HAMPTON VILLAGE OWNERS ASSOCIATION

c/o Johnson Ranch Management 2140 Professional Drive, Suite 260 Roseville, CA 95661

_____, 2025

Members of the Hampton Village Owners Association Roseville, California

Re: Summary of Changes in the Proposed Restated Governing Documents

Dear Member of the Association:

The Association's Board of Directors has invested considerable time and effort into preparing a revised and restated set of governing documents for the Hampton Village Owners Association. The Board's effort to restate the governing documents has been focused on updating the Association's current governing documents for changes in California law affecting community associations and to simplify the governance of the Association by clarifying the obligations of the Association.

The Board has carefully considered and analyzed the proposed restated governing documents and now submits them to the members for your vote. Each member is encouraged to review the enclosed materials and then to cast their vote on the proposed Restated Governing Documents using the enclosed secret ballot.

Enclosed for your review are copies of the proposed restated governing documents. The proposed restated governing documents include the following:

(1) *Third Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Hampton Village* (the proposed "Restated CC&Rs"); and

(2) *Third Restated Bylaws of Hampton Village Owners Association* (the proposed "Restated Bylaws").

(Collectively, these documents listed above are referred to as the proposed "Restated Governing Documents")

Please keep in mind that you are being asked to cast a single vote "for" or "against" the adoption of the Restated Governing Documents. A single vote is necessary to avoid inconsistent and contradictory language should one of the documents be approved and the other rejected.

The Board has carefully read and approved the proposed Restated Governing Documents. These documents incorporate the changes mandated by current California law and include provisions that, when approved, will bring our Association up to the standards applicable to California community associations today.

This letter is intended to provide a general overview of the proposed Restated Governing Documents; it is not intended to replace your review of the proposed Restated Governing Documents. Accordingly, the following is a summary of certain significant provisions contained within the proposed Restated Governing Documents:

A. Proposed Restated Declaration

The declaration of restrictions describes the real property subject to the Association's governing documents. It defines the interests and rights of the Association and owners with respect to the property. Further, the declaration of restrictions addresses assessment structure, use restrictions, maintenance, architectural review procedures, and compliance issues.

The following is a summary of some of the changes in the proposed *Third Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Hampton Village* (the "Restated CC&Rs"):

(1) <u>Definitions</u>. The "definitions" portion of the Restated Declaration has been expanded and clarified to make the interpretation and implementation of the document easier for members.

(2) <u>Use Restrictions</u>. The property use regulations found in the current Declaration have been consolidated and clarified in Article 4 of the Restated Declaration. The provisions contained in Article 4 have been carefully drafted to suit the unique character and needs of the community and have been simplified. Careful attention has been devoted to ensuring that the provisions allow each owner the reasonable, fair use of their home, while protecting the appearance, property values, and quality of life within the community.

For example, changes have been made to the nuisance restriction to expressly prohibit fireworks except on July 4. Language has been added to explicitly state that residents must pick-up after their pets.

The Board has decided not to add specific details regarding use restrictions, such as required paint colors or other specific details, and to instead put those into a set of rules that allow greater flexibility for changes in the future. In general, existing use restrictions have been carried over and reorganized, but generally not expanded.

(4) <u>Assessments</u>. The assessment provisions found in the current CC&R's have been moved to Article 6, and have been updated to conform to the Davis-Stirling Common Interest Development Act and to clarify the procedures that the Association will use with regard to assessments.

(5) <u>Maintenance</u>. The provisions addressing maintenance responsibilities are now located in Article 8 of the proposed Restated CC&Rs. The obligations of both the Association and the owners for maintenance, repair and replacement of the many elements which make up the community have been clearly specified in order to avoid confusion.

A new provision has been added regarding "Party Walls/Fences", which are fences and walls that divide two separate lots. The requirement for fence maintenance has been changed to reflect the unavailability of 4" pickets to permit for 6" pickets. Clarification has also been added regarding the

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walkways and sidewalks on each Lot, which have always been the responsibility of owners but now it is expressly stated.

(6) <u>Architectural Review and Use Restrictions</u>. The provisions on design review in Article 9 have been revised and clarified to reflect changes made in California law regarding the procedure for architectural review.

The period to review and respond to applications has been reduced to 15 days.

B. Proposed Restated Bylaws

The Association's Bylaws contain rules which govern corporate matters such as membership meetings, elections of directors, and books and record keeping requirements. A corporation's bylaws contain the rules which govern organizational and "corporate" matters, as distinguished from the CC&Rs, which address real property rights, interests, obligations and related matters. Most often changes in the Bylaws are a direct result of changes made by the California legislature.

The following is a summary of numerous noteworthy changes in the proposed *Third Restated Bylaws of Hampton Village Owners Association* (the "Restated Bylaws"):

(1) <u>Election Procedures</u>. The Restated Bylaws incorporate provisions from California Civil Code Section 5100. This law mandates the Association adopt rules, provide a mechanism in which a member may nominate himself or herself for election to the Board, and utilize a method of secret ballot voting for certain types of membership votes. Additionally, changes have been made to comply with new laws that took effect in Civil Code Section 5100 et. seq. on January 1, 2020. Director qualifications are also being modified to conform to new changes in the law.

(2) <u>Budget Preparation and Annual Disclosures</u>. Information regarding budgets and financial documents is now in Section 8 of the proposed Restated Bylaws. The budget preparation and distribution process set forth in Section 8.2.2 of the Restated Bylaws conforms to California law. Furthermore, requirements that specify when the Association must provide annual disclosures to members, such as notification of collection policies, are clearly detailed in the Restated Bylaws.

(3) <u>Qualifications for Voting</u>. All members can vote, regardless of any delinquencies or violations.

(4) <u>Duties of the Board</u>. The obligations and duties of the Board of Directors has been updated to reflect the requirements of California law and to ensure that member rights are understood.

The time taken by each member to review the proposed Restated Governing Documents is sincerely appreciated. The Board members have invested considerable time and effort in preparing a revised set of governing documents that is up-to-date, both in terms of California law and the standards presently applicable to California community associations.

The Board encourages you to participate in this important vote.

Very truly yours,

Hampton Village Owners Association

Board of Directors