



## **Management Solutions**

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

### **Villa Paloma 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 \$130,692.56 as of September 30, 2018.
- III. The budget becomes effective January 1, 2019. The dues will remain \$329.00 per unit, per month.
- IV. The Association will updated their reserve study in October 2018.
- 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  
Villa Paloma 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	\$ 9,870.00	\$ 118,440.00	\$ 329.00	\$ 9,870.00	\$ 118,440.00	\$ 329.00
4015	Reserve Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4018	Late Fees	\$ 30.00	\$ 360.00	\$ 1.00	\$ 30.00	\$ 360.00	\$ 1.00
4130	Interest Income Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4135	Interest Income Dues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4145	Late Letter Fees Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190	Move in/Move Out Fees	\$ 60.00	\$ 720.00	\$ 2.00	\$ 60.00	\$ 720.00	\$ 2.00
4200	Misc Income (Incl violations)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>4000</b>	<b>Total Income</b>	<b>\$ 9,960.00</b>	<b>\$ 119,520.00</b>	<b>\$ 332.00</b>	<b>\$ 9,960.00</b>	<b>\$ 119,520.00</b>	<b>\$ 332.00</b>
5020	PG&E	\$ 90.00	\$ 1,080.00	\$ 3.00	\$ 90.00	\$ 1,080.00	\$ 3.00
5040	Garbage	\$ 1,500.00	\$ 18,000.00	\$ 50.00	\$ 1,500.00	\$ 18,000.00	\$ 50.00
5070	Water	\$ 1,290.00	\$ 15,480.00	\$ 43.00	\$ 1,290.00	\$ 15,480.00	\$ 43.00
<b>5000</b>	<b>Total Utilities</b>	<b>\$ 2,880.00</b>	<b>\$ 34,560.00</b>	<b>\$ 96.00</b>	<b>\$ 2,880.00</b>	<b>\$ 34,560.00</b>	<b>\$ 96.00</b>
6010	Landscape Maintenance	\$ 930.00	\$ 11,160.00	\$ 31.00	\$ 930.00	\$ 11,160.00	\$ 31.00
6020	Irrigation Repair	\$ 60.00	\$ 720.00	\$ 2.00	\$ 60.00	\$ 720.00	\$ 2.00
6025	Tree Service	\$ 300.00	\$ 3,600.00	\$ 10.00	\$ 300.00	\$ 3,600.00	\$ 10.00
6030	Landscape Other	\$ 90.00	\$ 1,080.00	\$ 3.00	\$ 90.00	\$ 1,080.00	\$ 3.00
<b>6000</b>	<b>Total Landscape</b>	<b>\$ 1,380.00</b>	<b>\$ 16,560.00</b>	<b>\$ 46.00</b>	<b>\$ 1,380.00</b>	<b>\$ 16,560.00</b>	<b>\$ 46.00</b>
7045	Minor Repairs	\$ 120.00	\$ 1,440.00	\$ 4.00	\$ 120.00	\$ 1,440.00	\$ 4.00
7120	Pest Control	\$ 120.00	\$ 1,440.00	\$ 4.00	\$ 120.00	\$ 1,440.00	\$ 4.00
7155	Security Phone	\$ 79.50	\$ 954.00	\$ 2.65	\$ 79.50	\$ 954.00	\$ 2.65
7410	Fire Systems Maintenance	\$ 60.00	\$ 720.00	\$ 2.00	\$ 60.00	\$ 720.00	\$ 2.00
7510	Electrical/Lighting	\$ 90.00	\$ 1,080.00	\$ 3.00	\$ 90.00	\$ 1,080.00	\$ 3.00
7530	Plumbing/Sprinkler	\$ 90.00	\$ 1,080.00	\$ 3.00	\$ 90.00	\$ 1,080.00	\$ 3.00
<b>7000</b>	<b>Total Buildings &amp; Grounds</b>	<b>\$ 559.50</b>	<b>\$ 6,714.00</b>	<b>\$ 18.65</b>	<b>\$ 559.50</b>	<b>\$ 6,714.00</b>	<b>\$ 18.65</b>
8010	Management	\$ 780.00	\$ 9,360.00	\$ 26.00	\$ 780.00	\$ 9,360.00	\$ 26.00
8030	Legal Services	\$ 150.00	\$ 1,800.00	\$ 5.00	\$ 150.00	\$ 1,800.00	\$ 5.00
8040	Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8060	Income Tax Preparation	\$ 100.50	\$ 1,206.00	\$ 3.35	\$ 100.50	\$ 1,206.00	\$ 3.35
8070	Taxes-Federal	\$ 60.00	\$ 720.00	\$ 2.00	\$ 60.00	\$ 720.00	\$ 2.00
8080	Taxes-State	\$ 30.00	\$ 360.00	\$ 1.00	\$ 30.00	\$ 360.00	\$ 1.00
8085	Bad Debts	\$ 60.00	\$ 720.00	\$ 2.00	\$ 60.00	\$ 720.00	\$ 2.00
8090	Office Expenses	\$ 30.00	\$ 360.00	\$ 1.00	\$ 30.00	\$ 360.00	\$ 1.00
8100	Postage	\$ 30.00	\$ 360.00	\$ 1.00	\$ 30.00	\$ 360.00	\$ 1.00
8140	Bank charges	\$ 30.00	\$ 360.00	\$ 1.00	\$ 30.00	\$ 360.00	\$ 1.00
8150	Insurance	\$ 1,000.00	\$ 12,000.00	\$ 33.33	\$ 1,000.00	\$ 12,000.00	\$ 33.33
8170	Misc. G&A	\$ 1,000.00	\$ 12,000.00	\$ 33.33	\$ 1,000.00	\$ 12,000.00	\$ 33.33
<b>8000</b>	<b>Total General and Admin.</b>	<b>\$ 2,270.50</b>	<b>\$ 27,246.00</b>	<b>\$ 75.68</b>	<b>\$ 2,270.50</b>	<b>\$ 27,246.00</b>	<b>\$ 75.68</b>
<b>9001</b>	<b>Reserves</b>	<b>\$ 2,870.00</b>	<b>\$ 34,440.00</b>	<b>\$ 95.67</b>	<b>\$ 2,870.00</b>	<b>\$ 34,440.00</b>	<b>\$ 95.67</b>

**VILLA PALOMA CONDOMINIUM 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.

**VILLA PALOMA CONDOMINIUM 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 10% 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.



# **VILLA PALOMA CONDOMINIUM 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.”**

**VILLA PALOMA CONDOMINIUM ASSOCIATION  
FINE SCHEDULE AND PROCEDURE FOR VIOLATIONS  
OF THE GOVERNING DOCUMENTS**

Members of the association in violation of the Villa Paloma Condominium 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 Alameda County Superior Court.



## Villa Paloma 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

## VILLA PALOMA 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.

# **Villa Paloma Condo Association**

## **Insurance Disclosure from pursuant to Civil Code- Section 5300**

**Policy Term 10/3/2018 to 10/3/2019**

### **Fidelity Bond**

Insurer: Allstate Insurance Company (Policy #648681097)  
Policy Limits: \$225,000  
Deductible: N/A

### **General Liability Insurance**

Insurer: Allstate Insurance Company (Policy #648681097)  
Policy Limits: \$2,000,000/\$4,000,000  
D&O Limit: \$2,000,000/\$4,000,000/\$500 Deductible

### **Building Coverage (Blanket)**

Insurer: Allstate Insurance Company (Policy #648681097)  
Coverage: \$14,833,430  
Deductible: \$10,000

### **Umbrella Liability**

Insurer: Allstate Insurance Company (Policy #648681753)  
Coverage: \$1,000,000  
Deductible: N/A

### **Earthquake Insurance**

Insurer: None with this Agency  
Policy Limits: N/A  
Deductibles: N/A

### **Flood Insurance**

Insurer: None with this Agency  
Policy Limits: N/A  
Deductibles: N/A

### **Workers' Compensation**

Insurer: Pennsylvania Manufacturers Association Insurance (Policy #201801-06-41-33-2Y)  
Policy Limits: \$1,000,000

"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."

**For additional information regarding your insurance coverages, please contact our agent at:**

**Confidence Plus Insurance Services**  
**6852 N Pacific Avenue, Stockton, CA 95207**  
**(800) 573-0606**



# CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)

08/26/18

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

PRODUCER <b>CONFIDENCE PLUS INS SERVICES</b> 6852 Pacific Ave Suite B Stockton, CA 95207	CONTACT NAME: PHONE (A/C, No. Ext): <b>(209)473-4403</b> E-MAIL ADDRESS: <b>deanshibler@allstate.com</b> PRODUCER CUSTOMER ID: INSURER(S) AFFORDING COVERAGE NAIC #	FAX (A/C, No): <b>(209)473-3758</b>
INSURED <b>Villa Paloma Condo Association</b> <b>Management Solutions</b> 6200 Buena Vista Drive Newark, Ca 94560	INSURER A: <b>Allstate Insurance Company</b> INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

... Tawny Terrace,... Vintage Terrace,... Alder Terrace, Fremont Ca 94536

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

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS	
A	<input type="checkbox"/> PROPERTY	648681097	10/03/18	10/03/19	<input type="checkbox"/> BUILDING	\$	
	CAUSES OF LOSS				DEDUCTIBLES	<input type="checkbox"/> PERSONAL PROPERTY	\$
	<input type="checkbox"/> BASIC				BUILDING	<input type="checkbox"/> BUSINESS INCOME	\$
	<input type="checkbox"/> BROAD				10,000	<input type="checkbox"/> EXTRA EXPENSE	\$
	<input checked="" type="checkbox"/> SPECIAL				CONTENTS	<input type="checkbox"/> RENTAL VALUE	\$
	<input type="checkbox"/> EARTHQUAKE				<input checked="" type="checkbox"/> BLANKET BUILDING	\$ 14,833,430	
	<input type="checkbox"/> WIND				<input type="checkbox"/> BLANKET PERS PROP	\$	
	<input type="checkbox"/> FLOOD				<input type="checkbox"/> BLANKET BLDG & PP	\$	
	<input type="checkbox"/>					\$	
	<input type="checkbox"/>					\$	
	<input type="checkbox"/> INLAND MARINE	TYPE OF POLICY				\$	
	CAUSES OF LOSS					\$	
	<input type="checkbox"/> NAMED PERILS	POLICY NUMBER				\$	
A	<input checked="" type="checkbox"/> CRIME	648681097	10/03/18	10/03/19	<input checked="" type="checkbox"/> Limit	\$ 225,000	
	<input checked="" type="checkbox"/> Fidelity Bond				\$ 0		
	<input type="checkbox"/> BOILER & MACHINERY / EQUIPMENT BREAKDOWN						
						\$	
						\$	
						\$	
						\$	

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

100% Replacement Cost, Special Form(wind included), Agreed Value waiving Coinsurance, Policy will rebuild units back to original specs as built and released by the developer in accordance with Association's CC&R's. Ordinance A- \$14,833,430 B&C-\$1,318,382, Severability of interest included. 30 total units.

## CERTIFICATE HOLDER

## CANCELLATION

For Informational Purposes Only

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/26/18

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

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

<b>PRODUCER</b> <b>CONFIDENCE PLUS INS SERVICES</b> 6852 Pacific Ave Suite B Stockton, CA 95207		<b>CONTACT NAME:</b> <b>PHONE (A/C, No. Ext):</b> (209)473-4403 <b>FAX (A/C, No):</b> (209)473-3758 <b>E-MAIL ADDRESS:</b> deanshibler@allstate.com	
		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> Allstate Insurance Company	
		<b>INSURER B:</b> Pennsylvania Manufacturers Association Insurance	
		<b>INSURER C:</b>	
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

<b>INSURED</b> <b>Villa Paloma Condo Association</b> <b>Management Solutions</b> 6200 Buena Vista Drive Newark, Ca 94560	
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**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			648681097	10/03/18	10/03/19	EACH OCCURRENCE \$ <b>2,000,000</b>
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>100,000</b>				
			MED EXP (Any one person) \$ <b>10,000</b>				
			PERSONAL & ADV INJURY \$ <b>2,000,000</b>				
			GENERAL AGGREGATE \$ <b>4,000,000</b>				
			PRODUCTS - COMP/OP AGG \$ <b>2,000,000</b>				
							\$
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			648681097	10/03/18	10/03/19	COMBINED SINGLE LIMIT (Ea accident) \$ <b>2,000,000</b>
			BODILY INJURY (Per person) \$				
			BODILY INJURY (Per accident) \$				
			PROPERTY DAMAGE (Per accident) \$				
			\$				
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ <b>0</b>			648681753	10/03/18	10/03/19	EACH OCCURRENCE \$ <b>1,000,000</b>
			AGGREGATE \$ <b>1,000,000</b>				
			\$				
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N <input type="checkbox"/>	N / A	201601-06-41-33-2Y	10/03/18	10/03/18	PER STATUTE OTH-ER
			E.L. EACH ACCIDENT \$ <b>1,000,000</b>				
			E.L. DISEASE - EA EMPLOYEE \$ <b>1,000,000</b>				
			E.L. DISEASE - POLICY LIMIT \$ <b>1,000,000</b>				
A	<b>D&amp;O Liability</b>			648681097	10/03/18	10/03/19	Limit <b>2,000,000</b> Aggregate <b>4,000,000</b> Deductible <b>500</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

... Tawny Terrace, ...Vintage Terrace, ... Alder Terrace, Fremont Ca 94536  
30 units total in the Association

**CERTIFICATE HOLDER****CANCELLATION**

For Informational Purposes only

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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## Assessment and Reserve Funding Disclosure Summary

### Villa Paloma Homeowners Association

For Fiscal Year Beginning: January 1, 2019

# of Units: 30

1) Budgeted Amounts:	<b>Total</b>	<b>Average Per unit*</b>	
Reserve Contributions:	\$2,870.00	\$95.67	
Total Assessment Income:	\$9,870.00	\$329.00	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*
None at this time. Will be reviewed annually.	
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):	\$146,563.00
Projected Reserve Fund Balance:	\$130,692.56
Percent Funded:	89.2%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$529.01

From the 11/7/2013 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.*

**Villa Paloma  
Reserve Cash Flow  
October 2018  
Component**

	EUL	EURL	Cost of Component	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Concrete tile roofs	60	35	\$228,840										
Roof repairs	10	2	\$10,000		10,000								
Gutters/downspouts	40	15	\$28,500										
Stucco	12	1	\$5,000	5,000									
Wood trim	6	1	\$20,000	20,000									
Balconies	20	1-8	\$126,000	3,600						20,000			
Steel Gates	50	25	\$4,400								126,000		
Wood Fence	20	8	\$49,815										
Precast concrete fence	75	50	\$196,115								49,815		
Concrete	7	2	\$10,000		10,000								
Asphalt	25	1-15	\$181,568	15,000								10,000	
Seal coat	5	1	\$5,832	5,832									
Exterior Area Lighting	30	8-30	\$11,730						5,832				
Mailboxes	40	35	\$4,000								9,710		
Fire Spinkler Control P.	30	5	\$14,000					14,000					
Fire Sprinkler Inspection	5	5	\$6,500					6,500					
Exterior Painting	6	1	\$19,828	19,828									6,500
Exterior Painting	12	1	\$47,402	47,402						19,828			
Landscape& Irr.-Phase 1	35	6	\$12,000										
Landscape& Irr.-Phase 2	35	11	\$12,000						12,000				
Landscape& Irr.-Phase 3	35	16	\$12,000										
Controllers	15	1-6	\$5,200	2,600									
Valves	15	1-15	\$6,000	960	960	960	960	960	2,600				
Backflow device	15	1	\$1,500	1,500					960	960	960	960	960
<b>TOTAL</b>				<b>121,722</b>	<b>20,960</b>	<b>960</b>	<b>960</b>	<b>21,460</b>	<b>21,392</b>	<b>40,788</b>	<b>186,485</b>	<b>10,960</b>	<b>7,460</b>

**Villa Paloma  
Reserve Cash Flow  
October 2018  
Component**

	<b>EUL</b>	<b>EURL</b>	<b>Cost of Component</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>
Concrete tile roofs	60	35	\$228,840										
Roof repairs	10	2	\$10,000		10,000								
Gutters/downspouts	40	15	\$28,500					28,500					
Stucco	12	1	\$5,000			5,000							
Wood trim	6	1	\$20,000			20,000							
Balconies	20	1-8	\$126,000									20,000	
Steel Gates	50	25	\$4,400										
Wood Fence	20	8	\$49,815										
Precast concrete fence	75	50	\$196,115										
Concrete	7	2	\$10,000										
Asphalt	25	1-15	\$181,568						10,000				
Seal coat	5	1	\$5,832	5,832				181,568					
Exterior Area Lighting	30	8-30	\$11,730						5,832				
Mailboxes	40	35	\$4,000										
Fire Spinkler Control P.	30	5	\$14,000										
Fire Sprinkler Inspection	5	5	\$6,500					6,500					
Exterior Painting	6	1	\$19,828			19,828							6,500
Exterior Painting	12	1	\$47,402			47,402						19,828	
Landscape& Irr.-Phase 1	35	6	\$12,000										
Landscape& Irr.-Phase 2	35	11	\$12,000	12,000									
Landscape& Irr.-Phase 3	35	16	\$12,000										
Controllors	15	1-6	\$5,200						12,000				
Valves	15	1-15	\$6,000	960	960	960	960	960	2,600				
Backflow device	15	1	\$1,500						960	960	960	960	960
									1,500				
<b>TOTAL</b>				<b>18,792</b>	<b>10,960</b>	<b>93,190</b>	<b>960</b>	<b>217,528</b>	<b>32,892</b>	<b>960</b>	<b>960</b>	<b>40,788</b>	<b>7,460</b>

**Villa Paloma  
Reserve Cash Flow  
October 2018  
Component**

	<b>EUL</b>	<b>EURL</b>	<b>Cost of Component</b>	<b>2039</b>	<b>2040</b>	<b>2041</b>	<b>2042</b>	<b>2043</b>	<b>2044</b>	<b>2045</b>	<b>2046</b>	<b>2047</b>	<b>2048</b>
Concrete tile roofs	60	35	\$228,840										
Roof repairs	10	2	\$10,000		10,000								
Gutters/downspouts	40	15	\$28,500										
Stucco	12	1	\$5,000					5,000					
Wood trim	6	1	\$20,000					20,000					
Balconies	20	1-8	\$126,000								126,000		
Steel Gates	50	25	\$4,400										
Wood Fence	20	8	\$49,815					4,400					
Precast concrete fence	75	50	\$196,115										
Concrete	7	2	\$10,000										
Asphalt	25	1-15	\$181,568			10,000							10,000
Seal coat	5	1	\$5,832	5,832									
Exterior Area Lighting	30	8-30	\$11,730						5,832				
Mailboxes	40	35	\$4,000										2,020
Fire Spinkler Control P.	30	5	\$14,000										
Fire Sprinkler Inspection	5	5	\$6,500										
Exterior Painting	6	1	\$19,828					6,500					6,500
Exterior Painting	12	1	\$47,402					19,828					
Landscape& Irr.-Phase 1	35	6	\$12,000					47,402					
Landscape& Irr.-Phase 2	35	11	\$12,000										
Landscape& Irr.-Phase 3	35	16	\$12,000										
Controllers	15	1-6	\$5,200	2,600									
Valves	15	1-15	\$6,000	960	960	960	960	960	960	960	960	960	960
Backflow device	15	1	\$1,500										
<b>TOTAL</b>				<b>9,392</b>	<b>10,960</b>	<b>10,960</b>	<b>960</b>	<b>104,090</b>	<b>6,792</b>	<b>960</b>	<b>126,960</b>	<b>960</b>	<b>19,480</b>



**Villa Paloma  
Funding Study  
2018**

Fiscal Year	Total Expense	Inflation 3%	Inflated Expense	Reserve Dues	Interest Income 0.05%	Special Assessment	Cash Balance	Monthly Reserve Dues /Unit	% Increase
<b>Beginning balance as of December 31, 2018</b>									
2019	121,722	1.00	121,722	36,162	180.81		<b>146,563</b>		
2020	20,960	1.03	21,589	38,693	193.47		61,184	100.45	
2021	960	1.06	1,018	41,402	207.01		78,482	107.48	6
2022	960	1.09	1,049	44,300	221.50		119,072	115.01	6
2023	21,460	1.13	24,153	47,401	237.01		162,545	123.06	6
2024	21,392	1.16	24,799	50,719	253.60		186,029	131.67	6
2025	40,788	1.19	48,703	54,269	271.35		212,203	140.89	6
2026	186,485	1.23	229,353	58,068	290.34		218,041	150.75	6
2027	10,960	1.27	13,884	62,133	310.67		47,046	161.30	6
2028	7,460	1.30	9,734	66,482	332.41		95,606	172.59	6
2029	18,792	1.34	25,255	71,136	355.68		152,687	184.67	6
2030	10,960	1.38	15,171	76,116	380.58		198,924	197.60	6
2031	93,190	1.43	132,867	81,444	407.22		260,249	211.43	6
2032	960	1.47	1,410	87,145	435.72		209,233	226.23	6
2033	217,528	1.51	329,031	93,245	466.22		295,404	242.07	6
2034	32,892	1.56	51,245	99,772	498.86		60,085	259.01	6
2035	960	1.60	1,541	106,756	533.78		109,111	277.14	6
2036	960	1.65	1,587	114,229	571.15		214,860	296.54	6
2037	40,788	1.70	69,439	122,225	611.13		328,074	317.30	6
2038	7,460	1.75	13,081	130,781	653.90		381,471	339.51	6
2039	9,392	1.81	16,963	139,936	699.68		499,825	363.28	6
2040	10,960	1.86	20,389	149,731	748.66		623,497	388.71	6
2041	10,960	1.92	21,000	160,212	801.06		753,588	415.92	6
2042	960	1.97	1,895	171,427	857.14		893,601	445.03	6
2043	104,090	2.03	211,594	183,427	917.13		1,063,990	476.19	6
2044	6,792	2.09	14,221	196,267	981.33		1,036,741	509.52	6
2045	960	2.16	2,070	210,005	1,050.03		1,219,768	545.19	6
2046	126,960	2.22	282,015	224,706	1,123.53		1,428,753	583.35	6
2047	960	2.29	2,196	240,435	1,202.18		1,372,568	624.18	6
2048	19,480	2.36	45,906	257,266	1,286.33		1,612,009	667.88	6
							1,824,655	714.63	6

**Villa Paloma  
Percent Funded  
2018**

<b>Reserve Component</b>	<b>Est Life</b>	<b>Rmng Life</b>	<b>Est Cost to Replace</b>	<b>Annual Requirement</b>	<b>Appropriation needed 12/31/2018</b>	<b>Amount Funded 12/31/2018</b>	<b>Surplus Deficit</b>	<b>Percent Funded</b>
Concrete tile roofs	60	35	\$228,840	3,814	95,350	26,183	-69,167	27%
Roof repairs	10	2	\$10,000	1,000	8,000	2,197	-5,803	27%
Gutters/downspouts	40	15	\$28,500	713	17,813	4,891	-12,921	27%
Stucco	12	1	\$5,000	417	4,583	1,259	-3,325	27%
Wood trim	6	1	\$20,000	3,333	16,667	4,577	-12,090	27%
Balconies	20	1	\$3,600	180	3,420	939	-2,481	27%
Balconies	20	8	\$126,000	6,300	75,600	20,760	-54,840	27%
Steel Gates	50	25	\$4,400	88	2,200	604	-1,596	27%
Wood Fence	20	8	\$49,815	2,491	29,889	8,208	-21,681	27%
Precast concrete fence	75	50	\$196,115	2,615	65,372	17,951	-47,421	27%
Concrete	7	2	\$10,000	1,429	7,143	1,961	-5,181	27%
Asphalt	25	1	\$15,000	600	14,400	3,954	-10,446	27%
Asphalt	25	15	\$181,568	7,263	72,627	19,943	-52,684	27%
Seal coat	5	1	\$5,832	1,166	4,666	1,281	-3,384	27%
Exterior Area Lighting	30	8	\$9,710	324	7,121	1,955	-5,165	27%
Exterior Area Lighting	30	30	\$2,020	67	0	0	0	
Mailboxes	40	35	\$4,000	100	500	137	-363	27%
Fire Spinkler Control P.	30	5	\$14,000	467	11,667	3,204	-8,463	27%
Fire Sprinkler Inspection	5	5	\$6,500	1,300	0	0	0	
Exterior Painting	6	1	\$19,828	3,305	16,523	4,537	-11,986	27%
Exterior Painting	12	1	\$47,402	3,950	43,452	11,932	-31,520	27%
Landscape& Irr.-Phase 1	35	6	\$12,000	343	9,943	2,730	-7,213	27%
Landscape& Irr.-Phase 2	35	11	\$12,000	343	8,229	2,260	-5,969	27%
Landscape& Irr.-Phase 3	35	16	\$12,000	343	6,514	1,789	-4,725	27%
Controller	15	1	\$2,600	173	2,427	666	-1,760	27%
Controller	15	6	\$2,600	173	1,560	428	-1,132	27%
Valves	15	1	\$960	64	896	246	-650	27%
Valves	15	2	\$960	64	832	228	-604	27%
Valves	15	3	\$960	64	768	211	-557	27%
Valves	15	4	\$960	64	704	193	-511	27%
Valves	15	5	\$960	64	640	176	-464	27%
Valves	15	6	\$960	64	576	158	-418	27%
Valves	15	7	\$960	64	512	141	-371	27%
Valves	15	8	\$960	64	448	123	-325	27%
Valves	15	9	\$960	64	384	105	-279	27%
Valves	15	10	\$960	64	320	88	-232	27%
Valves	15	11	\$960	64	256	70	-186	27%

**Villa Paloma  
Percent Funded  
2018**

<b>Reserve Component</b>	<b>Est Life</b>	<b>Rmng Life</b>	<b>Est Cost to Replace</b>	<b>Annual Requirement</b>	<b>Appropriation needed 12/31/2018</b>	<b>Amount Funded 12/31/2018</b>	<b>Surplus Deficit</b>	<b>Percent Funded</b>
Valves	15	12	\$960	64	192	53	-139	27%
Valves	15	13	\$960	64	128	35	-93	27%
Valves	15	14	\$960	64	64	18	-46	27%
Valves	15	15	\$960	64	0	0	0	
Backflow Valve	15	1	\$1,500	100	1,400	384	-1,016	27%
<b>TOTAL</b>				<b>43,356</b>	<b>533,784</b>	<b>146,563</b>	<b>387,221</b>	<b>27%</b>