

Aspen Grove Condominium Association

Northstar-at-Tahoe, California

September 14, 2011

Dear Homeowner,

Enclosed please find the following:

- 1) The budget for the period November 1, 2011 through October 31, 2012, the Estimated October 31, 2011 Statement of Fund Balances, and Fiscal 2012 Monthly Assessments by Unit Size
- 2) The Reserve Funding Disclosure Statement
- 3) Collection Policy for Delinquent Assessments
- 4) Summary of Insurance Coverages.
- 5) Architectural Review Procedures from Article 6.5 of the CC&Rs
- 6) Summary of California Civil Code Section 1354(b) Relating to Enforcement of Governing Documents through Alternative Dispute Resolution.
- 7) Winterization Information
- 8) Allowed personal property in common area and exclusive use common area approved by the Board of Directors at the September 4, 2011 meeting.
(NOTE: THIS PERTAINS TO FRONT AND REAR DECKS AND ALL AREAS OUTSIDE THE UNIT).

Recently the Board of Directors approved the budget for fiscal 2012. In 2012 the budget will increase 10.78% with monthly assessments increasing between \$20 to \$35 depending on the unit size.

In fiscal 2012 the Board of Directors may be required to approve a second emergency assessment depending on the outcome of mediation and/or trial.

Due to the need to repay loans from the reserve fund to the operating fund, a reduced amount is being allocated to the reserve fund from the operating account this year. The Replacement Fund is used for replacement of capital components. A total of \$38,000 (\$211.11 from each owner's assessments) will be used to fund the Replacement Fund in fiscal 2012. A Reserve Study Update was prepared in 2009 by SBI, LLC. Owners who wish to receive a complete copy (23 pages) should contact the Camco office.

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The monthly common area utility fee assessment for owners of tower buildings' units 3133-3180 will remain at \$25 for fiscal 2011/2012.

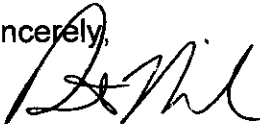
The Board of Directors recently approved two separate loans from the Replacement Reserve fund to the operating fund to cover shortfalls in the operating account from heavy winter expenses and litigation. The first loan was approved in the amount of \$200,000 at the August 3, 2011 Board of Directors meeting. The second loan was approved in the amount of \$100,000 at the September 13, 2011 Board of Directors meeting. Both loans are to be repaid in one year's time.

Owners not on the ACH program will be receiving a payment coupon book and envelopes in October. Please contact the Camco office should you wish to enroll in the ACH program to have monthly assessment payments automatically transferred from your bank account to the Association's bank on the first of the month.

The Board of Directors meets quarterly to conduct Association business. Homeowners are welcome to attend meetings. The next meeting is **tentatively scheduled** for 11:30 am Friday October 7, 2011 at Zano's Family Italian & Pizzeria, 11401 Donner Pass Road, Truckee. Owners are welcome to attend. Please contact the Camco office to confirm time, date, and place. Copies of minutes from meetings are available to any homeowner upon request.

Many homeowners have asked to receive Aspen Grove correspondence by email. Should you wish this service please send an email request to info@camcotruckee.com.

Sincerely,



Peter Miller
Property Manager

enclosures

ASPEN GROVE BUDGET 2012

November 1st through October 31st

<u>Operating Fund</u>	<u>Budget 2011</u>	<u>Est Actl 2011</u>	<u>Budget 2012</u>
<u>Income</u>			
Association dues	\$ 592,445	\$ 592,572	\$ 656,445
Emergency assessment	-	540,000	-
Interest income	90	4	90
Late charges	800	2,500	800
Tower bldgs utility fees	14,400	14,400	14,400
Loan repayment to reserves	-	(120,000)	(300,000)
Dues allocated to reserves	(120,000)	-	(38,000)
Total Operating Income	487,735	1,029,476	333,735
<u>Expenses</u>			
Grounds maintenance - general	32,000	32,500	32,000
Grounds maintenance - asphalt	2,500	1,500	2,500
Building maintenance - roofs	8,000	-	8,000
Building maintenance - general	57,500	54,500	57,500
Staining siding	38,000	22,500	58,000
Pest control	5,000	5,000	5,000
Insurance	69,680	67,320	69,680
subtotal	212,680	183,320	232,680
Accounting & Tax Services	6,000	5,750	6,000
Consulting Services	5,000	-	5,000
Legal	36,000	1,108,000	132,000
Management	54,360	54,360	54,360
Meeting Expense	6,000	4,100	6,000
Office Expense	5,500	5,500	5,500
Security services contract	25,405	25,405	25,405
Retention pond expenses	20,000	40,000	20,000
Snow removal - lots	28,000	33,575	28,000
Utilities - electricity	3,500	3,500	3,500
Subtotal	189,765	1,280,190	285,765
Snow removal - paths	70,000	118,174	100,000
Tower utilities - pass through	14,400	13,500	14,400
Total Operating Expense	486,845	- 1,595,184	- 632,845
Operating Surplus (Deficit)	\$ 890	\$ (565,708)	\$ (299,110)

Replacement Reserve FundIncome

Loan repayment to Repl. Res	-	\$ 120,000	\$ 300,000
Dues allocated to Repl. Res	\$ 120,000	-	\$ 38,000
Interest Income	14,000	10,400	4,000
Total Replacement Income	<u>134,000</u>	<u>130,400</u>	<u>342,000</u>

Expenses

Income taxes	10,000	(6,195)	10,000
Window awnings	25,000	-	5,000
Gas meter door replacement		28,375	-
Unit storage door replacement		3,000	3,000
Pathway Lighting	-	-	-
Window trim replacemnet	80,000	-	-
Window replacement	-	1,100	-
Cinder Block Facing	20,000	-	-
Walkway repairs	-	5,000	12,000
Reserve study	4,500	-	-
Spalling repair to concrete post pads	5,000	(1,511)	8,000
Siding Replacement	10,000	50,413	-
Entry stairway replacement	-	4,553	-
Units deck light fixture repl.	-	1,513	-
Deck post replacement	-	6,750	-
Foundation replacement	-	1,511	-
Deck rebuilding	-	11,447	-
Water Heater Replacement	15,000	-	-
Total Replacement Exp.	<u>169,500</u>	<u>105,956</u>	<u>38,000</u>
Increase in repl. fund.	<u>\$ (35,500)</u>	<u>\$ 24,444</u>	<u>\$ 304,000</u>

OCTOBER 31, 2010 ESTIMATED STATEMENT OF FUND BALANCES

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total Fund Bal.</u>
Balance 10/31/10	\$ (129,581)	\$ 729,245	\$ 599,664
Net Revenue Over (under) Exp	(565,708)	-	(565,708)
Replacement Reserve Funding	-	-	-
Loan repayment to Reserve Fund	-	120,000	120,000
Short term loans from Res. Fund	300,000	(300,000)	-
Replacement Fund Expenses	-	(105,956)	(105,956)
Fund Interest	-	10,400	10,400
Estimated Balance 10/31/11	<u>\$ (395,289)</u>	<u>\$ 453,689</u>	<u>\$ 58,400</u>

Model	Square		Total square feet per group	Unit type	
	Total # of units	feet per unit		% of total per group	Each unit % of total area
Studio	32	512	16384	0.091684	0.00286512
1/1	16	752	12032	0.06733	0.00420814
2/1	30	999.33	29979.9	0.167765	0.00559218
2/2	53	1019	54007	0.302219	0.00570225
3/2	38	1338.18	50850.84	0.284558	0.00748836
3/2 end	6	1385.42	8312.52	0.046516	0.00775272
4/2	5	1427	7135	0.039927	0.00798539
	180				
Total square feet all units			178701.26	1	

	square		Monthly dues	Utility	Monthly dues with Utility	Total for each	
	common expense	foot expenses				Yearly dues	model year
Studio	\$149.66	64.63	\$214.0	25.00	\$239.0	\$2,568.0	\$82,176.0
1/1	\$149.66	94.92	\$245.0	25.00	\$270.0	\$2,940.0	\$47,040.0
2/1	\$189.12	126.14	\$316.0			\$3,792.0	\$113,760.0
2/2	\$189.12	128.62	\$318.0			\$3,816.0	\$202,248.0
3/2	\$189.12	168.91	\$358.0			\$4,296.0	\$163,248.0
3/2 end	\$189.12	174.88	\$364.0			\$4,368.0	\$26,208.0
4/2	\$189.12	180.12	\$369.0			\$4,428.0	\$22,140.0
Tower path %	10%			14400			
S by S path %	90%						\$656,820.00
Snow removal - paths				100,000			
Total budget for common expenses less snow - path				\$285,765			
Total budget for squer foot expenses				\$270,680			
Total budgeted expenses				\$656,445		Variance + or -	\$375.00

	Current dues	% of increase	\$ of increase
2011			
Studio	179	19.55%	\$35.0
1/1	217	12.90%	\$28.0
2/1	283	11.66%	\$33.0
2/2	286	11.19%	\$32.0
3/2	335	6.87%	\$23.0
3/2 end	343	6.12%	\$21.0
4/2	349	5.73%	\$20.0
Total budget change		10.80%	
Total reserve allocation change		-68%	

Assessment and Reserve Funding Disclosure Summary

Aspen Grove Condominium Association

For Fiscal Year Beginning: 11/1/2011

of Units: 180

1) Current Budget:	Total	Per unit
Reserve Contributions:	\$38,000.00	\$211.11
Operating Budget:	\$618,445.00	\$3,435.81
Total:	\$656,445.00	\$3,646.92

per: Year

Note: If assessments vary by the size or type of unit, please see attached.

- 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 (If assessments are variable, see note below)	Purpose
10/1/2011	\$3,000.00	Litigation emergency assessment
N/A		
Total:		\$3,000.00

Note: If assessments vary by the size or type of unit, the assessment applicable to this unit may be found attached to this document.

- 3) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently projected Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **No**
- 4) If the answer to #3 is no, what additional assessments or other contributions to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Total Amount Per Unit	
N/A		
N/A		
N/A		
N/A		
Total:		\$0

- 5) The following major components, which are included in the Reserve Study, are NOT included in the existing Reserve Funding:

Major Component	Remaining Useful Life (yrs)	Reason Not Included
N/A		
N/A		
N/A		

- 6) For our Fiscal Yr starting 11/1/2011 our Reserve Study shows a current fund balance of \$453,689.00. Based on the method of calculation in paragraph (4) of subdivision (b) of Section 1365.2.5, the required amount in the Reserve Fund (Fully Funded Balance) is: \$2,612,023.00 (17% Funded). If an alternate, but generally accepted, method of calculation is used, the required amount under that formula is: N/A. Please see attached explanation.

Prepared by: Peter Miller

Date: 9/14/2011

These disclosures are based on the best estimates of the preparer at the time they were prepared. As they are estimates, these figures should be expected to change from year to year.

	square common foot	expense expenses	Monthly dues	Utility	Monthly dues with Utility	
Studio		\$149.66	64.63	\$214.0	25.00	\$239.0
1/1		\$149.66	94.92	\$245.0	25.00	\$270.0
2/1		\$189.12	126.14	\$316.0		
2/2		\$189.12	128.62	\$318.0		
3/2		\$189.12	168.91	\$358.0		
3/2 end		\$189.12	174.88	\$364.0		
4/2		\$189.12	180.12	\$369.0		

ASPEN GROVE RESEVE FUINDING DISCLOSURE DOCUMENT (AUGUST 2009)

The Association's Board of Directors hired SBI, LLC. an independent professional, to conduct a reserve study with the report being issued August 28, 2009. The study was aproduced to comply with the requirements of Civil Code 1365 which included estimating the remaining uesful lives and the replacement costs of common area components and to estimate the assessments necessary to pay for future repairs and replacemement of components for the fiscal year ending October 2009. Replacement costs were based on industry average to repair and/or replace the common property components at the date of the study.

The following information is based on the study which represents a significant amount of information, in summary format, about the common area components. A detailed list of the components and their estimated remaining useful lives and replacement costs are available in the Reserve Study Update 8-28-2009.

<u>Reserve Items</u>	<u>CURRENT</u> <u>COST</u>	<u>EST</u> <u>REM LIFE</u>	<u>EST LIFE</u>	<u>FIRST</u> <u>REPL COST</u>	<u>EST REQ.</u> <u>CURRENT</u> <u>FUNDING</u>
Building Exterior					
Wood siding trim repair	54,000	20	20	105,646	-
Unit entry doors	51,859	6	25	64,860	39,413
Entry decks repair	81,000	9	20	111,500	44,550
Unit decks repair	117,000	7	20	121,084	76,050
Gas meter room doors replace	12,000	2	20	13,207	10,800
Unit storage doors (2 per unit)	80,100	2	15	88,160	69,420
Entry bridges	30,000	7	20	38,739	19,500
Unit entry stairs	153,000	9	20	210,311	84,150
Spalling rpr to concrete post pads	12,600	0	3	13,009	12,600
Concrete post pads replace	72,250	2	20	79,520	65,025
Wood trim rpr & waterproofing 2010	67,850	1	20	72,328	64,458
Wood trim rpr & waterproofing 2011	51,000	2	20	56,132	45,900
Unit entry doors 2010	67,850	1	20	72,328	64,458
Unit entry doors 2011	49,978	2	20	53,906	44,980
(1) Railing pickets	1	30	30	3	-
(2) Roofing	1	30	30	3	-
Windows & flashing 2009	269,394	0	35	278,142	269,394
Windows & flashing 2010	256,615	1	35	273,552	249,283
Windows & flashing 2011	235,978	2	35	359,722	222,494
Siding Replacement 2040	666,000	30	50	1,793,581	266,400
Siding Replacemnt 2041	666,000	31	50	1,851,825	253,080
Siding Replacement 2042	666,000	32	50	1,911,960	239,760
Roofing 2041	333,000	32	50	965,980	119,880
Roofing 2042	333,000	33	50	987,024	113,220
Roofing 2043	333,000	34	50	1,019,076	106,560
Roads					
Asphalt 2" overlay	259,629	18	18	476,489	-
Cut, repair, & seal cracks	12,000	3	3	13,636	-
Plumbing					
Water supply lines repair	84,000	12	40	127,264	58,800
Sanitary sewer lines repair	24,000	2	8	26,415	18,000

Electrical					
Parking & pathway lighting	215,000	25	25	493,504	-
Main panel	4,200	4	35	4,928	3,720
Unit entry lighting	25,740	20	20	50,358	-
Meter sockets	35,625	9	40	49,039	27,609
Grounds					
Walkway steps repair	11,900	2	10	13,097	9,520
Walkway sealing	15,000	2	5	16,509	9,000
Dumpster enclosures	21,000	15	15	35,017	-
Contingency					
General	30,000	1	1	31,980	-
Insurance deductible	10,000	1	1	10,666	-
Reserve study update	1,850	3	3	2,102	-
Consulting studies	5,000	1	5	5,330	4,000
Total estimated replacement cost	5,414,420			11,897,932	2,612,023

REPLACEMENT FUNDING SUMMARY

Current reserve cash balance	453,689
Current years assmnt to owners	38,000
Res study est expenditures 2010/2011	105,956

Percent Funded **17.37%**

(Reserve cash balance (projected) as of October 31, 2011 = \$453,689/Est. req. current funding \$2,612,023)

If there is a deficiency, additional funds may be collected either through increased regular monthly assessments or the levy of a special assessment of the owner membership

**ASPEN GROVE CONDOMINIUM ASSOCIATION
COLLECTION POLICY FOR DELINQUENT ASSESSMENTS**

1. The board of directors of a homeowners' association is required by law to levy and collect assessments sufficient to perform its obligations under the governing documents and the statutory law of California. Civil Code 1366(a).

2. Regular assessments are due on the first day of the month and become delinquent at 5:00 p.m. the fifteenth day thereafter. Special assessments are due on the due date specified in the notice of levy of special assessment and become delinquent at 5:00 p.m. the fifteenth day thereafter.

3. When an assessment payment is delinquent for more than 30 days, the Association reserves the right to mail a letter to the delinquent owner via first class and certified mail. That letter will give a breakdown of the amounts due and will enclose this policy.

4. The association will provide notice by first-class mail to all owners prior to an increase in regular assessments or the levy of a special assessment not less than 30 nor more than 60 days prior to the assessment due date.

5. If an assessment is delinquent, the association will charge: (i) a late charge of 10% of the delinquent assessment or \$10, whichever is greater; (ii) reasonable costs incurred in collecting the delinquent assessment, including attorneys' fees; and (iii) interest on all such sums at the rate of 12 % per annum commencing 30 days after the due date.

6. If an assessment is delinquent, the association may record a lien against the delinquent owner's property after sending a pre-lien notice to the owner by certified mail at least 30 days prior to recording the lien. The pre-lien notice must contain the following information:

- a. A general description of the association's collection and lien enforcement procedures (which are contained in this policy), and notification of the owner's right to inspect the association's financial and other records.
- b. An itemized statement of the charges owed by the owner, including the amount of any delinquent assessments, late charges, collection costs, attorney fees, and interest.
- c. Notification that the owner will not be liable to pay late charges, collection costs, attorney fees, and interest if it is determined the assessment was paid on time.
- d. Notification that the owner has the right to request a meeting with the board to dispute the debt upon submitting a written explanation of the reasons therefore. The board will respond in writing within 15 days of the date on the postmark of the owner's request.

- e. Notification that the owner may submit a written request to the board for a meeting to discuss a payment plan. The board will meet with the owner in executive session within 45 days of the postmark on the request, unless there is no regularly scheduled board meeting within that period in which case the board may designate a committee of one or more members to meet with the owner.

7. The association is not required to accept partial payments or installment payments toward delinquent assessments without agreement on a payment plan. If partial payments are accepted, the payments will be credited as follows: (i) first to delinquent assessments until paid in full; (ii) and then to collection costs, attorney fees, late charges, and interest.

8. An owner may request a meeting with the board to consider a payment plan to satisfy a delinquent assessment. The board will inform all owners if there are standards for payment plans. If an owner requests a payment plan within 15 days of the date of the postmark of the pre-lien notice, the board will meet with the owner in executive session within 45 days of the postmark on the request. If there is no regularly scheduled board meeting during that period, the board may designate one or more directors to meet with the owner. Payment plans may include any assessments that accrue during the payment plan period, but they may not impede an association's ability to record a lien to secure payment of delinquent assessments. Additional late fees will not accrue during the payment plan period if the owner complies with the terms of the plan. But if the owner defaults on the plan, the association may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan and assess all late charges, collection costs, attorney fees and interest, as appropriate. See Civil Code 1367.1.

9. An owner is entitled to a receipt upon payment of an assessment, indicating the date of payment and the person receiving it on behalf of the association.

10. A delinquent assessment, plus late charges, collection costs, attorney fees, and interest may be made a lien upon the delinquent owner's property upon the recording of a notice of delinquent assessment in the office of the county recorder. The lien may be enforced through foreclosure or the sale of the property to satisfy the delinquent obligations. Foreclosure may occur either as a result of court action, known as judicial foreclosure, or without court action at an informal auction, often referred to as non-judicial foreclosure.

11. For liens recorded before January 1, 2006, the association may foreclose an assessment lien of any amount. For liens recorded on or after January 1, 2006, the association may not foreclose a lien where the amount of the delinquent assessments, exclusive of accelerated assessments, late charges, collection costs, attorney fees, and interest, is less than \$1,800. The association may pursue foreclosure on delinquent assessments that exceed \$1,800 or are more than 12 months delinquent by either judicial or non-judicial foreclosure. In a foreclosure proceeding, the owner's property may then be sold to satisfy the lien if the amounts secured by the lien are not paid. For further information, see Civil Code 1366, 1367.1, and 1367.4. (Note: Civil Code Section 1367 applies to the collection of liens recorded before January 1, 2003, and 1367.1 applies to liens recorded on or after that date.)

12. Before recording a lien where the amount of the delinquent assessments, exclusive of accelerated assessments, late charges, collection costs, attorney fees, and interest, is less than

\$1,800, if the association intends to pursue non-judicial foreclosure after the delinquent assessment reach \$1,800 or more after more than 12 months, the association must offer the owner the right to participate in the association's meet and confer program. See Civil Code 1363.810.

13. 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 with certain documents confirming the release. See Civil Code 1367.1.

14. Before commencing foreclosure, the association must offer an owner the right to participate in dispute resolution pursuant to the association's meet and confer program or alternative dispute resolution. See Civil Code 1363.810 and 1369.510. The owner will have the option whether to pursue dispute resolution or alternative dispute resolution of a particular type, except that binding arbitration shall not be available if the association intends to initiate judicial foreclosure.

15. The association is not required to pursue delinquent assessments through foreclosure. It may simply record a lien and postpone foreclosure until the amount of the delinquency exceeds \$1,800, exclusive of accelerated assessments, late charges, collection costs, attorney fees, and interest. It may also, or in the alternative, pursue a civil action in Small Claims Court or any other remedy provided by law other than foreclosure.

16. A decision to foreclosure a lien must be made by a majority of the board in executive session at least 30 days prior to any public sale of the owner's property. The vote must then be entered in the minutes at the next board meeting open to all members. The board is required to maintain the confidentiality of the owner by identifying the matter in the minutes by parcel number of the property, rather than the name of the owner.

17. The board must personally serve the owner or the owner's legal representative of the board's vote to foreclose the owner's property. If the owner is a non-resident owner, the board must send notification by first-class mail, postage pre-paid, to the most current address shown on the books of the association. In the absence of a current address on the association's books, the board must send notification to the owner's on-site mailing address.

18. If an owner's property is sold at a non-judicial foreclosure sale, the owner has a right to redeem (i.e., recover ownership and possession) the property by paying all sums due, including delinquent assessments, late charges, foreclosure costs, collection costs, attorney fees, and interest, within 90 days after the date of the non-judicial foreclosure sale.

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

20. An owner will be charged any bank fees assessed for dishonored or returned checks, regardless of the reason, and charged a \$25 administrative fee by the association for special handling. If the account has been turned over to collection and a check is dishonored or returned, the owner will be charged all related expenses.

21. The mailing address for overnight payment of assessments is the same as for routine assessment payments unless otherwise agreed in writing by the association and an owner.

22. Except where prohibited by law, the board may revise this policy from time-to-time provided that the procedure for adopting revisions and the revisions themselves are consistent with the governing documents and California law. The board will circulate all such proposed revisions to owners at least 30 days before the meeting at which the revisions will be considered for adoption.

ADOPTED JULY 8, 2006
BOARD OF DIRECTORS
ASPEN GROVE CONDOMINIUM ASSOCIATION

SUMMARY OF INSURANCE COVERAGES

- I. Condominium Association Policy
Insurer: State Farm Fire and Casualty Company
Section I: Property Coverages
Policy Limit: \$23,895,600
Section II: Comprehensive Business Liability
Policy Limit: \$2,000,000 each occurrence; \$4,000,000 aggregate.
Did an agent assist in developing these policy limits? Yes No ___
Were the recommendations of the agent followed? Yes No ___
Insurance deductibles: Section I: \$2,500
Section II: (General Liability): None
Does the insurance coverage extend to real property improvements to the separate interest? Yes No ___
- II. Umbrella Liability Policy
Insurer: State Farm Fire & Casualty Company
Policy limit: \$3,000,000 each occurrence, \$3,000,000 annual aggregate
Did an agent assist in developing these policy limits? Yes No ___
Were the recommendations of the agent followed? Yes No ___
- III. Earthquake Policy
Insurer: State Farm Fire & Casualty Company
Policy limits: Coverage A (Buildings): \$23,895,600
Coverage B (Business Personal Property): \$ N/A
Earthquake deductible: 30% of Coverage A and N/A % of Coverage B
The person or entity responsible for paying the insurance deductible in the event of loss: members of the Association
- IV. Flood Policy – None
- V. Directors and Officers Policy
Insurer: State Farm Fire and Casualty Company
Policy Limits: \$2,000,000

This summary of the Associations policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 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 broker or agent for appropriate additional coverage.

6.5 ALTERATION APPROVAL PROCEDURES.

A. **Application For Alteration Approval.** Owners wishing to make alterations requiring Association approval shall submit "Plans and Specifications" to the Association. "Plans and Specifications," as used in this Article, shall include the following:

- (1) A description of the proposed alteration, including, as appropriate, its shape, height, width, elevation, materials, color, location and such further information as may be necessary to allow the Association to evaluate it fully;
- (2) Upon request of the Association, a certificate by an architect or engineer licensed by the State of California stating that the alteration (i) will not impair the structural integrity of any part of the Property, and (ii) will not interfere with any Utility; and
- (3) Upon request of the Association, a set of construction drawings prepared by an architect and/or engineer licensed by the State of California.

The Association may require as much detail in the Plans and Specifications as it deems appropriate, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and samples of exterior material and colors. The Association may postpone review of any application until receipt of all required information and materials. Upon submittal of all required information and documentation, the Association shall give the Owner a written, dated receipt. The date of the receipt shall be the commencement date for computing the time within which the Association must approve or disapprove the application. The Association may charge a reasonable fee for reviewing an application.

B. **Time Limit and Form For Association Decision.** Within forty-five (45) days after receipt of all materials required or requested by the Association, it shall notify the applicant in writing of its decision. If the Association fails to notify the applicant in writing of its decision within this time frame, the application shall be voted upon by the Board at the next Board meeting before considering any other business. If a proposed change is disapproved, the written decision shall include both an explanation of why the proposed change is disapproved and, where the decision was made by an Architectural Committee, a description of the procedure for reconsideration by the Board.

C. **Standards For Association Decision.** The Association decision must be made in good faith and may not be unreasonable, arbitrary, or capricious. The Association shall approve an alteration only if it makes an affirmative finding that the alteration (i) will not impair the structural integrity of any part of the Property, (ii) will not interfere with any Utility, (iii) is consistent with the Governing Documents and all Governmental Regulations, (iv) will not detract from the appearance, harmony, attractiveness and enjoyability of the Property, and (v) will not impose an unreasonable maintenance burden on the Association. The approval or disapproval of an alteration shall not be deemed a waiver of the Association's subsequent right to approve or disapprove a similar alteration or any other matter.

D. **Architectural Rules.** The Association may enact rules (the "Architectural Rules") to govern alteration approvals. The Architectural Rules shall be consistent with the Governing Documents. The Association shall follow the procedure for adopting and changing Architectural Rules described in Civil Code Sections 1357.100 et. seq.

E. Decisionmaking Body. The Board may establish a committee (the "Architectural Committee") to recommend Architectural Rules and govern alteration approvals. Whenever an Architectural Committee exists, it shall act on behalf of the Association with regard to alteration approvals. Any decision of an Architectural Committee may be appealed to the Board within ten (10) days of the decision, and the Board shall reconsider the decision at a properly noticed open Board meeting. During any period when there is no Architectural Committee, the Board shall act on behalf of the Association with regard to alteration approvals.

F. Proceeding With Approved Work. Upon approval of an alteration, the Owner shall diligently proceed with the commencement and completion of all work so approved. Work must be commenced within one (1) year from the date of the approval. If the Owner fails to comply with the provisions of this Subsection, the approval given shall be deemed revoked unless the Association extends the time for commencement. Any request for an extension shall be in writing. No extension shall be granted unless the Association finds that there has been no change in the circumstances under which the original approval was granted.

**SUMMARY OF CALIFORNIA CIVIL CODE SECTION 1354 (b) RELATING TO
ENFORCEMENT OF GOVERNING DOCUMENTS THROUGH ALTERNATIVE
DISPUTE RESOLUTION**

PLEASE TAKE NOTICE: *California Civil Code Section 1354 addresses your rights to sue the association or another member of the association regarding the enforcement of the governing documents. The following is a summary of the provisions of Civil Code Section 1354, as amended effective January 1, 1994.*

In general, Civil Code Section 1354 encourages parties to a dispute involving enforcement of an association's governing documents to submit the dispute to a form of alternative dispute resolution (ADR) such as mediation or arbitration prior to filing a lawsuit. The intent of the statute is to promote speedy and cost-effective resolution of such disputes, to better preserve community cohesiveness and to channel CC&R disputes away from our state's court system.

Under Civil Code Section 1354, the form of alternative dispute resolution may be binding or non-binding and the costs will be borne as agreed to by the parties involved.

Any party to a dispute regarding enforcement of the governing documents may initiate the process of ADR by serving a Request for Resolution on another party to the dispute. A Request for Resolution must contain (1) a brief description of the nature of the dispute, (2) a request for ADR, and (3) a notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the Request will be deemed rejected.

If the Request is accepted, the ADR must be completed within 90 days of receipt of the acceptance, unless otherwise agreed by the parties. Any Request for Resolution sent to the owner of a separate interest must include a copy of Civil Code Section 1354 in its entirety.

FAILURE BY ANY MEMBER OF THE ASSOCIATION TO COMPLY WITH THE PREFILING REQUIREMENTS OF SECTION 1354 OF THE CIVIL CODE MAY RESULT IN THE LOSS OF YOUR RIGHTS TO SUE THE ASSOCIATION OR ANOTHER MEMBER OF THE ASSOCIATION REGARDING ENFORCEMENT OF THE GOVERNING DOCUMENTS.

Should the association or an individual member wish to file a lawsuit for enforcement of the association's governing documents the law requires the association or the individual to file a certificate with the court stating that ADR has been completed prior to the filing of the suit. Failure to file this certificate can be grounds for dismissing the lawsuit. There are limited exceptions to the filing of this required certificate when (1) one of the other parties to the dispute refused ADR prior to the filing of the complaint, (2) preliminary or temporary injunctive relief is necessary, or (3) the statute of limitation period for filing the suit will expire within 120 days of the lawsuit being filed. Each of these exceptions, however, must also be certified in writing to avoid the court's dismissing the action.

Furthermore, in any lawsuit to enforce the governing documents, while the prevailing party may be awarded attorney's fees and costs, under Civil Code Section 1354 the court may consider any party's refusal to participate in ADR prior to the lawsuit being filed when it determines the amount of the award.

**ASPEN GROVE CONDOMINIUM ASSOCIATION
WINTERIZATION INFORMATION**

To Homeowners and Rental Companies

FOR UNITS 3001-3132

- 1) **Shut off and drain the water lines when the unit is unoccupied throughout the year. While pipe freezes occur during the winter, we have experienced flooding in all seasons from icemaker and dishwasher plumbing connection failures. Your unit's water shut off valve is located in the closet of the rear downstairs bedroom. It is either a copper handle or a square steel rod protruding through the floor. Turn the valve handle a quarter turn clockwise to shut off the water service to the unit. In the "off" position cold water in the system drains out the side of the valve. Open the taps in the kitchen and bathrooms to further drain the lines.**

- 2) **Set the thermostat to a minimum of 55 degrees. Approximately half of the furnaces are equipped with a metal duct running from the furnace plenum to a hole in the utility room floor. This duct provides heat to the crawl space area and prevents the water and sewer mains from freezing.**

Should your furnace not be equipped with a duct from the plenum to the floor, the unit has an electric heater in the crawl space that should be turned on from November through April. A switch on the circuit breaker panel located in the closet of the front downstairs bedroom should be switched on to activate the crawl space heater.

- 3) **Change the furnace filter at least once a year. The filter can be accessed by removing the lower sheet metal panel from the front of the appliance. Fall is a good time to perform this maintenance procedure along with changing batteries in smoke detectors.**

- 4) **Open cabinet, bathroom, and laundry room doors to allow heat to circulate around uninsulated pipes under sinks and behind appliances near exterior walls.**

FOR TOWER UNITS 3133-3180

To prevent pipe freezes during the winter, please keep your thermostat at a minimum of 55 degrees and open cabinet and bathroom doors to allow heat to circulate around uninsulated pipes under sinks.

Should you have difficulty winterizing the unit give the CAMCO office a call and we'll give you a hand. (530) 587-3355 (800) 916-2262

ASPEN GROVE CONDOMINIUM ASSOCIATION

ITEMS ALLOWED ON DECKS:

BBQ within reasonable size, no longer than the narrowest width of the deck.

Holiday lights-allowed from the day after Thanksgiving until January 15th

Firewood- up to 3/4 cord per deck, not to be stacked above the deck railing

Outdoor deck furniture

Birdfeeders- if not offensive to your neighbors-to be taken in when unit is not in use..(reason, Bear problems) (7.4)

Six gallon galvanized fire-rated metal ash cans

Yellow jacket traps - seasonally

ITEMS NOT ALLOWED ON OR AROUND DECKS:

Unauthorized gas lines

Anything secured to the outside siding. Such as, driftwood, plant hangers, firewood storage racks against the siding, wind chimes, stuffed animal heads or antlers, dart boards, extra lighting.

No storage on decks such as bed frames, old or upholstered furniture, storage containers, ice chests, tools, sheet rock, wood pallets, ladders, carpet, boxes of any type, wine barrels, garbage cans, pulley or ropes, chicken wire on metal grates, skis or ski equipment, snow toys or other type toys, lumber, dining room furniture, old doors, hot tubs of any kind, clotheslines (7.8),copper pipe, thermometers no larger than 8 inch square, dog leash chains , kayaks or canoes.

No storage of any kind under the decks.

Signs- "For Sale" or "For Rent" shall not exceed 9 square feet in size, (Standard real estate signs are 18 inches by 24 inches). Specific name signs are allowed with Board of Directors' approval.

No animals are to be left unattended on the decks or secured in the common area (7.5)

Window coverings: all window coverings visible from the street or common area shall be of a material and type commonly used for window coverings and shall be white, tan, or beige in color on the visible side (7.9)

Bicycles are not to be chained to the front entry deck or chained, secured or stored in the common area. Bicycles can be stored on back decks May 1st through December 1st . .

When in doubt contact the Camco office for further information.

Adopted by the Board of Directors on September 4, 2011