

# Aspen Grove Condominium Association

## Northstar-at-Tahoe, California

September 9, 2013

Dear Homeowner,

Enclosed please find the following:

- 1) The budget for the period November 1, 2013 through October 31, 2014, the Estimated October 31, 2013 Statement of Fund Balances, and Fiscal 2014 Monthly Assessments by Unit Size
- 2) The Reserve Funding Disclosure Statement for the 2013/2014 fiscal year.
- 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. (NOTE: THIS PERTAINS TO FRONT AND REAR DECKS AND ALL AREAS OUTSIDE THE UNIT). A committee has been formed to reevaluate the list but until further notice this list is in force. Your compliance is requested.

As all of us are aware, the on-going retention pond litigation has had a major impact on the Association's financial position and it has influenced significantly the budget process and the content of the enclosed, approved budget for 2013-2014. Much of the Association's financial planning is dependent upon the result of this litigation. It is the Board of Directors' hope and expectation that this litigation will be resolved in the coming fiscal year and that as a result, the Association's financial circumstances then can be clarified and refined as necessary. For these reasons, the enclosed budget is and will remain a work-in-process until the results of the litigation are known.

Recently the Board of Directors approved the budget for fiscal 2013-2014. In 2013-2014 the overall revenues generated by monthly assessments will increase. Individual owner's monthly assessments will be increased between 10.05% to 10.62%.

The first installment of a three phase emergency assessment that secured a \$600,000 line of credit loan from Plumas Bank was recently levied. The total emergency assessment will be in the amount of \$6,000 per member (totaling \$1,080,000) for expenses incurred and to be incurred to include but not limited to legal expenses.

Payments on the assessment will be due as follows:

1. 25% (\$1,500) of assessment due September 15, 2013.
2. 25% (\$1,500) of the assessment due March 15, 2014.
3. 50% (\$3,000) due September 15, 2014.

The Replacement Fund is used for replacement of capital components. A total of \$134,400 is budgeted to be allocated to the Replacement Fund in fiscal 2013- 2014. A Reserve Study was prepared by Browning Reserve Group in 2012. Owners can request a complete copy (51 pages) from the Camco office.

The monthly common area utility fee assessment for owners of tower buildings' units 3133-3180 will remain at \$25 for fiscal 2012-2013.

It is anticipated that the Board of Directors will be extending by one year the repayment period of the balance of two separate loans in the amount of \$200,000 from the Replacement Reserve Fund. The loans were made to the Operating Fund in 2011.

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.

At the September 1st annual meeting, a new Board of Directors was elected. Directors serving one-terms expiring in September 2014 are Tom Amen (95 votes), Dick Bjur (91 votes), Bill Hoffman (85 votes), Lynda Ward Pierce (84 votes) and Bob Thornton (87 votes). Nominees Pete Val Spinosa (40 votes) and Liz Reagor (28 votes) were not elected. We thank them for their interest in serving on the Board. A draft of the annual meeting minutes will be distributed to the membership when it is completed.

The Board of Directors meets quarterly to conduct Association business. Homeowners are welcome to attend meetings. The next scheduled meeting will be at 3 pm. Friday December 6, 2013 at the Adult Clubhouse, Northstar Rec Center. Conference call attendance will be available by dialing (855) 212-0212, meeting ID 890-613-628#. Copies of minutes from meetings are available to any homeowner upon request.

Sincerely,

Peter Miller  
Property Manager

Enclosures

9/7/2013

**ASPEN GROVE BUDGET 2014**

November 1st through October 31st

<u>Operating Fund</u>	<u>Budget 2013</u>	<u>Est Actl 2013</u>	<u>Budget 2014</u>
<u>Income</u>			
Association dues	\$ 655,858	\$ 655,858	\$722,922
Emergency assessment	-	-	-
Plumas Bank loan	-	-	-
Plumas Bank line of credit	-	-	-
Interest income	12	-	12
Late charges	800	910	800
Tower bldgs utility fees	14,400	14,400	14,400
Loan repayment to reserves	(300,000)	(100,000)	(200,000)
Dues allocated to reserves	(120,000)	(100,000)	(134,400)
Total Operating Income	<u>251,070</u>	<u>471,168</u>	<u>403,734</u>
<u>Expenses</u>			
Grounds maintenance - general	32,000	69,000	52,000
Grounds maintenance - asphalt	12,000	2,500	12,000
Building maintenance - roofs	8,000	-	10,000
Building maintenance - general	58,500	83,000	65,500
Staining siding	58,000	10,000	65,000
Pest control	6,000	6,120	6,000
Insurance	70,065	69,855	71,729
subtotal	<u>244,565</u>	<u>240,475</u>	<u>282,229</u>
Accounting & Tax Services	6,000	9,550	6,000
Consulting Services	-	108,000	-
Legal - Non Litigation	36,000	40,000	36,000
Legal - Litigation	-	510,000	-
Management	56,520	56,520	56,520
Meeting Expense	6,000	4,700	6,000
Interest on Loan for legal	25,000	42,000	40,000
Office Expense	5,500	8,500	5,500
Security services contract	26,773	27,700	26,773
Reserve study	-	-	-
Retention pond expenses	20,000	25,500	20,000
Snow removal - lots	28,000	10,140	28,000
Utilities - electricity	3,500	3,700	3,500
Bad Debt	-	14,963	-
Subtotal	<u>213,293</u>	<u>861,273</u>	<u>228,293</u>
Snow removal - paths	78,000	30,919	78,000
Tower utilities - pass through	14,400	14,400	14,400
Total Operating Expense	<u>550,258</u>	<u>1,147,067</u>	<u>602,922</u>
Operating Surplus (Deficit)	(299,188)	(675,899)	(199,188)

Replacement Reserve FundIncome

Loan repayment to Repl. Res	\$ 300,000	\$ 100,000	\$ 200,000
Dues allocated to Repl. Res	\$ 120,000	100,000	\$ 134,400
Interest Income	<u>12</u>	<u>10</u>	<u>12</u>
Total Replacement Income	<u>420,012</u>	<u>200,010</u>	<u>334,412</u>

Expenses

Income taxes	20,000	10	10
Window awnings	5,000	-	5,000
Gas meter door replacement	-	-	-
Unit storage door replacement	3,000	-	-
Flashing kickers	-	-	5,000
Window trim replacemnet	-	-	-
Window replacement	-	-	-
Cinder Block Facing	-	-	-
Walkway repairs	12,000	-	12,000
Spalling repair to concrete post pads	8,000	-	8,000
Siding Replacement	-	-	73,000
Entry stairway replacement	-	-	-
Deck post replacement	-	-	-
Foundation replacement	200,000	-	100,000
Deck rebuilding	-	-	-
Roof Replacement	-	38,000	-
Miscellaneous replacement	<u>-</u>	<u>-</u>	<u>31,519</u>
Total Replacement Exp.	<u>248,000</u>	<u>38,010</u>	<u>234,529</u>
Increase in repl. fund.	<u>\$ 172,012</u>	<u>\$ 162,000</u>	<u>\$ 99,883</u>

**OCTOBER 31, 2013 ESTIMATED STATEMENT OF FUND BALANCES**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total Fund Bal.</u>
Balance 10/31/12	\$ (1,171,329)	\$ 54,279	\$ (1,117,050)
Net Revenue Over (under) Exp	(675,899)	-	(675,899)
Replacement Reserve Funding	-	100,000	100,000
Loan repayment to Reserve Fund	-	100,000	100,000
Short term loans from Res. Fund	-	-	-
Line of Credit Loan from Plumas Bank	600,000	-	600,000
Replacement Fund Expenses	-	(38,010)	(38,010)
Fund Interest	<u>-</u>	<u>10</u>	<u>10</u>
Estimated Balance 10/31/13	<u>\$ (1,247,228)</u>	<u>\$ 216,279</u>	<u>\$ (1,030,949)</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	0.09168	0.002865117
1/1	16	752	12032	0.06733	0.00420814
2/1	30	999.33	29979.9	0.16777	0.005592182
2/2	53	1019	54007	0.30222	0.005702254
3/2	38	1338.18	50850.84	0.28456	0.007488364
3/2 end	6	1385.42	8312.52	0.04652	0.007752715
4/2	5	1427	7135	0.03993	0.007985394
	180				
Total square feet all units			178701.26	1	

	square		Monthly dues	Utility	Monthly dues with		Total for each model year
	common expense	foot expenses			Utility	Yrly dues	
Studio	\$119.23	99.47	\$219.0	25.00	\$244.0	\$2,628.0	\$84,096.0
1/1	\$119.23	146.10	\$266.0	25.00	\$291.0	\$3,192.0	\$51,072.0
2/1	\$150.01	194.16	\$345.0			\$4,140.0	\$124,200.0
2/2	\$150.01	197.98	\$348.0			\$4,176.0	\$221,328.0
3/2	\$150.01	259.99	\$410.0			\$4,920.0	\$186,960.0
3/2 end	\$150.01	269.17	\$419.0			\$5,028.0	\$30,168.0
4/2	\$150.01	277.25	\$427.0			\$5,124.0	\$25,620.0
Tower path %	10%			14400			
S by S path %	90%						\$723,444.00
Snow removal - paths				78,000			
Total budget for common expenses less snow - path				\$228,293			
Total budget for squer foot expenses				\$416,629			
						Variance + or -	\$522.00
Total budgeted expenses				\$722,922			

	Current dues	% of increase	\$ of increase
	2013		
Studio	199	10.05%	\$20.0
1/1	241	10.37%	\$25.0
2/1	313	10.22%	\$32.0
2/2	316	10.13%	\$32.0
3/2	371	10.51%	\$39.0
3/2 end	379	10.55%	\$40.0
4/2	386	10.62%	\$41.0
Total budget change			10.23%
Total reserve allocation change			12%

## Assessment and Reserve Funding Disclosure Summary

### Aspen Grove Condominium Association

For Fiscal Year Beginning: 11/1/2013

# of Units: 180

1) Current Budget:	Total	Per unit
Reserve Contributions:	\$134,400.00	\$746.67
Operating Budget:	\$588,522.00	\$3,269.57
Total:	\$722,922.00	\$4,016.23

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
9/15/2013	\$6,000.00	Litigation emergency assessment
N/A		
Total:		\$6,000.00

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? **Yes**
- 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 11/1/2013 our Reserve Study shows a current fund balance of \$216,279.00. 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: \$621,935.00 (35% 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: 9/7/2013

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.

## **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: \$25,149,800  
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 X No \_\_\_\_  
*Were the recommendations of the agent followed?* Yes X 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 X 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 X No \_\_\_\_  
*Were the recommendations of the agent followed?* Yes X No \_\_\_\_
- III. Earthquake Policy  
Insurer: State Farm Fire & Casualty Company  
Policy limits: Coverage A (Buildings): \$25,149,800  
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 1<sup>st</sup> through December 1<sup>st</sup> .

Adopted by the Board of Directors on September 4, 2011

### **FINING POLICY AND PROCEDURE**

Owners will be notified in writing of non-compliance with the CC&Rs and / or Architectural Review guidelines. Owners will be given an appropriate amount of time to correct or bring the violation into compliance. If not corrected by the date given, a violation assessment fine will be added to the owner's account after an opportunity to appear before the Board of Directors has been provided to show cause why the fine should not be levied.

Fines will be imposed as follows (after initial written notice has been given and non-compliance continues) after:

1 <sup>st</sup> notice.....	\$100.00
2 <sup>nd</sup> notice.....	\$250.00
3 <sup>rd</sup> notice.....	\$500.00

The Board of Directors reserves the authority to impose higher fines, up to \$1,000.00 for continuing violations of the CC&Rs and Architectural Review guidelines that threaten the health, safety, and that which would damage or destroy Association property and the general well-being of all members.

The Board reserves the right to impose additional fines for other infractions after notice to the membership.

Adopted by the Board of Directors on September 4, 2011