

# Northridge at Danville Owners Association

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HOA website: [northridgehomeowners.com](http://northridgehomeowners.com)

November 14, 2023

To: *Northridge Homeowners*  
From: *Northridge Board of Directors*  
Re: **2024 Budget**

Dear Homeowners:

In accordance with current legislation and the Northridge Homeowners Association's governing documents, the Board of Directors has adopted the enclosed budget effective January 1, 2024.

**The budget reflects quarterly assessments that will increase from \$320 to \$382 per lot, per calendar quarter.** The increase is related to an increase in reserve transfers (+\$88,000) and to make adjustments for operating costs affected by inflation. The Board has undertaken major repairs to the trellis at the pool as part of the efforts to maintain the association's assets at the highest level. In addition, the Board and Management manage services so that the assessment level can be maintained at the lowest possible level while maintaining the associations common area.

**If you have your dues paid through a bill pay service at your bank, you will need to revise the payment setup at your bank to reflect the increased amount effective January 1<sup>st</sup>, 2024.**

**The Northridge Board of Directors has approved levying a Health and Safety Special Assessment in 2024 to replenish reserves and provide for the repairs of the slides (unplanned) caused by the atmospheric rivers. This Health and Safety Special Assessment is \$800 per lot owner, collected at \$200 per calendar quarter for each of the four quarters in 2024.**

**Please see the attached information related to the Special Assessment.**

Sincerely,

*Northridge at Danville Board of Directors*

Enclosures:

- 2024 Budget
- 2024 Annual Budget Report and Policy Statement
- 2024 Reserve Study Update
- 2024 Assessment & Reserve Funding Disclosure Summary
- Annual Insurance Disclosure
- Notice Regarding Assessment and Foreclosure
- Assessment Collection Policy
- Violation and Fine Policy
- How Do I Pay My Assessment
- Delinquent Policy
- Request For Annual Notice of Address, Representative and Rental Status
- Charges for Documents Provided
- Election Rules
- Reminders of Rules and Regulations
- Architectural Application

## Why The Special Assessment

- The Northridge Homeowner Association maintains over 40 acres of land owned by the association.
- During the atmospheric rains starting in January of 2023 the association sustained mudslides (5) to the common area owned by the association.
- These mudslides required decisive action to minimize the damage to adjacent homes of Northridge residents.
- The association has a legal obligation to prevent damage to homes and maintain the common area open space.
- The Board has a duty to undertake activities to minimize the damage and protect the association from larger liabilities in the future.
- An unrepaired slide will increase in size and left unrepaired would result in damage to homes and a much larger financial requirements to repair.
- The address where the slides occurred are:
  - Goldstone Court
  - Alta Vista Court
  - Tuscany Way
- The Board hired Stevens, Ferrone & Bailey Engineering Company, Inc, a Geotechnical Firm who specializes in evaluating slides and developed a recommended engineered repair.
- A Repair Plan for the slide areas was developed and a Request for Proposal was submitted to two contractors who are licensed to repair slides of this magnitude.
- The Two Contractors who bid the job were:
  - Marshall Brothers
  - Diablo General
- The Bids for the work, based on the scope of work as defined in the report from Stevens, Ferrone & Bailey Engineering Company were:
  - Marshall Brothers \$458,683.36
  - Diablo General Engineering \$226,340.00
- The Board awarded the repair contract to Diablo General
- A permit for the work was obtained from the Town of Danville
- The work was completed October 6, 2023.
- The Board authorized this at a public meeting on September 12, 2023.
- The Board, in an effort to communicate this unusual situation held an Information Meeting over Zoom on September 21, 2023. This meeting was communicated by

delivery of a flyer to each homeowner in Northridge. In addition it was posted at the Clubhouse and on the website.

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### Next Steps

- To re capitalize the reserve account and financial recover from this unplanned Act of God the Board voted to enact a Special Assessment of \$800.00 to be collected in four payments of \$200.00 each calendar quarter in 2024. Example:
  - Jan 1            \$200.00
  - April1         \$200.00
  - July 1          \$200.00
  - Oct 1           \$200.00
- While the Board looked at other options this was the best alternative to allow the association to be on solid financial ground for years to come.



NORTHRIDGE HOMEOWNERS ASSOCIATION  
2024

	2023 Budget	2024 Budget	2024 Per Unit Per Quarter
Assessments	\$480,000	\$573,000	\$382.00
Late Charges/Interest	0	0	\$0.00
Collection Costs	0	0	\$0.00
Returned Check Charges	0	0	\$0.00
Key Income	0	0	\$0.00
Clubhouse Income	1,200	1,200	\$0.80
Insured Loss Reimbursement	0	0	\$0.00
Interest Income -Operating	0	0	\$0.00
Interest Income-Reserves	0	0	\$0.00
<b>TOTAL INCOME</b>	<b>\$481,200</b>	<b>\$574,200</b>	<b>\$382.80</b>
<b>RESERVES</b>			
Reserve Transfers	\$15,516.67	98,000	186,200
			\$124.13
<b>TOTAL RESERVE DEPOSITS</b>	<b>\$98,000</b>	<b>\$186,200</b>	<b>\$124.13</b>
A/R Postage	750	945	\$0.63
Mgmt & Accounting	51,708	54,293	\$36.20
Outside Services	3,000	3,000	\$2.00
Legal General	3,500	3,500	\$2.33
Office Expense General	7,000	7,000	\$4.67
Tax Preparation & Review	3,500	3,500	\$2.33
Reserve Study Update	1,800	1,800	\$1.20
<b>TOTAL ADMINISTRATIVE</b>	<b>\$71,258</b>	<b>\$74,038</b>	<b>\$49.36</b>
Electricity & Gas	42,000	40,000	\$26.67
Water	68,000	60,000	\$40.00
<b>TOTAL UTILITIES</b>	<b>\$110,000</b>	<b>\$100,000</b>	<b>\$66.67</b>
Bank Fees/Lock Box Services	1500	1500	\$1.00
Custodial	9,600	9,690	\$6.46
Clubhouse Expenses	1,850	1,850	\$1.23
Disposal	4,416	4,527	\$3.02
Landscaping	87,276	87,276	\$58.18
Landscape Upgrades/Extras	8,000	8,000	\$5.33
SRVFPD Required Fire Break - Disking	8,000	8,000	\$5.33
Tree Trimming/Removals	12,500	14,500	\$9.67
Community Events	800	800	\$0.53
Architectural Committee	3,600	2,400	\$1.60
Pool & Spa Contract/Extras	16,400	16,400	\$10.93
Pest Control	6,744	6,744	\$4.50
Miscellaneous Expenses	1,200	1,200	\$0.80
Security Services	5,100	11,625	\$7.75
Web Hosting	1,200	1,200	\$0.80
<b>TOTAL CONTRACT SERVICES</b>	<b>\$168,186</b>	<b>\$175,712</b>	<b>\$117.14</b>
Miscellaneous Repairs	15,000	18,000	\$12.00
Streets and Drives	0	0	\$0.00
Tennis Court Maintenance	1,000	1,000	\$0.67
Insured Loss Expense	0	0	\$0.00
<b>TOTAL REPAIR &amp; MAINT</b>	<b>\$16,000</b>	<b>\$19,000</b>	<b>\$12.67</b>
Fire/Liability/Fidelity/WC	13,247	13,247	\$8.83
Directors & Officers	2,457	2,457	\$1.64
<b>TOTAL INSURANCE (Renews 10/12)</b>	<b>\$15,704</b>	<b>\$15,704</b>	<b>\$10.47</b>
Franchise Tax Board	350	350	\$0.23
Federal Corporate Tax	250	250	\$0.17
Pool License	991	991	\$0.66
<b>TOTAL FIXED EXPENSES</b>	<b>\$1,591</b>	<b>\$1,591</b>	<b>\$1.06</b>
Contingency	461	1,954	\$1.30
<b>Total Budget</b>	<b>\$481,200</b>	<b>\$574,200</b>	<b>\$382.80</b>



# Northridge at Danville Owners Association 2024 Annual Budget Report and Policy Statement

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## Important Information - Please Read

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### Association Information

The Northridge at Danville Owners Association is a nonprofit mutual benefit corporation formed to operate and manage the Association's affairs.

The Association consists of 375 separate interests and common areas. It is governed by a volunteer Board of Directors elected by the membership. The fiscal year commences January 1 and ends on December 31 of each year.

### Management Company Information

The Association, through the Board, has engaged a professional management company to assist in carrying out its legal responsibilities. Our management company is Property Management & Accounting, Inc. located at 563 Leisure Street, Livermore, CA 94551. You can call the office number 925-454-1987 or by e-mail at [hoamgmt@pmahoa.com](mailto:hoamgmt@pmahoa.com). Office hours are Monday through Friday, 9:00 AM to 5:00 PM.

### Pro-forma Operating Budget

Each fiscal year, the Association is required to prepare a pro-forma operating budget showing the estimated revenue and expenses on an accrual basis for the upcoming year. This budget is used to determine the per unit assessments that are collected from each property owner. The Board of Directors has reviewed and approved this budget and has determined that the quarterly assessment for 2024 will increase to \$382.00 per home.

### Reserve Study Summary

The Annual Budget Report includes a Reserve Study that was prepared by an independent professional organization which the Board believes is reasonably competent. A full study (with site inspection) is prepared every three years, reviewed and adopted by the Board of Directors, and updated annually as needed. The Study includes the current estimated cost, estimated remaining life and estimated useful life of major common area components; the current estimate of the total annual reserve contribution necessary to repair, replace, restore or maintain these components; and the current amount of reserves actually set aside for this purpose. The Study also shows the percentage

difference between the estimated cost to repair, replace, restore or maintain major components and the actual amount of reserves set aside, as well as the current deficiency (if any) in reserve funding expressed on a per unit basis.

### Reserve Funding Plan

The Reserve Study includes a Reserve Funding Plan adopted by the Board of Directors that indicates how the Association plans to fund the contributions necessary for the repair and replacement of all major common area components with an expected remaining life of 30 years or less.

### Procedures for Calculating Reserves

The Reserve Study includes a statement of the procedures used for the calculation and establishment of the reserves needed to pay for the future repair and replacement of those components that the Association is obligated to maintain. Calculation of the amount of reserves needed to be accumulated for a component at a given time is based on the current cost of the replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component.

### Assessment and Reserve Funding Disclosure Summary

The Annual Budget Report includes a copy of the current Assessment and Reserve Funding Disclosure Summary as completed by the Reserve Study preparer pursuant to Civil Code Section 5570.

### Deferral of Component Repairs

If the Board of Directors decides to defer or not undertake the repair or replacement of any major common area component with an expected remaining life of 30 years or less, the Board must disclose the justification for such a decision. As of the date of this report, the Board has not made any formal decisions to defer or not undertake the repair or replacement of any major common area components.

### Special Assessments

If the Board of Directors has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, restore or maintain major common area components or to provide adequate reserves to fund such items, the Association must distribute a statement including the estimated amount, commencement date and duration of the special assessment. As of the date of this report, the Board has decided to approve the Health and Safety Special Assessment to replenish reserves and slide repairs in the amount of \$800.00 per home collected at \$200 per calendar quarter in 2024 with the payment starting in January 2024.

### Outstanding Loans

If the Association has any outstanding loans with an original term of more than one year, the Association must distribute a statement including the payee, interest rate, amount outstanding, annual payment and when the loan is scheduled to be retired. As of the date of this report, there are no outstanding loans for this Association.

### Insurance Disclosure Summary

The Annual Budget Report includes a current Insurance Disclosure Summary of the Association's property, general liability and fidelity insurance (and/or earthquake, flood or workers' compensation insurance if applicable). This Disclosure Summary includes the name of the insurer, the type of insurance, the policy limit and the amount of the deductible.

**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. 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 brokers or agent for appropriate additional coverage.**

### Association's Designated Recipient

The Association has designated Property Management & Accounting to receive official communications to the Association pursuant to Civil Code Section 4035. Members may submit official communications to the Association by personal delivery (including U.S. Mail) and/or e-mail to Property Management & Accounting, Inc. at the mailing address and/or email address listed under Management Company Information.

### Right of Notice to Two Addresses

Members of the Association may submit a request to have general notices sent to up to two different specified addresses pursuant to Civil Code Section 4040(b). Note that billing statements and election ballots will only be sent to the member's primary address.

### General Notice Location and Distribution

The Association may post notices of a general nature at the following location: On the structure between the restrooms at the pool area. Notices may also be distributed via US mail for offsite owners.

### General Notice - Individual Delivery

If a member requests to receive general notices by individual delivery, all general notices given to that member shall be delivered pursuant to Civil Code Section 4040.

### Board of Directors Meetings

Board of Directors Meetings are normally held via Zoom or in person at the Northridge Clubhouse at 7:00pm located at 99 Tuscan Way, Danville, CA. All Association members are welcome to attend.

### Right to Receive Board Minutes

The minutes, minutes proposed for adoption that are marked as draft status, or a summary of the minutes, of any meeting of the Board of Directors, other than an executive session, shall be available to members within 30 days of the meeting. The minutes, proposed minutes or summary minutes shall be distributed to any member of the Association upon request and upon reimbursement of the Association's costs for making that distribution, pursuant to Civil Code Section 4950. Members may submit a written request for copies of minutes to Property Management & Accounting, Inc. at the mailing address listed under Management Company Information.



### Notice of Assessments/Foreclosure

The Annual Policy Statement includes a Notice of Assessments and Foreclosure pursuant to Civil Code Section 5310. This Notice outlines some of the rights and responsibilities of owners in common interest developments and the associations that manage them.

### Assessment Collection Policy

The Annual Policy Statement includes a copy of the Association's Assessment Collection Policy, which describes the policies and practices in enforcing the Association's lien rights or other legal remedies for default in the payment of assessments.

### Enforcement of Governing Documents and Monetary Policy Schedule

All members, residents and guests are obligated to abide by the Governing Documents. The Association encourages each member to review the CC&Rs, Bylaws, Articles and all Rules and to attend board or committee meetings to learn more about the requirements of the Governing Documents. The Association's goal is to assist members, residents and guests in complying with the Governing Documents to promote an enjoyable, safe community beneficial to all.

In the event of a perceived violation of the Governing Documents, the Association will investigate and determine whether and what type of action is warranted (if any). Association action includes scheduling a hearing to consider imposing fines and/or penalties. At least 10 days' prior notice of a hearing (at which fines and/or penalties will be considered) shall be given to a Member, who may attend and respond to the notice and potential fine and/or penalty as set forth more specifically in the Governing Documents. A fine and/or penalty may be imposed regardless of whether the Member attends the hearing.

In addition to fines and other penalties, the Board may, following a hearing, impose a "special purpose" assessment to recover the cost of performing or enforcing any responsibility which would otherwise be the responsibility of a Member to perform under the Governing Documents.

Fines and special purpose assessments may be recovered in any matter permitted by law.

### Fine Policy

The Annual Policy Statement includes a copy of the Association's Fine Policy which includes a schedule of monetary penalties for violations of the Governing Documents pursuant to Civil Code Section 5850.

### Dispute Resolution Procedures

California law provides a means by which Members and the Association can engage in mediation, arbitration or other forms of dispute resolution with respect to disputes arising under the Nonprofit Mutual Benefit Corporation Law (Part 3 commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code), enforcement of the Governing Documents and the Davis-Stirling Common Interest Development Act. Generally, Civil Code Section 5965 requires parties to request mediation or arbitration before filing a lawsuit to enforce the governing documents with certain exceptions. Mediation, arbitration and other techniques other than litigation intended to resolve disputes are referred to as alternative dispute resolution ("ADR"). ADR involves use of a neutral party to assist the parties in reaching a dispute without litigation. If litigation results, the prevailing party is entitled to an award of reasonable attorney fees and costs.

California law requires a common interest development to make the following disclosure:

Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

Civil Code Section 5920 also requires a common interest development to describe its internal dispute resolution procedure. That procedure, unless another is adopted, is as follows:

- (a) Fair, reasonable, and expeditious
- (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 the 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.

### **Overnight Payment of Assessments**

The Annual Policy Statement includes a "How to Pay My Assessment" flyer which provides the mailing address for overnight payment of assessments pursuant to Civil Code Section 5655.

### **Architectural Guidelines & Procedures**

The Annual Policy Statement includes a summary of the Association's requirements for approval of a physical change to property, describing the types of changes that require Association approval and including a copy of the procedure used to review and approve (or disapprove) a proposed change. An Architectural Application is also attached.

# **RESERVE STUDY SUMMARY**

**Update with No Site-Visit/Off-Site Review**

## **Northridge at Danville**

**OWNERS ASSOCIATION**

**Prepared**

**October 9, 2023**

**for**

**Fiscal Year 2024**



**John D. Beatty & Company**

**14850 Highway 4, Suite A #210 Discovery Bay, CA 94505 (925) 831-1803 Fax (925) 831-2493**

# Reserve Study Summary

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This report documents the results of an Update with No Site-Visit/Off-Site Review performed by John D. Beatty & Company for the following Single Family Home Community:

**Northridge at Danville Owners Association                      Danville, California**

It provides an analysis of the repair and replacement requirements for the association's major components and recommends a funding plan to meet those obligations. This study was performed in compliance with California Civil Code sections 4178, 5300, 5550, 5560 & 5565. The intent of this legislation is to insure that the association maintains a plan to meet all future obligations for major component maintenance. The essential elements of this legislation are:

- 1 . Identification of the major components which the association is obligated to maintain
- 2 . Current estimate of the useful life of each component
- 3 . Current estimate of the remaining life of each component
- 4 . Current estimate of the replacement cost of each component
- 5 . Current estimate of the total annual contribution necessary to maintain the major components
- 6 . Current estimate of the amount of cash reserves necessary to maintain the major components
- 7 . Disclosure of the current amount of accumulated cash reserves actually funded
- 8 . Disclosure of the percentage of reserves actually funded
- 9 . Disclosure of any determined or anticipated special assessments
- 10 . A general statement of methodology

## ***SCOPE***

This study is aligned with the association's fiscal year and establishes January 1, 2024 through December 31, 2033 as the period of time for which reserve expenditures and reserve fund balances are projected.

## ***METHODOLOGY***

A cash flow methodology was used to determine the annual reserve contribution. The underlying premise of this reserve funding approach is to establish a contribution level that will allow the association to maintain a positive balance in the reserve fund while meeting all anticipated maintenance obligations. The cash flow method allows the association to achieve this goal without the unnecessary overfunding of reserves. Also, as the interest earned on the reserve fund will not totally offset inflation, projections were made using the current inflation factor and an average interest rate on fully insured certificates of deposit.

In preparing this study, a comprehensive list of major components was developed and information was compiled on the type, number, age and cost of each of these components. In gathering this data, certain assumptions were made about costs, conditions, and future events and circumstances that may occur. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this report. Therefore, the actual replacement costs and remaining lives may vary from this report and the variations could be material. All life expectancies were based on reasonable industry experience for equipment and material and, unless specifically noted, all components were in a reasonable and ordinary condition.

**No inspection was conducted of the major components. Information utilized to update the reserve study was obtained from management and the association's records. Prior quantities delineated on the previous reserve study with inspection are assumed to be accurate. The condition of components in the previous reserve study with inspection was based on a reasonable sample. It is assumed that all components are to be reasonably maintained for the remainder of their life expectancy.**



For a component to be included in this study, the following criteria must be met:

- 1 . The maintenance of the component is the responsibility of the association;
- 2 . The maintenance of the component is not included in the annual operating budget;
- 3 . The estimated useful life of the component is greater than one year; and
- 4 . The estimated remaining life of the component is less than 30 years.

This study is intended to reflect the estimated replacement cost of the components and is not intended to project the actual cost of the work when performed. This limitation is necessary, as it is virtually impossible to predict with any degree of certainty the myriad factors that will impact costs at a future date. Because of this qualification, it is necessary for the results of this study to be reviewed annually to reflect any meaningful changes in use or significant increases in labor and/or materials costs.

The funding for this study has a threshold margin of 15%. This means that the projected ending balance for each fiscal year is at least 15% of the projected expenditures for the same year. This margin provides a contingency for any unforeseen or out of the ordinary repair or replacement expense. Additionally, it can be used in subsequent years as a source of funds for reallocation of the life cycles should the aging of any components be abnormally accelerated.

***FINDINGS***

The findings of this study indicate that it will be necessary to adjust the annual reserve contribution as indicated on pages 6-8 of this report in order to meet projected expenditures and keep pace with inflation. These findings are based on the following:

- |     |   |    |         |
|-----|---|----|---------|
| 1 . | Projected reserve fund balance as of January 1, 2024 .....  | \$ | 75,000  |
| 2 . | Reserve contribution for fiscal year 2023.....  | \$ | 98,000  |
| 3 . | Reserve contribution for fiscal year 2024.....  | \$ | 186,200 |
| 4 . | Special Assessment for fiscal year 2024.....  | \$ | 300,000 |
| 5 . | Assumed annual inflation rate .....   |    | 3.0%    |
| 6 . | All "after tax" interest earned on reserve fund investments will be retained in the reserve fund. |    |         |

***DISCLOSURES***

John D. Beatty & Company (JDB) verifies herein that any financial or other interests, whether adverse or otherwise, which consultant may have or propose to have in any company, organization, individual, asset or activity has no bearing on the subject matter of this reserve study. Except for the compensation payable to JDB neither JDB nor any of JDB's agents, employees or affiliates shall benefit from our preparation of this reserve study.

**This plan provides adequate funds to meet projected expenditures while relying on a special assessment in fiscal year 2024 which will require a vote of the membership. However, the recommended increase in the regular assessment will not require a vote of the membership. Based on the assumption that the association will fund reserves in accordance with this plan, which includes those increases indicated above, the percent funded was calculated in the following manner:**

<b><u>Accumulated Cash Reserves (Numerator)</u></b>	
Projected reserve fund balance as of January 1, 2024 .....	\$ 75,000
<b><u>Accrued Liability (Denominator)</u></b>	
Estimate of the amount of cash necessary to repair, replace, restore or maintain the association's major components as of January 1, 2024 .....	\$ 773,792
Percent Funded .....	<b>10%</b>

This Reserve Study was reviewed and approved by the Association's Board of Directors.

# Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%

RESERVE COMPONENTS	Repair %	Current Repr/Repl Cost	Estimated Usfl Life	Estimated Rmng Life	Fiscal Year Jan 1 .....	Fiscal Year Dec 31 .....	(1) 2024	(2) 2025	(3) 2026	(4) 2027	(5) 2028	(6) 2029	(7) 2030	(8) 2031	(9) 2032	(10) 2033
<b>BUILDING EXTERIORS:</b>																
1 - Stucco Siding Paint		31,622	10	3					33,548							
2 - Stucco Siding/Trim Repair	5%	9,020	10	3					9,569							
3 - Exterior Restroom Doors		1,540	25	3					1,633							
4 - Wood Doors Repl		1,109	20	3					1,177							
5 - Wood Door Set Repl - Pool Equip		1,892	20	3					2,007							
6 - Wood Door Set Repl - Clubhouse Back		9,538	20	7								11,389				
7 - Wood Door Set Repl - Clubhouse Front		9,538	20	7								11,389				
8 - Window Replace		11,401	30	3					12,095							
<b>BUILDING INTERIORS:</b>																
9 - Clubhouse Paint		3,471	7	3					3,682							4,528
10 - Restroom Refurbish		80,000	30	5				90,041								
<b>FENCING &amp; WALLS:</b>																
11 - Arbor Paint		27,997	5	5				31,511						61,498		36,530
12 - Arbor Minor Repair	50%	50,003	8	8												
13 - Arbor Major Repairs		100,006	20	9					4,835							
14 - Chain Link Repair		4,557	15	3					16,255					18,844		
15 - Metal Picket Paint		15,322	5	3					7,801					9,044		63,964
16 - Metal Picket Repair	15%	7,353	5	3												
17 - Metal Picket Replace		49,023	25	10												
18 - Monument Repair		3,721	10	3					3,947							
19 - Stucco Seat Wall Paint		1,494	10	3					1,585							
20 - Stucco Seat Wall Repair	10%	2,331	10	3					2,473							
21 - Stucco Wall Paint		2,826	10	3					2,998							
22 - Stucco Wall Repair 6'	10%	9,382	10	3					9,953							
<b>FLOORING:</b>																
23 - Clubhouse Tile Flooring		9,980	18	11												
<b>FURNISHINGS &amp; APPLIANCES:</b>																
24 - BBQ Replace		2,534	15	3					2,688							
25 - Clubhouse Furnishings		2,790	10	3					2,960							
26 - Dishwasher Replace		1,013	18	3					1,075							
27 - Refrigerator Replace		2,280	15	3					2,419							
28 - Microwave Replace		633	15	3					672							
29 - Stove/Oven Replace		2,790	20	3					2,960							
30 - Kitchen Countertop/Cabinet Repl		6,149	30	3					6,524							
31 - Metal Bench Repl - Tennis		2,288	20	3					2,428							
32 - Pool Patio Furnishings		30,000	7	3					31,827							39,143
33 - Picnic Bench Refinish		1,013	5	3					1,075					1,246		
34 - Picnic Bench Replace		2,432	15	4												
35 - Umbrella Replace		2,840	5	5				3,197								3,706
36 - Wood Bench Refinish		1,267	5	3					1,344							
37 - Wood Bench Replace		4,104	15	4						4,485						

# Projected Expenditures

Assumed Annual Inflation Rate..... 3.0%																	
RESERVE COMPONENTS	Repair %	Current Repr/Repl Cost	Estimated Usfl Life	Estimated Rmng Life	Fiscal Year Jan 1 .....	Fiscal Year Dec 31 .....	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
							2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
<b>LANDSCAPING:</b>																	
38 - Backflow Device Replace	33%	10,278	10	3				10,904									
39 - Irrigation Timer Replace	15%	3,115	5	3				3,304						3,830			
40 - Irrigation Valve Replace	5%	2,665	2	3				2,827					3,182		3,375		
41 - Irrigation Repr/Repl		6,524	10	3				6,921									
42 - Slide Minor Repairs		51,257	5	5						57,691						66,879	
43 - Slide Major Repairs		250,000	15	15													
44 - Plant Stock		4,651	5	3				4,934						5,720			
45 - Tree Stock		6,511	5	3				6,908						8,008			
<b>LIGHT FIXTURES:</b>																	
46 - Bridgeway Lighting		30,341	20	3				32,189									
47 - Ext. Latern Fixture Replace		422	20	4				461									
48 - Ext. Wall Mount Fixture Replace		760	20	4				830									
49 - Int. Recessed Light Fixture Repl		788	25	12													
50 - Int. Light Fixture Restroom Repl		525	25	3				557									
51 - Miscellaneous Lights		5,209	20	3				5,526									
52 - Spot Light Fixture Replace - Arbor		263	20	4				287									
<b>MECHANICAL SYSTEMS - HVAC:</b>																	
53 - Air Conditioning Unit		10,425	15	6										12,085			
54 - Forced Air Furnace		5,810	15	2				5,984									
<b>MECHANICAL SYSTEMS - WATER:</b>																	
55 - Water Heater Replace		1,674	15	3				1,776									
<b>PAVED SURFACES:</b>																	
56 - Asphalt Repair/Replace	20%	6,083	10	4					6,647								
57 - Asphalt Sealcoat & Repair		4,918	5	3				5,218						6,049			
58 - Concrete Curb & Walkway Reprs		2,790	5	3				2,960						3,432			
59 - Pool Deck Repairs														196,780			
60 - Pool Deck Replace		160,000	30	8													
61 - Sport Major Court Repair	25%	5,649	20	3				5,993									
62 - Sport Minor Court Repair	10%	2,260	10	3				2,397									
63 - Sport Court Sealcoat		1,680	5	3				1,782						2,066			
64 - Tennis Court Overlay		80,064	15	3				84,940									
65 - Tennis Court Colorcoat		25,056	5	3				26,582						30,816			
<b>RECREATION FACILITIES:</b>																	
66 - Shower & Tile Repair		9,757	10	2													
67 - Shower & Tile Replace		26,799	20	6										31,067			
68 - Sport Court Fixtures		2,467	15	6										2,860			
69 - Tennis Court Nets		1,000	10	3				1,061									
70 - Tennis Court Windscreen Repl		10,000	20	11													

NOTE: Funding is handled via the association's operating budget.



# Projected Expenditures

	Assumed Annual Inflation Rate..... 3.0%		Current Repair %	Current Repr/Repl Cost	Estimated Usfl Life	Estimated Rmng Life	Fiscal Year		(1) 2024	(2) 2025	(3) 2026	(4) 2027	(5) 2028	(6) 2029	(7) 2030	(8) 2031	(9) 2032	(10) 2033
	Jan 1	Dec 31																
<b>RESERVE COMPONENTS</b>																		
<b>RECREATION FACILITIES - POOL:</b>																		
71 - Chlorinator Replace	815	5	3	865												1,003		
72 - Filter Replace	9,893	10	6						11,469									
73 - Heater Replace	19,518	8	3	20,706														
74 - Heater Replace	9,759	8	2					10,052										
75 - Pump Replace	2,768	5	3	2,937														
76 - Resurface Pool Interior	104,100	15	3	110,440														
77 - Tile & Coping Replace	20,000	15	3	21,218														
<b>RECREATION FACILITIES -SPA:</b>																		
78 - Chlorinator Replace	815	5	3	865												1,003		
79 - Filter Replace	2,818	10	5					3,171										
80 - Heater Replace	9,759	8	3	10,353														
81 - Pump Replace	1,763	5	3	1,870														
82 - Resurface Spa Interior	9,966	10	3	10,573														
83 - Tile & Coping Replace	1,995	15	3	2,116														
<b>ROOFING SYSTEM:</b>																		
84 - Gutters & Downspouts	3,050	25	3	3,235														
85 - Roof Inspection & Repairs	960	5	3	1,018														
86 - Tile Roof Replacement	20,872	50	20															
<b>OTHER:</b>																		
87 - Dog Station Replace	1,077	14	3	1,142														
88 - Drinking Fountain Replace	2,076	15	3	2,203														
89 - Future Energy Initiative (2025 only)	44,056	10	2					45,378										
90 - Reserve Study Update																		
91 - Reserve Study Update Inspection																		
UNSCHEDULED.....	9,310	1	1	9,310					6,908	7,115	7,329	7,549	7,775	8,008	8,249	8,496	8,751	
<b>TOTAL EXPENDITURES</b>	<b>1,510,371</b>			<b>1,510,371</b>				<b>9,310</b>	<b>78,371</b>	<b>572,968</b>	<b>22,696</b>	<b>196,158</b>	<b>65,256</b>	<b>33,969</b>	<b>365,897</b>	<b>138,556</b>	<b>236,234</b>	

Funding is addressed via the association's operating budget.  
 Funding is addressed via the association's operating budget.

# Funding Plan

## Projected Cash Balance

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Fiscal Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Jan 1 .....	552,203	612,575	572,968	572,968	572,968	572,968	572,968	572,968	572,968	572,968
Dec 31 .....	552,203	612,575	612,575	182,309	306,432	261,529	352,080	278,145	309,802	309,802
<b>BEGINNING BALANCE</b>	75,000	552,203	612,575	182,309	306,432	261,529	352,080	478,692	278,145	309,802
<b>EXPENDITURES (inflated \$)</b>	9,310	78,371	572,968	22,696	196,158	65,256	33,969	365,897	138,556	236,234
<b>RESERVE CONTRIBUTION</b>	186,200	138,160	142,305	146,574	150,972	155,501	160,166	164,971	169,920	175,017
Per Unit Per Month (375 units)	41.38	30.70	31.62	32.57	33.55	34.56	35.59	36.66	37.76	38.89
Percentage Increase to Reserves	90.0	(25.8)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>SPECIAL ASSESSMENT(S) or LOAN</b>	300,000	0	0	0	0	0	0	0	0	0
<b>INTEREST</b>	313	582	397	244	284	307	415	378	294	279
<b>ENDING BALANCE</b>	552,203	612,575	182,309	306,432	261,529	352,080	478,692	278,145	309,802	248,864

# Funding Plan

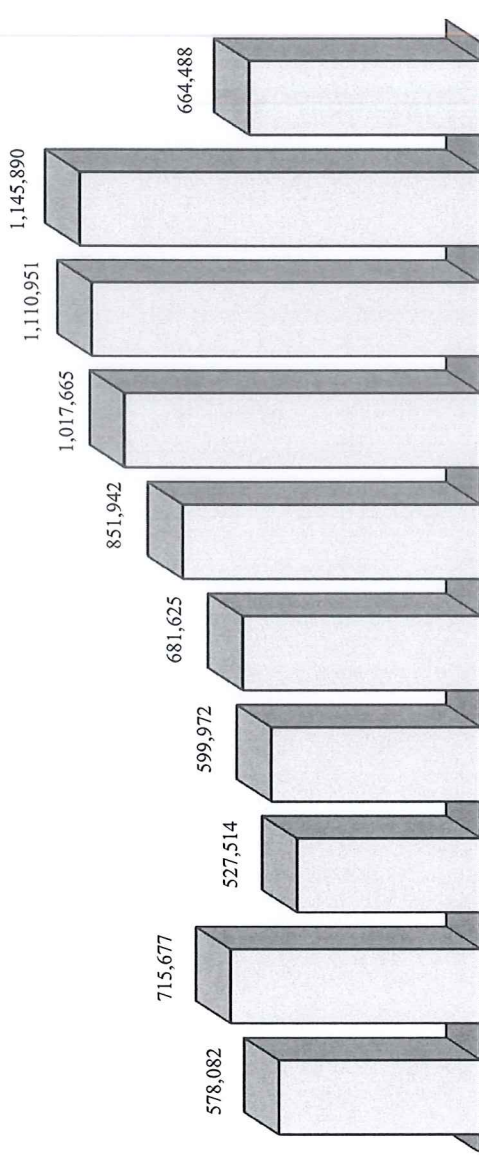
## Projected Cash Balance

	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Fiscal Year										
Jan 1 .....	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Dec 31 .....	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
<b>BEGINNING BALANCE</b>	248,864	350,640	451,853	382,056	560,729	243,264	348,774	484,640	182,435	334,128
<b>EXPENDITURES (inflated \$)</b>	78,791	84,864	261,460	18,782	520,760	103,766	79,800	524,245	76,924	192,313
<b>RESERVE CONTRIBUTION</b>	180,268	185,676	191,246	196,984	202,893	208,980	215,249	221,707	228,358	235,209
Per Unit Per Month (375 units)	40.06	41.26	42.50	43.77	45.09	46.44	47.83	49.27	50.75	52.27
Percentage Increase to Reserves	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>SPECIAL ASSESSMENT(S) or LOAN</b>	0	0	0	0	0	0	0	0	0	0
<b>INTEREST</b>	300	401	417	471	402	296	416	333	258	356
<b>ENDING BALANCE</b>	350,640	451,853	382,056	560,729	243,264	348,774	484,640	182,435	334,128	377,379



# Funding Plan

## Projected Cash Balance



	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>BEGINNING BALANCE</b>	377,379	578,082	715,677	527,514	599,972	681,625	851,942	1,017,665	1,110,951	1,145,890
<b>EXPENDITURES (inflated \$)</b>	42,040	112,584	445,804	192,834	191,660	111,301	124,489	205,734	273,082	798,408
<b>RESERVE CONTRIBUTION</b>	242,265	249,533	257,019	264,730	272,672	280,852	289,277	297,956	306,894	316,101
Per Unit Per Month (375 units)	53.84	55.45	57.12	58.83	60.59	62.41	64.28	66.21	68.20	70.24
Percentage Increase to Reserves	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>SPECIAL ASSESSMENT(S) or LOAN</b>	0	0	0	0	0	0	0	0	0	0
<b>INTEREST</b>	477	647	621	563	640	766	934	1,064	1,128	905
<b>ENDING BALANCE</b>	578,082	715,677	527,514	599,972	681,625	851,942	1,017,665	1,110,951	1,145,890	664,488

## Assessment and Reserve Funding Disclosure Summary For Fiscal Year January 1, 2024 - December 31, 2024

This Summary contains information about the Association’s assessments and the status of the reserve fund. The Association may periodically update or supplement the information in this Summary. Please contact the Association to determine if a more recently prepared Summary or supplement is available.

- (1) The current **regular** assessment per ownership interest is \$ **382.00** per quarter.

NOTE: If assessments vary by the size or type of ownership interest, the assessment applicable to this unit may be found on the Variable Assessment Report (provided by an association representative.)

- (2) Additional regular or special 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 Assessment will be due:	Amount per ownership interest per month (if assessments are variable, see note immediately below):	Purpose of the assessment:
<b>Per Quarter in 2024</b>	<b>\$200.00 per quarter / \$800.00 total in 2024</b>	
		<b>Management to Advise</b>

NOTE: If assessments vary by the size or type of ownership interest, the assessment applicable to this unit may be found on the Variable Assessment Report (provided by an association representative.)

- (3) Based upon 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  If the Special Assessment in Note (2) is collected 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 that have not yet been approved by the board or the members?

Approximate date assessment will be due:	Amount per ownership interest per month or year:
	Total: \$

- (5) All major components are included in the reserve study and are included in its calculations.

- (6) Based on the method of calculation in paragraph (4) or subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$895,423**, based in whole or in part on the the last reserve study or update, prepared by John D. Beatty & Company. The projected reserve fund cash balance at the end of the current fiscal year is **\$552,203**, resulting in reserves being **62%** funded at this date (and an average per-unit deficit of **\$915** .) If an alternate, but generally accepted, method of calculation is also used, the required reserve amount is **\$552,203** (which is based on the projected ending balance figure(s) provided by the association representative. See "Methodology" on Page 1.)

- (7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is **(listed in the table below)**, and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is **(listed in the table below)**, leaving the reserve at **(listed in the table below)** percent funding. If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be **(listed in the table below)**, leaving the reserves at **(listed in the table below)** percent funded.

## Assessment and Reserve Funding Disclosure Summary For Fiscal Year January 1, 2024 - December 31, 2024

Year	Estimated amount required in the reserve fund	Projected reserve fund cash balance	Percent Funded
2	\$ 951,922	\$ 612,575	64%
3	\$ 517,870	\$ 182,309	35%
4	\$ 638,257	\$ 306,432	48%
5	\$ 589,475	\$ 261,529	44%
6	\$ 676,016	\$ 352,080	52%

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs per year are shown on the Funding Plan.

This Summary was authorized by the Association based on the information available in the Association's most recent reserve study or annual update dated as of **October 9, 2023**. This summary supercedes all earlier issued versions.

NOTE: The remainder of Civil Code Section 5570 is not part of the required Assessment and Reserve Funding Disclosure Summary Form, but is included here because the information is needed to properly complete the form.



\_\_\_\_\_  
John D. Beatty  
President

For the purposes of preparing a summary pursuant to this section:

- (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.
- (2) "Major component" has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.
- (3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.
- (4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the board to fund reserves in accordance with this calculation.





**Northridge @ Danville OA**  
**INSURANCE SUMMARY DISCLOSURE**

Pursuant to Section 5300 (b)(9) of the California Civil Code, the Association is providing you with the following information regarding its insurance policies. Pursuant to Civil Code Section 5300 (a), this summary is being distributed not less than 30 days nor more than 90 days preceding the beginning of the Association's fiscal year.

- I. GENERAL LIABILITY INSURANCE**
  - A. Name of Insurer: Lio Insurance
  - B. Policy Limits: \$1,000,000 per occurrence; \$3,000,000 aggregate
  - C. Amount of Deductible (if any): \$0
  - D. Umbrella coverage, if applicable: \$5,000,000
  - E. Umbrella carrier: Federal Insurance
  - F. Policy dates: 10/12/2023 - 10/12/2024
  
- II. PROPERTY INSURANCE**
  - A. Name of Insurer: Lio Insurance
  - B. Policy Limits: \$818,000
  - C. Amount of Deductible: \$1,000
  - D. Policy dates: 10/12/2023 - 10/12/2024
  
- II. EARTHQUAKE INSURANCE**
  - A. Name of Insurer: None
  - B. Policy Limits:
  - C. Amount of Deductible:
  - D. Policy dates:
  
- III. FLOOD INSURANCE**
  - A. Name of Insurer: None
  - B. Policy Limits:
  - C. Amount of Deductible:
  - D. Policy dates:
  
- IV. FIDELITY BOND INSURANCE**
  - A. Name of Insurer: Lio Insurance
  - B. Policy Limits: \$425,000
  - C. Amount of Deductible: \$1,000
  - D. Policy dates: 10/12/2023 - 10/12/2024

**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.**

Pursuant to Section 5810 of the California Civil Code, if the association receives any notice of nonrenewal of a policy described in the annual budget report, the association shall immediately notify its members if replacement coverage will not be in effect by the date the existing coverage will lapse.



## **FHA Certification Disclosure**

California law (Civil Code Section 5300(b)) requires the following statement describing the status of the common interest development as a Federal Housing Administration (FHA)-approved condominium project pursuant to FHA guidelines, including whether the common interest development is an FHA-approved condominium project. The statement shall be in at least 10-point font on a separate piece of paper and in the following form:

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 not a condominium project. The association of this common interest development is not certified by the Federal Housing Administration.

For current information on whether or not a common interest development is certified by the Federal Housing Administration, please visit the following website:

<https://entp.hud.gov/idapp/html/condlook.cfm>

## VA Certification Disclosure

California law (Civil Code Section 5300(6)) requires the following statement describing the status of the common interest development as a federal Department of Veterans Affairs (VA)-approved condominium project pursuant to VA guidelines, including whether the common interest development is a VA-approved condominium project. The statement shall be in at least 10-point font on a separate piece of paper and in the following form:

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 not a condominium project. The association of this common interest development is not certified by the federal Department of Veterans Affairs.

For current information on whether or not a common interest development is certified by the federal Department of Veterans Affairs, please visit the following website:

<https://vip.vba.va.goviportal/VBAH/Home>

# Required Notice Regarding Assessments And Foreclosure

\*Civil Code §5730 - Effective January 1, 2006

## 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 - 5740) 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 5740 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 Civil Code Sections 5650 - 5740 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)

## Required Notice Regarding Assessments And Foreclosure

\*Civil Code §5730 - Effective January 1, 2006

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 Civil Code Section 5900 - 5965. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth Civil Code Sections 5935 - 5965, 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)

(b) An association distributing the notice required by this section to an owner of an interest that is described in Section 11212 of the Business and Professions Code that is not otherwise exempt from this section pursuant to subdivision (a) of Section 11211.7 of the Business and Professions Code may delete from the notice described in subdivision (a) the portion regarding meetings and payment plans.



Northridge at  
Danville Owners  
Association

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**ASSESSMENT COLLECTION POLICY**

**Notice to Members:**

This document sets forth the Association's policy regarding the collection of assessments pursuant to the Association's Governing Documents and California Civil Code Sections 5600 - 5740.

**1.0 Assessments in General.**

The Association has a duty to levy regular and special assessments sufficient to perform its obligations under the governing documents and California law. Regular assessments are determined at least once annually and are payable during the year in Monthly installments or at such other intervals as the Board of Directors shall designate. The Association shall distribute the written notice described in Civil Code Section 5730 to each member of the Association during the 60-day period immediately preceding the beginning of the Association's fiscal year.

**2.0 Obligation to Pay Assessments.**

A regular or special assessment and any late charges, reasonable fees and costs of collection, reasonable attorney's fees, if any, and interest, if any, as determined in accordance with Civil Code Section 5650, shall be a debt of the owner of the separate interest at the time the assessment or other sums are levied. Each assessment or charge is also a lien on the owner's property from and after the time the Association causes a Notice of Delinquent Assessment (Lien) to be recorded with the County Recorder's Office of the County in which the property is located.

**3.0 Monetary Charge for Reimbursement to Association for Damage to Common Areas and Facilities.**

A monetary charge imposed by the Association as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to common areas and facilities for which the member or the member's guests or tenants were responsible may become a lien against the member's separate interest enforceable by the sale of the interest under Sections 2924, 2924b, and 2924c, provided the authority to impose a lien is set forth in the governing documents.

**4.0 Monetary Penalty Imposed by the Association as a Disciplinary Measure.**

A monetary penalty imposed by the Association as a disciplinary measure for failure of a member to comply with the governing instruments, except for the late payments, may not be characterized nor treated in the governing instruments as an assessment that may become a lien against the member's subdivision separate interest enforceable by the sale of the interest under Sections 2924, 2924b, and 2924c.

**5.0 Notice of Assessments.**

Not less than 30 days nor more than 60 days before any increase in the regular assessment or any special assessment becomes due, the Association will give the owners notice of the assessment. Notice will be sent by first-class mail to addresses on the membership register as of the date of notice. The Association can deliver notice of change of assessments via e-mail, if the owner has agreed in writing to accept Association documents via e-mail. The Board of Directors may elect from time to time to provide additional periodic statements of assessments and charges, but lack of such statements does not relieve the owners of the obligation to pay assessments.

**6.0 Designation of Agent.**

The Board of Directors may designate an agent or agents to collect assessment payments and administer this Assessment Collection Policy. Such designated agent may be an officer of the Association, manager, collection service, banking institution, law firm, attorney or other appropriate agent. United Trustee Services at 696 San Ramon Valley Blvd., Suite 353, Danville, CA 94526 (925) 855-8554 is one of the designated agents authorized to administer this policy.

**7.0 Association Cannot Voluntarily Assign or Pledge the Association's Right to Collect.**

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; however, the foregoing provision may 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. After the expiration of 30 days following the recording of a lien per the Covenants, Conditions and Restrictions (CC&R's), the lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the notice of delinquent assessment, or sale by a trustee substituted pursuant to Section 2934a. Any sale by the trustee shall be conducted in accordance with Sections 2924, 2924b, and 2924c applicable to the exercise of powers of sale in mortgages and deeds of trusts. The fees of a trustee may not exceed the amounts prescribed in Sections 2924c and 2924d.

**8.0 Due Date/ Delinquency Date of Assessments.**

Unless otherwise specified by the Board or the governing documents, an assessment is due on the first of each month. An assessment, or any portion thereof, is delinquent if it has not been received as directed by the Board or its designated agent 15 days after it is due.

#### **9.0 Late Charges and Interest on Delinquent Amounts.**

Delinquent accounts become subject to the following additional charges as contained in Civil Code section 5650 and the governing documents: costs of collection including reasonable attorney's fees; a late charge of \$10 or 10% of the delinquent assessment, whichever is greater and interest on all sums (including the delinquent assessment, collection fees and costs, and reasonable attorney's fees) at an annual interest rate not to exceed 12.00% commencing 30 days after the assessment becomes due; whether or not charged prior to collection. If it is determined the assessment was paid on time to the association the owner will not be liable to pay the charges, interest, and costs of collection.

#### **10.0 Collection Charges.**

Any costs and fees incurred in setting up, processing and collecting delinquent amounts, including, without limitation, late charges, statement charges, monthly administrative charges, charges for preparation of delinquency notices or forward to collection charges, or request for a payment plan as well as the recordation of a lien or initiation of foreclosure proceedings, postage, copies, envelopes, labels, filing and recordation charges, delivery charges, and attorney's fees and costs, title searches, bankruptcy searches, pulling copies of grant deeds or property ownership history, address and or phone number verification searches, in addition to any other charges necessary to collect a delinquent assessment shall become an additional charge against the owner and the owner's property and shall be subject to collection action pursuant to this Policy.

#### **11.0 Application of Payments.**

Neither the Association nor its designated agent has any obligation to accept partial payments on an assessment account. Unless stated otherwise in writing, partial payments accepted will be applied first to the oldest assessments owed, and, only after the assessments owed are paid in full will the payments be applied to the fees and costs of collection, attorney's fees, late charges, or interest. Owners may request a receipt and the association shall provide it. The receipt shall indicate the date of payment and the person who received it. Payments may be required to be made in certified funds, e.g. cashier's check or money order.

#### **12.0 Initial Delinquency Notice.**

Once an assessment, or any portion thereof, has become delinquent, the owner may receive an initial delinquency notice stating all amounts past due and any known collection charges imposed as of the date of the notice, which may be in the form of a letter, monthly statement, past due notice, or any other form of writing or notice from the Association or its designated agent.

#### **13.0 Notice of Intent to Record a Lien.**

If an assessment account remains unpaid for 45 days after it is due, the Association or its designated agent shall, at least 30 days prior to recording a lien upon the separate interest of the owner of record, notify the owner in writing by certified mail all of the notice requirements pursuant to Civil Code Section 5660. Prior to recording a lien for delinquent assessments, the owner has the right to request to participate in dispute resolution pursuant to the Association's "Meet and Confer" program required in Civil Code Sections 5900 - 5920. A copy of the "Meet and Confer" Offer and Procedure is attached to this collection policy as an ADDENDUM titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

#### **14.0 Recording of Lien.**

At the expiration of 30 days following the Notice of Intent to Record a Lien, the Association or its designated agent will without further notice to the owner, record a lien against the owner's property. The notice of delinquent assessment shall be mailed in the manner set forth in Section 2924b, to all record owners of the owner's interest in the common interest development no later than 10 calendar days after recordation.

#### **15.0 Association Lien Subordination.**

A lien created pursuant to 14.0 Recording of Lien shall be prior to all other liens recorded subsequent to the notice of assessment, except that the declaration may provide for the subordination thereof to any other liens and encumbrances.

#### **16.0 Recording of Release of Lien.**

A release of lien will not be recorded until the entire balance of the owner's account is paid in full. All charges incurred in recording a Release of Lien, including reasonable attorney or agent fees and costs, will be charged to the account. Within 21 days of payment in full the Association shall record or cause to be recorded in the office of the county recorder a release of lien or notice of rescission and provide the owner of the separate interest a copy of the recorded release of lien.

#### **17.0 Lien Recorded In Error.**

If it is determined that a lien previously recorded against a separate interest was recorded in error, the party who recorded the lien shall, within 21 calendar days, record or cause to be recorded in the office of the county recorder, a release of lien or notice of rescission and provide the owner of the separate interest a copy of the recorded document with a declaration stating that the recording was in error.



### **18.0 Foreclosure.**

Judicial or Non Judicial foreclosure proceedings may not begin until the amount of the delinquent assessments secured by the lien, exclusive of any accelerated assessments, late charges, fees and costs of collection, attorney's fees, or interest, equals or exceeds one thousand eight hundred dollars (\$1,800) or the assessments are more than 12 months delinquent. Prior to initiating a foreclosure for delinquent assessments, the association will offer the owner and, if so requested by the owner, shall participate in dispute resolution pursuant to the association's "Meet and Confer" program required in Civil Code Sections 5900 - 5920 or alternative dispute resolution with a neutral third party pursuant to Civil Code Sections 5925 - 5965. The decision to pursue dispute resolution or a particular type of alternative dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure. A copy of the "Meet and Confer" Offer and Procedure is attached to this collection policy as an ADDENDUM titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### **19.0 Deed in Lieu of Foreclosure.**

Nothing in this section or in subdivision (a) of Section 726 of the Code of Civil Procedure prohibits actions against the owner of a separate interest to recover sums for which a lien is created or prohibits an association from taking a deed in lieu of foreclosure.

### **20.0 Payment Plan Agreement.**

An owner of a separate interest may submit a written request to meet with the Board of Directors, in executive session, to discuss a payment plan agreement to allow the owner to make periodic partial payments on the entire balance of the assessment account in addition to assessments that will accrue during the payment plan period. The Association has no obligation to enter into such a payment agreement. If the Association accepts an agreement with the owner it shall be reasonable, as determined by the Board in its sole discretion, and in accordance with the standards for payment plans, if any exist. The payment agreement shall be in writing and will include a provision that additional late fees shall not accrue during the payment plan period if the owner is in compliance with the terms of the payment plan. Interest and administrative charges will accrue until the account is paid in full. The agreement will also include a provision that in the event of a default on the payment plan, the Association may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan. A lien will be recorded against the property to secure debt for the Association. The owner will be charged for the additional collection fees and costs to administer the payment plan. Payment plan requests outside of the Association's payment plan standards require Board approval. The board may designate a committee of one or more members to meet with an owner .

### **21.0 Validation of Debt.**

Unless an owner disputes the validity of the debt, or any portion thereof, within thirty (30) days after receipt of the notice pursuant to 13.0 Notice of Intent to Record a Lien, the debt will be assumed to be valid. Validation of the debt will be provided in writing, at no additional cost to the owner and will include 1) an itemized statement of the charges owed by the owner, including items on the statement which indicate the amount of any delinquent assessments, the fees and reasonable costs of collection, reasonable attorney's fees, any late charges, and interest, if any 2) the Association's name and 3) the Association's mailing address.

### **22.0 Disputes,**

Federal law states that initial dispute can be either oral or in writing. State law requires disputes to be in writing. It is therefore recommended that all disputes be put in writing to avoid misunderstanding.

### **23.0 Internal Dispute Resolution (IDR) Procedure, Meet And Confer.**

An owner has the right to dispute the assessment debt by submitting a written request for dispute resolution to the Association pursuant to the Association's "Meet and Confer" program required in Civil Code Sections 5900 - 5920. A copy of the "Meet and Confer" Offer and Procedure is attached to this collection policy and serves as an official offer to the owner. See attached ADDENDUM titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### **24.0 ADR - Alternative Dispute Resolution.**

An owner has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Sections 5925 - 5965 before the Association may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Association intends to initiate judicial foreclosure. A summary of the ADR - Alternative Dispute Resolution Civil Code 5965 is attached as an ADDENDUM to this policy titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR."

### **25.0 Owner has Right to Request Meeting with Board.**

An owner has the right to request a meeting with the board. The board shall meet with the owner 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 13.0 Notice of Intent to Record a Lien, 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.



#### **26.0 Owner has Right to Review Association Records.**

Owner has the right to review the Association records, pursuant to Civil Code Section 5205. Owner should contact the Association's managing agent for the policies and procedures set forth to inspect the records.

#### **27.0 Dispute Resolution, Meet And Confer Procedure Civil Code Section§ 5920. See attached Addendum titled "ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, ANDADR."**

#### **28.0 Other Remedies.**

The Association reserves the right to avail itself of any other remedy permitted by law and the Association's governing documents to collect assessments and related costs and charges, including but not limited to bringing an action in Small Claims or Superior Court. Such remedies may be taken in addition to, or in lieu of, any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy.

#### **29.0 Address of the Association and the Board of Directors.**

For the purpose of OVERNIGHT PAYMENTS owners are directed to use the same mailing address that is used for mailing routine assessment payments, unless otherwise directed by the designated agent. For the purpose of CORRESPONDENCE owners are directed to use the mailing addresses of the designated agent, unless otherwise directed. These addresses are subject to change after the distribution of this policy. Notification of a change will be in writing to the membership through normal day-to-day correspondence from the association or its designated managing agent. It is the owners' responsibility to note any changes for their records.

#### **30.0 Returned Payments.**

Payments returned for insufficient funds, closed account, stop payment or for any other reason will be charged back to the owners account in addition to any administrative fee, bank fee or collection fees and costs incurred to handle the returned payment. Personal checks will not be accepted if two payments are "Returned" by the bank for any reason.

#### **31.0 Sufficiency of Notice.**

Except for notice that under California law must be sent by certified mail, notice is sufficient if either hand delivered or mailed first class, postage prepaid, to the owner at the address on the membership register at the time of notice. Notice is presumed received (3) three days after notice was mailed.

#### **32.0 Owner's Change of Address.**

Owner is required to notify the Association of any change in the owner's name or mailing address. Upon receipt of a written request by an owner identifying a SECONDARY ADDRESS for purposes of collection notices, the Association shall send additional copies of any notices required by this section to the secondary address provided. The owner's request shall be in writing and shall be mailed to the Association in a manner that shall indicate the Association has received it. The owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

#### **33.0 Void Provisions,**

If any provision of this Policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.

**ADDENDUM TO ASSESSMENT COLLECTION POLICY: OFFER FOR  
INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR**

**DISPUTE RESOLUTION , MEET AND CONFER PROCEDURE CC § 5920**

**WHO MAY START:** This procedure may be invoked by the Association or an Owner. Either party may make a written request to meet and confer to resolve a dispute. The Board shall designate a member of the Board to meet and confer.

**WHO PARTICIPATES:** When a written request for Dispute Resolution is received from an owner, the Association shall participate. If the Association makes a written request for an owner to participate, the owner may elect not to participate.

**NON-PARTICIPATION BY THE OWNER:** If the owner declines to participate, the Association may begin Alternative Dispute Resolution, pursuant to Civil Code § 5930.

**IF THE OWNER PARTICIPATES, THEN THE MEET AND CONFER TAKES PLACE:**

**A.** Both parties shall meet and confer to resolve the dispute within forty-five (45) days of receipt of the written request by the other party.

**B.** The meeting shall take place promptly at a mutually convenient time and place. Each party shall explain their position and shall confer in good faith to resolve the dispute.

**C.** An agreement resolving the dispute by the parties shall be made in writing and dated and signed by the parties, including the Board designee on behalf of the Association.

**D.** A written decision shall be made by the designated Board Member and delivered or received by the owner within ten (10) days after the meet and confer.

**E.** If the owner participates, but the dispute is resolved other than by agreement of the owner, the owner shall have the right to appeal to the Association's Board of Directors.

**APPEAL:**

**A.** If the owner disputes the resolution, an appeal must be taken to the Board of Directors within thirty (30) days of the date of the decision by the designated Board member.

**B.** If there is an appeal, the Board must hear the Appeal at its next regularly scheduled meeting in executive session, then issue a written decision within ten (10) days.

**NO CONFLICT:**

**A.** The resolution must not be in conflict with the law or the governing documents.

**B.** The agreement must be consistent with the authority granted to the Board of Directors or the Board must ratify the agreement.

**C.** The written agreement, which is dated and signed by the parties, will bind both parties and be judicially enforceable.

**NO FEE:** No fee will be charged to the owner during this process.

**EXCEPTIONS:** Reasonable exceptions may be made to the time deadlines, in the discretion of the Board. Any exceptions will be made on a case-by-case basis.

**TIME:** The maximum time to act on a request by the owner is forty-five (45) days. Initiation to termination of the dispute will take no more than one hundred eighty (180) days.

**ADR · ALTERNATIVE DISPUTE RESOLUTION CC § 5925 -5965 [SUMMARY] As of January 1, 2006**

1. If an association, owner or member of an association seeks either:

A. Declaratory or injunctive relief; or

B. Declaratory or injunctive relief and a claim for monetary damages not in excess of the jurisdictional limits of small claims court (as of January 1, 2012: \$10,000 for individuals or \$5,000 for homeowner association), other than for association assessments, concerning the enforcement of the governing documents; the parties shall submit their dispute to Alternative Dispute Resolution (ADR), such as mediation or arbitration. A Request for Resolution ("Request") begins the process and it shall include:

1) A description of the dispute;

2) A request for ADR

3) Notice that the party receiving the Request is required to respond within thirty (30) days or the Request will be deemed rejected.

C. This does not apply to small claims action.

D. Except as required by law, this does not apply to an assessment dispute.

2. A party on whom a Request for Resolution is served has 30 days following service to accept or reject the request. If a party does not accept the request within that period, the request is deemed rejected by the party.

3. If the Request is accepted, ADR shall be completed within ninety (90) days from the date of acceptance, or it can be extended by a written stipulation signed by both parties.

"FAILURE OF A MEMBER OF THE ASSOCIATION TO COMPLY WITH THE ALTERNATIVE DISPUTE RESOLUTION REQUIREMENTS OF SECTION 5930 OF THE CIVIL CODE MAY RESULT IN THE LOSS OF YOUR RIGHT TO SUE THE ASSOCIATION OR ANOTHER MEMBER OF THE ASSOCIATION REGARDING ENFORCEMENT OF THE GOVERNING DOCUMENTS OR THE APPLICABLE LAW."

4. Unless otherwise stated by the Association, this document serves as the Association's OFFER FOR INTERNAL DISPUTE RESOLUTION (IDR), MEET AND CONFER, AND ADR and it serves as its procedure for the same.



# NORTHRIDGE AT DANVILLE OWNERS ASSOCIATION

## FINE POLICY

*Effective January 22, 2014 the Board of Directors formally adopts the following fine policy within said development.*

When people stray from the reasonable requirements of the documents that regulate our Association, it often creates problems, polarizes neighbors, and disappoints expectations on the part of residents that the Association will enforce the CC&Rs and Rules and Regulations. Our Bylaws and/or CC&Rs authorize fining for violations of the governing documents and California law requires distribution of a policy in the event the Association might consider the use of fines. The Association also may consider Reimbursement Assessments to recover costs incurred because of a failure of owner to fulfill a responsibility or due to a violation.

The Board considers fining and penalties only as an alternative to be exercised after reasonable efforts to work with homeowners to encourage them to voluntarily cure violations have failed.

### DISTRIBUTION OF THIS POLICY

The Board of Directors will be distributing this policy at a minimum on a one-time basis. It will then remain into effect until modified by the Board of Directors. At any time in the future when the policy is modified, it will be redistributed to the owners and residents. It will also be provided to new residents and buyers to the extent they can be identified by the Association.

### NOTICE AND HEARINGS

The member or resident shall be given at least 10 days prior notice of the meeting at which discipline will be considered and the nature and extent of any violation believed to be occurring. The notice may be given by first-class or registered mail, or personal delivery. At the time stated, the member or resident may appear orally or in writing and shall be entitled to present witnesses and evidence on his or her behalf. The Board shall provide the Owner with written notice of any disciplinary action discussed and approved within 15 days of the date the decision is reached.

### FINE OR PENALTY

If the decision of the Board is that a violation has in fact occurred (and/or is continuing to occur), the Board decision might include the levying of a fine not to exceed \$50.00 for each offense, occurrence, or a continuing offense. Fines may be imposed on a per day, per week, per month, per quarter or annual basis for continuing violations. Fines may be imposed concurrently with other action by the Board to address a violation if it is necessary.

### REIMBURSEMENT ASSESSMENT

The Board may also consider imposing a Reimbursement Assessment pursuant to Section 6.4 of the Association's CC&Rs to recover any costs incurred by the association relating to noncompliance of the owner or failure to fulfill obligations under the governing documents.



5. If the Board votes to foreclose, the Board shall provide notice of its decision by personal service to an owner who occupies the separate interest or to the owner's legal representative. If the owner does not occupy the separate interest, said notice will be sent by first-class mail, postage prepaid, to the owner at the most current address shown on the books of the Association. In the absence of written notification by the owner to the association of an address off-site, the address of the owner's separate interest may be treated as the owner's mailing address. In addition, statutory procedures including recorded notices regarding foreclosure and sale will be accomplished.

6. If any owner's property is sold at a non-judicial foreclosure sale by the association for failure to pay assessments and related costs, an owner has a right to redeem the property up to 90 days after the sale (essentially meaning the Owner can buy it back by paying the amount of the delinquency, costs of sale, etc.).

7. All charges assessed to the assessment account must be paid in full as a condition to curing and releasing a recorded Lien and other documents of foreclosure. The Association is not required to accept any partial or installment payments, except with execution of a mutually agreeable payment plan.

8. When a payment is made, the owner may request a receipt and the association will provide it. On the receipt, the association shall indicate the date of payment and person who received it. Each payment from an owner shall be applied first to the principal sum owed, then, in descending order, to interest, late fees and collection expenses. An owner may request that the Board consider a payment plan to satisfy a delinquent assessment. The Board will inform owners of the standards for payment plans, to the extent standards have been adopted by the Board. Certain timelines apply as follows: The Board will meet with the owner in executive session within 45 days of the postmark of an owner's request if the request is mailed within 15 days of the date of the postmark of the notice of delinquency (lien), unless there is no regularly scheduled BOD meeting during that period. In that case, the BOD may designate Directors to meet with the owner. Payment plans may incorporate any assessments that accrue during the payment plan period. Payment plans shall not impede an association's ability to record a lien to secure payment of delinquent assessments. Additional late fees shall not accrue during the payment plan period if the owner is in compliance with the terms of the payment plan. In the event of a default on any payment plan, the association may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan.

9. Any check returned by the bank for insufficient funds, stop payment or any other reasons is subject to a charge back to the unit of the amount of the check, an administrative fee, and any bank fees charged to the Association. If the account has been turned over to the Association's agent for collection and a check is returned, the account will be assessed whatever administrative fees the Agent charges.

10. The mailing address for overnight payment of assessments is the same as that for routine assessment payments unless otherwise noted.

An owner of a separate interest has the right to inspect the association's financial books and records to verify the delinquency, per laws related to inspection of HOA records.

At any time the Board may seek legal advice related to enforcement of assessment collections, and is entitled to follow the advice of legal counsel, even if it deviates from the above processes (and so long as it is not in derogation of the statutes relating to assessment collection in HOAs).

THE ABOVE POLICIES ARE CONSISTENT WITH THE ASSOCIATION CC&RS AND CIVIL CODE SECTIONS IN THE DAVIS STIRLING ACT WHICH ARE LISTED BELOW:

CIVIL CODE NUMBER -SUBJECT
5600(a) Levy Of Assessment
5600(b) Imposition Of Assessments Or Fees; Limit On Amounts
5605(a) Assessment Approval Requirements
5605(b) Limits On Regular And Special Assessments
5605(c) Quorum For Voting On Assessments; Approval Requirements
5610 Emergency Exception To Assessment Approval Requirements
5615 Notice Of Assessment Increase

5620 Exemption From Execution By Creditors
5600(b) Limit To Purpose - Re Assessments
5625 Property Tax Value As Basis For Assessments
5650(a) Assessment Debt And Delinquency
5650(b) Delinquent Assessments
5650(c) Exemption From Interest Rate Limitation
4210 Record Notice Of Agent To Receive Payments
5655 Payments – Order Of Application
5658 Payment Under Protest, Small Claims
5660 Pre-Lien Notice Requirements
5665 Payment Plan
5670 Pre-Lien Dispute Resolution
5705(b) Dispute Resolution Offer Required Prior To Foreclosure
5673 Decision To Record Lien
5675 Notice Of Delinquent Assessment
5685(a) LIEN RELEASE
5725(a) Limitations On Authority To Foreclose Liens For Monetary Penalties And Damage To Common Area
5725(b) Monetary Penalty May Not Subject To Nonjudicial Foreclosure
5680 Lien Priority
5735 Assignment Or Pledge
5700(a) Collection Generally
5710(a) Assignment Of Right To Collect Assessments; Enforcement Of Lien; Trustee Sale
5710(c) (1) – (2) Assignment Of Right To Collect Assessments; Enforcement Of Lien; Trustee Sale
5700(b) Provisions Not Limited By Other Statue
5685(b) Lien Release When Lien Recorded In Error
5710(b) Notice Of Default
5690 Procedural Noncompliance
5740 Date Of Application Of Laws
5705(a) Applicability To Debts That Arise On Or After 1/1/06, Procedures
5715(a) Applicability To Debts That Arise On Or After 1/1/06
5720(a) Limitation On Foreclosure
5720(b) Collection On Amounts Less Than \$1800
5705 Decision To Foreclose
5705(c) Decision To Foreclosure Must Be Made By The Board
5705(D) Foreclosure Requirements; Right Of Redemption
5715(b) Right Of Redemption
5715 Right Of Redemption After Trustee Sale
5720(c) (2) – (3) Exceptions To Limitation On Amounts That May Be Foreclosed Upon
5685(c) Reversal Of Late Charges, Fees, Interest, Attorney’s Fees, Cost Of Collections, Costs Imposed For Notice, And Costs For Recordation And Release Of Lien; Dispute Resolution Or Alternative Dispute Resolution
5658 Small Claims Court For Assessments
5730 Statement Of Collection Procedure – Notice To Members
5900 Application Of Article- –IDR/Meet And Confer
5905 Fair, Reasonable, And Expeditious Dispute Resolution Procedure Required
5910 Minimum Requirements Of Association Procedure
5915 Default Meet And Confer Procedure
5930 ADR Prerequisite To Enforcement Action



## How Do I Pay My Assessment?

### Mailing a Check

Mail Regular Payments To:  
Your Association's Name  
C/O Property Management  
& Accounting, Inc.  
P.O. Box 55606  
Hayward, CA 94546-0606

Your check must be made payable to the name of your Association. Include your owner account number which is listed on your statement. Payments are due on the 1<sup>st</sup> of the month. They must be received, processed, and posted by Fremont Bank by the 23<sup>rd</sup> of the month to avoid late fees. Please do not remit payments to our Livermore office, as this will cause further delays in processing.

### Your Personal Online Banking or Bill Pay System

If you use your own bank's Online Bill Pay System to pay assessments, make sure that the payee/biller name, address, and account number are accurate. The payee/biller name must be the name of your Association. You must also include your owner account number. Your owner account number can be found on your statement or payment coupon. Your online banking payment may not happen as an immediate electronic transfer of funds. Please allow 7-14 business days for mailing.

**Mail payments to:**  
Your Association's Name  
C/O Property Management  
& Accounting, Inc.  
P.O. Box 55606  
Hayward, CA 94546-0606



## **NORTHRIDGE AT DANVILLE OWNER'S ASSOCIATION DELINQUENT ASSESSMENT COLLECTION POLICY**

The Board is charged with the responsibility to collect assessments to pay for the maintenance and replacement of common area property and other association expenses. The Association is entitled to recover assessments, reasonable collection costs, reasonable attorney's fees, late fees and interest when assessments are not paid on time. There are a number of ways to do this, including court action and foreclosure processes.

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

Thus, it is important to pay your assessments on time.

The Board will not use non-judicial foreclosure to collect fines or penalties but be advised that other remedies are available to collect these as well as any sums not suitable for collection by non-judicial foreclosure. The association intends to comply with requirements of 1367 or 1367.1 of the Civil Code when collecting delinquent assessments. Note additionally:

1. Assessments are due on the 1<sup>st</sup> day of the first month of each quarter and are considered delinquent at 5:00 p.m. on the 23<sup>rd</sup> day of the first month of each quarter, at which time a late charge of \$10.00 or 10% of the assessment (or special assessment), whichever is greater, will be charged.
2. On or about the 181<sup>st</sup> day after an assessment payment is due, a 30-day Pre-Lien Notice may be sent by certified mail, to the delinquent record owner(s) at the owners' last mailing address provided to the Association. If the owner(s) have provided a written notice to the Association noting a secondary address, all notices shall be sent to that address also. The notice to owner will include an itemized statement of the total amounts delinquent, including assessments, late charges, interest and costs of collection and all other items specified in Civil Code Section 5675. Owner will also be notified that he or she is entitled to ask to meet with the Board or Board representative(s) pursuant to the Association's internal dispute resolution "meet and confer" program.
3. On or after the 30th day after the Pre-Lien Notice is sent, the Association may record a lien on the property to secure the debt; however, there are limitations affecting commencement of foreclosure at this time (see paragraph 4). On or after any assessment or other amount due becomes delinquent, the Board also has the right to file an action in small claims court to collect the sums due. All discussions related to the owner's situation shall be held in executive session. The decision to file an action in court and/or record a lien shall be made by the Board of Directors in an open meeting, by majority approval. The action shall be recorded in the minutes of the meeting referring to the property by parcel number, not name of owner.
4. If all sums secured by the lien are not paid in full within thirty (30) days after recordation of the lien, and at the point the amount of delinquent regular or special assessments reaches \$1,800.00, not including any accelerated assessments, late charges, fees and costs of collection, attorney's fees, or interest, or has been delinquent more than 12 months, the Board may vote on the decision to foreclose the lien (which involves recording a Notice of Default and following statutory procedures to foreclose). Again, the decision shall be noted in the minutes of an open meeting (although the discussion on the action, which is disciplinary in nature, may be held in executive session to protect the owner's privacy). A Board vote to approve foreclosure of a lien may not take place less than 30 days prior to any public sale. (Note that the estimated time for foreclosure process from Notice of Default to date of sale is approximately 3-4 months and additional costs continue to accrue as the statutory procedures are followed). All resulting collection fees and costs will be added to the total delinquent amount. Prior to initiating a foreclosure, the Board shall offer the owner and, if so requested by the owner, shall participate, in dispute resolution pursuant to the association's "meet and confer" program or alternative dispute resolution with a neutral third party. The decision to pursue dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

**REQUEST FOR ANNUAL NOTICE OF ADDRESS,  
REPRESENTATIVE AND RENTAL STATUS**

Please complete this form and return it to the Association as noted below within 30 days:

1. Association Name:

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2. The full name(s) of the property owner(s):

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3. The property address within the Association:

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4. The requested primary mailing address:

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5. Optional: An alternate or secondary mailing address: \_\_\_\_\_,

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6. Optional: The name and address of your legal representative, power of attorney, or other person (if any) who can be contacted in the event of your extended absence:

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7. Is the property that you own (check one):

- |   |                                   |
|---|-----------------------------------|
| <input type="radio"/> Owner-occupied        | <input type="radio"/> Rented out  |
| <input type="radio"/> Developed, but vacant | <input type="radio"/> Undeveloped |

**NOTE: If an owner fails to provide the notices set forth above, the property address of the Owner's Separate Interest within the development shall be deemed to be the address to which notices are to be delivered.**

*The above information is requested pursuant to Civil Code §4041.*

**PLEASE RETURN THIS INFORMATION TO THE ASSOCIATION AT THE FOLLOWING ADDRESS:**

Property Management & Accounting, Inc.  
563 Leisure Street  
Livermore, CA 94551

**CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525\***

The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller. **A seller may request to purchase some or all of these documents but shall not be required to purchase ALL of the documents listed on this form.**

Provider of the **Section 4525** Items:

Property Management & Accounting, Inc.

Document	Civil Code Section Included	Fee for Document	Not Available (N/ A) or Not Applicable (N/App)
Articles of Incorporation (or statement that not incorporated)	Section <b>4525(a)(1)</b>		
CC&Rs	Section <b>4525(a)(1)</b>	60.00	
Bylaws	Section <b>4525(a)(1)</b>		
Operating Rules	Section <b>4525(a)(1)</b>	\$0.00	
Age Restrictions, if any	Section <b>4525(a)(2)</b>		Refer to the Demand
Rental Restrictions, if any	Section <b>4525(a)(9)</b>	\$0.00	Refer to the Demand
Annual Budget Report (or summary, including Reserve Study)	Sections <b>5300 and 4525 (a)(3)</b>	\$0.00	
Assessment and Reserve Funding Disclosure Summary	Sections <b>5300 and 4525 (a)(4)</b>		Included in Annual Budget Package
Annual Financial Statement Review or Audit	Sections <b>5305 and 4525(a)(3)</b>	\$0.00	See Comments
Assessment Enforcement Policy	Sections <b>5310 and 4525(a)(4)</b>		Included in Annual Budget Package
Insurance Summary	Sections <b>5300 and 4525 (a)(3)</b>	\$0.00	
Regular Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand
Special Assessment	Section <b>4525(a)(4)</b>	\$0.00	Refer to the Demand
Emergency Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand



Other Unpaid Obligations of Seller	Sections 5675 and 4525(a)(4)		Refer to the Demand
Approved Changes to Assessments	Sections 5300 and 4525(a)(4), (8)		Included in Annual Budget Package
Settlement Notice Regarding Common Area Defects	Sections 4525(a)(6), (7) and 6100		Refer to the Demand
Preliminary List of Defects	Sections 4525(a)(6), 6000 and 6100		Refer to the Demand
Notice(s) of Violations	Sections 5855 and 4525(a)(5)		Refer to the Demand
Required Statement of Fees (Escrow Demand)	Section 4525	\$175.00	
Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested)	Section 4525(a)(10)	\$45.00	
<b>Total fees for these documents:</b>		\$280.00	

\*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.

This is the minimum document offering required to meet CA Statute 4525. You may opt to acquire additional documents including, but not limited to, Meeting Minutes, Reserve Studies, Insurance Declaration Pages, and/or property inspections not mandated by law but helpful to the prospective buyer(s) and/or their agent to make a more informed decision regarding the subject property

Please note: Other fees including, but not limited to, Transfer Fees, Capital Contributions, Collection fees, etc. may be assessed to each property and will be disclosed on the Statement of Fees (Demand) and are not included within estimated charges outlined within this form.

Financial Statement Review aka Audited Annual Financial

The buyer and seller may negotiate who pays document and disclosure fees.

## ELECTION RULES NORTHRIDGE AT DANVILLE OWNERS ASSOCIATION

These Election Rules for Northridge at Danville Owners Association ("Association") are adopted per Civil Code § 5105 of the Davis-Stirling Common Interest Development Act ("Act") and the Association's authority under its Bylaws and CC&Rs. Unless otherwise indicated, all capitalized terms are as defined in the CC&Rs or Act. The Election Rules supersede and replace all prior versions. These Election Rules shall apply to any vote regarding assessments legally requiring a vote, election and removal of directors, amendments to the governing documents, or the grant of exclusive use of common area pursuant to Civil Code Section 4600.

### ARTICLE 1: DIRECTORS AND ELECTIONS

1.1 Director Nominee Disqualification. A nominee will be disqualified where:

- a. *Membership.* The person is not a member at the time of their nomination.
- b. *Co-Owners Eligible for Only One Position.* The person, if elected, would be serving on the Board with their co-owner of a Lot.
- c. *Current on Assessments.* The person is delinquent in the payment of any Regular or Special Assessment, except where the person has paid the Assessment under protest, or where the person has entered into a payment plan and the person has been offered an opportunity to engage in internal dispute resolution to address their delinquency.
- d. *No Convictions Impacting Fidelity Bond.* The person has been convicted of a crime that would, if elected, either prevent the Association from purchasing fidelity bond coverage or would cause the termination of the Association's existing fidelity bond coverage.
- e. *Member for at Least One Year.* The person has not been a member for at least one year at the time of nomination.

*Civ. Code §§ 5105(b)-(e), 5658, 5665, and 5806.*

1.2 Director Qualifications. Directors must meet the qualifications set forth in the Bylaws and must not be delinquent in the payment of any Assessment, except where the person has paid the Assessment under protest, or where the person has entered into a payment plan. Note that the term "Assessment" does not include fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party. *Civ. Code §§5105(c), 5665, 5658.*

1.3 Designee of Impersonal Member. In the event a corporation or other impersonal entity is a member of the Association or holds title to a Lot, it may designate one person to stand for election to the Board on its behalf. *Civ. Code §5105(b)(2).*

1.4 The Association shall conduct an election for the board of directors at the end of each director's expiring term and at minimum every four years. *Civ. Code §5100(a)(2)*.

## ARTICLE 2: INSPECTORS OF ELECTION

### 2.1 Selection.

- a. *Process.* Prior to the date ballots are first sent out and at an open meeting of the Board, the Board shall select either one (1) or three (3) persons as Inspectors of Election.
- b. *Eligible Inspectors.* The Inspector(s) of Election may include any of the following, unless under contract with the Association to provide services for compensation other than serving as an inspector of election:
  - i. Poll Worker. A volunteer poll worker with the County Registrar of Voters;
  - ii. Accountant. A licensee of the California Board of Accountancy;
  - iii. Recording Secretary. A notary public;
  - iv. Association Members. Members of the Association, but not: (i) members of the Board, (ii) candidates for the Board, (iii) persons related to a member of the Board, or (iv) persons related to a candidate for the Board;
  - v. Third-Party Independent Inspector of Elections: An independent third-party person, business entity or subdivision of a business entity who is not under contract to the Association for any compensable service other than as an election inspector. *Civ. Code § 5110(b)*.

### 2.2 Duties. Duties of Inspectors of Election shall include the following:

- a. *Deliver Ballots and Rules.* Deliver, or cause to be delivered, at least thirty (30) days before an election, to each member: (i) the ballot(s) either by prepaid first class mail or personal delivery; and (ii) a copy of these Election Rules by either prepaid first class mail, personal delivery or by posting them to an internet website and including the internet website address on the ballot together with "The rules governing this election may be found here:" in at least 12-point font.
- b. *Membership.* Determine the number of memberships entitled to vote and the voting power of each.
- c. *Voter and Candidate Registration Lists.* Make changes requested by the Association or members to the voter and candidate registration lists within two days of the request. Maintain the final Candidate Registration List until after the tabulation of the vote, and for one year from the date of the election, at which time custody shall be transferred to the Association.



- d. *Validity.* Determine the authenticity, validity and effect of proxies, if any.
- e. *Closing and Reopening of Polls.* Determine when the polls shall close and determine whether to reopen the polls to allow members to cast a ballot after the polls have been closed.
- f. *Receive Ballots.* Receive all ballots. Once received by an Inspector of Elections, ballots are irrevocable.
- g. *Custody.* Maintain custody of the sealed ballots, signed voter envelopes, voter list, proxies, and candidate registration list at all times. The sealed ballots, signed voter envelopes, voter list, proxies, and candidate registration list, shall be in the custody of the Inspector or Inspectors of election or at a location designated by the Inspector or Inspectors until after the tabulation of the vote and until the time allowed by Civil Code § 5145 for challenging the election has expired, at which time custody shall be transferred to the Association. No person, including a member of the Association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. The Inspector of Elections or his or her designee may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.
- h. *Challenges.* Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote. If there is a recount or other challenge to the election process, the Inspector(s) shall make the ballots available for inspection and review upon written request. A member may authorize a representative to review the ballots on his or her behalf. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.
- i. *Count Ballots.* Count and tabulate all votes. All votes shall be counted and tabulated by an Inspector of Elections or his or her designee at a properly noticed open meeting of the Board or members. Candidates and members may witness, but not interfere with the counting and tabulation of the votes from at least five (5) feet away from the Inspector and his/her assistants.
- J. *Appoint Assistants.* Appoint and oversee additional independent third parties to verify signatures, and to count and tabulate votes as the Inspectors of Election deem appropriate provided that such persons are independent third parties.
- k. *Results.* Determine the tabulated results of the election.
- I. *Impartiality.* Perform their duties impartially, in good faith, to the best of their ability, and as expeditiously as is practical in a manner that protects the interest of all members of the Association. Any report made by the Inspectors of Election is prima facie evidence of the facts stated in the report.

- m. *Miscellaneous.* Perform any acts as may be proper to conduct the election with fairness to all members in accordance with the Civil Code, the Corporations Code, the Governing Documents, and all applicable rules of the Association regarding the conduct of the election that are not in conflict with the Civil Code. If there are three inspectors, a majority will decide any issues not agreed upon by all. Any inspector report is prima facie evidence of the facts stated therein. *Civ. Code* §§ 5105(9)(4); 5110(c) and (d), 5120, and 5125.

2.3 Removal. The Board has the power to remove Inspectors who cease to meet the required qualifications, are unable or unwilling to perform their duties, or for other good reason, and to appoint new Inspectors in their place.

### ARTICLE 3: NOMINATIONS

3.1 Nominations. As authorized by the bylaws, the Association may utilize any permissible means to obtain nominations for directors, including a nominating committee and sending out request for candidates.

3.2 Self-Nomination. Any member meeting the qualifications set forth in these Rules may nominate himself or herself by completing any document utilized by the Board for application purposes (Board Application), which will be included with the request for nominations. All persons so nominated who meet the qualifications set forth in these Rules, and who return their Board Application on or before the deadline stated in the request for nominations, shall be included on the ballot for election of Directors. *Civ. Code* § 5105(b).

3.3 Write-Ins/Floor Nominations. The Ballot form may also provide a space where a member can designate a vote for another (i.e., write-in) candidate. In the absence of such a space in the ballot form, write-in candidates/floor nominations are not allowed.

3.4 Notice of Procedures and Deadlines.

- a. *Content and Timing of Notice:* At least thirty (30) days before the deadline set for submitting nominations, the Association shall provide notice to the members of the procedures and deadlines for submitting nominations.
- b. *Delivery.* Notice of nomination procedures and deadlines must be given as follows:
  - i. *For Members Who Have Not Requested Personal, Email, or Mail Notice:*
    - a) *Method of Delivery.* Either personally, by electronic transmission (when consented to by the member), by first-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier, inclusion in a billing statement, newsletter, or other document that is delivered by one of the methods provided in this section.



ii. *For Members Who Have Requested Personal) Email) or Mail Notice:*

a) *Method of Delivery.* Either personally, by electronic transmission (when consented to by the member), or by first-class mail, registered or certified, charges prepaid.

b) *Location of Delivery.* To the member: (a) at a primary or secondary address as provided by the member (a); or (b) if the member fails to provide such notice, the last address provided in writing by the member; or (c) if none of the above, the address of the member's separate interest. *Civ. Code §§ 4040 and 4041*

c) *Notice Deemed Given.* Notice of nomination procedures and deadlines is deemed given when delivered personally, deposited in the mail, or upon completion of electronic transmission to those members who have consented to same. *Civ. Code § 4050*

*Civ. Code §§ 5105(b); 5115(a).*

3.5 Candidate Registration List. The Association shall, or cause the Inspector(s) to, compile a list of duly nominated candidates and permit members to verify the accuracy of their individual information on the list at least thirty (30) days before ballots are distributed. The Association shall report any requested changes to the Inspector(s). The list, once returned by the Inspector(s), shall be maintained by the Association for one (1) year from the date of the election.

#### **ARTICLE 4: BALLOTS AND PROXIES**

4.1 Notice. At least thirty (30) days before ballots are distributed, the Association shall provide, or cause to be provided by the Inspector(s), notice to the members as follows:

a. *Notice Contents.* (i) The date and time by which, and the physical address where, ballots are to be returned by mail or handed to the Inspector(s); (ii) The date, time, and location of the meeting at which ballots will be counted; and (iii) The names of all candidates that will appear on the ballot.

b. *Delivery.* The notice provided by this section must be given as follows:

i. *Method of Delivery.*

a) *For Members Who Have Not Requested Mail) Personal or Email Notice:* Either by electronic transmission (when consented to by the member), by prepaid first-class mail, posting in a prominent location accessible to all members that has been designated for the posting of general notices in the Association's annual policy statement, inclusion in a billing statement, newsletter, or other document that is delivered



by one of the methods in this paragraph. *Civ. Code §4045.*

b) *For Members Who Have Requested Mail, Personal or Email Notice:* Either personally, by electronic transmission (when consented to by the member), or by first-class mail, registered or certified, charges prepaid. *Civ. Code § 4040*

- ii. *Location of Delivery by Mail.* To the member: (a) at a primary or secondary address as provided by the member: or (b) if the member fails to provide such notice, the last address provided in writing by the member; or (c) if none of the above, the address of the member's separate address interest. *Civ. Code §§ 4040 and 4041*
- iii. *Notice Deemed Given.* Notice of a membership meeting is deemed given when Delivered personally, deposited in the mail, or upon completion of electronic Transmission to those members who have consented to same. *Civ. Code § 4050*

#### 4.2 Voting Rights.

- a. *Number of Votes.* Each member shall be entitled to one (1) vote per Lot owned on all matters presented for a membership vote.
- b. *Denial of Ballot.* No member shall be denied a ballot for any reason other than not being a member at the time when ballots are distributed.
- c. *Voter List.* The Association will permit members to verify the accuracy of their individual information on the voter list at least 30 days before the ballots are distributed. Included on the list are name, voting power, and the physical address of the voter's Lot, and mailing address if different from physical address. The Association will advise the Inspector(s) of any requested changes and maintain the voter list, after return by the inspector, for three years from the election.
- d. *Record Date.* The Board may fix a record date no more than 60 days prior to a meeting for those members entitled to notice and vote. If the Board does not set a record date, the record date for notice of meetings will be the date before notices are mailed to the members of a meeting or for voting, the day written ballots are sent. *Corp. Code § 7611.*
- e. *Proof of Membership.* Except as provided in subdivision (f) of this section, no person or entity may exercise the rights of membership without an ownership interest in a Lot. Proof of membership will be a recorded deed or, if the property was transferred within the past thirty (30) days and a copy of the newly recorded deed is unavailable, a completed escrow closing statement.
- f. *General Power of Attorney.* The holder of a general power of attorney for a member shall not be denied a ballot and may exercise that member's right to vote consistent with the terms of these rules.

- g. *Cumulative Voting.* Cumulative voting is permitted. At each election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the CC&Rs and the Bylaws. The persons receiving the largest number of votes for the vacant position sought shall be elected. Cumulative voting shall be utilized during all elections in which more than two (2) positions of the Board are to be filled. *Bylaws, Article 5, Section 5.2.*
- h. *Co-Owners.* Where there is more than one (1) Owner of a Lot ("Co-Owner") all such co-owners are members and may attend any meeting of the Association, but only one co-owner shall be entitled to exercise the vote of the Lot.
- i. *Presumption of Consent.* Unless the Inspector of Elections receives a written objection prior to the close of balloting from a co-owner, it will be presumed that the voting owner is acting with the consent of his or her Co-Owner(s) when a ballot is submitted.
- J. *Voting for Properly Nominated Candidates.* Members must vote only for those candidate(s) who have been properly nominated prior to the close of nominations.

#### 4.3 Proxy Rules

- a. *Generally.* A proxy is a written authorization signed by a member or the authorized representative of the member that gives another member or members the power to vote on behalf of that member. "Signed" means the placing of the member's name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or authorized representative of the member. *Civil Code* § 5130; *Corp. Code* § 7613.
- b. Proxies for elections conducted under these Rules will not be distributed by the Association and may not be used in place of ballots. A member wishing to authorize another individual to vote in their place should complete the outer envelope accompanying the ballot with all the required information, then provide the designated individual the ballot for their voting. The designated individual must ensure that the ballot is completed and returned to the Inspector of Elections in the manner set forth in these Rules for the ballot to be considered valid.
- c. *Permitted with Restrictions.* Proxies are permitted provided they are in accordance with Governing Documents, applicable laws, and these guidelines:
  - iv. A proxy provider must be a member or the member's representative and the proxy holder must be a member.
    - ii. Proxies distributed by the Association or any member must (a) state the matter(s) to be voted on and provide an opportunity for the proxy provider to approve or disapprove the matter(s); (b) state that the vote(s) of the proxy holder will vote on according to the choice(s) specified; (c) include



the name of the person to whom the proxy is to be given for the purpose of casting the vote to reflect the proxy provider's vote(s) as specified on the form of proxy; and (d) if in the case of an election of directors, the proxy must list the name of all candidates that appear on the ballot.

- m. Any instruction given in a proxy must be on a separate page of the proxy that can be detached and given to the proxy holder to retain.
- lv. Proxies are not used in lieu of a ballot.
- v. The proxy holder will cast the member's vote by secret ballot unless the proxy is revoked by the member prior to the receipt of the ballot by an Inspector of Elections.
- vi. The Association is not required to prepare or distribute proxies.
- vii. The Inspector(s) may invalidate any proxy that does not meet the above requirements.

*Civil Code §§ 5105(a)(4) and 5130 and; Corp. Code § 7613.*

4-4 Secret Ballots. All secret ballots mailed or otherwise delivered to the membership will include a double-envelope system and voting instructions for returning the ballots and be delivered to every member entitled to vote at least thirty (30) day before the initial voting deadline for those elections that require such voting methods. Ballots seeking approval to amend or restate governing documents must be delivered to the members with the text of the proposed amendment. *Civ. Code §§ 5100 and 5115.*

- a. *Signature.* Ballots do not require a signature; however, ballots signed by members remain valid.
- b. *Inner Envelope.* The Association will provide two envelopes. To preserve secrecy, the ballot is to be placed within an inner envelope with no identifying information. However, information written on the inner envelope by a member will not invalidate the ballot. The inner envelope containing the ballot is to be placed into a second outer envelope containing identifying information.
- c. *Outer Envelope.* In the upper left-hand corner of the outer envelope, the voting member must sign his/her name and indicate (print, type, etc.) his/her name and the address entitling the voter to vote. The outer envelope must be addressed to the Inspector of Elections.
- d. *Delivery.* The outer envelope may be mailed to the address on the envelope or delivered to a location specified by the Inspectors of Election. The member may request a receipt for delivery.



4.5 Quorum by Ballot. Each ballot received within a properly completed outer envelope from a member whose voting rights have not been suspended is deemed as a member present at a meeting for purposes of establishing a quorum. This applies even if the ballot has no markings on it.

## ARTICLE 5: CAMPAIGNING

### 5.1 Access to Media.

#### a. *Use of Association Resources.*

1. *Common Area Bulletin Boards/kiosks.* Subject to availability and authorization by the Board each candidate, member, or resident, may post information about the election in a reasonable size and quantity on a common area bulletin board or kiosk, for a reasonable period of time, at no cost to the candidate, member, or resident.
  
11. *Association Media.* If any candidate or member is provided access to Association newsletters, website, or other Association media, if any, during an election, or given permission to post campaign material in the common area for purposes that are reasonably related to that election, then equal access shall be provided to all candidates and members. The access shall be limited to information relating to that election and shall include those candidates and members advocating a point of view, including those not endorsed by the Board. The Association shall not edit or redact any content from these communications but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content. The Association and its directors, officers, and agents shall be immune from liability for the content of those communications to the fullest extent provided by law.
  
111. *Membership List.* Candidates and members have the right to request the Association's membership list for the purposes of distributing, at their own expense, materials which advocate a point of view reasonably related to the election. Candidates and members also have the right to contact members who have opted out of the membership list through the alternate means of communication permitted under Cal. Civ. Code §5220 for the purposes of distributing, at their own expense, materials which advocate a point of view reasonably related to the election.

### 5.2 Use of Common Area During Election Campaign.

- a. *Purpose.* Regarding any Association election, each candidate, member, or resident shall be allowed to use, if available, the Association's common area meeting space at no cost for a purpose relating to Association elections (*Civil Code* § 5105(a)(2)), or other peaceful assemblies or meetings (*Civil Code* § 4515), including to advocate a point of view reasonably related to the election.

- b. *Reservation.* Each candidate, member, or resident, who wants to use the common area for the above purposes must make a reservation in advance of the date and time requested. Such requests will be granted on a first-come, first-served basis, provided that the area is not already reserved. To assure fairness, each candidate may not reserve or use the common area for more than two (2) hours on any particular date. In addition, each candidate and each member shall only be allowed to make one (1) reservation per day to use the common area.

5.3 No Use of Association Funds for Campaign Purposes. Association funds may not be used for campaign purposes in connection with any election except to the extent necessary to comply with duties of the Association imposed by law. The Association shall not include the photograph or prominently feature the name of any candidate on a communication from the Association or its Board, excepting the ballot, ballot materials, or communication that is legally required, within thirty (30) days of an election. This restriction does not preclude directors from advocating the election or defeat of any issue or candidate on the ballot. However, they may not use Association funds to do so. *Civ. Code* § 5135.

5-4 Improper Electioneering.

- a. *Prohibited Activities.* In addition to any of the prohibitions in these rules, candidates, members, and residents, including their tenants, families, employees, agents, visitors, licensees, or servants are prohibited from engaging in any of the following activities:
  - 1. Causing any printed campaign or other election related materials to be placed upon or affixed to any portion of the common area without prior written authorization from the Board or management;
  - ii. Attempting to solicit either a vote or proxy from another member through deceit, harassment, intimidation, improper influence, undue coercion, or force;
  - 111. Attempting to prevent a member from casting a vote or delegating their right to vote via proxy through deceit, harassment, intimidation, improper influence, undue coercion, or force;
  - 1v. Interfering with the counting or tallying of votes;
  - v. Inducing other members to divert ballots away from the Inspector(s) of Election; or
  - vi. Interfering with any candidate's ability to distribute authorized campaign materials.
- b. *Report Violations.* Members are encouraged to report any electioneering violations they witness to the Board or management.



- c. *Fines.* The Board may levy a fine of \$100 for each violation of this section after proper notice and hearing.

## ARTICLE 6: CANVASSING AND PETITIONING

6.1 Generally. Canvassing and petitioning the members, the Board, and residents for purposes permitted in Civil Code § 4515 (i.e., peaceful assembly to discuss social, political, or educational matters related to the community or matters of public interest) or any election, by telephone and/or personal visits to private residences in the development, is limited to the hours of 9:00 a.m. until 6:00 p.m. However, any member or resident who declines to be contacted, must not be contacted by telephone or personal visits thereafter.

6.2 Impermissible Conduct. Nothing in this Section shall be deemed to permit a member or resident to contact another member or resident in a manner that constitutes a breach of the member's or resident's quiet enjoyment, or a nuisance.

## ARTICLE 7: POST-ELECTION RESULTS

7.1 Breaking a Tie. In the event of a tie leaving the outcome of the election unresolved, the following will apply:

- a. If requested by any member or candidate, the Inspector of Elections, and any designees, will conduct a recount of the ballots. If there is a charge, the Association will bear the expense. Members may observe the recount under the same conditions as the original ballot counting.
- b. Following the recount, if the tie remains, all other newly elected directors will begin serving their terms. An incumbent director whose seat was tied shall continue in office until a runoff election determines the winner for his/her seat. Only those candidates who tied for the seat shall be in the runoff.
- c. In lieu of a runoff and if the tied candidates agree, the winner may be decided by a coin toss or the drawing of names by the Inspector of Elections.

7.2 Results of an Election. The tabulated results of the election will be announced immediately after all the ballots have been counted and reported to the Board and recorded in the minutes of the next Board meeting. Within fifteen (15) days of the election, the Board will publicize the tabulated results of the election in a communication to all members.

7.3 Status of the Ballots after Election. The sealed ballots will be in the custody of the Inspectors of Election or at a location designated by the Inspector(s) until after the tabulation of the vote and until one year for challenging the election has expired, at which time custody will be transferred to the Association.

7.4 Election Recount. In the event of a recount or other challenge to the election process, the Association shall, upon written request, make the ballots available for inspection and review by



members or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

**NORTHRIDGE AT DANVILLE OWNERS ASSOCIATION  
POOL RULES**

**DATES & HOURS**

Pool Hours                    5:00 a.m. to 10:00 p.m.  
Pool Heated                    May 1 – October 15 (weather permitting)

Signs are posted which state, “*PRIVATE PROPERTY – NO TRESPASSING, NO LOITERING – BETWEEN THE HOURS OF 10:00 P.M. AND 5:00 A.M.*” Anyone who violates the rules will be cited by the Town of Danville Police Department.

**CHILDREN**

Children under the age of 16 must have adult supervision at all times.

**GUESTS**

Only homeowners and a maximum of 4 guests per household, escorted by homeowners, are allowed in the pool area.

**FOOD**

Food is allowed in the pool area. No food is to be eaten while in the pool. *All trash must be placed in trash receptacles.* **Absolutely no glass!**

**BEVERAGES**

Unbreakable containers only. **Absolutely no glass!**

**PROPER SWIMMING ATTIRE**

Swimming suits must be worn, not cutoffs allowed. Babies in diapers must wear plastic pants, in addition to the diaper and/or swimming suit, while in the pool.

**HORSE PLAY**

Horse play is not allowed. This includes rough, boisterous play; running; yelling and/or screaming. NO skateboards, rollerblades, scooters and bicycles are allowed in the pool area.

**PETS**

Pets are NOT ALLOWED in the pool area.

**LOTIONS**

Suntan and sunscreen lotion only; please, no baby oil. Shower before entering the pool.

**TOYS & FLOATS**

No inflatable toys or mattresses are allowed in the pool, with the exception of infant safety floatation devices.

**RADIOS**

No radios or cassettes allowed, except with headsets.

## GENERAL

1. This is a private pool. Members and guests are to swim at their own risk.
2. The gates must be locked at all times.
3. The Association assumes no liability for any personal injury, loss of property or damage to property.
4. Please keep the pool area tidy so that everyone may enjoy it.
5. If you are aware of any problems, please speak up. This is your pool as well.
6. \*\*Pool temperature will be set at 82° from June 15-September 15 (heaviest use months); pool opening and closing temperature will be set at 79°.\*\*

## UNINVITED GUESTS

Uninvited guests should be told to leave by any and all residents present. Remember, this is your property. If they do not leave, each of you is encouraged to treat them as trespassers and call the police.

## BARBECUE & PICNIC AREA

Please clean up the area after each use and use the waste containers provided. Do not put lighted materials in waste containers. Ashes should be cleaned out of the barbecue after each use otherwise the wind blows the ashes around the recreation area.

## TENNIS COURT

Tennis shoes or rubber-soled shoes must be worn at all times on the court. No black-soled shoes allowed, as well as no street shoes or golf shoes. No glass is allowed on the courts. No skateboards, roller blades, bicycles, scooters or other such apparatus are allowed on the courts. No children under the age of 16 are permitted on the courts unless accompanied by an adult. A maximum of 2 sets are to be played when others are waiting.

## CLUBHOUSE

A \$55.00 nonrefundable rental fee, along with a \$500.00 deposit, is required at the time you place your reservation. The full deposit will be returned provided the clubhouse is left without refuse, and there is no damage. Any repairs deemed necessary will be deducted from the deposit. The hours you may rent the clubhouse are daily until 10:00 p.m., Monday through Sunday. Large parties may be subject to approval by the Board of Directors. Rental of the clubhouse does NOT include use of the pool or pool deck. If you need to make reservations, please call Northridge Clubhouse Monitor, Alison Osborn at 925-200-9760 or email: [alilosborn@yahoo.com](mailto:alilosborn@yahoo.com).\*\*\*

\*Clubhouse Use by Non-Profit Organizations: Following is the process for rental of the clubhouse at no charge to non-profit organizations:

- A maximum of three organizations a year
- One meeting per month, per organization, Monday-Thursday
- A signed contract by responsible party and deposit is required and will be held until the end of the contract period
- 20% of the organizations' members must be Northridge homeowners
- Agreement is for one year and does not automatically roll over to following year



- Requests will come through management and be reviewed annually. If interested, contact Property Management & Accounting, Inc., 563 Leisure Street, Livermore, CA 94551; 925-454-1987 or email: [hoamgmt@pmahoa.com](mailto:hoamgmt@pmahoa.com)

Please read all the rules carefully, and review them with the members of your household. It is the responsibility of each homeowner to ensure the safety of the recreation facility.

THE BOARD OF DIRECTORS RESERVES THE RIGHT TO AMEND THE ABOVE RULES AS DEEMED NECESSARY FOR THE HEALTH AND SAFETY OF ALL HOMEOWNERS.



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Property Management & Accounting, Inc.  
563 Leisure Street  
Livermore, CA 94551  
(925) 454-1987 (925) 454-2702 FAX  
email: [hoamgmt@pmahoa.com](mailto:hoamgmt@pmahoa.com)

## Northridge at Danville Owners Association

December 29, 2015

RE: Draft Front Yard Artificial Turf Guidelines

Dear Homeowners:

Assembly Bill 349, which was signed by the Governor, precludes homeowner associations from prohibiting artificial turf. However, homeowner associations may establish standards and guidelines for artificial turf.

At its meeting on December 17, 2015, the Board of Directors approved the enclosed Draft Front Yard Artificial Turf Guidelines for distribution to homeowners for a 30-day review and comment period. Please submit your comments in writing via US mail or by email to [mark@pmahoa.com](mailto:mark@pmahoa.com) no later than noon on January 28, 2016.

The Board of Directors will review and consider written comments received prior to the adoption of the final Guidelines at its meeting on Tuesday, February 2, 2016, 7:00 PM at the Northridge Clubhouse. Owners may also provide comments verbally at the February Board meeting.

If you have any questions, please feel free to contact our office in writing.

Regards,

**Board of Directors**  
**Northridge at Danville Owners Association**

Enclosure: Draft Front Yard Artificial Turf Guidelines



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FENCE MAINTENANCE

RE: Private (homeowner) fences. The policy of the association is that Owners are responsible for the repair and/or replacement of fences that serve to enclose the rear and/or side yard of all of the private Lots owned by a homeowner, even the fence that separates the Lot from common area open space. This policy is consistent with the governing documents which state that party (shared) fences are the responsibility of the lot owners.

DEDICATED OPEN SPACE

The Association has a duty to maintain all the open space that was deeded to the association by the developer. The open space was approved by the Town of Danville predevelopment as dedicated open space. *This land use designation cannot change.* Please be advised that replacement of fences must be on existing property lines and NO fence can encroach onto common area property owned by the association. Any other improvements or private property on Common Area Open Space will be removed by the association contractors.

APPROVED ROOFING MATERIAL PALETTE

Addition of composition shake to approved roofing material palette of the Association. The accepted product specs for composition shake are as follows:

- 450+ lbs per roofing square
- In color hues comparable to:
- Grand Canyon in Black Oak, Sedona Sunset, Stone Wood and Storm Cloud Gray by GAF and
- Presidential TL Shake in Autumn Blend, Charcoal Black, Shadow Gray and Country Gray\* by CertainTeed.
- *ALL roofing changes* are subject to approval by the Architectural Committee by submitting an Architectural Application which must include a sample of the tile and color to be used.

THE BOARD OF DIRECTORS RESERVES THE RIGHT TO AMEND THE ABOVE RULES AS DEEMED NECESSARY FOR THE HEALTH AND SAFETY OF ALL HOMEOWNERS.

**ARCHITECTURAL & LANDSCAPING APPLICATION**  
NORTHRIDGE OWNERS ASSOCIATION  
563 LEISURE STREET  
LIVERMORE, CA 94551  
(925) 454-1987  
HOAMGMT@PMAHOA.COM

If you're planning any architectural modifications you are required by the **Covenants, Conditions and Restrictions** to submit the proposed work for review and approval. Please use this form and mail it to the address shown.

**APPLICATION FOR ARCHITECTURAL REVIEW AND APPROVAL**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Day Time Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Description of work: Include description, type of materials, colors (including color swatches), and attach a plan if applicable.

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Applicant's Signature: \_\_\_\_\_

**Affected Neighbor(s) acknowledgment of Applicant's intent:**

Neighbor(s) Signature \_\_\_\_\_

Address \_\_\_\_\_

Neighbor(s) Signature \_\_\_\_\_

Address \_\_\_\_\_

APPROVED AS SUBMITTED: \_\_\_\_\_

ARCHITECTURAL COMMITTEE:

APPROVED AS NOTED BELOW: \_\_\_\_\_

BY: \_\_\_\_\_  
Date

DENIED AS SUBMITTED: \_\_\_\_\_

BY: \_\_\_\_\_  
Date

DENIED AS NOTED BELOW: \_\_\_\_\_

BY: \_\_\_\_\_  
Date

Approved work must be completed within twelve months of approval or resubmission for review and approval is required. All approvals are contingent upon homeowner acquiring all applicable permits required for the work.

NOTES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_