



## **Management Solutions**

6200 Buena Vista Dr.  
Newark, CA 94560  
(510) 659-8969  
(510) 656-4495 FAX

### **Seven Trees Village Homeowners' Association**

#### **2019 Budget Explanation**

November 1, 2018

Dear Homeowner,

The attached documents are prepared and forwarded to you in compliance with California Civil Code.

These documents are also required by law to be given to you and to any prospective buyer should you decide to sell your home. It is important that they be kept for reference with the legal documents that were provided to you when you purchased your home.

Following is the summary information for you:

- I. A copy of the fiscal year budget, which has been approved by the Board of Directors.
- II. The total cash reserve is currently \$50,922.68 as of August 31, 2018.
- III. The budget becomes effective January 1, 2019. The dues will remain \$298.00 (including \$48 special assessment) per unit, per month.
- IV. The Association updated their reserves study in February 2010.
- V. The method for calculating reserve allocations requires obtaining estimates of the current cost of repair or replacement of major components. The replacement cost for each component is then divided by the estimate life of that component to obtain the annual reserve cost. Utilizing an expert opinion to estimate the number of years the component should last, attains the estimated life. For the years already used, the appropriate amount of reserves should be set aside, if not, then a deficit exists and the Board of Directors then sets a plan for correction. The annual reserve for each of the existing components is totaled to determine the total annual reserve amount necessary to be collected and set aside.
- VI. Attached is a copy of your Association's Delinquency / Collection Policy.
- VII. Please refer to the Civil Code Notices for 2019 for your rights and notices.

**Management Solutions looks forward to another great year with the  
Seven Trees Village Homeowners Association**

		Previous Year-2018			Current Year-2019		
		Adopted Monthly Budget	Annual Budget	Per Month/ Per Unit	Adopted Monthly Budget	Annual Budget	Per Month/ Per Unit
4010	Dues	\$ 78,750.00	\$ 945,000.00	\$ 250.00	\$ 78,750.00	\$ 945,000.00	\$ 250.00
4040	Special Assessments	\$ 15,120.00	\$ 181,440.00	\$ 48.00	\$ 15,120.00	\$ 181,440.00	\$ 48.00
4090	Clubhouse Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4095	Parking Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4130	Interest Income Cash	\$ 78.75	\$ 945.00	\$ 0.25	\$ 78.75	\$ 945.00	\$ 0.25
4137	Violations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4145	Late Letter Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4200	Misc Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4215	Late Fee Income	\$ 945.00	\$ 11,340.00	\$ 3.00	\$ 945.00	\$ 11,340.00	\$ 3.00
<b>4000</b>	<b>Total Income</b>	<b>\$ 94,893.75</b>	<b>\$ 1,138,725.00</b>	<b>\$ 301.25</b>	<b>\$ 94,893.75</b>	<b>\$ 1,138,725.00</b>	<b>\$ 301.25</b>
5020	Electricity	\$ 4,495.05	\$ 53,940.60	\$ 14.27	\$ 4,495.05	\$ 53,940.60	\$ 14.27
5040	Garbage	\$ 315.00	\$ 3,780.00	\$ 1.00	\$ 315.00	\$ 3,780.00	\$ 1.00
5060	Sewer	\$ 425.25	\$ 5,103.00	\$ 1.35	\$ 425.25	\$ 5,103.00	\$ 1.35
5070	Water	\$ 14,486.95	\$ 173,843.40	\$ 45.99	\$ 14,486.95	\$ 173,843.40	\$ 45.99
5090	Clubhouse Phone/Internet	\$ 69.20	\$ 830.40	\$ 0.22	\$ 69.20	\$ 830.40	\$ 0.22
5096	Nextel	\$ 56.70	\$ 680.40	\$ 0.18	\$ 56.70	\$ 680.40	\$ 0.18
<b>5000</b>	<b>Total Utilities</b>	<b>\$ 19,848.15</b>	<b>\$ 238,177.80</b>	<b>\$ 63.01</b>	<b>\$ 19,848.15</b>	<b>\$ 238,177.80</b>	<b>\$ 63.01</b>
6010	Landscape Maintenance	\$ 5,685.75	\$ 68,229.00	\$ 18.05	\$ 5,685.75	\$ 68,229.00	\$ 18.05
6020	Irrigation Repair	\$ 1,000.00	\$ 12,000.00	\$ 3.17	\$ 1,000.00	\$ 12,000.00	\$ 3.17
6030	Landscape Other	\$ 315.00	\$ 3,780.00	\$ 1.00	\$ 315.00	\$ 3,780.00	\$ 1.00
6040	New Planting	\$ 315.00	\$ 3,780.00	\$ 1.00	\$ 315.00	\$ 3,780.00	\$ 1.00
6050	Tree Service	\$ 1,575.00	\$ 18,900.00	\$ 5.00	\$ 1,575.00	\$ 18,900.00	\$ 5.00
6060	Janitorial Supplies	\$ 315.00	\$ 3,780.00	\$ 1.00	\$ 315.00	\$ 3,780.00	\$ 1.00
<b>6000</b>	<b>Total Landscape</b>	<b>\$ 9,205.75</b>	<b>\$ 110,469.00</b>	<b>\$ 29.22</b>	<b>\$ 9,205.75</b>	<b>\$ 110,469.00</b>	<b>\$ 29.22</b>
7030	Maintenance-Payroll	\$ 3,333.33	\$ 39,999.96	\$ 10.58	\$ 3,333.33	\$ 39,999.96	\$ 10.58
7040	Misc Maintenance	\$ 315.00	\$ 3,780.00	\$ 1.00	\$ 315.00	\$ 3,780.00	\$ 1.00
7045	Repairs Building	\$ 2,520.00	\$ 30,240.00	\$ 8.00	\$ 2,520.00	\$ 30,240.00	\$ 8.00
7052	Janitorial Supplies	\$ 150.00	\$ 1,800.00	\$ 0.48	\$ 150.00	\$ 1,800.00	\$ 0.48
7120	Pest Control	\$ 100.00	\$ 1,200.00	\$ 0.32	\$ 100.00	\$ 1,200.00	\$ 0.32
7150	Security Contract	\$ 6,410.25	\$ 76,923.00	\$ 20.35	\$ 6,410.25	\$ 76,923.00	\$ 20.35
7510	Electrical repair	\$ 157.50	\$ 1,890.00	\$ 0.50	\$ 157.50	\$ 1,890.00	\$ 0.50
7530	Plumbing repair	\$ 1,811.25	\$ 21,735.00	\$ 5.75	\$ 1,811.25	\$ 21,735.00	\$ 5.75
7550	Roofing Repair	\$ 1,981.35	\$ 23,776.20	\$ 6.29	\$ 1,981.35	\$ 23,776.20	\$ 6.29
<b>7000</b>	<b>Total Buildings &amp; Grounds</b>	<b>\$ 16,778.68</b>	<b>\$ 201,344.16</b>	<b>\$ 53.27</b>	<b>\$ 16,778.68</b>	<b>\$ 201,344.16</b>	<b>\$ 53.27</b>
8010	Management	\$ 3,899.70	\$ 46,796.40	\$ 12.38	\$ 3,899.70	\$ 46,796.40	\$ 12.38
8015	Dues & Subscription	\$ 83.92	\$ 1,007.04	\$ 0.27	\$ 83.92	\$ 1,007.04	\$ 0.27
8020	Jael Payroll Reimburse	\$ 6,107.85	\$ 73,294.20	\$ 19.39	\$ 6,107.85	\$ 73,294.20	\$ 19.39
8030	Legal Services	\$ 3,301.70	\$ 39,620.40	\$ 10.48	\$ 3,301.70	\$ 39,620.40	\$ 10.48
8040	Accounting	\$ 315.00	\$ 3,780.00	\$ 1.00	\$ 315.00	\$ 3,780.00	\$ 1.00
8050	Audit Review	\$ 157.50	\$ 1,890.00	\$ 0.50	\$ 157.50	\$ 1,890.00	\$ 0.50
8070	Taxes-Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8075	Corporate Taxes and p	\$ 157.50	\$ 1,890.00	\$ 0.50	\$ 157.50	\$ 1,890.00	\$ 0.50
8080	Taxes- State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8085	Collection and Bad Debt	\$ 600.00	\$ 7,200.00	\$ 1.90	\$ 600.00	\$ 7,200.00	\$ 1.90
8100	Postage	\$ 79.00	\$ 948.00	\$ 0.25	\$ 79.00	\$ 948.00	\$ 0.25
8110	Printing	\$ 582.75	\$ 6,993.00	\$ 1.85	\$ 582.75	\$ 6,993.00	\$ 1.85
8120	Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8130	Statement/Newsletter	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8140	Bank charges	\$ 154.35	\$ 1,852.20	\$ 0.49	\$ 154.35	\$ 1,852.20	\$ 0.49
8150	Insurance	\$ 9,058.90	\$ 108,706.80	\$ 28.76	\$ 9,058.90	\$ 108,706.80	\$ 28.76
8170	Misc. G&A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>8000</b>	<b>Total General and Admin.</b>	<b>\$ 24,498.17</b>	<b>\$ 293,978.04</b>	<b>\$ 77.77</b>	<b>\$ 24,498.17</b>	<b>\$ 293,978.04</b>	<b>\$ 77.77</b>
<b>9001</b>	<b>Reserves</b>	<b>\$ 24,563.00</b>	<b>\$ 294,756.00</b>	<b>\$ 77.98</b>	<b>\$ 24,563.00</b>	<b>\$ 294,756.00</b>	<b>\$ 77.98</b>

**SEVEN TREES VILLAGE HOMEOWNERS ASSOCIATION  
NOTICES FOR 2019**

**THE NAME AND ADDRESS OF FOR DELIVERY OF DOCUMENTS TO THE  
ASSOCIATION  
CIVIL CODE 4035**

Notices to the Association shall be delivered to Mr. Don Murphy, Manager, Management Solutions, Inc. 6200 Buena Vista Drive, Newark, CA 94560

**RIGHT TO SUBMIT SECONDARY ADDRESSES  
FOR COLLECTION NOTICES  
CIVIL CODE 4040**

Upon receipt of a written request, the Homeowners Association shall additional copies of notices to the secondary address stated in a member's written request.

**RIGHT TO NOTICE GENERAL NOTICE BY INDIVIDUAL DELIVERY  
CIVIL CODE 4045**

Members may request to receive general notices from the Association by individual delivery.

**SUMMARY OF REQUIREMENTS FOR ASSOCIATION APPROVAL OF A  
PHYSICAL CHANGE TO PROPERTY  
CIVIL CODE 4765**

Prior to making any change to property, members of the association must submit a fully completed Architectural Application that must be approved by the Association. Applications may be obtained from Management Solutions, Inc. located at 6200 Buena Vista Drive, Newark, CA 94560.

**RIGHT TO MINUTES OF BOARD MEETING  
CIVIL CODE 5240(b)**

Members of the Association have the right to have copies of the minutes of the meetings of the Board of Directors by sending a written request specifying the minutes they desire to the offices of Management Solutions, Inc. located at 6200 Buena Vista Drive, Newark, CA 94560.

**RIGHT TO ALTERNATIVE DISPUTE RESOLUTION  
CIVIL CODE 5915**

The Association or member of the Association may not file a lawsuit in Superior Court unless the parties have tried to submit the dispute to Alternative Dispute Resolution pursuant to

Civil Code § 5915. However, this procedure only applies to an enforcement action that is solely for declaratory, injunctive or writ relief, or for that relief in conjunction with the claim of monetary damages not more than the jurisdictional limits stated in § 116.220 and § 116.221 of the Code of Civil Procedure. These provisions do not apply to a small claims action. Further, except as otherwise provided by law, this Alternative Dispute Resolution process does not apply to an assessment dispute.

The actual statutory procedures for Alternative Dispute Resolution follow.

## **RIGHT TO INTERNAL DISPUTE RESOLUTION CIVIL CODE 5915**

### **CALIFORNIA CODES CIVIL CODES SECTION § 5915.**

(a) This section applies in 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 association's board of directors shall designate a member of the board 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 of directors to its designee or the agreement is ratified by the board of directors.

(d) A member of the association may not be charged a fee to participate in the process.

**SEVEN TREES VILLAGE HOMEOWNERS ASSOCIATION  
ANNUAL STATEMENT OF COLLECTION PROCEDURE**

**EFFECTIVE JANUARY 1, 2019**

**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)

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**DEBT OF OWNER; LATE CHARGES AND INTEREST.** Regular or special assessments; late charges (10 percent of the delinquent assessment or \$10 whichever is greater); costs of collection; attorney's fees and interest (annual interest not to exceed 12% commencing 30 days after the due date), shall be a debt of the owner at the time the assessment or other sums are levied. Owners will be charged \$25 for returned checks.

**PRIORITY OF ASSESSMENT PAYMENTS AND OVERNIGHT PAYMENT ADDRESS.**

Payments shall first be applied to the assessments owed, and then shall be applied to costs of collection, attorney's fees, late charges, and interest. The mailing address for overnight payments is:

**Management Cost Control  
8010 Wayland Lane, #2B  
Gilroy, CA 95020**

If your account has been turned over to Fong Association Strategies Group/Fong & Fong, APC, for collection of delinquent assessments the address for overnight payment is:

**Fong Association Strategies Group/  
Fong & Fong, APC  
2161 Harbor Bay Parkway  
Alameda, CA 94502**

**Payments may also be made by telephone: (866) 729-5327, option 1 or online at [www.FongASG.com](http://www.FongASG.com)**

**PRE-LIEN NOTICE.** At least 30 days prior to recording a lien the association shall notify the owner by certified mail of the following: a description of the collection and lien enforcement procedures, the method of calculation, a statement that the owner has the right to inspect the association records and the notice shall include the mandatory language in **Section 5660** of the Civil Code statement.

**PAYMENT PLAN.** Owners may submit written requests to meet with the board to discuss payment plans and the association shall provide standards for payment plans if any exist. The board and the owner shall meet in executive session within 45 days of the postmark of the request, if the request is mailed within 15 days of the date of the postmark of the notice. If there is no regularly scheduled board meeting within that period the board may designate a committee of one or more directors to meet with the owner. Additional late fees shall not accrue during the payment plan period if the owner is in compliance with the terms of the payment plan. Payment plans shall not impede an association's ability to record a lien on the owner's separate interest to secure payment of delinquent assessments. In the event of a default on any payment plan, the association may resume its efforts to collect the delinquent assessments.

**PRE-LIEN DISPUTE RESOLUTION.** Prior to recording a lien an association shall offer the owner and if requested by the owner shall participate in dispute resolution pursuant to the association's "meet and confer" program as required by the Civil Code.

**DECISION TO LIEN FOR DELINQUENT ASSESSMENTS.** Liens shall be recorded at least 30 days after the pre-lien notification. The board, by a majority vote at an open meeting, has duly approved the timeframe for the recordation of delinquent assessment lien.

**LIEN SIGNATURE DESIGNATION.** The association designates Fong Association Strategies Group/Fong & Fong, APC to sign delinquent assessment liens on behalf of the association.

**DELINQUENT ASSESSMENT LIEN.** The amount of the assessment, collection costs including late charges, and attorney's fees shall be a lien on the owner's separate interest which shall state the amount of the assessment and other sums imposed, a legal description of the owner's separate interest, the name of the record owner, an itemized statement, the name and address of the trustee authorized by the association to enforce the lien by sale and be signed by the person designated as the signatory. A copy of the recorded notice of delinquent assessment shall be mailed by certified mail to every person whose name is shown as an owner of the separate interest in the association's records, and the notice shall be mailed no later than 10 calendar days after recordation. Assessment liens shall be prior to all other liens recorded subsequent to the assessment lien, unless the declaration provides for the subordination of any other liens and encumbrances.

**LIEN ENFORCEMENT GENERALLY.** After the expiration of 30 days following the recording of the lien, it may be enforced in any manner permitted by law, including suit for money damages, judicial sale, non-judicial sale or acceptance of a deed in lieu of foreclosure.

**DECISION TO FORECLOSE.** Prior to initiating foreclosure, the association shall offer and if requested by the owner, shall participate in dispute resolution pursuant to the association's "meet and confer" program, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure. The decision to initiate foreclosure shall be made by board approval by a majority vote in executive session. The vote shall be recorded in the minutes of the next meeting of the board open to all members. The confidentiality of the owner(s) shall be maintained by identifying the matter by assessor's parcel number. A board vote to approve foreclosure of a lien shall take place at least 30 days prior to any public sale. Notice to the owner shall be by personal service. If the property is not owner-occupied notice shall be by first class mail at the owner(s)' most current address in the Association's records, if the owner does not have a separate address the association may use the address of the owner's separate property at the association.

**FORECLOSURE PROCEDURE.** Trustee's sales shall be conducted in accordance with **Sections 2924, 2924b, and 2924c** of the Civil Code. The association shall serve a notice of default on the person named as the owner in the association's records or that person's designated legal representative (the owner may designate a legal representative in a writing that is mailed to the association in a manner that indicates that the association has received it).

**RIGHT OF REDEMPTION.** A nonjudicial foreclosure for delinquent assessments shall be subject to a 90 day right of redemption.

**LIMITATION ON ASSIGNMENTS AND PLEDGES.** An association may not voluntarily assign or pledge the association's right to collect payments or assessments, or to enforce or foreclose a lien to a third party, except when the assignment or pledge is made to a financial institution or lender chartered or licensed under federal or state law, when acting within the scope of that charter or license, as security for a loan obtained by the association. This provision does not restrict the right or ability of an association to assign any unpaid obligations of a former member to a third party for purposes of collection.



# **SEVEN TREES VILLAGE HOMEOWNERS ASSOCIATION**

## **CIVIL CODE § 5310 INSURANCE DISCLOSURE**

Pursuant to **Civil Code Section 5310**, attached is a summary of the Association's policy of insurance declaration page:

**“THIS SUMMARY OF THE ASSOCIATION’S POLICIES OF INSURANCE PROVIDES ONLY CERTAIN INFORMATION, AS REQUIRED BY § 5310(a)(7) 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.”**

**SEVEN TREES VILLAGE HOMEOWNERS ASSOCIATION  
FINE SCHEDULE AND PROCEDURE FOR VIOLATIONS  
OF THE GOVERNING DOCUMENTS**

Members of the association in violation of the Seven Trees Village Homeowners Association's governing documents [Declaration of Covenants, Conditions & Restrictions (CC&Rs), By Laws, Articles of Incorporation, Rules and Regulations] shall be subject to fines of up to \$ 500.00 per incident, or per day, depending upon the circumstances, and based upon the reasonable business judgment of the Board of Directors.

The first offense shall result in a written warning to the offending member. The warning shall specify the offending nature of the offensive conduct, date and time. It shall also advise the member of the proposed penalty if the violation reoccurs.

If the violation reoccurs the member is sent a (20 day) notice advising them that the Board is proposing to, for example, impose a fine of \$500.00, and the member has a right to appear at the next board meeting to present evidence as to why the penalty should not be imposed for this offense and any subsequent offense. The hearing is held and the board will then notify the member of its decision in writing within 5 days of the hearing.

If the fine is imposed it is added to the members assessment account. If the member refuses to pay the fine, it is turned over to the association's attorney for collection (there is an attorneys fee provision in our CC&Rs that would pass the cost of collection back on to the member who violated the governing documents) at the board's discretion. If violation(s) continue, the association reserves the right to other enforcement actions including but not limited to, injunctive or declarative relief from the Santa Clara County Superior Court.



## Seven Trees Village Homeowners Association Request for Annual Notice of Address, Representative and Rental Status

Civil Code, Section 4041 requires each owner of a separate interest to provide written notice to the Association of all the following information annually. Please provide the information in the form below and return the completed form to the Association within 30 days. *If the requested information is not provided, the current address on file, if available, or the property address of the Owner's separate interest will be used for notices.*

Homeowner Name \_\_\_\_\_

Property Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

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

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

2. An alternate or secondary address to which notices from the Association are to be delivered, if primary address is unavailable. As a reminder, Owners are required to supply their tenants with Association notices.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

3. The name and address of your legal representative, if any, including any person with power of attorney, or other person who can be contacted in the event of your extended absence from the separate interest or emergency.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Does emergency contact have a key or other access to your unit in the event of an emergency, such as flooding? ☐ Yes ☐ No

4. Is the separate interest:

☐ Owner-occupied

☐ Rented

☐ Vacant

Return form to:

Management Solutions  
6200 Buena Vista Drive, Newark, CA 94560  
(510) 659-8969, (510) 656-4495 FAX  
managementsolutionshoa@gmail.com



**Management Solutions**  
6200 Buena Vista Dr., Newark, CA 94560  
(925) 606-9500 (925) 606-4369 FAX



## Association Disclosure and Escrow Documents Order Form

**Homeowner's Association:**

**Property Address:**

**Owner of Property:**

**Title Company:**

**Escrow Number:**

**Escrow Officer:**

**Phone Number:**

**Email:**

**Expected COE:**

*All documents will be emailed to Title within 7-10 business day (3-5 with Rush fee)*

Check to Order	Documents	Civic Code Section	Fee	Please choose from list if documents are Directly Provided by Seller and confirmed in writing by Seller as a current document
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### Required on all sales transactions

<input type="checkbox"/>	Demand to Escrow with HOA provided Certification form including Regular Assessment, Special Assessment, Emergency Assessment, Other unpaid obligations of seller and Approved changes to Assessments and Rental Restrictions	4525(a)(4) 5675 and 4525(a)(4) 5300 and 4525(a)(4),(8) 4525(a)(9)	\$150.00	Does not include Lender-specific questionnaire
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### Association Documents

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.

	Articles of Incorporation	4525(a)(1)	\$25.00	
	CC&Rs	4525(a)(1)	\$50.00	
	Bylaws	4525(a)(1)	\$25.00	
	Rules and Regulations	4525(a)(1)		
	Age restrictions, if any	4525(a)(2)	n/c	not applicable
	Pro Forma Operating Budget with Assessment Enforcement Policy	5300 and 4525(a)(3)	\$25.00	
	Reserve Study with Assessment and Reserve Funding Disclosure Summary	5300 and 4525(a)(4)	\$25.00	
	CPA Financial Statement Review with 12 months financials	5300 and 4525(a)(3)	\$25.00	
	Insurance Summary (does not include mortgagee clause)	5300 and 4525(a)(3)	n/c	
	Settlement Notice Regarding Common Area Defects	4525(a)(6), (7) and 6100	n/c	not applicable
	Preliminary lists of defects	4525(a)(6), 6000 and 6100	n/c	not applicable
	Notice(s) of violation	5855 and 4525(a)(5)	n/c	not applicable
	Required statement of fees	4525	n/c	included
	Minutes of regular meetings of the board of directors (12 months)	4525(a)(10)	\$25.00	
	<b>Complete package of all documents above, including demand. (\$50 discount)</b>		<b>\$300.00</b>	

### Additional fees

	Rush Request (3-5 business days)	\$75.00	
	Estoppel inspection (Fee due on or before time of inspection)	\$200.00	Must be completed by seller before close of escrow. See demand for details.
	Lender-specific HOA Questionnaire	Call for price	

**Total Fee included for these documents**

\$

All Fees must be paid upfront.  
We do not accept credit cards.

**Please remit payment to: Management Solutions, 6200 Buena Vista Dr., Newark CA 94560**

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. By signing below, the seller authorizes Management Solutions to furnish to the buyer copies of information previously made available to the seller. Management Solutions neither makes nor implies any representation or warranty in providing any of the above Association documents, and shall have no liability to any person or entity in connection with the distribution of these documents.

**Seller:**

Signature:

Date

Completed:

Printed Name:



Donald Murphy, Director

## SEVEN TREES VILLAGE HOMEOWNERS ASSOCIATION

The following information is provided pursuant to AB-596:

### FHA

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

This common interest development **is** a condominium project.

The association of this common interest development **is not** certified by the Federal Housing Administration."

### VA

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

This common interest development **is** a condominium project.

The association of this common interest development **is** certified by the federal Department of Veterans Affairs.



Farmers Insurance Exchange (A Reciprocal Insurer)  
Member Of The Farmers Insurance Group Of Companies®

Home Office: 6301 Owensmouth Ave., Woodland Hills, CA 91367

## POLICY DECLARATIONS - CONDO/TOWNHOME PREMIER POLICY

**Named Insured** SEVEN TREES VILLAGE HOA

**Mailing Address** 6200 BUENA VISTA DRIVE  
NEWARK, CA 94560-2045

**Policy Number** 60283-16-29

☐ **Auditable**

**Policy Period** From 10-25-2018  
To 10-25-2019 12:01 A.M. Standard time at your mailing address shown above.

In return for the payment of premium and subject to all the terms of this policy, we agree with you to provide insurance as stated in this policy. We provide insurance only for those Coverages described and for which a specific limit of insurance is shown.

The following premium credits and discounts applied to the premium associated with this coverage part:  
**Favorable Loss Experience Discount**

There may be other credits and discounts you may be able to enjoy, please contact your agent for full details.

**Your Agent**

Atulya Yogeshwar  
510 Lwrrnce Expy #213  
Sunnyvale, CA 94085  
(408) 720-0594

PROPERTY, INLAND MARINE AND CRIME COVERAGES AND LIMITS						
The following coverages apply to the described locations and/or building. Please refer to the Base Coverages And Extensions section for other coverages and extensions applying at the policy level.						
<b>Option:</b> BV - Blanket Value (see Base Coverage & Extensions for the total limit) <b>Valuation:</b> ACV - Actual Cash Value; AV - Agreed Value; RC - Replacement Cost; ERC - Extended RC; FRC - Functional RC; GRC - Guaranteed RC <b>Abbreviation:</b> ALS = Actual Loss Sustained; BI = Business Income; EE = Extra Expense						
Premises Number	Bldg. No.	Covered Premises Address	Mortgagee Name And Address			
001	All	3555 Gum Tree Dr San Jose, CA 95111-2332				
Coverage			Option	Valuation	Limit Of Insurance	Deductible/ Waiting Period
Building				ERC	\$57,741,700	\$10,000
Business Personal Property (BPP)				RC	\$28,700	\$10,000
Accounts Receivables - On-Premises					\$5,000	\$10,000
Building - Automatic Increase Amount					8%	
Building Ordinance Or Law - 1 (Undamaged Part)					Included	None
Building Ordinance Or Law - 2 (Demolition Cost)					\$335,000	None
Building Ordinance Or Law - 3 (Increased Cost)					\$334,700	None
Debris Removal					25% Of Loss + 10,000	
Electronic Data Processing Equipment					\$10,000	\$10,000
Equipment Breakdown					Included	\$10,000
Equipment Breakdown - Ammonia Contamination					\$25,000	
Equipment Breakdown - Drying Out Coverage					Included	
Equipment Breakdown - Expediting Expenses					Included	
Equipment Breakdown - Hazardous Substances					\$25,000	
Equipment Breakdown - Water Damage					\$25,000	
Exterior Building Glass					Included	\$10,000
Outdoor Property					\$50,000	\$10,000
Outdoor Property - Trees, Shrubs & Plants (Per Item)					\$25,000	\$10,000
Personal Effects					\$2,500	\$10,000
Specified Property					\$320,000	\$10,000
Valuable Paper And Records - On-Premises					\$5,000	\$10,000

**PROPERTY, INLAND MARINE AND CRIME COVERAGE AND LIMITS OF INSURANCE**

**The following Coverages and Extensions apply to all covered locations (premises) and/or buildings. Please refer to the individual location (premises) section for coverages and limits specific to such location (premises).**

<b>Base Coverage And Extensions</b>	<b>Limit of Insurance</b>	<b>Deductible/ Waiting Period</b>
Accounts Receivables - Off-Premises	\$2,500	\$10,000
Association Fees And Extra Expense	\$100,000	
Crime Conviction Reward	\$5,000	None
Employee Dishonesty	\$100,000	\$10,000
Fire Department Service Charge	\$25,000	None
Fire Extinguisher Systems Recharge Expense	\$5,000	None
Forgery And Alteration	\$2,500	\$10,000
Limited Biohazardous Substance Coverage - Per Occurrence	\$10,000	\$10,000
Limited Biohazardous Substance Coverage - Aggregate	\$20,000	\$10,000
Limited Cov. - Fungi Wet Rot Dry Rot & Bacteria - Aggregate	\$15,000	\$10,000
Master Key	\$10,000	None
Master Key - Per Lock	\$100	None
Money And Securities - Inside Premises	\$10,000	\$500
Money And Securities - Outside Premises	\$10,000	\$500
Money Orders And Counterfeit Paper Currency	\$1,000	\$10,000
Newly Acquired Or Constructed Property	\$250,000	\$10,000
Outdoor Signs	\$50,000	\$500
Outdoor Signs - Per Sign	\$25,000	\$500
Personal Property At Newly Acquired Premises	\$100,000	\$10,000
Personal Property Off Premises	\$5,000	\$10,000
Premises Boundary	100 Feet	
Preservation Of Property	30 Days	
Valuable Paper And Records - Off-Premises	\$2,500	\$10,000





**LIABILITY AND MEDICAL EXPENSES COVERAGE AND LIMITS OF INSURANCE CONTINUED**

<b>Coverage</b>	<b>Amount /Date</b>
General Aggregate (Other Than Products & Completed Operations)	\$2,000,000
Products And Completed Operations Aggregate	\$1,000,000
Personal And Advertising Injury	Included
Each Occurrence	\$1,000,000
Tenants Liability (Each Occurrence)	\$75,000
Medical Expense (Each Person)	\$5,000
Pollution Exclusion - Hostile Fire Exception	Included
Directors & Officers Liability - Per Claim	\$1,000,000
Directors & Officers Liability - Aggregate	\$1,000,000
Directors & Officers Liability Retroactive Date	10/25/2012

## Policy Forms And Endorsements Attached At Inception

Number	Title
25-2110	Work Comp Exclusion
25-2984ED2	Calif Dept Of Ins
25-9200	Farmers Privacy Notice
56-5166ED5	Additional Conditions
E0104-ED1	Business Liab Cov-Tenants Liab
E0125-ED1	Lead Poisoning & Contamination Excl
E0139-ED1	Excl Of Cert/Other Acts Of Terr-Fire/Lia
E0147-ED1	War Liability Exclusion
E3015-ED2	Calculation Of Premium
E3024-ED3	Condominium Common Conditions
E3037-ED1	No Covg-Certain Computer Related Losses
E3314-ED3	Condominium Liability Covg Form
E3327-ED2	Addl Insd-Designated Person Or Org
E3331-ED3	Limit Of Covg To Desig Prem Or Proj
E3422-ED3	Condominium Property Covg Form
E4009-ED4	Mold & Microorganism Exclusion
E6288-ED3	Excl-Building Conversions
E9122-ED6	D & O Liab Covg Form
J6316-ED2	Excl Of Loss Due To Virus
J6347-ED1	Excl-Violation Of Statutes
J6350-ED1	Employee Dishonesty-Property Mgr
J6353-ED1	Change To Limits Of Insurance
J6612-ED2	Equipment Breakdown Coverage End
J6739-ED1	Two Or More Coverage Forms
J6829-ED1	Ltd Covg For Fungi, Wet/Dry Rot
J6849-ED2	Deductible Provisions
J6857-ED1	Amendment Of D&o Liab Covg
J7110-ED1	Exclusion Confidential Info
J7114-ED1	Asbestos & Silica Exclusion End
J7122-ED1	Loss Pay Cond-Proft Ovrhd Inc Fees
J7131-ED1	Dishonesty Excl-Tenant Vandal Excp
J7133-ED1	Limited Biohazardous Substance Cov
J7136-ED1	Pollution Excl-Expanded Except
J7139-ED1	Bus Inc And Extr Exp-Prt Slwdwn Cov
J7144-ED1	Pers And Advert Injury Cov
J7158-ED1	Damage To Property Excl-Revised
S9943-ED3	California Changes
S9948-ED2	Condominium Premier Package End

## Assessment and Reserve Funding Disclosure Summary

### Seven Trees Village Homeowners Association

For Fiscal Year Beginning: January 1, 2019

# of Units: 315

1) Budgeted Amounts:	<b>Total</b>	<b>Average Per unit*</b>
Reserve Contributions:	\$24,563.00	\$77.98
Total Assessment Income:	\$78,750.00	\$250.00

per: Month

- 2) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Due	Total Amount Per Unit*	Purpose
N/A		
N/A		
Total:		\$0.00

- 3) Based on the most recent Reserve Study and other information available to the Board of Directors, at this point in time does it appear that currently projected Reserve account balances will be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the

**No**

*The answer to this question is very difficult. To project things out 30 years is nearly impossible. The basis for this information is the Association reserve study that is enclosed, and consultation with our Construction Consultant and our managing agent, Management Solutions. As you can well imagine, circumstances could change at any time due to intervention of severe weather conditions, vandalism, fire, flood, Acts of God, terrorism or other events, or unanticipated drastic increases in costs of materials or services. Additionally, although we have the buildings visually inspected every year, it is also possible that conditions exist that are not detectable via visual inspections. If any Owner is or becomes aware of any condition that might affect this projection, we hope that he or she will bring it to the attention of the Board.*

- 4) If the answer to #3 is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
Will be determined once 2019 Reserve Study is complete.	

Total: \$0

- 5) All major components appropriate for Reserve Funding (components that are a common area maintenance responsibility with a limited life expectancy and predictable remaining useful life, above a minimum threshold cost of significance) are included in this Reserve Funding Plan:

**Yes**

6) All computations/disclosures are based on the fiscal year start date of:	1/1/2019
Fully Funded Balance (based on formula defined in 5570(b)4):	\$851,824.00
Projected Reserve Fund Balance:	\$50,922.68
Percent Funded:	6.0%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$2,542.54

From the 2/1/2010 Reserve Study by Pollard Unlimited and any minor changes since that date.

- 7) See attached 30-yr Summary Table, showing the projected Reserve Funding Plan, Reserve Balance, Percent Funded, and assumptions for interest and inflation.

**Prepared by: Management Solutions**

**Date: 11/1/2018**

*The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year.*

7TV H.O.A. LOW INCOME  
Community

IX  
PERCENT FUNDED

Due to Poor Board & Management  
illegal and poor management of 7TV  
H.O.A. Community and Funds. The  
H.O.A. Reserves fund as of 12-31-09  
is only 10% funded

For 2010 must do work due  
to Failed Roofs (Kehly & Garages)  
2,689,456.00 Total in Protection  
of Kehly. Envelopes and Liability Asphalt  
work must be completed. They only  
have 32,000 in Reserves.  
Thus they are 2,657,456.00 short.  
÷ 315 Homes  
8,436.37 is needed from  
each Home

Percent Funded  
February 2010

Reserve Component	Est Life	Rmng Life	Est Cost to Replace	Annual Requirement	Appropriation needed 12/31/2009	Amount Funded 12/31/2009	Surplus Deficit	Percent Funded
Sloped roofs	30	1	\$141,828	4,728	137,100	960	-136,141	1%
Sloped roofs	30	2	\$125,772	4,192	117,387	822	-116,565	1%
Sloped roofs	30	3	\$125,772	4,192	113,195	792	-112,402	1%
Sloped roofs	30	4	\$125,772	4,192	109,002	763	-108,239	1%
Sloped roofs	30	5	\$133,800	4,460	111,500	781	-110,720	1%
Sloped roofs	30	22	\$128,448	4,282	34,253	240	-34,013	1%
Sloped roofs	30	24	\$61,548	2,052	12,310	86	-12,223	1%
Low-sloped roofs	15	1	\$360,480	24,032	336,448	2,355	-334,093	1%
Low-sloped roofs	15	2	\$360,480	24,032	312,416	2,187	-310,229	1%
Low-sloped roofs	15	3	\$360,480	24,032	288,384	2,019	-286,365	1%
Low-sloped roofs	15	6	\$360,480	24,032	216,288	1,514	-214,774	1%
Low-sloped roofs	15	7	\$360,480	24,032	192,256	1,346	-190,910	1%
Low-sloped roofs	15	8	\$360,480	24,032	168,224	1,178	-167,046	1%
Low-sloped roofs	15	9	\$360,480	24,032	144,192	1,009	-143,183	1%
Gutters/Downspouts	30	1	\$119,070	3,969	115,101	806	-114,295	1%
Gutters/Downspouts	30	2	\$119,070	3,969	111,132	778	-110,354	1%
Gutters/Downspouts	30	3	\$119,070	3,969	107,163	750	-106,413	1%
Gutters/Downspouts	30	4	\$119,070	3,969	103,194	722	-102,472	1%
Gutters/Downspouts	30	5	\$119,070	3,969	99,225	695	-98,530	1%
Gutters/Downspouts	30	22	\$119,070	3,969	31,752	222	-31,530	1%
Gutters/Downspouts	30	24	\$119,070	3,969	23,814	167	-23,647	1%
Stucco	12	1	\$15,000	1,250	13,750	96	-13,654	1%
Siding/Trim 2010-50%	6	1	\$375,496	62,583	312,913	2,190	-310,723	1%
Siding/Trim repair-5%	6	6	\$37,550	6,258	0	0	0	
Asphalt	25	1	\$724,810	28,992	695,818	4,871	-690,947	1%
Seal Coat	5	2	\$26,932	5,386	16,159	113	-16,046	1%
Sidewalks	7	1	\$10,000	1,429	8,571	60	-8,511	1%
Exterior area lighting	30	5	\$21,875	729	18,229	128	-18,102	1%
Exterior area lighting	30	28	\$9,375	313	625	4	-621	1%
Interior area lighting	50	30	\$1,980	40	792	6	-786	1%
6' Wood nail-on fence	25	5	\$26,078	1,043	20,862	146	-20,716	1%
6' Wood nail-on fence	25	10	\$26,078	1,043	15,647	110	-15,537	1%
Vinyl tile flooring	30	12	\$7,377	246	4,426	31	-4,395	1%
Range	25	12	\$600	24	312	2	-310	1%
Refrigerator	20	10	\$700	35	350	2	-348	1%
Microwave	15	7	\$150	10	80	1	-79	1%

Percent Funded  
February 2010

Reserve Component	Est Life	Rmng Life	Est Cost to Replace	Annual Requirement	Appropriation needed 12/31/2009	Amount Funded 12/31/2009	Surplus Deficit	Percent Funded
Furnace	30	1	\$2,200	73	2,127	15	-2,112	1%
Play structure	20	18	\$35,000	1,750	3,500	25	-3,476	1%
Swing set	15	10	\$2,000	133	667	5	-662	1%
Basketball goals	15	10	\$800	53	267	2	-265	1%
Sinks	50	20	\$500	10	300	2	-298	1%
Toilet	50	20	\$350	7	210	1	-209	1%
Faucets	25	8	\$330	13	224	2	-223	1%
Water heater	10	7	\$800	80	240	2	-238	1%
Interior painting	10	5	\$2,130	213	1,065	7	-1,057	1%
Exterior painting-12yr	12	1	\$315,000	26,250	288,750	2,021	-286,729	1%
Exterior painting-6yr	6	6	\$126,000	21,000	0	0	0	
Controlllers	15	9	\$12,600	840	5,040	35	-5,005	1%
Controlllers	15	13	\$900	60	120	1	-119	1%
Valves	15	1	\$10,125	675	9,450	66	-9,384	1%
Valves	15	2	\$10,125	675	8,775	61	-8,714	1%
Valves	15	3	\$10,125	675	8,100	57	-8,043	1%
Valves	15	4	\$10,125	675	7,425	52	-7,373	1%
<b>TOTAL</b>			<b>6,022,902</b>	<b>386,669</b>	<b>4,329,131</b>	<b>30,000</b>	<b>-4,298,827</b>	<b>1%</b>

# Reserve Study Cash Flow

February 2010

Component	EUL	ERUL	Cost of Component	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sloped roofs	30	1-24	\$842,880	141,828	125,772	125,772	125,772	133,800					
Low-sloped roofs	15	1-9	\$360,480	26,335	46,945	48,090			50,380	114,500	19,465	28,625	
Gutters/Downspouts	30	1-24	\$119,070	20,034	17,766	17,766	17,766	18,900					
Stucco	12	1	\$15,000	15,000									
Siding/Trim 2010-50%	6	1	\$375,496	375,496									
Siding/Trim repair-5%	6	7	\$37,550							37,550			
Asphalt	25	1	\$724,810	724,810									
Seal Coat	5	2	\$26,932		26,932					26,932			
Sidewalks	7	1	\$10,000	10,000							10,000		
Exterior area lighting	30	5-28	\$31,250					21,875					
Interior area lighting	50	30	\$1,980										
6' Wood nail-on fence	25	5-10	\$52,155					26,078					26,078
Vinyl tile flooring	30	12	\$7,377										
Range	25	12	\$600										
Refrigerator	20	10	\$700										700
Microwave	15	7	\$150							150			
Furnace	30	1	\$2,200	2,200									
Play structure	20	18	\$35,000										
Swing set	15	10	\$2,000										2,000
Basketball goals	15	10	\$800										800
Sinks	50	20	\$500										
Toilet	50	20	\$350										
Faucets	25	8	\$330								330		
Water heater	10	7	\$800							800			
Interior painting	10	5	\$2,130					2,130					
Exterior painting-12yr	12	1	\$315,000	315,000									
Exterior painting-6yr	6	7	\$126,000							126,000			
Controllers	15	9-13	\$13,500									12,600	
Valves	15	1-4	\$40,500	10,125	10,125	10,125	10,125						
<b>TOTAL</b>				<b>1,640,828</b>	<b>227,540</b>	<b>201,753</b>	<b>153,663</b>	<b>202,783</b>	<b>50,380</b>	<b>305,932</b>	<b>29,795</b>	<b>41,225</b>	<b>29,578</b>

*Total to June*  
*for 30 yrs. \$1,046,560 ÷ 30 yrs = 168,218.93 per yr.*  
*÷ 12 Mo = 14,018.24 ÷ 315 Homes = 44.50 per Mo.*



Five Year Cash Flow

February 2010

Component	EUL	ERUL	Cost of Component	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sloped roofs	30	1-24	\$842,880										
Low-sloped roofs	15	1-9	\$360,480							26,335	46,945	48,090	
Gutters/Downspouts	30	1-24	\$119,070										
Stucco	12	1	\$15,000			15,000							
Siding/Trim 2010-50%	6	1	\$375,496										
Siding/Trim 2010-5%	6	7	\$37,550			37,550						37,550	
Asphalt	25	1	\$724,810										
Seal Coat	5	2	\$26,932		26,932					26,932			
Sidewalks	7	1	\$10,000					10,000					
Exterior area lighting	30	5-28	\$31,250										
Interior area lighting	50	30	\$1,980										
6' Wood nail-on fence	25	5-10	\$52,155					52,155					
Vinyl tile flooring	30	12	\$7,377		7,377								
Range	25	12	\$600		600								
Refrigerator	20	10	\$700										
Microwave	15	7	\$150										
Furnace	30	1	\$2,200										
Play structure	20	18	\$35,000								3,500		
Swing set	15	10	\$2,000										
Basketball goals	15	10	\$800										
Sinks	50	20	\$500										500
Toilet	50	20	\$350										350
Faucets	25	8	\$330										
Water heater	10	7	\$800							800			
Interior painting	10	5	\$2,130					2,130					
Exterior painting-12yr	12	1	\$315,000			315,000							
Exterior painting-6yr	6	7	\$126,000									126,000	
Controllers	15	9-13	\$13,500			900							
Valves	15	1-4	\$40,500						10,125	10,125	10,125	10,125	
<b>TOTAL</b>				<b>0</b>	<b>34,909</b>	<b>368,450</b>	<b>0</b>	<b>64,285</b>	<b>10,125</b>	<b>64,192</b>	<b>60,570</b>	<b>221,765</b>	<b>850</b>

**February 2010**

Component	EUL	ERUL	Cost of Component	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Sloped roofs	30	1-24	\$842,880		128,448		61,548						
Low-sloped roofs	15	1-9	\$360,480	50,380	114,500	19,465	28,625						
Gutters/Downspouts	30	1-24	\$119,070		18,144	61,548							
Stucco	12	1	\$15,000					15,000					
Siding/Trim 2010-50%	6	1	\$375,496										
Siding/Trim 2010-5%	6	7	\$37,550					37,550					
Asphalt	25	1	\$724,810						724,810				
Seal Coat	5	2	\$26,932		26,932					26,932			
Sidewalks	7	1	\$10,000		10,000							10,000	
Exterior area lighting	30	5-28	\$31,250								9,375		
Interior area lighting	50	30	\$1,980										1,980
6' Wood nail-on fence	25	5-10	\$52,155										26,078
Vinyl tile flooring	30	12	\$7,377										
Range	25	12	\$600										
Refrigerator	20	10	\$700										700
Microwave	15	7	\$150		150								
Furnace	30	1	\$2,200										
Play structure	20	18	\$35,000										
Swing set	15	10	\$2,000					2,000					
Basketball goals	15	10	\$800					800					
Sinks	50	20	\$500										
Toilet	50	20	\$350										
Faucets	25	8	\$330										
Water heater	10	7	\$800							800			
Interior painting	10	5	\$2,130					2,130					
Exterior painting-12yr	12	1	\$315,000					315,000					
Exterior painting-6yr	6	7	\$126,000										
Controllers	15	9-13	\$13,500				12,600				900		
Valves	15	1-4	\$40,500										
<b>TOTAL</b>				<b>50,380</b>	<b>298,174</b>	<b>81,013</b>	<b>102,773</b>	<b>372,480</b>	<b>724,810</b>	<b>27,732</b>	<b>10,275</b>	<b>10,000</b>	<b>28,758</b>

unding Study  
February 2010

Fiscal Year	Total Expense	Inflation 3%	Inflated Expense	Reserve Dues	Interest Income 3%	Special Assessment	Cash Balance	Monthly Reserve Dues /Unit	% Increase
Beginning balance as of December 31, 2009							30,000		
2010	1,640,828	1.00	1,640,828	82,971	900.00		(1,526,957)	21.95	20
2011	227,540	1.03	234,366	99,565	0.00		(1,661,758)	26.34	20
2012	201,753	1.06	214,040	119,478	0.00		(1,756,320)	31.61	20
2013	153,663	1.09	167,912	143,374	0.00		(1,780,857)	37.93	20
2014	202,783	1.13	228,234	172,049	0.00		(1,837,043)	45.52	20
2015	50,380	1.16	58,404	206,458	0.00		(1,688,989)	54.62	20
2016	305,932	1.19	365,299	247,750	0.00		(1,806,537)	65.54	20
2017	29,795	1.23	36,644	297,300	0.00		(1,545,881)	78.65	20
2018	41,225	1.27	52,223	356,760	0.00		(1,241,344)	94.38	20
2019	29,578	1.30	38,593	428,112	0.00		(851,824)	113.26	20
2020	0	1.34	0	513,735	0.00		(338,090)	135.91	20
2021	34,909	1.38	48,322	616,481	0.00		230,070	163.09	20
2022	368,450	1.43	525,322	739,778	0.00		444,526	195.71	20
2023	0	1.47	0	245,700	0.00		690,226	65.00	0
2024	64,285	1.51	97,237	245,700	20,706.77		859,396	65.00	0
2025	10,125	1.56	15,774	245,700	25,781.87		1,115,103	65.00	0
2026	64,192	1.60	103,009	245,700	33,453.10		1,291,247	65.00	0
2027	60,570	1.65	100,113	245,700	38,737.41		1,475,571	65.00	0
2028	221,765	1.70	377,540	245,700	44,267.14		1,387,998	65.00	0
2029	850	1.75	1,490	245,700	41,639.95		1,673,848	65.00	0
2030	50,380	1.81	90,992	245,700	50,215.44		1,878,771	65.00	0
2031	298,174	1.86	554,691	245,700	56,363.14		1,626,143	65.00	0
2032	81,013	1.92	155,229	245,700	48,784.29		1,765,398	65.00	0
2033	102,773	1.97	202,831	245,700	52,961.94		1,861,229	65.00	0
2034	372,480	2.03	757,175	245,700	55,836.86		1,405,590	65.00	0
2035	724,810	2.09	1,517,591	245,700	42,167.71		175,867	65.00	0
2036	27,732	2.16	59,807	245,700	5,276.01		367,036	65.00	0
2037	10,275	2.22	22,824	245,700	11,011.09		600,924	65.00	0
2038	10,000	2.29	22,879	245,700	18,027.71		841,772	65.00	0
2039	28,758	2.36	67,770	245,700	25,253.16		1,044,955	65.00	0