

The Bungalows Homeowners Association

Date: October 2023  
To: All Members of The Bungalows Homeowners Association  
From: The Board of Directors  
Re: Annual Budget Report, Annual Policy Statement and Disclosures

Pursuant to the Civil Code, the Association is providing you with the Annual Budget Report, Annual Policy Statement, and applicable disclosures. Each of the documents and disclosures is specifically identified below. In most cases, the complete document is enclosed. Alternatively, certain reports have been summarized for the benefit of the members. However, the full report is available to members and the Association will provide the full reports to any member upon written request. **Written requests for copies of the complete reports are to be mailed to The Bungalows Homeowners Association, P.O. Box 5022, Upland CA. 91785-5022.**

**Annual Budget Report**

**1. Pro forma operating budget for Fiscal Year 2024 Prepared on an Accrual Basis.**

In preparation for the new fiscal year, the Board of directors has reviewed the operating budget with the goal of providing efficient operations and funding adequate reserves to meet long-term requirements. Based on this review, the Board has determined that the monthly assessment will remain at **\$170.00 effective January 1, 2024.**

**2. Reserve Statement Summary Report**

**3. Summary of Board Adopted Reserve Funding Plan**

The Summary is based on the reserve study (or the most recent annual update). This information is based only on assets held in cash or cash equivalents. It includes: the current estimated replacement cost, estimated remaining life, and estimated useful life of each major component; the current estimate of the components; and the current amount of accumulated cash reserves set aside, as well as the current deficiency in reserve funding expressed on a per unit basis.

In conjunction with the budget review and in accordance with California Civil Code section 5550(a), the Board engages a professional reserve study analyst to prepare a reserve study at least once every three years, to review our funding program and to make recommendations for the future funding. The 3-year study involves a visual inspection of our development. The accompanying replacement funding program reflects assumptions about future events. The replacement funding program is based on factors such as manufacturers' specifications, information from contractors and subcontractors, construction pricing, scheduling manuals and the reserve study preparers experience. The analyst then uses this information to calculate and establish the reserve amounts needed to defray the future repairs, replacement, or additions to the components that the Association is obligated to maintain.

A copy of the full reserve study is available upon written request.

**4. Statement of items Deferred for Maintenance, Repair, or Replacement.**

Deferred maintenance is defined by any asset with a remaining life of zero.

The Board is **not** deferring the maintenance of its assets. All assets identified with a zero life will be addressed and proper action taken over the next year.

**5. Statement of Anticipated Special Assessments**

In accordance with Civil Code section 5300 (b)(5), and as of the date of this letter, the Board **does not** anticipate that a special assessment will be required to repair, replace, or restore any major components or to provide adequate reserves. The foregoing statement is based on the reserve funding plan adopted pursuant to Civil Code section 5560 and the knowledge and information the Board has at the present time. Thus, this statement is not a guarantee, and it is subject to change in the future.

**6. Statement of Mechanisms to Fund Reserves**

The board uses the Regular Monthly Assessments to fund reserves to repair or replace major components.

**7. Statement Addressing Procedures used to Calculate and Establish Reserves**

Reserves are calculated pursuant to Civil Code section 5550(a).

**8. Assessment and Reserve Funding Disclosure Summary Form**

**9. Statement addressing Association's Outstanding Loans**

The Association does not have any outstanding loans.

**10. Summary of Association's Insurance Policies**

**11. ACH**

Automated Clearing House (ACH) is an optional form of electronic payment available to interested homeowners. If you would like more information on how to sign up for this service, please contact our Accounting Department.

**12. Statement regarding FHA and VA approved status**

## Annual Policy Statement

### **1. Designated Agent for Receipt of Association Mail**

The name and address of the person designated to receive official communications on behalf of the Association is as follows:

Name: The Bungalows HOA  
Title: c/o Board President  
Company: Condominium Management Services  
Address: P.O. Box 5022, Upland, CA 91785-5022

### **2. Posting Location of General Notices**

The location designated for posting of a General Notice is the **bulletin board at the park.**

### **3. Individual Delivery Notice**

Documents designated by the Civil Code as requiring General Delivery or General Notice will be delivered using one of the following methods: any individual notice method; billing statement, newsletter, or other similar documents; (posting notice (Only if location designated in annual policy statement)); for the purpose of conveying information on association business to the members. If a member of the Association wishes to receive these General Notice documents by individual delivery, they must make a written request to the Association and the Association will comply with the request.

### **4. Availability of Minutes**

The minutes or a summary of minutes of a Board meeting, other than an executive session, are available to members within 30 days of the meeting. Minutes, proposed minutes, or summary of minutes will be distributed to any member upon request and upon reimbursement of the Association's costs for making that distribution. In order to make a request for a copy of minutes, members should contact Condominium Management Services in writing.

### **5. Statement of Associations policies for Collection of Delinquent Assessments under Civil Code Section 5730**

### **6. Mailing Address for Overnight Payment of Assessments**

### **7. Statement of Assessment Collection Policies under Civil Code Sections 5730 (Notice of Assessments and Foreclosures)**

### **8. Summary of Association's Dispute Resolution Procedures (IDR and ADR)**

### **9. Summary of Procedures for Architectural Review**

**10. Discipline Policy and Penalty Schedule**

**11. Preparation of Audit/Review**

As provided in Civil Code section 5305, if an association has assessment income of more than \$75,000, the association will have a review or audit of the financial statement of the association prepared by a certified public accountant after the close of the fiscal year. A copy of the review, audit, or internal financial statement (if less than \$75,000) will be distributed to the members within 120 days after the close of the fiscal year.

**12. Document Disclosure Summary Form as described under Civil Code 4528**

**13. Members right to Opt Out of Sharing Contact Information to other members.**

## Budget Summary Report The Bungalows HOA 2024 Approved Budget

	<u>2023 Budget</u>	<u>2024 Budget</u>	<u>2024 Monthly Budget</u>
<b>Income</b>			
4000 - Assessment Fee	110,160.00	110,160.00	9,180.00
4065 - Storage/Parking Rental	7,920.00	10,800.00	900.00
<b>Total Income</b>	<b>118,080.00</b>	<b>120,960.00</b>	<b>10,080.00</b>
<b>Total The Bungalows HOA Income</b>	<b>118,080.00</b>	<b>120,960.00</b>	<b>10,080.00</b>
<b>Landscape</b>			
5000 - Landscape Contract	23,640.00	19,800.00	1,650.00
5010 - Sprinkler/Valve Repairs	3,000.00	3,000.00	250.00
5014 - Backflow Testing	120.00	130.00	10.83
5020 - Landscape - Fertilizer	2,200.00	2,200.00	183.33
5021 - Landscape - Weed Control	250.00	250.00	20.83
5025 - Landscape - Planting	2,250.00	5,000.00	416.67
5040 - Landscape - Tree Trimming	300.00	1,000.00	83.33
5050 - Landscape - Other	1,000.00	1,000.00	83.33
<b>Total Landscape</b>	<b>32,760.00</b>	<b>32,380.00</b>	<b>2,698.32</b>
<b>Grounds</b>			
5188 - Mailbox Maintenance	300.00	300.00	25.00
5210 - Lighting Maintenance	500.00	500.00	41.67
5291 - Playground Maintenance	250.00	300.00	25.00
5311 - General Maintenance	500.00	422.20	35.18
5390 - Signs	120.00	120.00	10.00
5410 - Pest Control	1,308.00	2,760.00	230.00
5440 - Sweeping	600.00	600.00	50.00
5520 - Vandalism	150.00	150.00	12.50
5530 - Security Patrol	7,030.80	7,030.80	585.90
<b>Total Grounds</b>	<b>10,758.80</b>	<b>12,183.00</b>	<b>1,015.25</b>
<b>Utilities</b>			
6000 - Electricity	1,000.00	1,000.00	83.33
6030 - Water	21,540.52	22,000.00	1,833.33
<b>Total Utilities</b>	<b>22,540.52</b>	<b>23,000.00</b>	<b>1,916.66</b>
<b>Administrative</b>			
7000 - Office Supplies	250.00	250.00	20.83
7010 - Printing & Copying	200.00	275.00	22.92
7020 - Postage	550.00	550.00	45.83
7030 - Recording Secretary	210.00	0.00	0.00
7040 - Secretarial Mailers	450.00	450.00	37.50
7041 - Website Internet	420.00	420.00	35.00
7061 - Late Notices	0.00	150.00	12.50
7062 - Lien Fees	0.00	680.00	56.67
7063 - Intent Fees	0.00	280.00	23.33
7065 - Insurance - Workers Comp	1,028.00	0.00	0.00
7070 - Insurance	2,260.00	2,260.00	188.33
7080 - Taxes	80.00	80.00	6.67
7111 - Secretary of State Filing Fees	50.00	50.00	4.17
7120 - Professional Service	5,000.00	3,000.00	250.00

## Budget Summary Report The Bungalows HOA 2024 Approved Budget

	<b>2023 Budget</b>	<b>2024 Budget</b>	<b>2024 Monthly Budget</b>
<b>Administrative</b>			
7126 - Retainer Fees	0.00	1,000.00	83.33
7130 - Reserve Study	1,200.00	0.00	0.00
7140 - Audit & Tax Preparation	925.00	1,300.00	108.33
7141 - CPA Records Preparation	495.00	495.00	41.25
7147 - 1099's	150.00	150.00	12.50
7149 - EDD Forms 542	140.00	140.00	11.67
7150 - Management Fee	10,764.00	10,764.00	897.00
7154 - Records Storage Fee	180.00	180.00	15.00
7210 - Inspector of Elections	0.00	1,300.00	108.33
<b>Total Administrative</b>	<b>24,352.00</b>	<b>23,774.00</b>	<b>1,981.16</b>
<b>Reserve Contribution</b>			
9436 - Tot Lots Contribution	1,902.84	1,902.84	158.57
9459 - Furnishings Contribution	0.00	0.00	0.00
9470 - Painting Contribution	271.32	271.32	22.61
9479 - Landscape Replacement Contribution	4,200.00	4,200.00	350.00
9480 - Tree Trimming Contribution	7,117.08	7,117.08	593.09
9482 - Irrigation Contribution	1,178.40	1,178.40	98.20
9488 - Controllers/Timers Contribution	2,000.00	2,000.00	166.67
9495 - Block Wall Contribution	1,324.68	1,324.68	110.39
9518 - Mailbox Replacement Contribution	1,205.88	1,205.88	100.49
9519 - Streets/Drives Contribution	6,115.96	8,065.96	672.16
9529 - Contingency Contribution	0.00	404.32	33.69
9531 - Reserve-Interest Contribution	0.00	0.00	0.00
9534 - Monument Sign Contribution	1,056.00	1,056.00	88.00
9542 - Signs Contribution	896.52	896.52	74.71
<b>Total Reserve Contribution</b>	<b>27,268.68</b>	<b>29,623.00</b>	<b>2,468.58</b>
<b>Total The Bungalows HOA Expense</b>	<b>117,680.00</b>	<b>120,960.00</b>	<b>10,079.97</b>
<b>Total Association Net Income / (Loss)</b>	<b>400.00</b>	<b>(0.00)</b>	<b>0.03</b>

# Reserve Statement Report

## The Bungalows HOA

As of September 30, 2023

Account Description	Beginning Balance		Reallocation		Transfer		Expenditures		Ending Balance
	Current Month	YTD	Current Month	YTD	Current Month	YTD	Current Month	YTD	
<b>Reserve Balances</b>									
2436 - Reserves-Tot Lots	1,380.20	8,533.08	158.57	1,427.13	0.00	0.00	0.00	0.00	11,340.41
2459 - Reserves-Furnishings	12,943.33	(9,138.18)	0.00	0.00	0.00	0.00	0.00	0.00	3,805.15
2470 - Reserves-Painting	11,825.49	(10,783.52)	22.61	203.49	0.00	0.00	0.00	0.00	1,245.46
2479 - Reserves - Landscape Replacement	7,983.00	(8,683.00)	350.00	3,150.00	0.00	0.00	0.00	0.00	2,450.00
2480 - Reserves-Tree Trimming	11,933.98	(8,771.42)	593.09	5,337.81	0.00	(3,025.00)	0.00	0.00	5,475.37
2482 - Reserves-Irrigation	(1,190.46)	6,429.99	98.20	883.80	0.00	0.00	0.00	0.00	6,123.33
2488 - Reserves-Controllers/Timers	12,908.68	(8,795.43)	166.67	1,500.03	0.00	0.00	0.00	0.00	5,613.28
2491 - Reserves-Fence - Wood	(0.03)	2,174.40	0.00	0.00	0.00	0.00	0.00	0.00	2,174.37
2495 - Reserves-Block Wall	19,597.99	(12,208.47)	110.39	993.51	0.00	0.00	0.00	0.00	8,383.03
2518 - Reserves-Mailbox Replacement	13,667.89	(9,520.13)	100.49	904.41	0.00	0.00	0.00	0.00	5,052.17
2519 - Reserves-Streets/Drives	18,074.48	30,916.76	509.66	52,613.70	0.00	0.00	0.00	0.00	101,604.94
2529 - Reserves-Contingency	(20,832.26)	24,093.82	0.00	0.00	0.00	0.00	0.00	0.00	3,261.56
2530 - Reserves-Contingency/Interest	1,897.96	(1,897.96)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2531 - Reserve-Interest	801.17	(873.46)	0.00	593.25	0.00	0.00	0.00	0.00	520.96
2534 - Reserves-Monument Sign	12,908.35	(9,822.79)	88.00	792.00	0.00	0.00	0.00	0.00	3,877.56
2542 - Reserves-Signs	201.77	2,910.38	74.71	672.39	0.00	0.00	0.00	0.00	3,784.54
2702 - Reserves-Park Area	0.00	5,435.93	0.00	0.00	0.00	0.00	0.00	0.00	5,435.93
<b>Total Reserve Balances:</b>	<b>104,101.54</b>	<b>0.00</b>	<b>2,272.39</b>	<b>69,071.52</b>	<b>0.00</b>	<b>(3,025.00)</b>	<b>0.00</b>	<b>(3,025.00)</b>	<b>170,148.06</b>
<b>Total Reserves:</b>	<b>104,101.54</b>	<b>0.00</b>	<b>2,272.39</b>	<b>69,071.52</b>	<b>0.00</b>	<b>(3,025.00)</b>	<b>0.00</b>	<b>(3,025.00)</b>	<b>170,148.06</b>

The Bungalows Community Association  
 Claremont, California  
RDA Reserve Analysis Report Summary

Report Date	October 31, 2022	Parameters:	
Version	006	Inflation	3.00%
Account Number	13067	Annual Contribution Increase	3.00%
Budget Year Beginning	1/ 1/23	Investment Yield	1.00%
Ending	12/31/23	Taxes on Yield	30.00%
Total Units Included	54	Contingency	3.00%
Phase Development	1 of 1	Reserve Fund Balance as of	
		1/ 1/23:	\$104,032.00

Project Profile & Introduction

For budgeting purposes, unless otherwise indicated within this report, we have used February 1999 as the basis for aging all of the original components examined in this analysis.

RDA On-Site Inspection: October 28, 2022

RDA Summary of Calculations

Monthly Contribution to Reserves Required:	\$2,278.42
( \$42.19 per unit per month)	
Average Net Monthly Interest Contribution This Year:	55.14
Net Monthly Allocation to Reserves 1/ 1/23 to 12/31/23:	\$2,333.56
( \$43.21 per unit per month)	

RDA Reserve Management Software  
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**The Bungalows Community Association**  
**Funding Status Report**

REPORT DATE:           October 31, 2022  
VERSION:                 006  
ACCOUNT NUMBER:         13067

DESCRIPTION	USE +/- LIFE	REM LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
Streets - Asphalt Overlay	20 +12	8	93,513	70,135	30,339
Streets - Asphalt Repairs	4 0	1	4,072	3,054	3,054
Streets - Asphalt Slurry Sealing	4 0	1	6,843	5,132	5,132
Streets - Concrete, Repairs	25 +2	3	16,641	14,786	14,786
*** CATEGORY SUMMARY:			121,068	93,107	53,311
Paint - Woodwork, Gazebo	5 0	0	1,500	1,500	1,500
*** CATEGORY SUMMARY:			1,500	1,500	1,500
Fencing - Vinyl, Park Area	20 0	9	6,270	3,437	0
Walls - Block, Repairs	30 +3	9	16,107	11,703	0
*** CATEGORY SUMMARY:			22,377	15,140	0
Lighting - Street, Unfunded	99 0	75	0	0	0
*** CATEGORY SUMMARY:			0	0	0
Park Area - Furniture, Bench	18 0	0	1,378	1,378	1,378
Park Area - Furniture, Replace	18 +9	3	5,298	4,708	4,708
Park Area - Gazebo	20 0	14	17,206	5,111	0
Park Area - Lighting	18 0	6	2,284	1,519	1,519
Park Area - Play Platform	16 0	0	15,000	15,000	15,000
Park Area - Sand Replacement	5 0	0	1,000	1,000	1,000
*** CATEGORY SUMMARY:			42,166	28,716	23,605
Mailboxes - Pedestal Sets	18 0	5	9,032	6,511	6,511
Signs - Address	14 0	8	2,400	1,020	1,020
Signs - Monument	35 0	11	7,218	4,944	0
Signs - Traffic	20 +7	3	2,839	2,523	2,523
*** CATEGORY SUMMARY:			21,489	14,998	10,054
Irrigation - Backflow Devices	30 0	6	2,882	2,304	2,304
Irrigation - Controllers	15 +12	3	7,572	6,728	6,728
Irrigation - Enclosures	30 +6	12	6,090	4,055	0
*** CATEGORY SUMMARY:			16,544	13,087	9,032
Landscape - Tree Trim/Removal	1 0	0	3,500	3,500	3,500
*** CATEGORY SUMMARY:			3,500	3,500	3,500

The Bungalows Community Association  
Funding Status Report

DESCRIPTION	USE +/- REM LIFE LIFE	CURRENT COST	FULLY FUNDED RESERVES	ASSIGNED RESERVES
TOTAL ASSET SUMMARY:		228,644	170,048	101,002
CONTINGENCY @ 3.00%:			5,101	3,030
GRAND TOTAL:			175,150	104,032

Percent Fully Funded: 59%

**The Bungalows Community Association**  
RDA Standard Projections

REPORT DATE:           October 31, 2022  
 VERSION:               006  
 ACCOUNT NUMBER:       13067

Beginning Accumulated Reserves:       \$104,032

YEAR	CURRENT REPLACEMENT COST	ANNUAL CONTRBTN	ANNUAL INTEREST CONTRBTN	ANNUAL EXPENDTRS	PROJECTED ENDING RESERVES	FULLY FUNDED RESERVES	PERCENT FULLY FUNDED
'23	228,644	27,341	662	22,378	109,657	172,377	64%
'24	235,504	27,673	755	14,847	123,238	177,982	69%
'25	242,569	28,022	930	3,713	148,477	196,053	76%
'26	249,846	28,302	858	39,174	138,464	178,015	78%
'27	257,341	27,926	1,034	3,939	163,485	197,345	83%
'28	265,061	27,213	1,025	30,079	161,643	190,066	85%
'29	273,013	27,073	1,149	10,348	179,518	204,062	88%
'30	281,204	27,442	1,318	4,305	203,974	225,466	90%
'31	289,640	28,883	641	125,933	107,564	121,428	89%
'32	298,329	28,345	509	48,005	88,414	97,691	91%
'33	307,279	29,112	658	8,064	110,121	116,322	95%
'34	316,497	29,926	765	14,836	125,976	129,053	98%
'35	325,992	30,815	888	13,673	144,006	144,201	100%
'36	335,772	31,688	964	21,168	155,490	152,625	102%
'37	345,845	30,751	971	31,320	155,892	151,322	103%
'38	356,220	30,698	1,128	9,348	178,370	174,111	102%
'39	366,907	30,437	1,142	29,687	180,262	176,851	102%
'40	377,914	34,003	1,208	23,825	191,648	186,762	103%
'41	389,251	35,051	1,310	21,195	206,814	200,657	103%
'42	400,929	34,802	1,521	6,137	236,999	231,868	102%
'43	412,957	34,532	1,699	10,837	262,394	259,979	101%
'44	425,346	39,445	1,712	36,671	266,880	262,507	102%
'45	438,106	39,896	1,923	11,305	297,394	293,030	101%
'46	451,249	41,285	2,008	30,336	310,351	305,317	102%
'47	464,787	40,093	2,226	11,758	340,913	338,754	101%
'48	478,730	45,788	2,292	35,415	353,579	349,198	101%
'49	493,092	46,045	2,578	7,548	394,654	390,655	101%
'50	507,885	45,993	2,865	7,775	435,737	434,285	100%
'51	523,121	47,664	1,387	260,031	224,757	212,810	106%
'52	538,815	46,082	1,384	48,744	223,479	210,086	106%

NOTE: In some cases, the projected ending reserves may exceed the fully funded reserves during years following high expenditures. This is a result of the provision for a contingency in the report, which in the projections, is never expended. The contingency is continually adjusted according to present needs and any excess is redistributed among all assets considered.

**The Bungalows Community Association**  
**Assessment and Reserve Funding Disclosure Summary**  
**For the fiscal year ending December 31, 2023**  
 ("Disclosure Summary")

**The notes at the end of this Disclosure Summary should be read in conjunction with the information provided.**

(1) The regular assessment for the 2024 fiscal year per ownership interest is **\$170.00** per month.

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page \_\_\_\_ of the attached report.

(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 association's Board of Directors (the "Board") and/or members:

<b>Date assessment will be due:</b>	<b>Amount per ownership interest per month or year</b> (If assessments are variable, see note immediately below):	<b>Purpose of the assessment:</b>
N.A.		

**Total:** \_\_\_\_\_

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page \_\_\_\_ of the attached report.

(3) Based upon the most recent reserve analysis 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   X                        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 been approved by the Board or the members?

<b>Approximate date assessment will be due:</b>	<b>Amount per ownership interest per month or year:</b>
N.A.	

**Total:** \_\_\_\_\_

**The Bungalows Community Association**  
**Assessment and Reserve Funding Disclosure Summary**  
**For the fiscal year ending December 31, 2023**  
("Disclosure Summary")

(5) All major components are included in the reserve analysis and are included in its calculations. However, the following major assets are excluded from the reserve analysis calculations for the following reasons:

<b>Major asset:</b>	<b>Reason this major asset was not included:</b>
Concrete Installations	Indeterminate life and cost
Street Lights	Maintained by others

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$228,644**, based in whole or in part on the last reserve analysis or update prepared by Advanced Reserve Solutions, Inc. as of October 10, 2023. The projected reserve fund cash balance at the end of the current fiscal year is **\$170,148.06**, resulting in reserves being **75%** funded at this date.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, a 5 year reserve funding plan has been developed – see the attached Projections. The assumed long-term before-tax interest rate earned on reserve funds is **.50%** per year and the assumed long-term inflation rate applied to major component repair and replacement costs is **2%** per year. Full reserve analysis is available upon request.

**NOTES:**

(A) The financial representations set forth in this summary are based on the best estimates of the preparer and the Board at that time. The estimates are subject to change. (B) For the purposes of understanding this Disclosure Summary: (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 55530. Components with an estimated remaining useful life of more than 30 years may be included in the study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve analysis 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. (5) Based on reserve analyses or the occurrence of one or more unanticipated events, the Board could increase regular assessments and/or levy special assessments, consistent with the provisions of the CC&Rs and applicable law, to fund additional reserves as it deems necessary. For example, the information contained in this Disclosure Summary includes (i) estimates of replacement value and life expectancies of the components and (ii) assumptions regarding future events. Estimates are projections of a future event based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from this report and summary and the variation may be significant. Additionally, inflation and other economic events may impact this report and summary, particularly over an extended period of time (such as thirty (30) years) and those events could have a significant and negative impact on the accuracy of this Disclosure Summary and, further, the funds available to meet the association's obligation for repair and/or replacement of major components during their estimated useful life.

## ANNUAL DISCLOSURE STATEMENT

ASSN NAME: THE BUNGALOWS COMMUNITY ASSOC

Period: 02/01/23-02/01/24

**PROPERTY COVERAGE:** State Farm Insurance Company  
Policy # 92-XC-3450-9 G

Amount of Coverage: \$ 175,500  
Deductible: \$ 1,000.00  
EQK Coverage: -----  
EQK Deductible: -----

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**GENERAL LIABILITY:** State Farm Insurance Company  
Policy # 92-BX-Z341-8 G Period: 02/01/23-02/01/24

Amount of Coverage: \$ 2,000,000 (Per Occurrence)  
Amount of Aggregate: \$ 4,000,000  
Directors & Officers Cov: \$ 2,000,000  
Deductible: \$ 0

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**STAND-ALONE D&O LIABILITY:** State Farm Specialty Products  
Policy # N/A Period: N/A

Amount of Coverage: \$  
Retention: \$

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**WORKERS COMPENSATION:** State Farm Insurance Company  
Policy # 92-J5-M156-6 F Period: 12/01/22-12/01/23

Bodily Injury By Accident: \$100,000  
Bodily Injury By Disease Employee: \$100,000  
Bodily Injury By Disease Policy Limit: \$500,000

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**FIDELITY/EMPLOYEE DISHONESTY:** State Farm Insurance Company  
Policy # 92-XC-3450-9 G Period: 02/01/23-02/01/24

Amount of Coverage: \$ 50,000  
Deductible: \$ 250

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CIVIL CODE SECTION § 5300(d), REQUIRES THE FOLLOWING STATEMENT: "THIS SUMMARY OF THE ASSOCIATION'S POLICIES OF INSURANCE PROVIDE ONLY CERTAIN INFORMATION, AS REQUIRED OF SECTION 5300 OF THE CIVIL CODE AND SHOULD NOT BE CONSIDERED A SUBSTITUTE FOR THE COMPLETE POLICY TERMS AND CONDITIONS CONTAINED IN THE POLICIES OF INSURANCE. ANY ASSOCIATION MEMBER MAY, ON 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 THE 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."

Agent: John Sinner, Lic. # 0589670  
1230 East Main Street, Alhambra, CA 91801  
Office telephone: (626) 576-1078 Fax telephone: (626) 570-8049

The Bungalows Homeowners Association

Disclosures Pursuant to California Civil Code §5300 (b) (10)

FHA DISCLOSURE

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.

The information regarding the association's FHA status is as of October 5, 2023, For more current information please visit the FHA website.

The Bungalows Homeowners Association

Disclosures Pursuant to California Civil Code §5300 (b) (11)

VA DISCLOSURE

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.

The information regarding the association's VA status is as of October 5, 2023, For more current information please visit the VA website.

**THE BUNGALOWS HOMEOWNERS ASSOCIATION**  
**DELINQUENT ASSESSMENT COLLECTION POLICY**

**Effective: January 1, 2024**

Prompt payment of assessments by all owners is critical to the financial health of the Association and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation under the CC&R's and the California Civil Code to enforce the members' obligation to pay assessments. The Board has adopted this Collection Policy in an effort to discharge that obligation in a fair, consistent, and effective manner. Therefore, pursuant to the CC&R's and Civil Code, the following are the Association's assessment collection practices and policies.

**RIGHT TO REQUEST VALIDATION OF DEBT:** An owner has the right to request validation of the debt by notifying the Association in writing of such request within thirty (30) days of the debtor's receipt of the Association's initial communication to the owner. Upon such request being made, an account history or other document reflecting the delinquent balance will be forwarded to the owner. No further collection activity will take place until the association has mailed verification of the debt to the owner. Any information obtained in the collection process or obtained from an owner will be used for the purpose of collecting any monies owed.

1. Regular monthly assessments are due and payable on the 1<sup>st</sup> day of each month. A courtesy billing statement is sent each month to the billing address on record with the Association. However, it is the owner of record's responsibility to pay each assessment in full each month regardless of whether a statement is received.
2. All other assessments, including Special Assessments, Reimbursement Assessments, Reconstruction Assessments, and Capital Improvement Assessments are due and payable on the date specified by the Board in the notice of assessment.
3. Assessments, late charges, interest and collection costs, including any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied.
4. Unpaid assessments are delinquent fifteen days after they are due.
5. A late charge of 10% will be charged for any assessment that is not received on or before the 15th day of the month, prior to the close of business. Once a delinquency occurs, the Association may enforce the collection by any or all means permitted by law, including without limitation pursuing a personal judgment in a court of law and/or foreclosing an assessment lien.
6. Interest on the balance due will accrue at the rate of 12% per annum commencing (30) thirty days after each assessment becomes due.
7. When an assessment becomes more than 30 days past due, the Association will send a pre-lien letter to the owner as required by Civil Code, by certified mail to the owner's address of record. The owner will be charged the costs for the pre-lien letter.

8. If the owner fails to pay the amounts set forth in the pre-lien letter within 45 days of the date of that letter, a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees, may be recorded against the owner's property. The owner will be charged the costs for the lien. A copy of the lien will be sent to the owner at his/her address of record via certified mail within ten (10) days of recordation thereof. After the expiration of thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law.
9. If the balance due is not paid upon demand, the Association will take whatever action at law is deemed necessary, including an action to foreclose the assessment lien and/or for a money judgment, or a non-judicial foreclosure of the lien may be commenced.
10. The delinquent owner will be responsible for all costs of collection, including attorneys' fees, incurred by the Association to collect any delinquent sums.
11. Nothing herein limits or otherwise affects the Association's right to proceed in any other lawful manner to collect any delinquent sums owed to the Association.
12. The Association will charge \$25.00 to the owner for a returned item.
13. Any owner who is unable to pay assessments will be entitled to submit a written request for a payment plan to be considered by the Board of Directors. Payment plans are subject to a \$10.00 monthly monitoring fee.
14. The mailing address for overnight payment of assessments is: The Bungalows Homeowners Association, 675 W. Foothill Boulevard Suite #104, Claremont, CA 91711

8/2023

## **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 non-judicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or non-judicial 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 non-judicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or non-judicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections §5700 through §5720 of the Civil Code, inclusive)

In a judicial or non-judicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use non-judicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section §5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section §5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section §5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain document in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

### **PAYMENTS**

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section §5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section §5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section §5685 of the Civil Code)

### **MEETINGS AND PAYMENT PLANS**

An owner of a separate interest that is not a timeshare 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 exist. (Section §5665 of the Civil Code)

The board of directors 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)

# THE BUNGALOWS HOMEOWNERS ASSOCIATION

## ADR POLICY

It is the association's policy to follow the statutory procedures of the Davis-Stirling Common Interest Development Act, as set forth hereafter, as to Alternative Dispute Resolution. Please take notice:

**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 §5925. ADR Definitions.**

(a) "Alternative dispute resolution" means mediation, arbitration, conciliation, or other non-judicial procedure that involves a neutral party in the decision-making process. The form of alternative dispute resolution chosen pursuant to this article may be binding or nonbinding, with the voluntary consent of the parties.

(b) "Enforcement action" means a civil action or proceeding, other than a cross-complaint, for any of the following purposes:

(1) Enforcement of this act.

(2) Enforcement of the Nonprofit Mutual Benefit Corporation Law (Part 3 commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code).

(3) Enforcement of the governing documents.

### **Civil Code §5930. ADR Prerequisite to Litigation.**

(a) An association or a member may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to this article.

(b) This section applies only to an enforcement action that is solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of the jurisdictional limits stated in Sections 116.220 and 116.221 of the Code of Civil Procedure.

(c) This section does not apply to a small claims action.

(d) Except as otherwise provided by law, this section does not apply to an assessment dispute.

**Civil Code §5935. Request for Resolution.**

(a) Any party to a dispute may initiate the process required by Section 5930 by serving on all other parties to the dispute a Request for Resolution. The Request for Resolution shall include all of the following:

(1) A brief description of the dispute between the parties.

(2) A request for alternative dispute resolution.

(3) A notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the request will be deemed rejected.

(4) If the party on whom the request is served is the member, a copy of this article.

(b) Service of the Request for Resolution shall be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the party on whom the request is served actual notice of the request.

(c) 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.

**Civil Code §5940. Time to Complete ADR Process.**

(a) If the party on whom a Request for Resolution is served accepts the request, the parties shall complete the alternative dispute resolution within 90 days after the party initiating the request receives the acceptance, unless this period is extended by written stipulation signed by both parties.

(b) Chapter 2 (commencing with Section 1115) of Division 9 of the Evidence Code applies to any form of alternative dispute resolution initiated by a Request for Resolution under this article, other than arbitration.

(c) The costs of the alternative dispute resolution shall be borne by the parties.

**Civil Code §5945. Tolling of Statute of Limitations.**

If a Request for Resolution is served before the end of the applicable time limitation for commencing an enforcement action, the time limitation is tolled during the following periods:

(a) The period provided in Section 5935 for response to a Request for Resolution.

(b) If the Request for Resolution is accepted, the period provided by Section 5940 for completion of alternative dispute resolution, including any extension of time stipulated to by the parties pursuant to Section 5940.

**Civil Code §5950. Certification of ADR Efforts.**

(a) At the time of commencement of an enforcement action, the party commencing the action shall file with the initial pleading a certificate stating that one or more of the following conditions are satisfied:

(1) Alternative dispute resolution has been completed in compliance with this article.

(2) One of the other parties to the dispute did not accept the terms offered for alternative dispute resolution.

(3) Preliminary or temporary injunctive relief is necessary.

(b) Failure to file a certificate pursuant to subdivision (a) is grounds for a demurrer or a motion to strike unless the court finds that dismissal of the action for failure to comply with this article would result in substantial prejudice to one of the parties.

**Civil Code §5955. Stay of Litigation for Dispute Resolution.**

(a) After an enforcement action is commenced, on written stipulation of the parties, the matter may be referred to alternative dispute resolution. The referred action is stayed. During the stay, the action is not subject to the rules implementing subdivision (c) of Section 68603 of the Government Code.

(b) The costs of the alternative dispute resolution shall be borne by the parties.

**Civil Code §5960. Attorney's Fees.**

In an enforcement action in which attorney's fees and costs may be awarded, the court, in determining the amount of the award, may consider whether a party's refusal to participate in alternative dispute resolution before commencement of the action was reasonable.

**Civil Code §5965. Annual ADR Notice.**

(a) An association shall annually provide its members a summary of the provisions of this article that specifically references this article. The summary shall include the following language:

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.

(b) The summary shall be included in the annual policy statement prepared pursuant to Section 5310.

## **THE BUNGALOWS HOMEOWNERS ASSOCIATION**

### **Internal Dispute Resolution ("IDR") Policy and Procedures**

In accordance with Civil Code Section 5900 et seq., the Association has adopted the following internal dispute resolution policy and procedure to be followed by the Association and owners in connection with disputes relating to the enforcement of the Association's governing documents, the Davis-Stirling Common Interest Development Act (Civil Code Section 4000 et seq.) and Section 7110 et seq. of the Nonprofit Mutual Benefit Corporation Code (collectively, the "Dispute(s)"). The law requires an association to provide a fair, reasonable, and expeditious procedure for resolving such Disputes between the Association and owners, and further authorizes the Association to develop its own procedure for these purposes, known as "IDR" or "meet and confer."

Either party to a Dispute may invoke the following procedure:

- (1) One party may request the other party meet and confer in an effort to resolve the Dispute. This request for IDR shall be in writing and shall include a brief description of the Dispute between the parties.
- (2) A member of the Association shall not be charged a fee to participate in this process.
- (3) An owner may refuse a request to meet and confer; however, the Association shall participate in IDR and shall not refuse a request to meet and confer.
- (4) The Association shall respond to a request for IDR within thirty (30) days of receipt of the written request to meet and confer. Although not required to participate, in the event an owner does not respond to the Association's request for IDR within thirty (30) days of the request, the request will be deemed rejected.
- (5) The Association's Board of Directors may designate a member of the Board to meet and confer. If a majority of the Board participates in IDR, the meeting shall be held in executive session.
- (6) IDR must be completed within ninety (90) days of receipt of the written acceptance of IDR by either party.
- (7) 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. If the parties cannot agree on a mutually agreeable time or location, the meet and confer shall take place at the next regularly scheduled Board meeting, to be held in executive session, notwithstanding the limitations set forth in Paragraph 6 herein.

- (8) The owner and Association, respectively, may be assisted by an attorney or another person at his, her or its own cost and expense when conferring. Owners shall provide the Association with written notice that he/she/it will be assisted by an attorney or another person at IDR at least five (5) days prior to IDR. Should the owner fail to notify the Association that he/she/it will be represented by an attorney as required herein, IDR shall be cancelled and may be rescheduled to a mutually convenient time and place as agreed upon by the parties.
- (9) A resolution of the Dispute or an agreement reached between the parties shall be memorialized in writing and signed by the parties, which may include the Board designee on behalf of the Association.
  - (a) A written resolution, signed by both parties, of a Dispute that is not in conflict with the law or the Association's governing documents binds the Association and is judicially enforceable, provided the resolution complies with Paragraph 10 below.
  - (b) A written agreement, signed by both parties, that is not in conflict with the law or the Association's governing documents binds the parties and is judicially enforceable, provided the resolution complies with Paragraph 10 below.
- (10) The signed written agreement or resolution binds the parties and is judicially enforceable if both of the following conditions are satisfied: (a) The agreement is not in conflict with law or the governing documents of the Association; and (b) The agreement is either consistent with the authority granted by the Board of Directors to its designee, if any, or the agreement is ratified by the Board of Directors.
- (11) Appeals: If the owner participates in IDR, but the Dispute is resolved other than by agreement of the owner, the owner shall have a right of appeal to the Board. The appeal must be in writing and submitted to the Board within thirty (30) days of the meeting.

1/2017

**THE BUNGALOWS HOMEOWNERS ASSOCIATION  
ARCHITECTURAL REVIEW PROCEDURES  
CIVIL CODE §4765**

**NOTICE FOR APPROVAL OF PHYSICAL CHANGES TO PROPERTY**

In accordance with Civil Code Section §4765 the Association is required to provide this notice of any requirements for Association approval of physical changes to property. If an owner wants to make physical changes to his/her property, he or she is required under the Declaration of the Covenants, Conditions, and Restrictions (“CC&Rs”) to comply with the architectural review process provided therein and with any applicable architectural guidelines adopted by the Association. The CC&Rs provide for any owner, who proposes to construct improvements or take other actions requiring prior approval of the Board or an architectural review committee appointed by the Board, to first apply to the Board of Directors or if applicable, the architectural review committee, for prior written approval by submitting plans and specifications and any other materials required by the Board or architectural review committee. The Board or if applicable, architectural review committee, then reviews the plans and specifications and either approves them, conditionally approves them, requests further information or denies the request within the prompt deadlines provided in the CC&Rs or in any applicable architectural review guidelines. For further information regarding the architectural review procedures, see the CC&Rs and the architectural guidelines, if any.

**THE BUNGALOWS  
COMMUNITY ASSOCIATION**

**REQUEST FOR ARCHITECTURAL APPROVAL**

Applicant: \_\_\_\_\_ Phone #: \_\_\_\_\_

Address (of property): \_\_\_\_\_

Applicant's Mailing Address: \_\_\_\_\_

Description of the proposed request: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attachments (if any) may include dimensions, renderings, color samples, and/or other descriptive material.

Approval of this request does not relieve the applicant from obtaining the necessary building permits from the government agencies involved.

Please submit your request in duplicate to: Condominium Management Services, P.O. Box 5022, Upland, CA 91785-5022. A copy will be returned to the applicant and the Architectural Committee will retain a copy.

Signature of Property Owner: \_\_\_\_\_ Date: \_\_\_\_\_

\*\*\*\*\*

**Architectural Committee Review**

Date submitted: \_\_\_\_\_ Approved ( ) Disapproved ( )

Conditions of Approval or Reason for Disapproval: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Work must be completed exactly as approved. Please notify the Architectural Committee upon completion so it can be inspected for conformity to this request.

_____	_____
Committee Member	Date
_____	_____
Committee Member	Date
_____	_____
Committee Member	Date

# THE BUNGALOWS COMMUNITY ASSOCIATION

## **ENFORCEMENT PROCEDURES**

In order for the Association's rules and regulations to be effective, and equitable enforcement procedure has been established.

First Offense:	Friendly Reminder
<b>Second Offense:</b>	<b>Final Warning Letter</b>
Third Offense:	\$25 Penalty Assessment
Subsequent Offense:	\$50-\$100 Penalty Assessment Hearing Notice before the Board of Directors & legal action.

Fines may be assessed for violations of the Association's rules after a hearing and approval of the majority of the Board of Directors. Fines may vary depending on severity and may increase due to repeat violations. Owner's failure to appear at a hearing will result in a fine being levied against his/her account.

A clerical fee may be assessed in addition to the fine for processing the violation notices. If a violation is such that it would cause the Association to hire outside labor and/or purchase materials to repair damage done or to rectify a situation, which goes against the rules and regulations, the owner will then also be required to reimburse the Association for any materials or labor necessary to rectify the situation. Owners are responsible for damage caused to the common area. The payment of any and all legal fees or costs incurred by the Association to enforce violations or collect fines will be the responsibility of the owner. It is the owner's sole responsibility to inform their tenants and residents of all rules and regulations. The owner is responsible for any damage caused by their tenants.

**The Bungalows Homeowners Association**

**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.**

Property Address:	<b>Provider of CS 4525 items:</b>
Owner of Property:	Print Name:
Owner's Mailing Address:	Position/Title:
Provider of the Section 4525 Items:	Date Completed:

<b>Document</b>	<b>Civil Code Section Included</b>	<b>Fee for Document</b>	<b>Not Available(N/A) or Not Applicable (N/App), OR Directly Provided by Seller And Confirmed in writing by Seller as a current document (DP)</b>
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	20.00	
CC&Rs	Section 4525 (a)(1)	35.00	
Bylaws	Section 4525(a)(1)	20.00	
Operating Rules	Section 4525(a)(1)	20.00	
Age restrictions, if any	Section 4525(a)(2)	10.00	
Rental Restrictions, if any	Section 4525(a)(9)	10.00	
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	40.00	
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	10.00	
Financial statement review	Sections 5305 and 4525(a)(3)	20.00	
Assessment enforcement policy	Sections 5310 and 4525(a)(4)	10.00	
Insurance summary	Sections 5300 and 4525(a)(3)	10.00	
Regular assessment	Section 4525(a)(4)	10.00	
Special assessment	Section 4525(a)(4)	10.00	
Emergency assessment	Section 4525(a)(4)	10.00	
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)	10.00	
Approved changes to assessments	Sections 5300 and 4525(a)(4),(8)	10.00	
Settlement notice regarding common area defects	Sections 4525(a)(6), (7) and 6100	10.00	
Preliminary list of defects	Sections 4525(a)(6), 6000 and 6100	10.00	
Notice(s) of violation	Sections 5855 and 4525(a)(5)	10.00	
Required statement of fees	Section 4525	202.00	
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)	55.00	
<b>Total fees for these documents:</b>			

\*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 may be charged separately.

**Opt-Out Notice**

An owner may request that the Association provide him or her with a copy of the membership list, including the names, property address and mailing address of each member. The owners request must be in writing and must set forth the purpose for which the list is requested. Such purpose must be reasonably related to the requester's interests as a member of the Association. The Association will be obligated to provide the member with a copy of such membership list unless it reasonably believes that the owner will use the information for another purpose.

Pursuant to Civil Code Section 5220, a member can "opt out" of having his or her name and address(es) included on a membership list which must be distributed to members upon request.

If you would like to "opt out" of having your name included on a membership list which may be distributed to another owner upon request, please complete the following form and return it to the association at the address below. Please note that your "opt-out" will remain in effect until further written notice from you.

Return via mail to:                   The Bungalows Homeowners Association  
  P.O. Box 5022,  
  Upland CA 91785-5022

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I am advising that I would like to Opt-Out of having my information provided on a membership listing that must be distributed to members upon request.

I am aware that my "opt-out" will remain in effect until further written notice from me:

Date: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Association Name: \_\_\_\_\_  
Property Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_