bond shall be deemed to be the decision of the Association, and the Board shall thereafter implement this decision by initiating and pursuing appropriate action in the name of the Association.

ARTICLE XV GENERAL PROVISIONS

15.1 Enforcement of Restrictions.

15.1.1 Violations Identified by the Association. If the Board determines that there is a violation of any provision of the Restrictions, or the Architectural Committee determines that an Improvement which is the maintenance responsibility of an Owner is in need of installation, maintenance, repair, restoration or painting, then the Board shall give written notice to the responsible Owner identifying (i) the condition or violation complained of, and (ii) the length of time the owner has to remedy the violation including, if applicable, the length of time the Owner has to submit plans to the Architectural Committee and the length of time the Owner has to complete the work proposed in the plans submitted to the Architectural Committee.

If an Owner does not perform such corrective action as is required by the Board and the Architectural Committee within the allotted time, the Board, after Notice and Hearing, may undertake to remedy such condition or violation complained of, and the cost thereof shall be charged to the Owner as a Special Assessment. Such Special Assessment shall be subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration.

If the violation involves nonpayment of any type of Assessment, then the Board shall be entitled to collect

any damage to the Common Property not fully reimbursed to the Association by insurance if the damage is sustained because of the negligence, willful misconduct or unauthorized or improper installation or maintenance of any Improvement by the Member, his guests, tenants or invitees, or any other Persons deriving their right and easement of use and enjoyment of the Common Property from the Member, or his or their respective Family and guests, both minor and adult. However, the Association, acting through the Board, reserves the right to determine whether any claim shall be made upon the insurance maintained by the Association, and the Association further reserves the right, after Notice and Hearing as provided in the Bylaws, to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Member or the Person for whom the Member may be liable as described above. In the case of joint ownership of a Condominium, the liability of the owners shall be joint and several, except to the extent that the Association shall have previously contracted in writing with the joint owners to the contrary. After Notice and Hearing as provided in the Bylaws, the cost of correcting the damage to the extent not reimbursed to the Association by insurance shall be a Special Assessment against such Member's Condominium, and may be enforced as provided herein.

**ARTICLE IV
ARCHITECTURAL REVIEW COMMITTEE**

4.1 Members of Committee. The Architectural Review Committee, sometimes referred to herein as the "Architectural Committee" or the "Committee," shall be comprised of three (3) members. The initial members of the Committee shall be representatives of Declarant until one (1) year after the original issuance of the Final Subdivision Public Report ("Public Report") for the Property ("First Anniversary"). After the First Anniversary the Board may appoint and remove one (1) member of the Committee, and Declarant shall have the right and power at all times to appoint and remove a majority of the members of the Committee or to fill any vacancy of such majority, until the earlier to occur of (i) Close of Escrow for the sale of ninety percent (90%) of all the subdivision interests in the Property, or (ii) expiration of five (5) years following the date of original issuance of the Public Report for the Property, after which the Board shall have the power to appoint and remove all of the members of the Committee. Committee members appointed by the Board shall be from the membership of the Association, but Committee members appointed by Declarant need not be Members of the Association. The Committee shall have the right and duty to promulgate reasonable standards against which to examine any request made pursuant to this Article, in order to ensure that the proposed plans conform harmoniously to the exterior design and existing materials of the buildings in the Property. Board members may also serve as Committee members.

4.2 Review of Plans and Specifications. The Committee shall consider and act upon any and all plans and specifications submitted for its approval under this Declaration and perform such

other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the Committee. No construction, alteration, removal, relocation, repainting, demolishing, addition, installation, modification, decoration, redecoration or reconstruction of an Improvement, including landscaping, in the Property shall be commenced or maintained, until the plans and specifications therefor showing the nature, kind, shape, height, width, color, materials and location of the same shall have been submitted to the Committee and approved in writing by the Committee; provided, however, that any Improvement may be repainted without Committee approval so long as the Improvement is repainted the identical color which it was last painted. Without limiting the generality of the foregoing, the provisions of this Article apply to the construction, installation, alteration and modification of solar energy systems, as defined in Section 801.5 of the California Civil Code, subject to the provisions of California Civil Code Section 714. The Owner submitting the plans and specifications ("Applicant") shall obtain a written, dated receipt therefor from an authorized agent of the Committee. Until changed by the Board, the address for the submission of such plans and specifications shall be the principal office of the Association. The Committee shall approve plans and specifications submitted for its approval only if it deems that the installation, construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, that the construction thereof will not detract from the beauty, wholesomeness and attractiveness of the Common Property or the enjoyment thereof by the Members, and that the upkeep and maintenance thereof will not become a burden on the Association. Declarant, and any Person to which Declarant may assign all or a portion of its exemption hereunder, need not seek or obtain Architectural Committee approval of any Improvements constructed on the Property by Declarant or such Person, as the case may be.

The Committee may condition its approval of proposals or plans and specifications for any Improvement (1) upon the Applicant's furnishing the Association with security acceptable to the Association against any mechanic's lien or other encumbrance which may be Recorded against the Property as a result of such work, (2) on such changes therein as it deems appropriate, (3) upon the Applicant's agreement to grant appropriate easements to the Association for the maintenance of the Improvements, (4) upon the Applicant's agreement to install (at its sole cost) water, gas, electrical or other utility meters to measure any increased consumption, (5) upon the Applicant's agreement to reimburse the Association for the cost of maintenance, (6) upon the Applicant's agreement to complete the proposed work within a stated period of time, or (7) all of the above, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may

also issue rules or guidelines setting forth procedures for the submission of plans for approval, requiring a fee to accompany each application for approval, or stating additional factors which it will take into consideration in reviewing submissions. The Committee may provide that the amount of the fee shall be uniform, or that it be determined in any other reasonable manner, such as by the reasonable cost of the construction, alterations or additions contemplated. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including without limitation, floor plans, site plans, drainage plans, elevation drawings and description or samples of exterior material and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plans submitted for approval. Decisions of the Committee and the reasons therefor shall be transmitted by the Committee to the Applicant at the address set forth in the application for approval within forty-five (45) days after receipt by the Committee of all materials required by the Committee. Any application submitted pursuant to this Section shall be deemed approved unless written disapproval or a request for additional information or materials by the Committee shall have been transmitted to the Applicant within forty-five (45) days after the date of receipt by the Committee of all required materials. The Applicant shall meet any review or permit requirements of the local governmental authorities prior to making any alterations or improvements permitted hereunder.

4.3 Meetings of the Committee. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time, by resolution unanimously adopted in writing, designate a Committee Representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 4.8. In the absence of such designation, the vote or written consent of a majority of the Committee shall constitute an act of the Committee.

4.4 No Waiver of Future Approvals. The approval of the Committee of any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

4.5 Compensation of Members. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

4.6 Inspection of Work. The Committee or its duly authorized representative may at any time inspect any work for which approval of plans is required under this Article ("Work"),

which right to inspect shall include the right to require any owner to take such action as may be necessary to remedy any noncompliance with the Committee-approved plans for the Work or with the requirements of this Declaration ("Noncompliance").

(a) Time Limit. The Committee's right to inspect the Work and notify the responsible Owner of any Noncompliance shall terminate sixty (60) days after the latest to occur of the following events: (i) submittal of the plans for the Work to the Committee for its approval as provided in this Article; (ii) completion of the Work as provided in the Committee-approved plans; and (iii) written notice from the Owner to the Committee that the Work has been completed. This time limit for inspection and notification by the Committee shall be extended indefinitely if any of these conditions has not occurred. If the Committee fails to send a notice of Noncompliance to an owner before this time limit expires, the Work shall be deemed to comply with the approved plans.

(b) Remedy. If an Owner fails to remedy any Noncompliance within sixty (60) days from the date of notification from the Committee, the Committee shall notify the Board in writing of such failure. Upon Notice and Hearing, as provided in the Bylaws, the Board shall determine whether there is a Noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a Noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date that notice of the Board ruling is given to the Owner. If the Owner does not comply with the Board ruling within that period, the Board, at its option, may Record a Notice of Noncompliance and commence a lawsuit for damages or injunctive relief, as appropriate, to remedy the Noncompliance.

4.7 Scope of Review. The Architectural Committee shall review and approve, conditionally approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, solely on the basis of aesthetic considerations, consistency with this Declaration, and the overall benefit or detriment which would result to the immediate vicinity and the Property generally. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features. The Committee's approval or disapproval shall be based solely on the considerations set forth in this Article, and the Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes. The Committee shall also work closely with the architectural review committee established pursuant to the Master Declaration to ensure a coordinated review of any plans submitted to it.

4.8 Variances. The Committee may authorize variances from compliance with any of the architectural provisions of this

Declaration, including without limitation restrictions upon height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variances must be evidenced in writing, must be signed by a majority of the Committee, and shall become effective upon Recordation. After Declarant has lost the right to appoint a majority of the members of the Committee, the Board must approve any variance recommended by the Committee before any such variance shall become effective. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of his Residence.

4.9 Appeals. For so long as Declarant has the right to appoint and remove a majority of the members of the Committee, decisions of the Committee shall be final, and there shall be no appeal to the Board of Directors. When Declarant is no longer entitled to appoint and remove a majority of the members of the Committee the Board may, at its discretion, adopt policies and procedures for the appeal of Committee decisions for reconsideration by the Board. The Board shall have no obligation to adopt or implement any such appeal procedures, and in the absence of Board adoption of appeal procedures, all decisions of the Committee shall be final.

ARTICLE V
ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

5.1 Personal Obligation of Assessments. Declarant, for each Condominium owned by it, hereby covenants and agrees to pay, and each Owner, by acceptance of a deed to a Condominium whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (1) Annual Assessments for Common Expenses, (2) Special Assessments, (3) Reconstruction Assessments and (4) Capital Improvement Assessments, such assessments to be established and collected as provided herein. The Association shall not levy or collect any Annual Assessment, Capital Improvement Assessment, Special Assessment or Reconstruction Assessment that exceeds the amount necessary for the purpose for which it is levied. Except as provided in this Section 5.1, all such assessments (other than Special Assessments), together with interest, costs, and reasonable attorneys' fees for the collection thereof, shall be a charge on the Condominium against which such assessment is made. Each such assessment (including Special Assessments), together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of the Condominium at the time when

**The Lakeside at the Resort HOA
Architectural Application
(Owner to Complete)**

Please complete this request form and attach TWO (2) copies of your proposed improvement plans and check in the amount of **\$25 made out to Desert Resort Management**. Incomplete applications will not be considered and will be returned. The thirty (30) day review period does not commence until a complete application has been received by the Architectural Committee. To ensure prompt consideration, review all submittal materials for completeness before sending them to the Architectural Committee.

Email or Mail the application and two sets of plans (if applicable) reduced on 8 ½ x 11 inch paper to:

**Desert Resort Management,
42635 Melanie Place, Ste. 103, Palm Desert, CA 92211
760.346.1161 phone – 760.346.9918 fax**

**Donna Rickman
drickman@drmineternet.com**

Office Hours 8:00 a.m. to 5:00 p.m. Monday through Friday

Please Complete the Following:	
Owner:	Date:
Property Address:	
Mailing Address:	
Home Phone #	Work Phone #

Architect or Contractor: (if applicable)	
Name:	Phone #
Mailing Address:	
Contractors License #:	Insurance Carrier:

Description of Improvements desired – give brief description of type and extent of improvement, materials, colors and location on the lot.

I UNDERSTAND AND AGREE THAT:

1. No work shall commence until the written approval of the Architectural Committee has been received.
2. Building permits for the proposed work may be required and the cost of any permits and the responsibility of obtaining permits and subsequent City inspection will be the responsibility of the undersigned. Design Review Committee approval is not intended to be, nor shall be considered a substitute for approval by the necessary and appropriate governmental agencies. The Board has been informed the City that the City may not issue building permits for any improvement until the proposed improvement has been approved by the Architectural Committee.
3. The Architectural Committee's approval or disapproval shall be based on the considerations set forth in the CC&R's, and the Architectural Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plans or design from the standpoint of structural safety, engineering or conformance with building or other codes.
4. I have read this application, The Lakeside at the Resort CC&R's, and the Architectural Review Application, and I understand and agree to the terms and conditions of the Architectural Committee's review of my application, plans and specifications as stated therein.

SIGNATURE OF ALL HOMEOWNERS:

OWNER:

DATE:

OWNER:

DATE:

For Architectural Committee Use Only

Date Received

Date Reviewed

Approved

Disapproved

Comments: _____

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller. A seller may request to purchase some or all of these documents, but shall not be required to purchase ALL of the documents listed on this form.

Property Address:

Owner of Property:

Owner's Mailing Address (if known or different from property address):

Provider of the Section 4525 Items:

Print Name

Position/Title

Association or Agent

Date Form Completed

Check or Complete Applicable Column or Columns Below

Document	Civil Code Section Included	Fee for Document	Not Available (N/A), Not Applicable (N/App), Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Articles of Incorporation	Section 4525(a)(1)		
CC&Rs	Section 4525(a)(1)		
Bylaws	Section 4525(a)(1)		
Operating Rules	Section 4525(a)(1)		
Age restrictions, if any	Section 4525(a)(2)		
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)		
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)		
Assessment enforcement policy	Sections 5310 and 4525(a)(4)		
Financial statement review	Sections 5305 and 4525(a)(3)		
Insurance summary	Sections 5300 and 4525(a)(3)		
Statement of Account/Fees Regular, special and emergency assessments, as well as any other unpaid obligations of the seller	Section 4525(a)(4) Section 5675		
Notice(s) of violation	Section 4525(a)(5) and 5855		
Builder Defects Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100		
Settlement Notice Notice regarding common area defects	Sections 4525(a)(6), (7) and 6100		
Pending Assessment Increases Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)		
Rental Restrictions, if any	Section 4525(a)(9)		
Meeting Minutes For regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)		
TOTAL FEES FOR THESE DOCUMENTS	Section 4525		

***The information provided by this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 may be charged separately.**



REQUEST FOR AUTOMATIC PAYMENT OF ASSESSMENTS

Thank you for your interest in Electronic Funds Transfer. Please fill out the following information to complete this request.

HOMEOWNER AUTHORIZATION FOR ELECTRONIC FUNDS TRANSFER

I authorize the branch and the financial institution listed below to debit my bank account automatically for each association assessment billing period. **Note: Information below is required. If not provided, there will be delays in processing your direct debit request.**

Management Company Name: Desert Resort Management

Homeowner Name: _____

Homeowner Account Number: _____

Association Name: Lakeside at the Resort

Address And Unit #: _____

City: Palm Springs State: CA Zip: 92262

Direct Debit Start/Stop Date (MM/YYYY): _____ / _____

Homeowner Bank Name: _____

Homeowner Bank Routing Number: _____

Homeowner Bank Account Number: _____

- CHECKING ACCOUNT** - Include a voided check from the account you would like to debit
- SAVINGS ACCOUNT** - Include letter from bank that includes your full account number and routing number. **Statements will not be accepted.**

Only checks for US Banks will be accepted. Deposit slips cannot be used in place of a voided check.

Signature: _____ Date: _____

In order for funds to be pulled in time for next month's assessment, this form must be received no later than the 20th of the prior month. The automatic payment process will begin with your next assessment period once we have received your completed form and either your voided check or letter from bank that includes your full account number and routing number.

Return by email: Scan and send this form and a voided check to: serviceorders@drminternet.com

Return by mail:
Complete and send this form and a voided check to the following address:

 **OR** 

Desert Resort Management
P.O. Box 14387
Palm Desert, CA 92255

Delivering unsurpassed management and lifestyle services to communities worldwide.

LAKESIDE AT THE RESORT HOMEOWNER ASSOCIATION

MEMBERSHIP LIST – OPT OUT FORM

I, _____, am the current owner of real property located within the _____ Homeowners Association (“Association”), with the common street address of _____, and have full authority to make legal decisions affecting my residence/lot.

Pursuant to Civil Code section 5220, and any successor statute, I hereby exercise my right to opt out of sharing my name, property address, mailing address or any of my personal information with any other member of the Association. I prefer to be contacted by an alternative process as described in Corporations Code section 8330(c).

This opt out shall remain in effect until changed by me or my legal representative.

NAME OF MEMBER

SIGNATURE OF MEMBER

ASSOCIATION ADDRESS

DATE

ALTERNATE MAILING ADDRESS

Please return this form to Desert Resort Management:

Fax: 760-346-9918 / Email: serviceorders@drmineternet.com

Or mail to: P.O. Box 14387, Palm Desert, CA 92255



Lakeside at the Resort, (Association) now offers all Owners the ability to receive notices and other correspondence from the Association electronically. If Owners accept delivery electronically, the Association hopes to reduce expenses associated with copying, mailing and postage, while also helping reduce the Association’s carbon footprint and effect on the environment. Please complete and return this consent form to take advantage of this offer and to begin receiving communications electronically. ***Please note this form must be renewed annually, this helps to insure we have the most current email address on file.***

The undersigned Owner/Member hereby agrees to accept delivery of all legally permissible documents and notices from the Association in electronic form, via e-mail in Adobe PDF or similar format. The documents which can be sent to you by the Association in electronic form include, but are not limited to, the following:

- | | |
|---|--|
| <input type="checkbox"/> Regular or Special Board Meeting Notices | <input type="checkbox"/> Informal Dispute Resolution (IDR) Notice |
| <input type="checkbox"/> Proposed Rule Change Notices | <input type="checkbox"/> Alternative Dispute Resolution (ADR) Notice |
| <input type="checkbox"/> Request for Candidates, etc. | <input type="checkbox"/> Secondary Address Notice |
| <input type="checkbox"/> Pro Forma Operating Budget or Summary | <input type="checkbox"/> Reserve Funding Plan |
| <input type="checkbox"/> Insurance Coverage Summary | <input type="checkbox"/> Reserve Study |
| <input type="checkbox"/> Rules and Regulations | <input type="checkbox"/> Reserve Study Updates |
| <input type="checkbox"/> Disclosure Document Index | <input type="checkbox"/> Financial Statements and/or any Reviews |
| <input type="checkbox"/> Newsletter | <input type="checkbox"/> Assessment Collection Policy |
| <input type="checkbox"/> Access to Board Minutes | <input type="checkbox"/> Assessment and Foreclosure Notice/Form |
| <input type="checkbox"/> Architectural Change Notice | <input type="checkbox"/> Monetary Penalty Schedule |

By signing below, you confirm that you are Owner of the property listed below and/or authorized to make decisions for and bind the property. You further consent to the matters described herein and understand that with certain legally required exceptions by signing below you will no longer receive notices and documents from the Association via U.S. mail. You can revoke this authorization and again receive notices, disclosures and other documents from the Association in printed copy by sending a revocation notice to Desert Resort Management by email to ServiceOrders@drmineternet.com , by facsimile (760-346-9918), or by 1st class mail to P.O. Box 14387, Palm Desert, CA 92255-4387.

No more than one (1) e-mail address will be accepted as the primary address for delivery of the above documents, per property address. This signed form may be returned to the Association by e-mail, facsimile, personal delivery or 1st class mail by using the information listed above.

I understand and agree that delivery of any notices, documents, communications or disclosures are complete at the time of e-mail transmission from the Association. I further understand that it is my obligation to notify the Association through the means described in this form if the e-mail address at which I wish to receive notice changes. I understand that I have the right, at any time, to have the documents delivered electronically pursuant to this consent form made available to me in paper form upon my written request.

Signature of Owner/Authorized Representative

Printed Name

Address within the Association

Primary E-Mail Address
(Please Print Legibly)

ANNUAL ADDRESS / INFORMATION UPDATE FORM

The Lakeside at the Resort Association (“Association”) is required to annually request the information below from all Owners and each Owner is required by law (*Civil Code* Section 4041) to provide the information requested below.

Please complete this form by providing the information below and return the completed form to management by December 1, 2020. *Please print legibly.* If you own more than one piece of property within the Association, please submit a separate form for each property owned.

If you do not complete and return this form, your property address within the Association will be deemed to be the address to which all Association notices will be delivered.

1. Name of record Owner(s):

2. Address of property that I own within the Association:

3. The address or addresses to which notices from the Association are to be delivered:

4. An alternate or secondary address to which notices from the Association are to be delivered (if any):

5. Name and address of your legal representative, if any. This includes any person with a power of attorney or other person who can be contacted in the event of your extended absence.

6. Please circle one of the statements below:

- a. I occupy the property within the Association identified in item 2 above.
- b. The property identified in item 2 above is rented out.
- c. The property identified in item 2 above is developed, but vacant.
- d. The property identified in item 2 above is undeveloped land.

Date: _____

Authorized Signature

Please return your completed form by May 15, 2021, to the Association, via mail: Attn: Associa / Desert Resort Management, Attn: Ciara Shuster, 42-635 Melanie Place, Suite 103, Palm Desert, CA 92211, or via facsimile: (760) 346-9918, or via email: CShuster@drmineternet.com.



WHERE

COMMUNITY MANAGEMENT & COMMUNITY ENGAGEMENT

MEET

Introducing TownSq. A new, all-in-one solution for better community living, TownSq delivers the most complete, mobile community experience by helping you connect, collaborate and stay-up-to-date on everything happening in your community – from daily management and ongoing maintenance to community programs and events.

No other app addresses the unique social and administrative aspects of community living. With TownSq you can:

- Engage with one another
- Pay from any device
- Reserve common areas
- Track maintenance requests
- Access important association documents
- Get updates when community tasks are completed
- And more – any time on any device.

Our communities use TownSq to empower management teams, board members and homeowners to experience community their way.

VISIT WWW.TOWNSQ.IO TO LOGIN OR REGISTER, AND DOWNLOAD THE APP.

townsq
experience
community your way

