

ITEM	2018/2019	2018/2019	MONTHLY
INCOME	ANNUAL	MONTHLY	PER UNIT
Assessments	430,555.00	35,879.58	390.00
TOTAL INCOME	430,555.00	35,879.58	390.00
EXPENSES			
Electricity	7,000.00	583.33	6.34
Water	72,000.00	6,000.00	65.22
Trash Removal	23,600.00	1,966.67	21.38
Internet	1,500.00	125.00	1.36
Sum	104,100.00	8,675.00	94.29
ADMINISTRATIVE EXPENSES			
Management	18,600.00	1,550.00	16.85
Insurance	24,000.00	2,000.00	21.74
Legal Fees	7,000.00	583.33	6.34
Audit/Tax Preparation	1,200.00	100.00	1.09
Postage Reimbursement	150.00	12.50	0.14
Misc. G & A Expenses	500.00	41.67	0.45
Permits/Licenses/Fees	360.00	30.00	0.33
Taxes	10.00	0.83	0.01
Bad Debt	3,300.00	275.00	2.99
PWB Loan	80,160.00	6,680.00	72.61
Sum	135,280.00	11,273.33	122.54
MAINTENANCE			
Janitorial Contract & Supplies	6,000.00	500.00	5.43
Landscape Service & Maintenance	40,980.00	3,415.00	37.12
Irrigation Repairs	8,450.00	704.17	7.65
Landscaping Extras & Supplies	3,000.00	250.00	2.72
Pest Control	3,000.00	250.00	2.72
Common Area Maintenance	7,550.00	629.17	6.84
Common Area Supplies	7,200.00	600.00	6.52
Pool Gate	480.00	40.00	0.43
Pool Maintenance	3,400.00	283.33	3.08
Pool Extras	2,400.00	200.00	2.17
CCTV Annual Maintenance	480.00	40.00	0.43
Fir Extinguishers & Hydrants	1,500.00	125.00	1.36
Drains - Clean & Clear	1,800.00	150.00	1.63
Plumbing Repairs	2,400.00	200.00	2.17
Sum	88,640.00	7,386.67	80.29
Total Res Allocation	102,535.00	8,544.58	92.88
TOTAL ALLOCATIONS	102,535.00	8,544.58	92.88
TOTAL OPERATING EXPENSES	430,555.00	35,879.58	390.00

ASSESSMENT COLLECTION POLICY

Because the Association is responsible for managing, maintaining and repairing the common areas, timely payment of assessments is extremely important to the operations of the Association. Owners' failure to pay assessments when due creates a cash flow problem for the Association and disrupts operations. As a result, the Board has adopted the following policies for the collection of delinquent assessments.

Assessment Due Date. Regular assessments are payable monthly in twelve (12) equal installments. Each installment is due on the 1st day of each month and delinquent if not paid by the 15th of the month. Any billing statements are sent as a courtesy. Payment of assessments is required even if you do not receive coupons or a billing statement. Special assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment.

Delinquent Assessments. Delinquent assessments will be subject to late charges and interest as follows:

- **Late Charge.** Delinquent assessments may be assessed a late charge of \$10.00 or ten percent (10%) of the amount of the delinquent assessment, whichever is greater. A late charge will not be imposed more than once per delinquent installment.
- **Interest.** Any installment not paid by the thirtieth (30th) day of the month will accrue interest at the rate of twelve percent (12%) per annum.

Liability for Collection Costs. All late charges, interest, attorneys' fees, and collection costs incurred by the Association will be added to the owner's account and will become the liability of the owner.

Enforcement Rights. Assessments are the separate debt of owners. In addition to any other rights provided for by law or described in the Association's CC&Rs, Bylaws or other governing documents, the Board has the right to collect delinquent assessments as follows:

- **File Suit.** The Association may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the owner's Unit for the delinquent assessment. In any action to collect delinquent assessments, late charges or interest, the prevailing party will be entitled to costs and reasonable attorneys' fees. If such costs and fees are awarded to the Association, they will become a reimbursement special assessment against the owner.
- **Lien and Foreclosure.** The Association may file a lien against the owner's Unit for the amount of the delinquent assessment together with any late charges, interest, costs, attorneys' fees and penalties. The association shall follow all statutory requirements before filing such lien, and may foreclose upon such lien, either judicially or non-judicially, as provided by law. The Association, through its Board, may bid on the Unit at the sale, and may hold, lease, mortgage, and convey the acquired Unit.
- **Suspend Privileges and Voting Rights.** The Board may suspend the common area privileges and voting rights of any owner who is more than thirty (30) days delinquent in paying any assessment. Common area privileges and voting rights will remain suspended until the delinquency, including any accumulated penalties, interest and costs of collection, has been paid in full.
- **Publish Names.** Delinquent owners may be listed in Board meeting minutes along with the action, if any, taken by the Board such as placement of a lien, suspension of privileges, etc.
- **Additional Remedies.** The remedies described above are in addition to and not in substitution of any other rights and remedies the Association may have.

Returned Checks. Returned checks are subject to the maximum service fee permitted by law.

No Offsets Allowed. As required by law, owners may not offset payment of their assessments for any reason.

Crediting Payments. Any payments received will be credited to the outstanding balance in the following order: special assessments, reimbursement special assessments, regular assessments, monetary penalties and fines for rules violations, late charges, attorneys' fees and costs, and interest.

Attorneys' Fees. If a lawsuit or foreclosure action is initiated by the Association to recover assessments, the Association is entitled to recover not only the amount in default but also reasonable costs of collection, including title company charges and attorney fees as provided for by statute as well as the Association's CC&Rs, Bylaws or other governing documents.

Overnight Mail. You may send your payment by overnight mail to 5122 Avenida Encinas, Suite 100, Carlsbad, CA 92008.

Notice of Assessments and Foreclosure. The statutorily required Notice of Assessments and Foreclosure is on the reverse of this page.

VISTA PARK VILLAS CONDOMINIUM ASSOCIATION

As approved by the Board of Directors at a duly held meeting on July 25, 2013

Enforcement and Fine Schedule:

The Association may levy fines and/or suspend membership rights or voting rights against an owner for violations of the governing documents, which include the CC&Rs, Bylaws and Rules and Regulations.

When an owner and/or tenants/guests violate the governing documents a warning letter will be sent, with either an immediate cease and desist or depending on the violation up to 30 days to comply.

If, after the given compliance time, the violation remains uncorrected, the owner will be sent a second letter requesting them to appear before the Board for a hearing on the matter. This hearing letter shall provide no less than two weeks (14 days) notice prior to the date of the hearing.

The owner may come to the hearing and speak in person or submit a written statement if received 5 days prior to the hearing.

The owner will be informed of the Association's decision by mail within 10 days.

If fines are assessed, failure to pay them will lead to legal action being taken to collect.

First Warning Violation letter – No fine
Second Letter – Sets Hearing Date

If fined as a result of the hearing:

First Fine - \$150.00 plus a \$15.00 Administration fee for each violation

Second Fine for same violation - \$300.00 plus a \$15.00 Administration fee with an additional \$300.00 assessed for every month the violation is not corrected.

Intentional damage to the common area will be fined \$150.00 plus the cost of the repair.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/ DD/ YYYY)
03/26/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Daniel Wallace(9951344) 230 Civic Center Dr Vista CA 92084-6140		CONTACT NAME PHONE (A/ C, NO, EXT) 760-726-3003 FAX (A/ C, NO) 760-940-9222 E-MAIL ADDRESS: dwallace@farmersagent.com	
INSURED VISTA PARK VILLAS HOA C/O PROPERTY ADVANTAGE 5142 AVENIDA ENCINAS CARLSBAD CA 92008		INSURER(S) AFFORDING COVERAGE INSURER A: Truck Insurance Exchange 21709 INSURER B: Farmers Insurance Exchange 21652 INSURER C: Mid Century Insurance Company 21687 INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER REVISION NUMBER

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAME ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDTL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/ DD/ YYYY)	POLICY EXP (MM/ DD/ YYYY)	LIMITS					
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER	Y	N	601416789	10/15/2017	10/15/2018	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea Occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COM/ OP AGG \$ 2,000,000 \$					
	B						AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	601416789	10/15/2017	10/15/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$	
							UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB				OCCUR CLAIMS-MADE	EACH OCCURRENCE \$ AGGREGATE \$ \$
							DED RETENTION \$					
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/ PARTNER/ EXECUTIVE OFFICER/ MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE OTHER \$ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$					

DESCRIPTION OF OPERATIONS/ LOCATIONS/ VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
1166 MADERA LN, VISTA, CA 92084

CERTIFICATE HOLDER Vista Park Villas HOA c/o PROPERTY ADVANTAGE 5142 AVENIDA ENCINAS CARLSBAD CA 92008	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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Reserve Study Executive Summary

Association Name: **Vista Park Villas Condominium Association**
 Location: **1100 Madera Ln. & 1200 Mariposa Ct., Vista, CA**
 No. of Units: **92** Built: **1973** Fiscal Year Ending: **March 31, 2017**
 Level of Study: **Level II: Update with On-Site Inspection** Date of Physical Inspection: **November 22, 2016**

CURRENT FISCAL YEAR END SUMMARY OF RESERVE COMPONENTS

(See Reserve Analysis Worksheet, pg. 5, for breakdown of all components individual lives, current costs, and projected future replacement costs)

Reserve Component Groups	Estimated Useful Life	Estimated Remaining Life	Estimated Replacement Cost	Annual Funding Requirement	Accumulated Funding Requirement	Allocation of Fund Balance	Percent of Fund Balance
ROOFING & DECKS	5 - 30	1 - 27	\$ 661,105	\$ 23,957	\$ 129,482	\$ 20,778	26.6%
PAINTING/REPAIRS	5 - 30	3 - 10	314,242	24,948	153,197	24,583	31.5%
FENCE/SECURITY	10 - 25	2 - 25	105,447	4,736	22,639	3,633	4.6%
PAVED SURFACES	4 - 20	1 - 18	225,830	17,731	79,814	12,808	16.4%
POOL	12 - 20	1 - 19	24,920	1,525	7,901	1,268	1.6%
MECHANICAL/PLUMBING	50 - 50	3 - 3	40,000	800	37,600	6,034	7.7%
LANDSCAPING/IRRIGATION	1 - 25	1 - 6	14,295	3,465	11,907	1,911	2.4%
LIGHTING/ELECTRICAL	10 - 20	4 - 5	21,350	1,100	15,915	2,554	3.3%
MISCELLANEOUS	15 - 15	14 - 15	81,100	5,407	5,367	861	1.1%
CONTINGENCY (5%)			74,414	4,183	23,191	3,721	4.8%
TOTALS			\$ 1,562,703	\$ 87,852	\$ 487,011	\$ 78,150	

CURRENT FISCAL YEAR RESERVE FUNDS

Current Budgeted Annual Reserve Allocation	\$ 85,968
Reserve Fund Balance as of: September 30, 2016	\$ 147,166
Anticipated Funding to Year End	42,984
Anticipated Expenditures to Year End	(112,000)
Cash Projected at Year End March 31, 2017	\$ 78,150
Accumulated Funding Requirement (Fully Funded)	\$ 487,011
Percentage Funded at the end of this Fiscal Year	16.0%
Accumulated Deficiency for Current Fiscal Year	\$ 408,861
Deferred repair/replacement of any major component with a remaining life of 30 years or less?	Per Unit \$ 4,444 NO

RESERVE FUNDING OPTIONS FOR THE FISCAL YEAR ENDING: 2018

	per unit per month	per year
<i>funding options assume a 3% increase, unless otherwise noted</i>		
Annual Requirement Funding:	\$ 82	\$ 90,487
Current Budgeted Funding:	80	88,547
Recommended Funding:	80	88,547
Special Assessment/s Recommended?		NO

For funding option details please see Reserve Study Summary page 2

We present this summary of the repair and replacement funding program of the Association as of March 31, 2017, and the related reserve funding projection for the 30-year period from 2017 to 2047, based on information provided by management and based upon the consultant's estimates of the most probable reserve component replacement costs, conditions, and lives. The annual requirement is based on the cost of each component divided by its total useful life. The accumulated requirement is the annual requirement multiplied by the number of years each component has been in service. The difference between accumulated requirement total and the actual cash balance may indicate a deficit which would be expressed in the percentage funded.

The above information is a condensed summary of the reserve study, in compliance with CA Civil Codes 5300, 5550, and 5600, and is intended to be included in the annual budget package to be provided to owners not less than 30 nor more than 90 days prior to the Association fiscal year end. CACC 5550 requires an on-site inspection every 3 years, and the study to be reviewed annually. Assumptions have been made about costs, conditions, and future events that may occur. Some of these assumptions may not materialize, and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and lives may vary from this report and the variations may be material.

The compilation of this reserve funding analysis and projection is based on representations of management and the consultant's estimates. We have not audited or reviewed the accompanying analysis and projections and, accordingly, do not express an opinion or any other form of assurance on them. We assume no responsibility to update this report for events occurring after the date of issuance of this report.

Vista Park Villas Condominium Association
Level II: Update with On-Site Inspection
March 31, 2017

Inflation and Interest Earned on Reserves:

As an industry standard, provision has been made in the funding projections for inflation, computed at three percent (3%), and an assumed 1% net interest on the reserve balance has been added to the reserve funds. As costs increase in the future, the annual reserve reports should be revised accordingly.

Reserve Calculations:

Based on estimated current replacement costs of \$1,562,703 and estimated normal and remaining useful lives as determined by the independent consultant, the annual funding requirement is calculated to be \$87,852.

The accumulated funding requirement is calculated to be \$487,011.

As of March 31, 2017, the Association may have \$78,150 in accounts designated as reserve funds.

Therefore, a deficit of \$408,861 has been calculated, with a funding percentage of 16.0%. A portion of the annual reserve requirement may be provided for in the operating budget.

Industry Standard Measure of Funding Strength:

0% - 30% = WEAK At this level of funding, Special Assessments and deferred maintenance are likely.

31% - 70% = FAIR At this level of funding Special Assessment and deferred maintenance are less likely, but could still pose a concern. Efforts should be taken to increase to a healthier level of funding.

>70% = STRONG At this level of funding the Association should be well covered, with hopefully no need for deferred maintenance or Special Assessments.

Funding Calculations:

There are a variety of methods by which the Association can approach the desired level of funding. The Board is responsible for determining the optimum funding program. We have calculated three options:

Option 1: Annual Requirement Funding: This option assumes that the Association will maintain the annual funding requirement as calculated on page 5, without regard to any funding deficiency.

Currently the annual requirement allocation is \$90,487 or \$82 per unit per month (based on annual funding requirement, plus 3% inflation increase) beginning next fiscal year.

Reserves could be at the Weak level of funding in FY 2017/18.

No deficits in the 30 year projection.

Option 2: Current Funding: The current budgeted funding level is projected over the 30-year period, including three percent (3%) annual increase, as compared to option 1 and 3.

Currently, with the 3% increase, \$88,547 or \$80 per unit per month will be allocated to reserves next fiscal year.

Reserves are currently at the Weak level of funding.

Reserves could maintain the Fair level of funding beginning FY 2022/23.

Option 3: Recommended Funding: This option is intended to calculate the amount of funding that would be the most sufficient for the Association over the next 30 years. The Current Budgeted Funding, and the Annual Requirement Funding are both taken into consideration while creating a Recommended Funding that is hopefully achievable by the Association.

Recommended funding is \$88,547 or \$80 per unit per month.

To bring reserves into a stronger level of funding, the Regular Reserve Allocation could be increased 7% annually in FY's 2018/19 through 2020/21.

To then avoid any future over funding of the reserves, no annual increases should be needed in FY's 2027/28 through 2033/34.

Reserves could maintain the Fair level of funding beginning FY 2020/21, and could reach the Strong level of funding beginning FY 2027/28.

Vista Park Villas Condominium Association
Assessment and Reserve Funding Disclosure Summary
March 31, 2017

(1) Regular Assessments -

Assessments to members are averaged at \$370 per unit per month for the year ending March 31, 2017.

* If assessments vary by the size or type of unit, the applicable assessment rates may be found in the Association's accompanying Annual Budget and /or can be provided by the Association/management agent.

(2) Special Assessments - Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, which have been approved by the Board and/or members:

Date assessment is due:	Amount/ unit/month	Purpose of this assessment is to fund or supplement the replacement costs of:
N/A		

(3) Reserve Account Balances -

Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the Association's obligation for repair/and or replacement of major components during the next 30 years?

Yes X No

(4) Additional Assessments -

If the answer to #3 is No, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board of directors or the members?

Not applicable. Proceed to number 5.

(5) Major Components -

All major components are included in the reserve study and are included in its calculations.

(6) Current Funding Comparison -

As of the current reserve study or update, the balance in the reserve fund is projected to be \$78,150.

Based on the method of calculation in paragraph 4 of subdivision (b) of Section 5570 the estimated accumulated funding requirement is \$487,011. The percentage funded is: 16.0%

(7) Funding over next 5 Budget Years -

Based on the method of calculation in paragraph 4 of subdivision (b) of Section 5570 the estimated amount required in the reserve fund at the end of each of the next five budget years is projected to be:

\$558,335 \$577,699 \$508,055 \$599,636 \$519,748

The projected reserve fund cash balance at the end of each of those years is projected to be, taking into account only assessments already approved and other known revenues, as follows:

\$150,952 \$172,540 \$105,438 \$199,073 \$122,443

% Funded 27.0% 29.9% 20.8% 33.2% 23.6%

If the recommended reserve funding plan is approved by the Association and implemented, the projected reserve fund cash balance at the end of each of those years would be:

\$150,952 \$176,082 \$116,454 \$221,915 \$157,580

% Funded 27.0% 30.5% 22.9% 37.0% 30.3%

The law does not require the Association to fund reserves in accordance with these calculations.

The financial representations set forth in this summary are based on best estimates of the consultant at the time. These estimates regarding costs, lives and conditions are subject to change.

An assumed long-term inflation rate to be applied to major component repair and replacement costs was 3% per year.

An assumed long-term net interest rate earned on reserve funds is 1% per year.

Per CACC 5550, the Association is required to adopt a 5 year funding plan.

January 25, 2017

ARTICLE 3. ALTERNATIVE DISPUTE RESOLUTION (ADR) PREREQUISITE
TO CIVIL ACTION

§5925. ADR Definitions

✱ As used in this article:

(a) "Alternative dispute resolution" means mediation, arbitration, conciliation, or other nonjudicial procedure that involves a neutral party in the decisionmaking 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. [2012 - Based on former §1369.510]

§5930. ADR Required Before Filing Certain Actions

✱ (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. [2012 - Based on former §1369.520]

§5935. Initiating ADR by 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. [2012 - Based on former §1369.530]

§5940. Time for Completing ADR Process and Cost Splitting

✱ (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. [2012 - Based on former §1369.540]

§5945. Effect of ADR on Statutes of Limitation

✱ 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. [2012 - Based on former §§1369.550]

§5950. Filing ADR Certificate when Filing Court Action

✱ (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. [2012 - Based on former §1369.560]

§5955. Referral to ADR and Stay of Court Action by Stipulation

✱ (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. [2012 - Based on former §1369.570]

§5960. Refusal to Participate in ADR; Effect on Award of Fees and Costs

✱ 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. [2012 - Based on former §1369.580]

§5965. Annual Disclosure of ADR Procedures to Members

✱ (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. [2012 - Based on former §1369.590]

ARTICLE 2. INTERNAL DISPUTE RESOLUTION (IDR)

§5900. Applicability of IDR to Association-Member Disputes

✱ (a) This article applies to a dispute between an association and a member involving their rights, duties, or liabilities under this act, under the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code), or under the governing documents of the common interest development or association.

(b) This article supplements, and does not replace, Article 3 (commencing with Section 5925), relating to alternative dispute resolution as a prerequisite to an enforcement action. [2012 - Based on former §1363.810]

§5905. Fair, Reasonable and Expedient IDR Procedure Required

✱ (a) An association shall provide a fair, reasonable, and expeditious procedure for resolving a dispute within the scope of this article.

(b) In developing a procedure pursuant to this article, an association shall make maximum, reasonable use of available local dispute resolution programs involving a neutral third party, including low-cost mediation programs such as those listed on the Internet Web sites of the Department of Consumer Affairs and the United States Department of Housing and Urban Development.

(c) If an association does not provide a fair, reasonable, and expeditious procedure for resolving a dispute within the scope of this article, the procedure provided in Section 5915 applies and satisfies the requirement of subdivision (a). [2012 - Based on former §1363.820]

§5910. IDR Procedure to Satisfy Specific, Minimum Criteria

✱ A fair, reasonable, and expeditious dispute resolution procedure shall at a minimum satisfy all of the following requirements:

(a) The procedure may be invoked by either party to the dispute. A request invoking the procedure shall be in writing.

(b) The procedure shall provide for prompt deadlines. The procedure shall state the maximum time for the association to act on a request invoking the procedure.

(c) If the procedure is invoked by a member, the association shall participate in the procedure.

(d) If the procedure is invoked by the association, the member may elect not to participate in the procedure. If the member participates but the dispute is resolved other than by agreement of the member, the member shall have a right of appeal to the board.

(e) A resolution of a dispute pursuant to the procedure, which is not in conflict with the law or the governing documents, binds the association and is judicially enforceable. An agreement reached pursuant to the procedure, which is not in conflict with the law or the governing documents, binds the parties and is judicially enforceable.

(f) The procedure shall provide a means by which the member and the association may explain their positions.

(g) A member of the association shall not be charged a fee to participate in the process. [2012 - Based on former §1363.830]

§5915. Default IDR Procedure

✱ (a) This section applies to an association that does not otherwise provide a fair, reasonable, and expeditious dispute resolution procedure. The procedure provided in this section is fair, reasonable, and expeditious, within the meaning of this article.

(b) Either party to a dispute within the scope of this article may invoke the following procedure:

(1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

(2) A member of an association may refuse a request to meet and confer. The association may not refuse a request to meet and confer.

(3) The board shall designate a director to meet and confer.

(4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.

(5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association.

(c) An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:

(1) The agreement is not in conflict with law or the governing documents of the common interest development or association.

(2) The agreement is either consistent with the authority granted by the board to its designee or the agreement is ratified by the board.

(d) A member may not be charged a fee to participate in the process. [2012 - Based on former §1363.840]

§5920. Notice to Members Describing IDR Procedure Used

✱ The annual policy statement prepared pursuant to Section 5310 shall include a description of the internal dispute resolution process provided pursuant to this article. [2012 - Based on former §1363.850]

NOTICE ASSESSMENTS AND FORECLOSURE

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)

(b) An association distributing the notice required by this section to an owner of an interest that is described in Section 11212 of the Business and Professions Code that is not otherwise exempt from this section pursuant to subdivision (a) of Section 11211.7 of the Business and Professions Code may delete from the notice described in subdivision (a) the portion regarding meetings and payment plans.

MISCELLANEOUS DISCLOSURES

California Civil Code 5310 Section 4950

"The approved minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the board of directors of an association, other than executive session, shall be available to members within 30 days of the meeting. The approved minutes, proposed minutes or summary minutes shall be distributed to any member of the Association upon request and upon reimbursement of the Association's costs for making that distribution.

California Civil Code 5320

A copy of the full reserve study is available upon request and upon reimbursement of the association's cost for complying with such request.

California Civil Code 4040 Section 5260 "A member of an association may provide written notice by facsimile transmission or United States mail to the association of a secondary address. If a secondary address is provided, the association shall send any and all correspondence and legal notices required pursuant to this article to both the primary and secondary address."

California Civil Code 5310 Section 4045

A member has an option to receive general notices by individual delivery.

California Civil Code 5310 Section 5655

The mailing address for overnight payment of assessments is as follows:

HOA SERVICES

PO Box 462578

Escondido CA 92046-2578

California Civil code 5310 Section 4035

The person designated to receive official communications on behalf of the Association is Ms. Veronica Ramirez, Director of Association Management for MGR Property Management.

AB 596 COMPLIANCE DISCLOSURE

FHA CERTIFICATION:

FHA Certification:

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 an increase in the pool of potential buyers of a separate interest.

This common interest development is a condominium project. The Vista Park Villas Condominium Association is not certified by the Federal Housing Administration.

AB 596 COMPLIANCE DISCLOSURE

VHA CERTIFICATION

VA Certification:

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. Vista Park Villas Condominium Association is certified by the federal department of Veterans Affairs.

Should you require information regarding the certifications of this development, please visit the Federal Housing Administration or U.S. Department of Veterans Affairs websites as these websites are updated during the year.

VISTA PARK VILLA CONDOMINIUM ASSOCIATION

Outstanding Loan Information Disclosure

Per Civil Code 5300 the following loan disclosure information as required by law is as follows:

1. The Association has a Business Loan with Pacific Western Bank in the amount of \$620,000.00.
2. As of February 12, 2018 the outstanding balance is \$453,390.80.
3. Interest rate is present 5.25% fixed for a 10 year term.
4. The monthly payment is \$6,675.43 for a 10 year term.
5. The maturity date is 10/30/24.

ARTICLE 7 - ARCHITECTURAL AND DESIGN CONTROL

7.1 *General.* Any change or improvement to the exterior of a Unit, or to the interior which affects the exterior of Unit, or any mechanical or service systems (HVAC systems, gas, water or electrical pipes or wires, etc.), or the structural integrity of any building, shall be governed by this Article. Changes or improvements to the Common Area by the Association do not need to comply with the requirements of this Article. The powers and duties set forth in this Article shall be vested in, and exercised by, the Board. The Board may establish an architectural committee as provided herein to assist the Board in reviewing architectural submittals, and to provide recommendations to the Board with regard to approval or disapproval of any submittal. The foregoing notwithstanding, the Board shall be solely responsible for approving or rejecting any architectural submittal.

7.2 *General Changes Requiring Prior Approval.* Nothing may be erected, placed or planted on the exterior of any Unit, or on the Common Area by any Owner, including any building, fence, wall, pool, spa, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, carport, carport cover, trellis, tree, grass, shrub or other landscaping, any improvement or structure of any kind without the prior written approval of the Board. Modifications to the interior of Units which have the potential to affect the Common Area walls, roofs or other areas also shall require prior approval. Additionally, and except as provided in Section 7.3 below, prior written Board approval shall be required for any alteration, modification, painting or other change or addition to any existing improvement or landscaping.

7.3 *Specific Changes.* Subject to other applicable restrictions contained in the Governing Documents, Owners may modify their Units subject to the following:

7.3.1 Modifications or alterations of the exterior of any Unit must have the prior written consent of the Board or duly appointed architectural committee, including any modifications to facilitate handicapped access as provided by Section 1360 of the California Civil Code. Any approval of such handicapped access modification may be conditioned on such modification's removal, by the Owner at his or her sole expense, once the handicapped access is no longer necessary for the Unit.

7.3.2 In deciding upon floor coverings, Owners shall take all reasonable measures to choose floor coverings that mitigate sound transfer between Units.

7.3.3 No Owner may install any shutter, screen, blind, curtain, drape or other appurtenance in or on any window or door except those items which are in conformance with standards established by the Board.

7.3.4 No Owner may cover his or her Unit's patio or deck without the prior written consent of the Board, provided, however, that no Owner may enclose his or her patio or deck.

7.3.5 Except as provided by the Governing Documents, Owners shall not have the right to paint, decorate, remodel or alter any Exclusive Use Common Area or the Common Area without the prior written consent of the Board.

7.4 *Changes Not Requiring Prior Approval.* Notwithstanding Section 7.2 above, no permission or approval shall be required to repaint in accordance with the original color scheme or as previously approved by the Board, or to rebuild or replace in accordance with plans and specifications previously approved by the Board. Nothing contained herein shall be construed to limit the right of an Owner to paint the interior of his or her Unit any color desired, or to improve or alter any improvements within the interior of the Unit, provided such improvement or alteration does not impair or alter the Common Area, any utilities, or other systems servicing the Common Area or other Units.

7.5 *Architectural Rules.* The Board may, from time to time and in its sole discretion, adopt, amend and repeal, by unanimous vote, rules and regulations to be known as "Architectural Rules." Said Architectural Rules shall set forth the standards and procedures for review by the Board and guidelines for architectural design, placement of improvements, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use in the Project, provided, however, that said Architectural Rules shall not be in derogation of the standards required by this Restated Declaration.

7.6 *Liability.* Neither the Board, any member thereof nor the architectural committee shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of: (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications, (c) the development of any property within the neighborhood, or (d) the execution and filing of an estoppel certificate whether or not the facts therein are correct, provided, however, that such member has acted in good faith on the basis of such information as may be possessed by him or her.

7.7 *Non-Compliance with Laws.* Neither the Association, the Board nor the architectural committee shall be responsible for any non-compliance with any governmental law, rule or regulation of any building, improvement or other structure erected, constructed, installed, placed, altered modified or maintained in accordance with or pursuant to any plans and specifications approved by the Board or any defect in any conditions or requirements they may have imposed with respect thereto.

7.8 *Approval by City.* Prior to commencing any alteration or improvements approved by the Board, the Owner shall comply with all appropriate governmental laws and regulations. Approval by the Board shall not be considered to satisfy the appropriate approvals that may be required by any governmental entity with appropriate jurisdiction. The Association shall not be obligated to enforce the provisions of this Section. An Owner's failure to obtain such governmental approval may subject such Owner to certain penalties imposed by the governmental entity, notwithstanding the approval of the Board. Such penalties shall be the responsibility of such

VISTA PARK VILLAS CONDOMINIUM ASSOCIATION

BOARD GUIDELINES AND DESIGN APPROVALS

PATIO COVERS – The Board of Directors has approved a new patio cover design, effective January, 2012. The plans needed to present to the City, for a permit, are being kept at MGR Property Management. All patio covers from this year and on, must be of this design which is current City code.

Owners are responsible for the maintenance of the patio cover, meaning it must be kept in good repair, it must be water-proofed with a sealant, and treated for termites if and when needed.

Owners are responsible to obtain any permits, approvals, clearances that may be required by the City of Vista.

Owners are responsible for the structural soundness of the cover.

Owners who install patio covers must agree to sign a Maintenance and Indemnity Agreement that must be recorded with the County Recorder's office. This document provides the patio cover to become part of the condominium and that all future owners will be on notice that the cover is their responsibility to maintain.

Upper Deck Patio Covers – At no time can the cover penetrate the waterproof membrane deck surface. If the deck membrane is penetrated by the cover, the owner becomes responsible for the deck repair, as well as any other damage the penetration causes.

Owners understand that if they fail to maintain the cover, the Association has the right to ask them to remove the cover at their expense. The Association will also have the right to remove the cover if owner fails to do so, and assess the owner for the costs incurred.

Owners are responsible to inform any subsequent owner of their architectural responsibilities for the cover or the cover must be removed prior to selling their unit.

GARAGE DOORS – The approved metal roll up garage door is a Sequoia, short panel, white, no windows door. Many companies carry this type of door. In the past, many have used San Diego Garage Door Company at 760/945-3778.

WINDOW AIR CONDITIONING UNITS - Once approved for installation by the Board, must have a piece of clear Plexiglas above the unit. Nothing else is allowed.

NEW VINYL WINDOWS – Approval will be given only for undivided light glass with white or aluminum colored frames. Stationary frame windows may be replaced with single hung, casement or slider type windows in white or aluminum colored frames.

SATELLITE DISHES – Approval will be given only if Dishes are free standing and not attached to the roof, building or fences.

PERSONAL LANDSCAPING – Approval will be based on type of plants to be used. Once approved, owners will be responsible for the maintenance of their plantings.

Owners understand that if they fail to maintain these plants, the Association has the right to remove the plants and assess the owner for the costs incurred.

Owners are responsible to inform any subsequent owner of their architectural responsibilities to maintain the personal plantings they installed prior to selling their unit.

SCREEN DOORS & SECURITY SCREEN DOORS - The doors must be metal and either white, bronze or black in color.

VISTA PARK VILLAS CONDOMINIUM ASSOCIATION

ARCHITECTURAL REQUEST FORM

(MUST BE SUBMITTED FOR APPROVAL BEFORE ANY WORK CAN BEGIN)

OWNERS NAME: _____ LOT #: _____

ADDRESS: _____

PHONE #: (____) _____ (____) _____
HOME WORK/FAX

DESCRIPTION OF PROPOSED IMPROVEMENT:

PROPOSED: START DATE _____ COMPLETION DATE _____

Please enclose sketches and/or detailed plans/specifications that provide the following information:

1. Complete measurements/dimensions of proposed improvement.
2. Materials to be used & color if applicable
3. Drawing(s) showing affected elevations (patio covers, gates, etc.).

Any City Ordinances and/or Building Code requirements regarding this architectural request is strictly between the homeowner and these regulating bodies. Approval of this request **does not** imply that the Association's acceptance is based upon the above mentioned regulations. It is your responsibility to contact these regulating bodies before any work can begin.

Your request must be reviewed by the Architectural Committee, as well as, the Board of Directors. You will be given a decision within **thirty (30)** days from receiving this application, along with all plans, specifications and any other data required by the Committee/Board.

1. OWNER understands that ASSOCIATION shall NOT provide insurance coverage with respect to the approved alteration, and OWNER agrees to provide for all the necessary coverages.
2. OWNER, agrees to hold the ASSOCIATION harmless from any loss incurred in connection with the construction or maintenance of the herein-approved alteration.
3. Construction of the herein-approved alteration shall be pursued diligently and completed no more than ninety (90) days from the date the work begins.
4. OWNER agrees to be responsible for and to pay for any damage and/or leaks that are caused by the installation of the modification/alteration.
5. OWNER agrees to be responsible for any and all damage resulting to common area and/or drainage from installation of the modification/alteration.
6. OWNER agrees to hold ASSOCIATION harmless from any and all claims arising from the modification/alteration.

Vista Park Villas Condominium Association
Architectural Request Form
Page -2-

Date _____ Applicant Signature _____

Co-Applicant Signature _____

REQUIRED SIGNATURES, If Applicable

ADJACENT/AFFECTED NEIGHBORS: _____

ADJACENT/AFFECTED NEIGHBORS: _____

ADJACENT/AFFECTED NEIGHBORS: _____

Architectural Committee Recommendation

☐ **Unconditional Approval**

☐ **Conditional Approval** (as follows):

☐ **Disapproval** (for the following reasons):

Date: _____ Signature: _____
Committee Chair

Date: _____ Signature: _____
Board Member

RETURN TO:

HOA SERVICES
PO Box 462578
Escondido CA 92046-2578