

**EMERALD GLEN
HOMEOWNERS ASSOCIATION
TORRANCE, CALIFORNIA 90503**

2021 BUDGET MAILER

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2021 ASSESSMENT RATE**
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EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

2021 PROFORMA BUDGET AND NOTICE OF ASSESSMENT RATE

October 23, 2020

Dear Homeowner,

The 2021 Budget for the Emerald Glen Homeowners Association is enclosed. As of January 1, 2021, the monthly assessments will remain \$525.00 per unit.

OPERATING ACCOUNT: The Operating portion of the budget provides funding for the day-to-day expenses of the Association and is based on current costs, inflation and projected service.

RESERVES: The Reserve portion funds the long-term repair and replacements of the community's assets and is being funded at \$8472 per month for 2021. As of September 2020, the Associations total reserves are \$247,565.75.

COUPON BOOKS: The HOA payment coupons are sent as a courtesy. You will be receiving your new coupon book in time for your January payment. Payments are due whether or not the coupons are received. If for any reason you do not receive a 2021 coupon book in time for your January payment, please mail your payment directly to Classic Property Management, Inc. with your name, property address and unit number on the face of the check. Be sure to contact Classic Property Management, Inc. at 310-972-9999 to report that you did not receive your coupons. All HOA fee payments are due on the first of each month.

SCHEDULE OF FINE FOR VIOLATING GOVERNING DOCUMENTS OF THE ASSOCIATION: The policy regarding fines is outlined in the "Rules and Regulations" of the Homeowners Association. Copies of the Rules and Regulations may be obtained from the Manager's office. If there are any violations of the Rules and Regulations of the Association a warning letter will be sent to notify the owner of the property. There will be a \$5.00 charge for this letter that will be added to the property owner's account.

RETURNED CHECKS: A handling charge of \$35.00 will be charged for returned checks (NSF, uncollected funds, refer to maker, etc.) In addition, the owner will be charged for any bank charges associated with the returned check.

BOARD MEETING MINUTES: In accordance with the Civil Code, minutes of your Association's board meetings may be obtained from Classic Property Management, Inc., 2235 Sepulveda Boulevard, Torrance California 90501.

EMERALD GLEN HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS

**EMERALD GLEN HOA
2021 BUDGET**

	2020				2021		
	YTD Actual	YTD Budget	Projected	Annual	Annual	Monthly	Per Unit
INCOME							
Assessments	230675	230675	230675	230675	333900	27825	525
Keys	100	100	100	100	100	8	0
Move In Move Out Fees	200	200	200	200	300	25	0
TOTAL INCOME	230975	230975	230975	230975	334300	27858	526
EXPENSE							
ADMINISTRATION							
Accounting/Audit	1800	1200	2700	1800	1800	150	3
Administrative	150	100	225	150	150	13	0
Business Forms/Coupons	0	100	0	150	150	13	0
Ins-Earthquake Ins.	36067	23775	54101	35663	36067	3006	57
Ins-Common	25173	12591	37759	18887	18497	1541	29
Ins W/C	715	243	1073	364	349	29	1
Legal	0	133	0	200	200	17	0
License	659	400	989	600	600	50	1
Management	5891	5891	8837	8837	8837	736	14
Mgmt/Misc	958	1333	1437	2000	2000	167	3
Misc. Annual Meeting	0	489	0	733	616	51	1
Postage	200	183	300	275	300	25	0
Reserve Study	0	400	0	600	600	50	1
Taxes	10	7	15	10	10	1	0
Taxes & Licenses	0	25	0	37	37	3	0
TOTAL ADMINISTRATION	71624	46871	107435	70306	70213	5851	110
			0			0	0
UTILITIES			0			0	0
Electricity	4523	4800	6784	7200	7000	583	11
Gas	2357	3333	3536	5000	4800	400	8
Telephone-Entry	503	520	755	780	780	65	1
Water and Sewer	22592	26933	33888	40400	35000	2917	55
TOTAL UTILITIES	29975	35587	44962	53380	47580	3965	75
MAINTENANCE							
Electrical	0	4528	0	6792	5400	450	8
Entry System	0	400	0	600	600	50	1
Fire Exting. Service	0	533	0	800	800	67	1
Gates	2223	433	3334	650	1000	83	2
Locks/Keys/Security	225	133	338	200	200	17	0
Maint-Common Area	6826	5167	10239	7750	8403	700	13
Plumbing	8503	4933	12754	7400	7400	617	12
Roof	11900	10000	17850	15000	16000	1333	25
Termites	2870	933	4305	1400	1400	117	2
Tree Removal	0	1200	0	1800	1200	100	2
Gutters	0	1067	0	1600	1600	133	3
TOTAL MAINTENANCE	32547	29328	48820	43992	44003	3667	69
CONTRACTS							
Website Contract	0	200	0	300	300	25	0
Custodial Contract	2729	2720	4094	4080	4260	355	7
Custodial Xtras	44	24	66	36	36	3	0
Landscape Contract	23368	22264	35052	33396	35076	2923	55
Landscape Xtras	2948	6000	4422	9000	9650	804	15
Pest Control Contract	1608	1920	2412	2880	2412	201	4
Pool/Spa Contract	305	2160	458	3240	3240	270	5
Pool/Spa/Xtra	189	1600	284	2400	2411	201	4
Trash Contract	8860	8800	13290	13200	13452	1121	21
TOTAL CONTRACTS	40051	45688	60076	68532	70837	5903	111
RESERVES							
Reserve Contributions	65393	65393	98090	98090	101667	8472	160
TOTAL RESERVE EXPENSE	70693	65393	106040	98090		0	0
TOTAL EXPENSES	239589	222867	359384	334300	334300	27858	526
NET INCOME (LOSS)	-8614	8108	-128409	-103325	0	0	0

Emerald Glen Community Association
Assessment and Reserve Funding Disclosure Summary
For the fiscal year ending December 31, 2021
 ("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 2021 fiscal year per ownership interest is \$ 525 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 NA 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:

Date assessment will be due:	Amount per ownership interest per month or year (If assessments are variable, see note immediately below):	Purpose of the assessment:
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 NA of the attached report.

(3) Based upon the most recent reserve study, dated October 4, 2020, 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?

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

Total: _____

Emerald Glen Community Association
Assessment and Reserve Funding Disclosure Summary
For the fiscal year ending December 31, 2021
("Disclosure Summary")

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

Major asset:	Reason this major asset was not included:
Concrete complete replacement (inc pool deck)	Indeterminate life and cost
Tile Roofs, complete replacement	Indeterminate life and cost
Irrigation controller	Replaced "as needed"
Gutters and downspout replacement	Indeterminate life and cost
Chimney cap replacement	Indeterminate life and cost
Patio fence painting	No painting anticipated
Unit entry fixtures	Homeowner responsibility

(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 **\$561,999**, based in whole or in part on the last reserve study or update prepared by Advanced Reserve Solutions, Inc. as of January 01, 2021. The projected reserve fund cash balance at the end of the current fiscal year is **\$258,561**, resulting in reserves being **46%** funded at this date. The current deficiency in the reserve fund represents **\$5,725** per ownership interest.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, a reserve funding plan has been developed – see the attached projections. The assumed long-term before-tax interest rate earned on reserve funds is **1.25%** per year and the assumed long-term inflation rate applied to major component repair and replacement costs is **2%** per year. Full reserve study 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 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. (5) Based on reserve studies 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.

Emerald Glen Community Association

Executive Summary

Directed Cash Flow Calculation Method

Client Information:

Account Number	3998
Version Number	2
Analysis Date	10/04/2020
Fiscal Year	1/1/2021 to 12/31/2021
Number of Units	53
Phasing	1 of 1

Global Parameters:

Inflation Rate	2.00 %
Annual Contribution Increase	2.00 %
Investment Rate	1.25 %
Taxes on Investments	30.00 %
Contingency	5.00 %

Community Profile:

This community consists of 53 attached units with gated entrance, private roadways, pool and spa area and landscaped areas.

For budgeting purposes, unless otherwise indicated, we have used January 1981 as the average placed-in-service date for aging the original components in this community.

ARS site visits: October 16, 2018, August 2, 2016, October 19, 2015 & November 28, 2012.

Adequacy of Reserves as of January 1, 2021:

Anticipated Reserve Balance	\$258,561.00
Fully Funded Reserve Balance	\$561,998.60
Percent Funded	46.01%

Recommended Funding for the 2021 Fiscal Year:	Annual	Monthly	Per Unit
			Per Month
Member Contribution	\$99,123	\$8,260.25	\$155.85
Interest Contribution	\$2,544	\$212.02	\$4.00
Total Contribution	\$101,667	\$8,472.27	\$159.85

Emerald Glen Community Association Projections

Directed Cash Flow Calculation Method

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2021	\$258,561	\$99,123	\$2,544	\$14,310	\$345,918	\$625,637	55%
2022	\$345,918	\$101,031	\$1,818	\$185,225	\$263,542	\$523,470	50%
2023	\$263,542	\$102,976	\$771	\$222,933	\$144,356	\$387,672	37%
2024	\$144,356	\$104,958	\$1,463	\$25,809	\$224,969	\$459,098	49%
2025	\$224,969	\$106,979	\$1,217	\$135,358	\$197,807	\$420,673	47%
2026	\$197,807	\$109,038	\$968	\$137,464	\$170,349	\$382,318	45%
2027	\$170,349	\$111,137	\$1,522	\$47,937	\$235,071	\$439,178	54%
2028	\$235,071	\$113,276	\$2,521	\$0	\$350,868	\$549,529	64%
2029	\$350,868	\$115,457	\$2,894	\$74,288	\$394,931	\$586,070	67%
2030	\$394,931	\$117,680	\$3,390	\$62,906	\$453,095	\$637,365	71%
2031	\$453,095	\$119,945	\$3,224	\$140,972	\$435,292	\$609,782	71%
2032	\$435,292	\$122,254	\$3,811	\$57,473	\$503,884	\$671,552	75%
2033	\$503,884	\$124,607	\$4,304	\$70,962	\$561,833	\$722,585	78%
2034	\$561,833	\$127,006	\$4,974	\$53,816	\$639,996	\$794,894	81%
2035	\$639,996	\$129,451	\$5,393	\$85,379	\$689,461	\$837,749	82%
2036	\$689,461	\$131,943	\$6,467	\$13,728	\$814,143	\$959,071	85%
2037	\$814,143	\$134,483	\$7,228	\$52,892	\$902,962	\$1,044,054	86%
2038	\$902,962	\$137,071	\$6,732	\$199,411	\$847,354	\$979,230	87%
2039	\$847,354	\$139,710	\$6,473	\$174,448	\$819,090	\$941,813	87%
2040	\$819,090	\$142,399	\$5,923	\$210,089	\$757,322	\$868,727	87%
2041	\$757,322	\$145,141	\$6,237	\$113,785	\$794,915	\$897,933	89%
2042	\$794,915	\$147,935	\$6,190	\$157,988	\$791,052	\$883,855	90%
2043	\$791,052	\$150,782	\$4,358	\$363,972	\$582,220	\$655,767	89%
2044	\$582,220	\$153,685	\$5,061	\$76,487	\$664,478	\$727,882	91%
2045	\$664,478	\$156,643	\$5,677	\$89,997	\$736,801	\$790,033	93%
2046	\$736,801	\$159,659	\$5,802	\$149,469	\$752,793	\$793,789	95%
2047	\$752,793	\$162,732	\$5,245	\$230,264	\$690,506	\$715,636	96%
2048	\$690,506	\$165,865	\$6,419	\$35,793	\$826,995	\$843,189	98%
2049	\$826,995	\$169,058	\$5,870	\$236,220	\$765,702	\$765,741	100%
2050	\$765,702	\$172,312	\$6,314	\$125,840	\$818,489	\$805,787	102%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

ASSESSMENT PRACTICES AND DELINQUENCY AND COLLECTION POLICY

Because the Association is responsible for managing, maintaining and repairing the common areas, timely payment of assessments is extremely important to the operations of the Association. 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 Declaration of Covenants, Conditions and Restrictions (CC&R's) and the California Civil Code to enforce members' obligation to pay assessments. The policies and practices outlined shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors. Therefore, pursuant to the CC&R's and Civil Code 5310 (a)(7), the following are the Association's assessment practices and policies: 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.

ASSESSMENT DUE DATE: Regular assessments are payable monthly in twelve (12) equal installments. Each installment is due on the 1st day of each month and delinquent if not paid by the 15th of the month. Coupon books are sent annually as a courtesy to the billing address on record with the Association. Payment of assessments is required each month even if you do not receive a coupon book. Special assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment.

DELINQUENT ASSESSMENTS: Delinquent assessments will be subject to late charges and interest as follows:

- **Late Charge:** Delinquent assessments will be assessed a late charge of ten dollars (\$10.00). A late charge will not be imposed more than once per delinquent installment.
- **Interest:** An interest charge at the rate of twelve percent (12%) per annum will be assessed against any outstanding balance, including delinquent assessments, late charges, and cost of collection, which may include attorneys' fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current.

If a special assessment is payable in installments and an installment payment of that special assessment is delinquent for more than thirty (30) days, all installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to a late charge and interest as provided above.

- **NOTICES:** A first notice of past due assessment ("letter") will be prepared and mailed to the owner once an assessment becomes delinquent. A ten-dollar (\$10.00) charge payable to Classic Property Management, Inc., for the late letter, will be made against the delinquent owner's account. If the account becomes **thirty (30) days delinquent** an "intent to lien" letter may be mailed to the delinquent owner. A thirty-five dollar (\$35.00) charge payable to Classic Property Management, Inc., for the letter, will be made against the delinquent owner's account.

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

If the account becomes **sixty (60) days delinquent**, the property is subject to a lien. The account will be turned over to an attorney for the filing of a “pre-lien” letter. The “pre-lien” letter will be sent to the owner as required by Civil Code 5660, by certified and first class mail to the owner’s mailing address of record advising of the delinquent status of the account and impending collection action. There will be a onetime fee of one hundred dollars (\$100.00), payable to Classic Property Management, Inc., for the paperwork involved when the account is assigned to an attorney.

LIABILITY FOR COLLECTION COSTS: All late charges, interest, attorneys’ fees, and collection costs incurred by the Association will be added to the owner’s account and will become the liability of the owner.

ENFORCEMENT RIGHTS: Assessments are the separate debt of owners. In addition to any other rights provided for by law or described in the Association’s CC&R’s, Bylaws or other governing documents, the Board has the right to collect delinquent assessments as follows:

- **FILE SUIT:** The Association may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the owner’s Unit for the delinquent assessment. In any action to collect delinquent assessments, late charges or interest, the prevailing party will be entitled to costs and reasonable attorneys’ fees. If such costs and fees are awarded to the Association, they will become a reimbursement special assessment against the owner.
- **LIEN AND FORECLOSURE:** The Association may file a lien against the owner’s Unit for the amount of the delinquent assessment together with any late charges, interest, costs, attorneys’ fees and penalties. The Association, through its Board, may bid on the Unit at the sale, and may hold, lease, mortgage, and convey the acquired Unit.
- **SUSPEND PRIVILEGES AND VOTING RIGHTS:** The Board may suspend the common area privileges and voting rights of any owner who is more than thirty (30) days delinquent in paying any assessment. Common area privileges and voting rights will remain suspended until the delinquency, including any accumulated penalties, interest and costs of collection, has been paid in full.
- **ADDITIONAL REMEDIES:** The remedies described above are in addition to and not in substitution of any other rights and remedies the Association may have.

LIEN AND NON-JUDICIAL FORECLOSURE: Upon any installment becoming delinquent and prior to the recordation of a lien, the Association will use the following procedures:

- **NOTICE OF DELINQUENCY:** A notice will be mailed to the owner via regular and certified mail to pay the account in full or a lien will be recorded against the owner’s property. Included in the notice will be:
 - A copy or summary of this collection policy;
 - The method of calculation of the amount owed;
 - A statement that the owner has the right to inspect the Association records, pursuant to Section 5205 of the Corporations Code;
 - 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 their method of calculation, and interest, if any;

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

- A statement that the owner shall not be liable to pay the charges, interest, and costs of collection, if it is determined the assessment was paid on time to the association;
- The owner's right to request a meeting with the Board to discuss a payment plan.

- **RECORDING OF LIEN:** If the owner fails to bring the account current, a lien will be recorded against the owner's property.
- **NOTICE OF LIEN:** Within ten (10) days following recordation of the lien, a copy of the lien will be mailed to all owners of record for that property as provided for in Section 2924b of the Civil Code.
- **FORECLOSURE:** Thirty (30) days following recordation of the lien, foreclosure will begin. In lieu of foreclosure, or concurrently, a lawsuit may be filed against the owner personally if the Board concludes such action is in the best interests of the Association.

RETURNED CHECKS: Returned checks are subject to a service fee.

NO OFFSETS ALLOWED: As required by law, owners may not offset payment of their assessments for any reason.

CREDITING PAYMENTS: Any payments received will be credited to the outstanding balance in the following order: special assessments, reimbursement special assessments, regular assessments, monetary penalties and fines for rules violations, late charges, attorneys' fees and costs, and interest.

ATTORNEYS' FEES: If a lawsuit or foreclosure action is initiated by the Association to recover assessments, the Association is entitled to recover not only the amount in default but also reasonable costs of collection, including title company charges and attorney fees as provided for by statute as well as the Association's CC&R's, Bylaws or other governing documents.

MAILING ADDRESS FOR OVERNIGHT PAYMENT OF ASSESSMENTS:

**EMERALD GLEN HOMEOWNERS ASSOCIATION
C/O CLASSIC PROPERTY MANAGEMENT, INC.
2235 Sepulveda Boulevard
Torrance, California 90501**

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

ATTACHMENT "A"

NOTICE OF 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 NON-JUDICIAL FORECLOSURE: The failure to pay association assessments may result in the loss of an owner's property without court action, often referred to as nonjudicial foreclosure. When using 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 lien is not paid. Assessments become delinquent 15 days after they are due, unless the governing documents of the association provide for a longer time. (Sections 5700 through 5720 of the civil code)

In a 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 areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 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. Among these documents, the association must send a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the civil code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the civil code.) State and federal laws regarding fair debt collection may govern the collection practices of the association. Penalties can be imposed for debt collection practices that violate these laws.

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

PAYMENTS: When an owner makes a payment, he or she 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. (Sections 5655 of the civil code)

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 foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the civil code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

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

MEETINGS AND PAYMENT PLANS: An owner of a separate interest that is not a time-share 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 the 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 to the payment plan standards of the association, if they exist. (Section 5665 of the civil code)

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

ANNUAL MINUTES DISCLOSURE

Minutes of all open meetings of the Board are available to members within 30 days of the meeting. The minutes, proposed minutes or summary minutes may be obtained at:

CLASSIC PROPERTY MANAGEMENT COMPANY, INC.

2235 Sepulveda Boulevard

Torrance, California 90501

by contacting CLASSIC PROPERTY MANAGEMENT at (310) 972-9999.

In addition, the minutes, proposed minutes or summary will be distributed to any member of the association upon request and upon reimbursement of the association's costs (\$2.50 per month; \$25.00 for 12 months) for making that distribution.

SECONDARY ADDRESSES PROVIDED BY OWNERS

Please be advised that you have the right to submit secondary addresses to the association for purposes of collection notices.

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 Section 5260 of the California Civil Code to the secondary address provided.

DELIVERY OF DOCUMENTS TO THE ASSOCIATION

Civil Code Section, 4035

Address for delivery of documents to the Association per above section:

CLASSIC PROPERTY MANAGEMENT INC.

ATTENTION: EMERALD GLEN HOA

2235 SEPULVEDA BLVD.

TORRANCE, CA 90501

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

INSURANCE DISCLOSURE SUMMARY

This summary of the association's policies of insurance provides only certain information, as required by Civil Code 5300(b)(9), 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.

AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

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AGENCY Millennium Risk Management & Insurance Services		NAMED INSURED Emerald Glen Community Association c/o Classic Property Management, Inc. 2235 Sepulveda Blvd Torrance, CA 90501	
POLICY NUMBER 6801L679729		EFFECTIVE DATE: 08/05/2020	
CARRIER Travelers Property Casualty Company of America	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance: Notes

- A) Property 6801L679729 8/5/2020- 8/5/2021 Limit: \$21,062,502/ \$5,000 Ded.
- D) Fidelity 412001-06-14-52-9Y 8/5/2020- 8/5/2021 Limit: \$500,000/ \$1,000 Ded. (Computer & Funds Transfer Fraud Includ.)
- E) Earthquake CPDCP-20-1048883-00 8/5/2020- 8/5/2021 Limit: \$16,042,870/ 10% Per Bldg

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

DESCRIPTION OF INTERNAL DISPUTE RESOLUTION PROCEDURE

CIVIL CODE SECTION 5920

1. This policy applies to a dispute between the Association and a member involving their rights, duties, or liabilities under the Davis-Stirling Act, under the provisions of the Corporations Code relating to mutual benefit corporations (commencing with Corporations Code Section 7110), or under the Association's governing documents.
 2. Either party to a dispute within the scope of this article may invoke the following procedure:
 - a. The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
 - b. A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
 - c. The Association's Board of Directors shall designate a member of the Board to meet and confer.
 - d. 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.
 - e. 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.
 3. A member of the Association will not be charged a fee to participate in the process.
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EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

ALTERNATIVE DISPUTE RESOLUTION

SUMMARY OF CIVIL CODE §5965

Civil Code 5965 require that before owners and associations file lawsuits against each other for declaratory relief or injunctive relief in connection with a claim for money damages under \$5,000 or for enforcing the association's governing documents, the filing party "shall endeavor" to submit the dispute to alternative dispute resolution ("ADR"). Forms of ADR include mediation, negotiation, and binding or nonbinding arbitration. This provision does not apply to the filing of cross-complaints.

One party serving a Request for Resolution upon the other parties to the dispute initiates the ADR process. The request must include

- (i) a brief description of the dispute,
- (ii) a request for ADR,
- (iii) a notice that a response must be received within thirty (30) days or it will be deemed rejected, and
- (iv) a copy of Civil Code 5965.

If the individual receiving the request agrees to ADR, the process must be completed within ninety (90) days unless otherwise extended by agreement. The cost of ADR is to be paid by the participating parties. If a civil suit is filed, the filing party must submit to the court a Certificate of Compliance indicating the party has complied with the requirements of Civil Code 5965. Failing to do so would be grounds for challenging the lawsuit.

Although the prevailing party is entitled to reasonable attorneys' fees and costs, the court may consider a party's refusal to participate in ADR when making the award.

A description of the Association's internal dispute resolution process, as required by Civil Code 5920, is attached.

NOTE: Failure by any member of the association to comply with the alternative dispute resolution requirements of Civil Code §5930 may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

EMERALD GLEN HOMEOWNERS ASSOCIATION
TORRANCE, CALIFORNIA 90503

**REQUEST FOR APPROVAL REMODEL/MODIFICATION
TO INTERIOR OR EXTERIOR**

Detailed plans and description of the work to be performed must be included with this request and submitted to the Board of Directors for approval.

I request approval of the following modification or remodel to my unit:

I agree to the following conditions and requirements for approval of the above request:

All work must be in compliance with the City Of Torrance building code and a permit, if required, must be obtained from the City before any work may begin. A copy of any permit or City approval must be provided to Classic Property Management, Inc. before any work may begin.

The contractor or sub-contractor must take all construction debris or trash off-site on a daily basis. On-site trash bins may not be used for disposal of any materials.

Contractor or workers must clean up dust, construction material residue or dirt, on a daily basis.

Work may be performed only during the hours of 8:00 a.m. and 6:00 p.m., Monday through Friday.

If I fail to comply with any of the above requirements or procedures, I agree to reimburse the Emerald Glen Homeowners Association for the cost of any cleanup or repair to the common area that is necessary as a result of the contractor's failure to do so.

I understand that if I fail to comply with the above requirements I will be subject to fines and reimbursement to the Association.

Signature

Date

Unit #

Board of Directors Approval: _____

Date: _____

EMERALD GLEN HOMEOWNERS ASSOCIATION

TORRANCE, CALIFORNIA 90503

INFORMATION SHEET

INSURANCE REMINDER: The Association policy is for common area and Association liability only. All claims that may need to be submitted to the Associations insurance company must first be submitted in writing to the Board of Directors. The Board of Directors only can submit the claim to the insurance company.

All homeowners are to carry their own liability and personal property insurance to protect your own personal property and any liability that you may have for injury and damages.

PLUMBING REMINDER: Please do not pour or flush anything down your drains that should be disposed of properly. This would include pasta, rice, cooking oil, fat, grease, paint, plaster, kitty litter, baby wipes, baby diapers and female hygiene products. Also, please do not flush paper towels down your toilet.
Your cooperation will prevent future maintenance costs and expenses from increasing.

BALCONIES: Please clear all balcony drain-openings of debris. All homeowners are responsible for property damage caused to other units.