

# ***Laurelmont Community Association***

DATE: November 26, 2019

TO: THE MEMBERSHIP – LAURELMONT COMMUNITY ASSOCIATION

FROM: THE BOARD OF DIRECTORS

RE: ANNUAL POLICY STATEMENT & BUDGET FOR FISCAL YEAR BEGINNING  
JANUARY 1, 2020

In compliance with California Civil Code, attached is the Laurelmont Community Association budget for the fiscal year beginning January 1, 2020. This budget reflects the continuing efforts of the Board of Directors to maintain and enhance the Association's common area and amenities while at the same time keeping expenditures in line.

**The budget indicates a \$42.00 increase in monthly dues from \$415.00 per month to \$457.00 per month to adequately cover the rising operating costs, and to fund the reserve accounts for future repairs and replacements. With this budget, the Board of Directors does not anticipate that any special assessments will be required to replace, repair or restore any major component of the reserve program. Effective January 1, 2020, your new assessment rate will be \$457.00 per month.**

Please find the following items as required by state law and your Association's governing documents:

- FHA Certification Mandatory Disclosure Statement
- VA Certification Mandatory Disclosure Statement
- Civil Code § 5300(b) (12) Disclosure
- 2019 Fiscal Year Budget
- Summary Pages of the Reserve Study
- Reserve Assessment and Funding Disclosure Summary
- 5-year Reserve Plan
- Association's current Assessment and Billing Collection Policy
- Notice of Assessments and Foreclosure Policy
- Alternative Dispute Resolution
- Internal Dispute Resolution Procedure
- Architectural Submittal and Appeal Process
- Discipline Policy
- Fine Schedule
- Summary of the Association's Insurance Coverage

To assist with the preparation of the budget, the Association retained the services of a professional reserve analyst to review the funding program for the Association and provide

# ***Laurelmont Community Association***

recommendations for future funding of the reserve accounts. \* A summary of the study is provided for your review and copies of the complete reserve study are available upon request. The board has determined that the Association's reserves will be funded in the upcoming fiscal year via regular assessments.

According to the reserve analyst, the Association is currently 64% funded to the ideal funding amount. As of the most recent financial statement for the current fiscal year, the Association has \$2,795,041.97 in reserve funds and anticipates that the amount will increase to \$2,854,430.35 at the end of this fiscal year. **If the Association was required to replace all major components at once the cost to do so would be \$4,271,178.56, and the Association is 65.44% funded toward that total cost.** California Civil Code requires this amount to be disclosed to you in boldface type with this budget.

Civil Code also requires the board to disclose any reserve components that have not been completed in accordance with last year's reserve analyst recommendations. The following major components were identified to be repaired or replaced, but the Association did not do so for reasons noted:

<b><i>Component</i></b>	<b><i>Reason for Deferral of Repairs</i></b>
Paint – Wrought Iron, Pool	Anticipated completion in 2020

## **ADDITIONAL DISCLOSURES:**

All owners have a right to obtain a copy of minutes of the Regular General Session Board of Directors meetings. Any requests for such meeting minutes must be made in writing to the Laurelmont Community Association c/o Associa PCM, 27051 Towne Centre Drive, Suite 200, Foothill Ranch, CA 92610 and a distribution fee will be charged. Copies of Board meeting minutes are available upon request throughout the year and are available for review on the Association's website at [www.townsq.io](http://www.townsq.io).

Owners may submit a secondary address to the Association for the purpose of assessment collection, provided that the request is made in writing and mailed to the Association in a manner that shall indicate that the Association has received it.

Official communication to the Association from any member should be sent to:

Laurelmont Community Association  
c/o Associa PCM, 27051 Towne Centre Drive; Suite 200  
Foothill Ranch, CA 92610

Civil Code allows General Notices to the membership to be posted in a prominent location that has been designated by the Association and that is accessible to all members. As such, please be advised that the Association has designated the bulletin board in the pool area as the location for posting of General Notices.

# ***Laurelmont Community Association***

Please be advised that the Association has also designated it's the bulletin board in the pool area for the location where Pesticide Notifications will be posted for the Association. Please note the posting location is subject to change.

Thank you for your continued support of the Association. If you should have any questions regarding the enclosed information, please contact your Community Manager at Associa PCM 800-369-7260. Thank you.

*\* Please note that Neither the board, nor management, are reserve study experts and must rely on third parties for information related to reserve funding and these disclosures.*

The Association has an outstanding loan with an original term of more than one year. The payee of the loan is Pacific Premier Bank, the interest rate is 5.58%, the amount outstanding is \$993,556.13, the annual payment is \$153,681.48, and the loan is scheduled to be retired on January 2028.

# ***Laurelmont Community Association***

## **FHA Certification Mandatory Disclosure Statement**

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. As of November 26, 2019, the association of this common interest development is not certified by the Federal Housing Administration.

Current status can be checked at <https://entp.hud.gov/idapp/html/condlook.cfm>

California Civil Code requires this be provided to the membership each year and must be on a separate piece of paper.

# ***Laurelmont Community Association***

## **VA Certification Mandatory Disclosure Statement**

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. As of November 26, 2019 the association of this common interest development is not certified by the Federal Department of Veterans Affairs.

Current status can be checked at:

<https://vip.vba.va.gov/portal/VBAH/VBAHome/condopudsearch>

California Civil Code requires this be provided to the membership each year and must be on a separate piece of paper.

# Laurelmont Community Association

## Civil Code § 5300(b)(12) Disclosure

### 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 or 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), or Directly Provided (DP) by Seller and confirmed in writing by Seller as a current document
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	10.00	
CC&Rs	Section 4525(a)(1)	15.00	
Bylaws	Section 4525(a)(1)	15.00	
Operating Rules	Section 4525(a)(1)	15.00	
Age restrictions, if any	Section 4525(a)(2)	8.00	
Rental restrictions, if any	Section 4525(a)(9)	8.00	
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	25.00	
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	20.00	
Financial statement review	Sections 5305 and 4525(a)(3)	25.00	
Assessment enforcement policy	Sections 5310 and 4525(a)(4)	10.00	
Insurance summary	Sections 5300 and 4525(a)(3)	10.00	
Required statement of fees	Section 4525	80.00	
Regular assessment	Section 4525(a)(4)		Included w/required statement of fees
Emergency assessment	Section 4525(a)(4)		Included w/required statement of fees
Special assessment	Section 4525(a)(4)		Included w/required statement of fees
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)		Included w/required statement of fees
Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)	25.00	

# ***Laurelmont Community Association***

Settlement notice regarding common area defects	Sections 4525(a)(6), (7), and 6100	8.00	
Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100	8.00	
Notice(s) of violation	Sections 5855 and 4525(a)(5)	8.00	
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)	35.00	
<b>Total fees for these documents</b>	<b>Section 4525</b>	<b>325.00</b>	
* 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 shall be charged separately.			

**Budget Summary Report**  
**Laurelmont Community Association**  
**Dept: 424 - Laurelmont Community Assoc.**  
**2020 Approved Budget**

	<b>2020 Budget</b>
<b>Assessment Income</b>	
4000 - Residential Assessments	1,080,348.00
<b>Total Assessment Income</b>	<b>1,080,348.00</b>
<b>User Fee Income</b>	
4225 - Key Fees	0.00
<b>Total User Fee Income</b>	<b>0.00</b>
<b>Collections Income</b>	
4700 - Collection Processing Fees	0.00
4710 - Late Fees & Interest	0.00
<b>Total Collections Income</b>	<b>0.00</b>
<b>Other Income</b>	
4810 - Compliance Fines	0.00
<b>Total Other Income</b>	<b>0.00</b>
<b>Investment Income</b>	
4910 - Interest Earned - Reserve Accounts	0.00
<b>Total Investment Income</b>	<b>0.00</b>
<b>Total Laurelmont Community Assoc. Income</b>	<b>1,080,348.00</b>
<b>Administrative</b>	
5010 - Bad Debt	2,800.00
5060 - Interest Incurred - Repipe Project	56,850.00
5100 - Records Storage	2,560.00
5105 - Reserve Studies	1,100.00
5195 - Other Administrative Services	4,000.00
<b>Total Administrative</b>	<b>67,310.00</b>
<b>Communications</b>	
5210 - Printing & Copying	6,000.00
5215 - Postage	500.00
<b>Total Communications</b>	<b>6,500.00</b>
<b>Insurance</b>	
5400 - Insurance Premiums	45,500.00
5425 - Earthquake Insurance Premiums	14,000.00
<b>Total Insurance</b>	<b>59,500.00</b>
<b>Utilities</b>	
6000 - Electric Service	24,000.00
6005 - Gas Service	6,500.00
6025 - Water Service	36,100.00
<b>Total Utilities</b>	<b>66,600.00</b>
<b>Landscaping</b>	
6100 - Grounds & Landscaping - Contract	114,800.00
6110 - Landscape Repair & Maintenance	4,500.00
6160 - Tree Maintenance	35,000.00
6199 - Landscape Other	5,000.00
6200 - Irrigation Repair & Maintenance	5,000.00



**Budget Summary Report**  
**Laurelmont Community Association**  
**Dept: 424 - Laurelmont Community Assoc.**  
**2020 Approved Budget**

	<b>2020 Budget</b>
<b>Landscaping</b>	
6310 - Backflow Device Inspection	500.00
<b>Total Landscaping</b>	<b>164,800.00</b>
<b>Operations</b>	
6300 - Permits & Licenses	900.00
<b>Total Operations</b>	<b>900.00</b>
<b>Contracted Services</b>	
6430 - Janitorial Services	5,340.00
6434 - Pest Control	10,000.00
6438 - Pool Management	4,950.00
6495 - Street Sweeping Services	1,000.00
<b>Total Contracted Services</b>	<b>21,290.00</b>
<b>Repair &amp; Maintenance</b>	
6515 - Building Repair & Maintenance	15,000.00
6530 - Common Areas - Repipe project	93,249.85
6545 - Electrical Supplies/Repair & Maintenance	2,500.00
6595 - Gate & Monument Repair & Maintenance	1,500.00
6600 - General Repair & Maintenance	20,000.00
6635 - Janitorial Supplies & Maintenance	1,500.00
6695 - Plumbing Supplies/Repair & Maintenance	20,000.00
6700 - Pool Supplies/Repair & Maintenance	9,000.00
6702 - Pool Chemicals	1,250.00
6725 - Roof Repair & Maintenance	40,000.00
<b>Total Repair &amp; Maintenance</b>	<b>203,999.85</b>
<b>Professional Services</b>	
7000 - Audit & Tax Services	1,250.00
7030 - Legal Services - General Counsel	5,000.00
7040 - Management Fees	36,288.00
7095 - Other Professional Services	8,000.00
<b>Total Professional Services</b>	<b>50,538.00</b>
<b>Reserves</b>	
9105 - Reserve Contribution Expense	438,910.15
<b>Total Reserves</b>	<b>438,910.15</b>
<b>Total Laurelmont Community Assoc. Expense</b>	<b>1,080,348.00</b>
<b>Total Laurelmont Community Assoc. Net Income / (Loss)</b>	<b>0.00</b>

**Budget Summary Report  
 Laurelmont Community Association  
 Dept: RESERVE - Reserves  
 2020 Approved Budget**

	<b>2020 Budget</b>
<b>Investment Income</b>	
4905 - Reserve Contribution Income	438,910.15
4910 - Interest Earned - Reserve Accounts	0.00
<b>Total Investment Income</b>	<b>438,910.15</b>
<b>Total Reserves Income</b>	<b>438,910.15</b>
<b>Reserves</b>	
9834 - Contingency Reserve	44,000.00
9844 - Doors Reserve	2,619.00
9852 - Fences, Gates & Walls Reserve	30,000.00
9868 - Gas Lines Reserve	24,576.00
9884 - Irrigation Reserve	10,000.00
9886 - Landscape Reserve	10,325.67
9892 - Lighting Reserve	606.43
9902 - Mailbox Reserve	2,150.11
9914 - Painting Reserve	70,002.91
9918 - Pest Control Reserve	14,040.00
9920 - Plumbing Reserve	24,576.00
9924 - Pools & Spas Reserve	9,500.00
9936 - Roof Reserve	140,886.86
9944 - Siding/Wood Replacement Reserve	30,000.00
9946 - Signs Reserve	627.17
9952 - Street Reserve	25,000.00
<b>Total Reserves</b>	<b>438,910.15</b>
<b>Total Reserves Expense</b>	<b>438,910.15</b>
<b>Total Reserves Net Income / (Loss)</b>	<b>0.00</b>
<b>Total Association Net Income / (Loss)</b>	<b>0.00</b>

**Laurelmont Community Association**  
**Aliso Viejo, California**  
**RDA Owner's Summary**

<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Report Date</td> <td style="width: 30%;">November 22, 2019</td> <td style="width: 40%;"></td> </tr> <tr> <td>Version</td> <td>023</td> <td></td> </tr> <tr> <td>Account Number</td> <td>3222</td> <td></td> </tr> <tr> <td>Budget Year Beginning</td> <td>1/ 1/20</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Ending</td> <td>12/31/20</td> <td></td> </tr> <tr> <td>Total Units Included</td> <td>197</td> <td></td> </tr> <tr> <td>Phase Development</td> <td>6 of 6</td> <td></td> </tr> </table>	Report Date	November 22, 2019		Version	023		Account Number	3222		Budget Year Beginning	1/ 1/20		Ending	12/31/20		Total Units Included	197		Phase Development	6 of 6		<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Parameters:</td> </tr> <tr> <td style="width: 70%;">Inflation</td> <td style="text-align: right;">2.00%</td> </tr> <tr> <td>Annual Contribution Increase</td> <td style="text-align: right;">2.00%</td> </tr> <tr> <td>Investment Yield</td> <td style="text-align: right;">1.00%</td> </tr> <tr> <td>Taxes on Yield</td> <td style="text-align: right;">30.00%</td> </tr> <tr> <td>Contingency</td> <td style="text-align: right;">3.00%</td> </tr> <tr> <td colspan="2">Reserve Fund Balance as of</td> </tr> <tr> <td>1/ 1/20:</td> <td style="text-align: right;">\$2,749,023.00</td> </tr> </table>	Parameters:		Inflation	2.00%	Annual Contribution Increase	2.00%	Investment Yield	1.00%	Taxes on Yield	30.00%	Contingency	3.00%	Reserve Fund Balance as of		1/ 1/20:	\$2,749,023.00
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Project Profile & Introduction

For budgeting purposes, unless otherwise indicated in this report, we have used March 1986 as the basis for aging all the original components examined in this analysis.

RDA Field Inspection: August 20, 2019

RDA Summary of Calculations

Monthly Contribution to Reserves Required:	\$90,171.56
( \$457.72 per unit per month)	
Average Net Monthly Interest Contribution This Year:	1,634.08
Net Monthly Allocation to Reserves 1/ 1/20 to 12/31/20:	\$91,805.64
( \$466.02 per unit per month)	

RDA Reserve Management Software  
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**Laurelmont Community Association**  
**RDA Owner's Summary**

REPORT DATE: November 22, 2019  
VERSION: 023  
ACCOUNT NUMBER: 3222

DESCRIPTION	USE	+/-	REM	CURRENT	FULLY	ASSIGNED
	LIFE	LIFE	LIFE	COST	FUNDED	RESERVES
					RESERVES	RESERVES
Streets - Asphalt Overlay, Pepper	20	0	11	59,469	26,761	0
Streets - Asphalt Overlay, Prim	20	0	13	178,599	62,510	0
Streets - Asphalt Overlay, Willow	20	0	12	93,390	37,356	0
Streets - Asphalt Repair, Primrose	4	0	2	15,340	6,360	0
Streets - Asphalt Repair, Pepperwood	4	0	2	5,704	2,365	0
Streets - Asphalt Repair, Willowood	4	0	2	9,033	3,745	0
Streets - Asphalt Slurry Seal, Pepp	4	0	2	3,440	1,426	0
Streets - Asphalt Slurry Seal, Prim	4	0	2	9,251	3,836	0
Streets - Asphalt Slurry Seal, Will	4	0	2	5,448	2,259	0
Streets - Concrete, Repairs	2	0	1	10,000	5,000	0
*** CATEGORY SUMMARY:				389,674	151,619	0
Roofs - Composition Shingle	20	0	1	2,600,279	2,600,279	2,216,918
Roofs - Flat, 2001	14	+8	3	82,237	71,023	0
Roofs - Flat, 2005	14	+4	3	16,106	13,422	0
*** CATEGORY SUMMARY:				2,698,622	2,684,723	2,216,918
Paint - Cabana, Interior	8	0	3	1,354	800	0
Paint - Stucco, Units	10	0	5	41,545	19,289	0
Paint - Woodwork, Units/Pool Area	5	0	0	329,107	329,107	329,107
Paint - Wrought Iron	4	0	0	3,837	3,837	3,837
Paint - Wrought Iron, Pool	4	0	0	3,185	3,185	3,185
*** CATEGORY SUMMARY:				379,027	356,218	336,129
Wood - Siding, Repairs/Replacement	5	+1	1	170,381	138,434	0
Wood - Trim, Repairs/Replacement	5	+1	1	10,000	8,125	0
*** CATEGORY SUMMARY:				180,381	146,559	0
Fencing - Vinyl, 2003	30	0	13	672,143	380,881	0
Fencing - Vinyl, 2011	30	0	21	41,679	12,504	0
Fencing - Wrought Iron, Gates	25	+11	2	73,284	69,194	0
Fencing - Wrought Iron, Pool	25	+12	3	19,888	18,268	0
Fencing - Wrought Iron, Spa Gate	25	0	16	589	208	0
Walls - Block, Repairs	30	+7	3	7,870	7,229	0
*** CATEGORY SUMMARY:				815,453	488,284	0
Lighting - Grounds	25	+12	3	7,676	7,051	0
Lighting - Pool Area	20	+17	3	2,420	2,223	0
Lighting - Pool Area, 2016	20	0	16	3,500	700	0
Lighting - Street, Unfunded	25	0	2	0	0	0
*** CATEGORY SUMMARY:				13,596	9,974	0
Pool - Chemical Contoller	10	0	0	4,500	4,500	4,500

**Laurelmont Community Association**  
**RDA Owner's Summary**

DESCRIPTION	USE LIFE	+/- LIFE	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Pool - Filters	12	0	0	3,402	3,402	3,402
Pool - Heater	12	0	0	3,747	3,747	3,747
Pool - Pump/Motor System, 3HP	8	0	0	1,361	1,361	1,361
Pool - Replastering & Tile	12	0	6	20,846	10,423	0
Pool - Spa, Chemical Contoller	10	0	0	4,500	4,500	4,500
Pool - Spa, Filter	10	0	0	1,701	1,701	1,701
Pool - Spa, Heater	10	0	0	3,747	3,746	3,746
Pool - Spa, Pump/Motor System	8	0	0	2,946	2,946	2,946
Pool - Spa, Replastering & Tile	10	0	4	6,201	3,721	0
Pool Area - BBQ, Gas Pedestal	10	0	3	2,772	1,912	0
Pool Area - Ceramic Tile Counter	30	+7	3	1,524	1,400	0
Pool Area - Coping, Pool & Spa	20	0	14	8,796	2,639	0
Pool Area - Deck Caulking, Pool/Spa	4	0	2	1,242	621	0
Pool Area - Deck, Pavers	20	0	14	16,146	4,844	0
Pool Area - Furniture, Replace	7	0	1	11,154	9,460	0
Pool Area - Key Fob System	8	+3	2	1,183	963	0
Pool Area - Pump Room, Re-Plumb	25	0	0	3,663	3,663	3,663
Pool Area - Tables & Benches	15	0	2	5,956	5,162	0
Pool Area - Trellis	25	0	20	10,021	1,868	0
*** CATEGORY SUMMARY:				115,407	72,577	29,566
Cabana - Ceramic Tile	30	+10	6	8,820	7,491	0
Cabana - Ceramic Tile, Shower	30	0	24	2,169	434	0
Cabana - Doors	20	0	7	1,706	1,109	0
Cabana - Plumbing Fixtures	25	+15	6	3,771	3,203	0
Cabana - Restroom Partitions	15	+15	3	1,436	1,292	0
Cabana - Water Heater	10	0	0	1,341	1,341	1,341
*** CATEGORY SUMMARY:				19,243	14,870	1,341
Doors - Utility	20	+10	2	56,260	52,509	0
*** CATEGORY SUMMARY:				56,260	52,509	0
Mailboxes - Pedestal Sets	18	0	7	32,839	19,641	0
Signs - Monument	15	0	8	2,424	1,094	0
Signs - Traffic	15	0	8	7,068	3,191	0
*** CATEGORY SUMMARY:				42,331	23,926	0
Irrigation - Backflow Devices	30	+7	3	10,600	9,737	0
Irrigation - Controllers, 2001	15	+7	3	950	820	0
Irrigation - Controllers, 2013	15	0	8	1,025	478	0
Irrigation - Controllers, 2015	15	0	10	8,730	2,910	0
Irrigation - Enclosures	25	0	10	1,200	717	0
*** CATEGORY SUMMARY:				22,505	14,662	0
Plumbing Repairs	1	0	0	30,000	30,000	30,000
*** CATEGORY SUMMARY:				30,000	30,000	30,000

Laurelmont Community Association  
RDA Owner's Summary

DESCRIPTION	USE LIFE	+/- LIFE	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Gas Line Repairs	1	0	0	30,000	30,000	30,000
*** CATEGORY SUMMARY:				30,000	30,000	30,000
Landscape - Tree Trimming	2	0	0	25,000	25,000	25,000
*** CATEGORY SUMMARY:				25,000	25,000	25,000
Termite Control - Fumigation	15	0	10	151,671	45,854	0
*** CATEGORY SUMMARY:				151,671	45,854	0
TOTAL ASSET SUMMARY:				4,969,170	4,146,775	2,668,954
CONTINGENCY @ 3.00%:					124,403	80,069
GRAND TOTAL:					4,271,179	2,749,023

Percent Fully Funded: 64%

**Laurelmont Community Association**  
Assessment and Billing Collection Policy

Prompt payment of Assessments by all owners is critical to the financial health of the Association, and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation under the Declaration of Covenants, Conditions and Restrictions (CC&R's) and the California Civil Code to enforce the members' obligation to pay assessments. The policies and practices outlined herein shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors. Therefore, pursuant to the CC&R's and California Civil Code, the following are the Association's assessment practices and policies:

1. Assessments are billed monthly and are due and payable on the first day of each month. A courtesy billing statement is sent monthly to the billing address on record with the Association. **However, it is the Owner of Record's responsibility to pay each assessment in full each month regardless of the receipt of a statement.** All other assessments, including Special Assessments, are due and payable on the date specified by the Board on the Notice of Assessment which date will not be less than thirty (30) days after the date of notice of the special assessment.
2. Assessments, late charges, interest and collection costs, including any attorney fees, are the personal obligation of the owner(s) of the property at the time the assessment or other sums are levied, *per Civil Code Sections 5650(a) & 5660.*
3. Assessments not received within **fifteen (15) days** of the stated due date are delinquent and shall be subject to a late charge of **ten dollars (\$10.00) or 10%, whichever is greater** for each delinquent assessment per unit. Additionally, a "Notice of Past Due Assessment" will be prepared and mailed on the day immediately following the past due date. A **twenty-five-dollar (\$25.00)** charge for the late letter will be made against the delinquent account. Additionally, an **interest charge at the rate of 12% per annum** will be assessed against any outstanding balance, including delinquent assessments, late charges, and cost of collection, which may include attorney fees. Such interest charges shall continue to be assessed each month until the account is brought current.
4. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including attorney's fees, unless the owner(s) and the Association enter into an agreement providing for payments to be applied in a different manner.
5. If an assessment is not received within **thirty (30) days** of the "stated due date", the Association will send a **"pre-lien letter"** to the owner(s) as required by *Civil Code Sections 5650(a) & 5660*, by certified and first class mail, to the mailing address of record advising of the delinquent status of the account and impending collection action. The owner(s) will be charged a **one-hundred dollar (\$100.00) fee** for the pre-lien letter. Additional pre-lien letters, if needed, will result in a **fifty dollar (\$50.00) fee**. In addition, the owner(s) will also be charged a **fifty dollar (\$50.00) fee** for each title check necessary to process the delinquency and a **fifty-dollar (\$50.00) fee** for a Resolution to Lien action taken by the Board of Directors.
6. If any owner(s) fail(s) to pay the amounts set forth in the pre-lien letter within **thirty (30) days** of the date of that letter, a **lien** for the amount of any delinquent assessments, late charges, interest

and/or costs of collection including attorneys' fees may be assessed against the property. The owner(s) will be charged a **three hundred forty five dollar (\$345.00) fee** for the preparation and recordation of the lien. After the expiration of thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure *as noted in Civil Code Sections 5725 (b), 5735(a),(b), 5700(a), 5710(a),(c)*, subject to the limitations set forth below under "Additional Provisions to Conform to Law" and as otherwise provided by law.

7. If the balance due is not paid within **thirty (30) days** of recordation of the Lien, the matter may be turned over to an attorney for legal action, including an "action to foreclose" the assessment lien and/or for a money judgment. The owner(s) will be charged **three hundred dollars (\$300.00)** for preparing the matter to be sent to counsel.
8. Any owner(s) who reach the lien stage may be subject to the violation hearing process wherein membership rights including, but not limited to, common area access, voting, and/or facility use privileges may be revoked.
9. Any owner(s) who rents the property in question to a third party may be subject to the "assignment of rents" process through the judicial system wherein the Association collects the rents until the debt is repaid.
10. If there is a failure to bring the account current within the parameters specified in California Civil Code, the Board of Directors may resolve to foreclose on the property via the judicial or non-judicial foreclosure process. The fee to process a foreclosure package is **two hundred seventy-five dollars (\$275.00)**, not including attorney fees, court costs, or other ancillary fees.
11. All owners are entitled to inspect the Association's accounting books and records to verify the amounts owed on their property pursuant to *Corporations Code Section 8333*.
12. In the event it is determined that the owner(s) paid the assessments on time, the owner(s) will not be liable to pay the charges, interest, and costs of collection associated with the collection of those assessments.
13. Owner(s) unable to pay assessments will be entitled to make a written request for a payment plan to be considered by the Board of Directors. Owner(s) may also request to meet with the Board in executive session to discuss a payment plan. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. If the Board agrees to accept a payment plan, a **\$25.00 per month fee** will be charged to the owner(s) to administer and monitor the payment plan.
14. Nothing herein limits or otherwise affects the Association's rights to proceed in any lawful manner to collect any delinquent sums owed to the Association.
15. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and legal fees must be paid in full to the Association. The fee to execute **a lien release is \$100.00**.



16. The delinquent owner(s) will be responsible for all costs of collection, including attorneys' fees, incurred by the Association to collect any delinquent sums *Civil Code Section 5650(b)*.
17. All charges listed herein are subject to change without notice.
18. If an owner pays under protest, the owner can **at the same time** pursue dispute resolution AND commence an action in small claims court (amount at issue must not exceed jurisdictional monetary limit), *per Civil Code Section 5658*.

### **Additional Provisions to Conform to Law**

Prior to the recording of a lien, owners that are delinquent will be sent a “pre-lien” letter. The pre-lien letter will include an offer by the association to engage in internal dispute resolution upon receipt of a written request within thirty (30) days of the pre-lien letter, pursuant to the association’s meet and confer program required by *Civil Code Section 5900, et seq.*

Prior to recording of a lien, the Board of Directors will approve the recording of the lien in general session at a regular or special board meeting.

The association may not foreclose unless delinquent assessments are greater than \$1,800 or greater than one year in arrears.

Prior to commencing foreclosure, the association will offer to engage in internal dispute resolution upon receipt of a written request within thirty (30) days of the offer of such internal dispute resolution, pursuant to the association’s meet and confer program required by *Civil Code Section 5900, et seq.* and will also offer to engage in formal alternative dispute resolution with a neutral third party pursuant to *Civil Code Section 5925, et seq.*

Prior to commencement of foreclosure, the Board of Directors will approve the foreclosure in executive session and note the approval in the following general minutes of the Association using the assessor’s parcel number.

All completed foreclosures shall be subject to a ninety (90) day right of redemption.

### **Fee and Penalty Procedures**

The following charges may be assessed in accordance with the Association's Assessment and Billing Collection Policy:

Late Charge	\$10.00 or 10%, which is greater
Notice of Past Due Assessment & Support	\$25.00
Pre-Lien Letter	\$100.00
Additional Pre-Lien Letters	\$50.00 each
Title Check Fee	\$50.00 each
Resolution to Record Lien	\$50.00
Lien Fee	\$270.00
California Government Code §27388.1 State Mandated Recording Fee	\$75.00
Additional Lien mailings	\$50.00 each
Lien Release	\$100.00
Payment Plan Admin. Fee	\$25.00 monthly
Attorney Package Preparation & Monthly Monitoring	\$300.00
Returned Check Fee	\$25.00
Foreclosure Processing Fee	\$275.00

In addition to the above, if a matter is sent to counsel for legal action, or to a collection service for foreclosure or other action, the owner(s) will be responsible for any attorneys' fees and costs incurred by such action.

**The mailing address for overnight payment of assessments is:**

**Pro Branch Delinquency Department  
27051 Towne Centre Drive, Suite 200  
Foothill Ranch, CA 92610**

**IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN  
FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS,  
IT MAY BE SOLD WITHOUT COURT ACTION**

1. All owners are entitled to inspect the Association's accounting books and records to verify their amounts owed pursuant to Corporations Code Section 8333.
2. In the event it is determined that an owner has paid the assessments on time, the owner will not be liable to pay the charges, interest and costs of collection associated with collection of those assessments.
3. Any owner who is unable to pay assessments will be entitled to make a written request for a payment plan to be considered by the Board of Directors. An owner may also make a written request to meet with the Board in executive session to discuss a payment plan. If the owner requests to meet with the Board to discuss a payment plan within fifteen (15) days of receiving the pre-lien letter, then the Board shall meet with the owner within forty-five days of the postmark on the owner's request, unless there is no regularly scheduled board meeting within that period, in which case the board may designate a committee of one or more members to meet with the owner. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests.
4. An owner is entitled to dispute the assessment debt by submitting a written request for dispute resolution to the association pursuant to the association's "meet and confer" program required in Article 2 (commencing with Section 5900) of Chapter 10.
5. Prior to initiating foreclosure against the owner's separate interest, the owner is entitled to submit a written request for alternative dispute resolution with a neutral third party pursuant to Article 3 (commencing with Section 5925) of Chapter 10, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.
6. Statements will be mailed from Management as a courtesy **AND MAY NOT REFLECT** the collection costs, attorneys' fees or other charges, or payments received by the collection service.
7. Nothing herein limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent sums owed to the Association.
8. All charges listed herein are subject to change upon thirty (30) days' prior written notice.
9. The mailing address for payments of assessments by overnight delivery is:

**Pro Branch Delinquency Department  
27051 TOWNE CENTRE DRIVE, SUITE 200  
FOOTHILL RANCH, CA 92610**

Please note that should an account be referred to a collection service, the collection service will provide the new address for overnight payments.

## **“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 non-judicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or non-judicial 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 non-judicial foreclosure subject to the conditions set forth in Section 5705 of the Civil Code. When using judicial or non-judicial 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 5600, 5605, 5650, 5660; 5700 and 5705 of the Civil Code)

In a judicial or non-judicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use non-judicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 5600 and 5650 of the Civil Code)

The association must comply with the requirements of Sections 5650, 5673, 5675 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 5650 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, he or she 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 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 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 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 timeshare 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 exist. (Section 5665 of the Civil Code)

The board of directors 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 to the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)\*

\*Citations to Code Sections are verbatim from Civil Code effective as of 1/1/2014.

## **INTERNAL DISPUTE RESOLUTION [CIVIL CODE § 5915]**

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. The parties may be assisted by an attorney or another person at their own cost when conferring.
- (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.

A written agreement reached under this section binds the parties and is judicially enforceable if it is signed by both parties and 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.

A member shall not be charged a fee to participate in the process.

## **ALTERNATIVE DISPUTE RESOLUTION PREREQUISITE TO CIVIL ACTION [5925 - 5965]**

5925. As used in this article:

- (a) "Alternative dispute resolution" means mediation, arbitration, conciliation, or other nonjudicial 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.

5930. (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.

5935. (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.

5940. (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.

5945. 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.

5950. (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.

5955. (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.



5960. 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.

5965. (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.



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 IV, 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.

Section 4.08. Variances. The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including 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 at least a majority of the members of the Committee, and shall become effective upon Recordation. 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.

#### ARTICLE V

##### ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

Section 5.01. 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 of a Condominium whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association all Annual Assessments for Common Expenses and all applicable Special Assessments, Reconstruction Assessments and Capital Improvement Assessments. Except as provided in this Section 5.01, all such assessments, together with interest, costs, and reasonable attorneys' fees, shall be a separate, distinct and personal obligation of the Person who was the Owner of the Condominium at the time when the assessment fell due. This personal obligation cannot be avoided by abandonment of the Condominium or by an offer to waive use of the Common Property or the Restricted Common Areas. The personal obligation for

**EXTERIORS / INTERIORS, RESTRICTED AREA (YARDS) & FRONT COURTYARDS**  
**(Section 8.06)**

No installation, change, improvement, add-on, or alteration to the exterior of a Unit shall be commenced without **prior written Architectural Review Committee Approval**. This includes, but is not limited to, the replacement of exterior doors, windows, fences, walkways, patios, patio covers (including removing and replacing), pools, spas, alterations, changes, modifications to lot grade and/or drainage; any alteration, modification, change, addition to any exterior; installation of gutters, installation of screen doors; trees, landscaping, vegetation, hardscape, and installation of satellite dishes. **Any interior modification that yields modified plumbing or walls must be approved prior to any work commencing.**

Written approval from the **Architectural Committee** shall be obtained using the required authorization submission form available from the property management company.

The **Architectural Committee** has the responsibility to review all plans submitted, make recommendations or suggestions for those areas that may not conform to the CC&R's and submit the final plans to the Board of Directors for approval.

Certain exterior/interior changes may require a building permit, for example replacing windows and/or doors, modifying plumbing, or removing walls. Approval by the **Architectural Committee** of the application is a prerequisite to obtaining a building permit. All required permits are Homeowner responsibility.

**Homeowner, Residents, or Tenants** are not permitted to remove, alter, or destroy any landscaping in the **Common Areas**, regardless of the condition of the plantings.

Damage to **Common Area** property by **Homeowner**, including **Tenants** and/or **Guests** of **Homeowner** or **Tenants** shall be the responsibility of the **Homeowner**.

**General Architectural Rules:**

- **Patio Covers:**
  - Patio cover posts shall be three feet (3') from the fence and/or adjoining buildings.
  - Patio cover overhangs must be at least eighteen inches (18") from fences and/or adjoining buildings.
  - Patio covers, any yard equipment above fence line shall be painted white or color of fence, as approved by the Architectural Committee. Contact the property management company for the color code and resource for the paint required prior to submitting your application to the Architectural Committee.
- **Landscape, Planters, Pots, Yards, Exterior Decoration,**
  - Planters must retain dirt at least three inches (3") from fence or gate.
  - No landscaping may be attached to any fence or building.
  - Dirt must be kept under the fence level. No building, fence, stucco, or siding may be used to retain dirt.

## LAURELMONT COMMUNITY ASSOCIATION RULES & REGULATIONS – 07/2011

- Planters/Pots – Wooden planters displayed on exterior of units require advance written approval of the Architectural Committee. Clay pots cannot be displayed on front courtyard fences. All pots visible from the common area must be the same white, blue or gray as the Units, and require saucers beneath them.
- Yards shall at all times be maintained, free of weeds, debris, trash and waste of any nature, and shall meet standards of construction in accordance with the original approved Architectural plan, or original construction plans.
- Any decorative plaques or signs such as “Welcome” signs may not be attached to the exterior of any building or visible from the window of any Unit without the advance written approval of the Architectural Committee.
- Restricted Areas (yards and front courtyards—inside of front gates) are not intended for storage of any kind.
- No items should be hung or attached to any part of the Association-maintained structures in such a way that moisture can intrude or that the strength of the structure is threatened. When such items are removed, repairs and touch-ups are the **Homeowner(s)**’ responsibility.
- Clothing, Rugs, etc. hung on any portion of property visible outside which may be obtrusive to neighbors are not permitted.
- Rain Gutters
  - Architectural approval must first be obtained prior to installing rain gutters on a unit.
  - Rain gutters must be white.
  - Gutters should be installed in a manner to avoid and preclude drainage into flower beds or planters resulting in dirt overflow on sidewalks or driveways.
  - Gutters should be installed to prevent water pooling and to drain the water away from the **Unit**.
- Windows
  - Windows are not to be covered with newspaper, tinfoil, cardboard, stickers, decals, sheets, or anything else that is not normally sold as window covering or treatments.
- Window Screens
  - Window screens and doors shall be maintained in good repair. Screen frames including doors and windows shall only be white.

## GREENBELTS/SIDEWALKS & WALKWAYS

Littering in any of the **Common Areas** is not permitted.

Climbing on walls, trees, fences, roofs and mailboxes is not permitted.

Toys, hoses, pet feces, pet feces bags (full or empty), and debris left in entries or in front of garages, on sidewalks, driveways or in streets are not permitted.

## LAURELMONT HOA Fine Schedule

Violation Type	1st Violation Letter	2nd Uncured Violation Letter	Subsequent Uncured Violation Letters
<b>Rules or CC&amp;R's Violation(s)</b>	Warning	Call to Hearing with possible \$250.00 fine per violation	<b>All of the following:</b> 1. \$500.00 fine per violation.  2. All costs and expenses incurred by the <b>Association</b> to cure violation.  3. Any and all legal fees incurred by the <b>Association</b> to enforce cure.
<b>Common Area damage caused by Homeowners, Residents, Tenants or their Guests</b>	<b>All of the following:</b> 1. \$250.00 fine per violation.  2. All costs and expenses incurred by the <b>Association</b> to cure violation.  3. Any and all legal fees incurred by the <b>Association</b> to enforce cure.	<b>All of the following:</b> 1. \$500.00 fine per violation.  2. All costs and expenses incurred by the <b>Association</b> to cure violation.  3. Any and all legal fees incurred by the <b>Association</b> to enforce cure.	Legal Action

**Note:** Fine amounts will continue to double with each occurrence and will be assessed to the violating **Homeowner**.

# Laurelmont Community Association

27051 Towne Centre Drive Suite 200  
Foothill Ranch, CA 92610

(800) 369-7260  
Fax: (949) 859-3729

## **INSURANCE DISCLOSURE SUMMARY**

In accordance with Amended California Civil Code, Section 5300, the following is a summary of the terms, policy limits and applicable deductible for: Laurelmont Community Association. The agent is: Kirk Miller Insurance Agency, (858) 240-2593.

**Association Insurance is as follows:**

<b><u>Coverage Type</u></b>	<b><u>Limit</u></b>	<b><u>Deductible</u></b>	<b><u>Policy Term</u></b>
<b>Common Area Property</b>	<b>\$44,599,260</b>	<b>\$5,000</b>	<b>03/31/2019 – 03/31/2020</b>
<b>General Liability</b>	<b>\$1,000,000</b>	<b>No Deductible</b>	<b>03/31/2019 – 03/31/2020</b>
<b>Directors &amp; Officers</b>	<b>\$1,000,000</b>	<b>\$1,000</b>	<b>03/31/2019 – 03/31/2020</b>
<b>Fidelity</b>	<b>\$4,500,000</b>	<b>\$10,000</b>	<b>03/31/2019 – 03/31/2020</b>
<b>Umbrella</b>	<b>\$15,000,00</b>	<b>No Deductible</b>	<b>03/31/2019 – 03/31/2020</b>
<b>Workers Comp</b>	<b>\$1,000,000</b>	<b>No Deductible</b>	<b>03/31/2019 – 03/31/2020</b>

This Association does not carry Earthquake coverage. Please check the Associations CC&R's. Homeowners are solely responsible for insuring any improvements or upgrades within their unit, personal belongings, contents, and personal liability.

**This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance.**

**Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within 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 or agent for appropriate additional coverage.**

**CLAIMS & SERVICE:** Claims should be filed through your property management firm, Associa Professional Community Management (858) 795-7014.

**FOR CERTIFICATES OF INSURANCE REQUESTS:** If your Mortgage Company requires a Certificate of Insurance be issued for Fire and Hazard Insurance naming them as the Certificate holder, you must contact the insurance agent listed above or have your Mortgage Company fax their request to them.