



STATEMENT OF ACCOUNT

HOA Sales / Escrow Disclosure Package

ASSOCIATION & PROPERTY INFORMATION

Association Name: Rockberry Villas Owners Association

Statement Date:

May 26, 2026

Statement Valid Through:

May 31, 2026

PROPERTY ADDRESS

Street Address: 2222 Raspberry Lane – Mountain View, CA 940

Unit / Lot #:

2222

City:

Mountain View

State / ZIP:

California, 94043

CURRENT OWNER & ESCROW CONTACTS

Current Owner of Record:

Stiv Ostenberg / Gina Fallon

Owner Phone:

650-200-7215

Owner Email:

stiv@stiv.com / gostegirl@gmail.com

BUYER

Buyer Name(s): Not Available

Buyer Phone:

Buyer Email:

ESCROW / TITLE

Escrow Company: Lawyers Title Company

Escrow Officer:

Carlota Villatoro

Escrow #:

Estimated Close of Escrow:

Date of Sale:

FINANCIAL SUMMARY

All amounts below are as of the Statement Date above and are subject to change. Please confirm with management before close.

REGULAR ASSESSMENTS

Description	Amount	Notes
Regular Monthly / Periodic Assessment	\$_350.00	Current rate
Frequency (Monthly / Quarterly / Annual)	\$_Monthly_	
Assessment Due Day of Month	1 st of each Month	

OUTSTANDING BALANCES

Description	Amount	Notes
Unpaid Regular Assessments	\$_0_	As of 5/26/26
Unpaid Special Assessments	\$_N/A_	
Late Fees / Interest	\$_0_	
Collection / Attorney Fees	\$_N/A_	
Violation Fines (unpaid)	\$_N/A_	
Other Charges	\$_0_	
TOTAL OUTSTANDING BALANCE	\$_0_	

CREDITS / PREPAID BALANCES

Description	Amount	Notes
Prepaid Assessments	\$_0_	
Refundable Deposits Held	\$_N/A_	
Other Credits	\$_N/A_	
TOTAL CREDITS	\$_0_	

TRANSFER & SETUP FEES (Buyer / Seller)

Fees charged in connection with the transfer of ownership. Responsible party indicated in the right column.

Description	Amount	Notes
Transfer / Change of Ownership Fee	\$_350.00_	X Buyer <input type="checkbox"/> Seller
New Owner Setup Fee	N/A	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller
Document Preparation Fee	\$_175.00_	<input type="checkbox"/> Buyer X Seller
Rush / Expedite Fee (if applicable)	Waived	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller
HOA Disclosure Package Fee	\$_0.00_	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller

Description	Amount	Notes
Certified / Demand Statement Fee	\$_250.00_	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller
Lender Questionnaire Fee (if applicable)	N/A	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller
TOTAL TRANSFER & SETUP FEES	\$_425.00_____	

SPECIAL ASSESSMENTS

Active, pending, and historical special assessments levied against this unit. Required disclosure under Civil Code §4525.

- Is there a current special assessment in effect for this unit? Yes No N/A
- Are there any pending or anticipated special assessments? Yes No N/A
- Are there any special assessments that have been approved but not yet levied? Yes No N/A

VIOLATIONS & ENFORCEMENT

Disclosure of active violations, architectural items, and enforcement matters affecting the unit.

- Are there any active violations against this unit? Yes No N/A
- Are there any unpaid violation fines? Yes No N/A
- Are there any pending architectural review items or unapproved alterations? Yes No N/A
- Are there any open or pending enforcement actions? Yes No N/A
- Are there any active or pending legal actions involving this unit? Yes No N/A

DETAILS OF VIOLATIONS / ENFORCEMENT (if any)

ADDITIONAL DISCLOSURES

- Are there any pending litigation matters involving the Association? Yes No N/A
- Are there any anticipated material physical or financial conditions affecting the property? Yes No N/A
- Are there any insurance claims pending against the Association? Yes No N/A

- Are there any rental / leasing restrictions in effect? Yes No N/A
- Are there any age restrictions on occupancy? Yes No N/A
- Is the unit currently rented or occupied by a non-owner? Yes No N/A
- Are there any unresolved maintenance items affecting the unit? Yes No N/A

Additional disclosure notes:

PAYMENT REMITTANCE INSTRUCTIONS

Transfer Fees Payable to Next Step Community Management – 3031 Tisch Way 110 Plaza West – San Jose, CA 95128

Assessments Payable to the Association.

Make Check Payable To: Rockberry Villas Owners Association _____

Mail To: Rockberry Villas OA – C/O Next Step Community Mgmt
P.O. Box 45417 San Francisco, CA 92602 _____

CERTIFICATION

This Statement of Account is prepared by Next Step Community Management, as authorized agent for the Association, based on the books and records of the Association as of the Statement Date listed above. The information disclosed herein is true and correct to the best of our knowledge. This statement is valid through the date specified and is subject to change for assessments that come due, payments received, or new charges incurred after the Statement Date.



Prepared By (signature)

Adriana DaSilva _____

Printed Name

Owner-President of Next Step Community Mgmt. _____

Title

5/26/26 _____

Date

408-495-4695 _____

Phone

adriana@nextstepcommunities.com _____

Email



ROCKBERRY VILLAS OWNERS ASSOCIATION

Sunday, November 30, 2025

To: Rockberry Villas Homeowners

From: Board of Directors

RE: 2026 Operating Budget, Budget Report per Civil Code 5300, and Annual Policy Statement per Civil Code 5310

Thank you for the prompt payment of your assessments for the current year. The enclosed operating budget has been approved by your Board of Directors and will become effective on January 1, 2026. The total assessment for the entire year will increase to \$350.00 for the fiscal year 2026.

- Reserves are being funded in the amount of \$2,495.83 monthly

Please find the following documents enclosed:

1. Delinquent Assessment Collection Policy
2. Alternative Dispute Resolution / Internal Dispute Resolution Notification
3. Notice – Assessments & Foreclosure
4. Summary of Association Insurance Coverage & Insurance Disclosure
5. 30 Year Pro Forma Funding Study (Levy, Erlanger & Company)
6. 2026 Pro Forma Operating Budget (Levy, Erlanger & Company)
7. Architectural Modification Request Form
8. Election Rules
9. Association Rules

As per civil code, the following disclosures are made:

1. 5300: The Board does not anticipate that a special assessment will be required during the 2026 calendar year to repair, replace, or restore any major component or to provide adequate reserves therefore.
2. 4950(b): The Board of Directors will make a draft or summary of the minutes of the Board meetings available to members within 30 days of the meeting at the expense of the requestor. The request must be made to Tri-State Enterprises, Inc.
3. 4045(a)3: General notices can be posted by either: 1st class mail; or electronic notice (with consent); or included in billing statements or newsletters; or television broadcast. **The association's designated place for posting notices is posted at the mailbox/directory or via USPS mail.**
4. 5565: Commencing January 1, 2009, a summary of the reserve funding plan shall be adopted by the board of directors of the association. The summary shall include notice to members that the full reserve study plan is available upon request, and the association shall provide the full reserve plan to any member upon request.
5. 5300(b)(3): A review of the financial statement of the association shall be prepared in accordance with generally accepted accounting principles by a licensee of the California Board of Accountancy for any fiscal year in which the gross income to the association exceeds seventy-five thousand dollars (\$75,000). A copy of the review of the financial statement shall be distributed within 120 days after the close of each fiscal year.
6. 5310(a)(10); 4765: An association shall annually provide its members with notice of any requirements for association approval of physical changes to property. The notice shall describe the types of changes that require association approval and shall include a copy of the procedure used to review and approve or disapprove a proposed change.
7. 4040(b): A member of an association may provide written notice by facsimile transmission or United States mail to the association of a secondary address. If a secondary address is provided, the association shall send any and all correspondence and legal notices required pursuant to this article to both the primary and the secondary address.
8. 5310 and 5850: If the board adopts a fine policy for rules violations, the board must give notice of the policy to all members by personal delivery or first-class mail. Thereafter, no further notice is required unless there are changes in the policy.
9. 4035: Please be advised that any official communications to the association should be put in writing and addressed to:

Rockberry Villas Owners Association
c/o Tri-State Enterprises, Inc.
2133 Leghorn Street, Mountain View, CA 94043



ROCKBERRY VILLAS OWNERS ASSOCIATION

10. 5310(a)(4); 4045(b). A member may have the option to receive general notices by individual delivery. A written request from the owner must be sent to:

Rockberry Villas Owners Association
c/o Tri-State Enterprises, Inc.
2133 Leghorn Street
Mountain View, CA 94043

Opt Out Option: Please be advised, if you want to opt out of having your name, mailing address and/or email address provided to other members who request this, please complete an Opt Out Form and mail it back to the above address.

On behalf of the Board of Directors of The Rockberry Villas Owners Association,

A handwritten signature in blue ink that reads "Jennifer Yeo".

Jennifer Yeo
Vice President, Tri-State Enterprises, Inc.

Rockberry Villas Owners Association

Exhibit "A"

Assessment Collection Policy

DELINQUENCY ASSESSMENT COLLECTION POLICY EFFECTIVE JANUARY 1, 2006

1. It is the fiduciary responsibility of the Board of Directors to collect all assessments in a timely fashion. The Association is entitled to recover reasonable costs of collecting delinquent assessments, including but not limited to Attorney's fees, late fees, collection costs, lien fees and litigation guarantees, which assessments and costs shall bear interest if more than 30 days overdue.
2. Assessments are due on the first day of each month and are delinquent on the 16th of the month, at which time a charge of \$10.00 or 10% of the assessment (or special assessment), whichever is greater will be charged on the 16th day of the month in which the assessment is due.
3. All balances due 30 days after the due date will be subject to interest of 12% per annum.
4. On or about the 30th day after a payment is due, the Board of Directors authorizes its Agents or Managers to send notice to all members who are delinquent, notifying them of the charges and the need to make payment in full within 60 days of the due date in order to avoid a lien on the property.
5. On or about the 60th day after a payment is due, a 30-day Pre-Lien Notice will be prepared and sent by certified mail, to the delinquent record owner(s) at the owner's last mailing address provided to the Association and to any secondary address that the owner(s) has provided to the Association in writing by sign-receipted mail or by facsimile. Such notices will include a detail of the total amount delinquent, including but not limited to, assessments, late charges, interest, and cost of collections, if any. The Notice shall also include all other information required by the Association's governing documents and California statute. The cost of this pre-lien letter is added to the members account.
6. On or about the 30th day after the Pre-Lien Notice is sent, if all amounts have not been paid and if the Board has voted approving the recording of a lien by a majority vote in an open meeting and recorded the vote in the minutes of the meeting, a Notice of Delinquent Assessment Lien ("Lien") will be prepared and recorded. All resulting collection fees and costs will be added to the total delinquent amount. A copy of the recorded Lien will be sent by certified mail to the address(es) as described in item 5 above, within 10 days after recordation. 275 days from the original due date or when the past due assessments total \$1,800, whichever comes first occurs, the association may proceed with a foreclosure sale of the delinquent member's home.
7. All charges assessed to the account must be paid in full as a condition to releasing such Lien, and the Association shall not be required to accept any partial or installment payments from the Lien date to the time that all amounts are paid in full, except by an

Rockberry Villas Owners Association

execution of a mutually agreeable payment plan and forbearance agreement. The association is not under an obligation to enter into a payment plan or forbearance agreement.

8. If all such amounts have not been paid in full within thirty (30) days after the recordation of such Lien, the Association may, with conditions, proceed to take any and all additional enforcement remedies as the Association, in its sole discretion, deems appropriate including, without limitation, non-judicial foreclosure of such lien, judicial foreclosure, or suit for money, damages, all at the expense of such owner. The conditions for proceeding with foreclosure:
 - 1.) An association has offered the owner dispute resolution or alternative dispute resolution (ADR).
 - 2.) The amount of delinquent regular or special assessments is equal to one thousand eight hundred dollars (\$1,800) or more, not including any accelerated assessments, late charges, fees and costs of collection, attorney's fees, or interest, or any assessments that are more than 12 months delinquent.
 - 3.) The decision to record a Notice of Sale was made by the board at least 30 days prior to a foreclosure sale.
 - 4.) The board has given notice to the owner of the decision to record a Notice of Sale by personal service for resident owners and by first-class mail at the most current address known for the owner for non-resident owners.
9. All payments received by the association shall first be applied to the assessments owed, and after the assessments are paid in full the payments shall be applied to the fees and costs of collections, attorney's fees, late charges and interest. An owner may request a receipt, which shall indicate the date of payment and the person who received it.
10. The mailing address for overnight payment of assessments is the same address that is used for the standard payment of assessments unless the Homeowners' Association or its attorneys specify otherwise.
11. The association may charge a "returned check charge" of \$25.00 for all returned checks.
12. An owner may dispute the debt noticed pursuant to the California Civil Code Section 5655 by submitting to the board a written request.
13. An owner may submit a written request to meet with the Board of Directors to discuss a payment plan for any Civil Code Section 5660 debt. The association shall provide the owner the standards for payment plans, if any exist. The board will meet with the owner within 45 days if the request is mailed within 15 days of the date of the postmark of the notice. If there is no regularly scheduled board meeting within this time, the board may designate a committee of at least one member to meet with the delinquent owner
14. Within 21 days of payment in full the association shall record all necessary documentation to clear the owner's title of the association's claim for past due assessments and charges. A copy of the release shall be mailed to the owner. If a lien has been recorded in error, a release of lien will be recorded within 21 calendar days and a copy of the recorded release of lien shall be provided to the owner along with a declaration that the lien recording was in error.

Rockberry Villas Owners Association

Exhibit "C"

Dispute Resolution Procedures

Arbitration and Dispute Resolution Procedure

Civil Code 5905 requires associations to provide a fair, reasonable and expeditious procedure for resolving disputes. The Procedure provided by the Rockberry Villas Owners Association is pursuant to Civil Code 5905 which is deemed by statute to be a fair, reasonable, and expeditious dispute resolution procedure. The procedure applies to disputes between the association and a member involving their rights, duties, or liabilities under the Davis - Stirling Common Interest Development Act under the Non Profit Mutual Benefit Corporation law (Part 3 (commencing with Section 7110) of Division 2 of Title I of the Corporations Code), or under the governing documents of the association.

Either party to a dispute may invoke the following procedure:

- (1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
 - (2) A member of the association may refuse a request to meet and confer. The association may not refuse a request to meet and confer.
 - (3) The association's board of directors shall designate a member of the board to meet and confer.
 - (4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
 - (5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association.
 - (6) An agreement reached under this section 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 common interest development or association.
 - (b) The agreement is either consistent with the authority granted by the board of directors to its designee or the board of directors ratifies the agreement,
 - (7) A member of the association may not be charged a fee to participate in the process.
- Disputes may also be subject to Article II of Chapter 7 (ADR requirements) of the California Civil Code (commencing with Section 5925). The provisions of Article II of Chapter Seven are set forth below. **Failure of a member of the association to comply with the Alternative Dispute Resolution requirements of Section 5905 of the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.**

5925 Definitions as used in this article:

- (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 articles may be binding or nonbinding with the voluntary consent of the parties.

Rockberry Villas Owners Association

(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 I of the Corporations Code),
- (3) Enforcement of the governing documents.

5930 ADR Prerequisite to Enforcement Action

(a) An association or an owner or a member of a common interest development 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.

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 owner of a separate interest, 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.

5940 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.

Rockberry Villas Owners Association

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 1369.540 for completion of alternative dispute resolution, including any extension of time stipulated to by the parties pursuant to Section 1369.540.

5950 Certification of Efforts to Resolve Disputes

- (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 is 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.

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.

5960 Attorneys Fees

In an enforcement action in which 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,

5965 Notice in Annual Policy Statement

- (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 your 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.

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 FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

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

The association must comply with the requirements of 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 documents in this regard. (Section 5685 of the Civil Code)

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

PAYMENTS

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

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

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth 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 PLAN

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)



Report Claims Immediately by Calling*

1-800-238-6225

*Speak directly with a claim professional
24 hours a day, 365 days a year*

*Unless Your Policy Requires **Written** Notice or Reporting

CONDOMINIUM PAC

CONDO - 1-4 UNITS PER FIRE DIVISION



A Custom Insurance Policy Prepared for:

**ROCKBERRY VILLAS HOA
C/O TRI-STATE ENTERPRISES, INC.
2133 LEGHORN ST
MOUNTAIN VIEW CA 94043-1605**

Presented by: BAY AREA INS AGCY INC



One Tower Square, Hartford, Connecticut 06183

COMMON POLICY DECLARATIONS
CONDOMINIUM PAC
BUSINESS: CONDO - 1-4 UNI

POLICY NO.: 680-1469P203-25-42
ISSUE DATE: 09/15/2025

INSURING COMPANY:
TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS:

ROCKBERRY VILLAS HOA
C/O TRI-STATE ENTERPRISES, INC.
2133 LEGHORN ST
MOUNTAIN VIEW CA 94043-1605

2. POLICY PERIOD: From 10/30/2025 to 10/30/2026 12:01 A.M. Standard Time at your mailing address.

3. DESCRIPTION OF PREMISES:

PREM. LOC. NO.	BLDG. NO.	OCCUPANCY	ADDRESS (same as Mailing Address unless specified otherwise)
001	ALL	CONDO 1-4	2222 RASPBERRY LN MOUNTAIN VIEW CA 94043

4. COVERAGE PARTS AND SUPPLEMENTS FORMING PART OF THIS POLICY AND INSURING COMPANIES

COVERAGE PARTS and SUPPLEMENTS	INSURING COMPANY
Businessowners Coverage Part	ACJ

5. The COMPLETE POLICY consists of this declarations and all other declarations, and the forms and endorsements for which symbol numbers are attached on a separate listing.

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions.

POLICY	POLICY NUMBER	INSURING COMPANY
--------	---------------	------------------

DIRECT BILL

7. PREMIUM SUMMARY:

Provisional Premium	\$	5,020.00
Due at Inception	\$	
Due at Each	\$	

NAME AND ADDRESS OF AGENT OR BROKER

BAY AREA INS AGCY INC HE874
3 LAGOON DR STE 260

REDWOOD CITY CA 940655158

IL TO 19 02 05 (Page 1 of 01)
Office: WALNUT CREEK CA DOWN

COUNTERSIGNED BY:

Authorized Representative

DATE: 09/15/2025



One Tower Square, Hartford, Connecticut 06183

BUSINESSOWNERS COVERAGE PART DECLARATIONS

CONDOMINIUM PAC

POLICY NO.: 680-1469P203-25-42

ISSUE DATE: 09/15/2025

INSURING COMPANY:

TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA

POLICY PERIOD:

From 10-30-25 to 10-30-26 12:01 A.M. Standard Time at your mailing address

FORM OF BUSINESS: HOA

COVERAGES AND LIMITS OF INSURANCE: Insurance applies only to an item for which a "limit" or the word "included" is shown.

COMMERCIAL GENERAL LIABILITY COVERAGE

OCCURRENCE FORM	LIMITS OF INSURANCE
General Aggregate (except Products-Completed Operations Limit)	\$ 2,000,000
Products-completed Operations Aggregate Limit	\$ 2,000,000
Personal and Advertising Injury Limit	\$ 1,000,000
Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented to You	\$ 300,000
Medical Payments Limit (any one person)	\$ 5,000

BUSINESSOWNERS PROPERTY COVERAGE

DEDUCTIBLE AMOUNT: Businessowners Property Coverage: \$ 5,000 per occurrence.
 Building Glass: \$ 5,000 per occurrence.

BUSINESS INCOME/EXTRA EXPENSE LIMIT: Actual loss for 12 consecutive months

Period of Restoration-Time Period: Immediately

ADDITIONAL COVERAGE:

Other additional coverages apply and may be changed by an endorsement. Please read the policy.

SPECIAL PROVISIONS:

**COMMERCIAL GENERAL LIABILITY COVERAGE
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

BUSINESSOWNERS PROPERTY COVERAGE

PREMISES LOCATION NO.: 001

BUILDING NO.: ALL

COVERAGE	LIMIT OF INSURANCE	VALUATION	COINSURANCE	INFLATION GUARD
BUILDING *Replacement Cost	\$ 9,465,062	Blanket Limit RC*	N/A	0.0%

Other coverage extensions apply and may be changed by an endorsement. Please read the policy.

POLICY NUMBER: 680-1469P203-25-42

EFFECTIVE DATE: 10/30/2025

ISSUE DATE: 09/15/2025

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS
BY LINE OF BUSINESS

IL T0 19 02 05	COMMON POLICY DECLARATIONS
MP T0 01 02 05	BUSINESSOWNERS COVERAGE PART DECLARATIONS
IL T8 01 01 01	FORMS ENDORSEMENTS AND SCHEDULE NUMBERS
IL T3 15 09 07	COMMON POLICY CONDITIONS

BUSINESSOWNERS

MP T1 30 02 05	TABLE OF CONTENTS - BUSINESSOWNERS COVERAGE PART - DELUXE PLAN
MP T1 02 02 05	BUSINESSOWNERS PROPERTY COVERAGE SPECIAL FORM
MP T1 03 02 05	AMENDATORY PROVISIONS CONDOMINIUM ASSOCIATION COVERAGE
CP 02 99 11 85	CANCELLATION CHANGES
MP T4 89 08 06	FUNGUS, ROT, BACTERIA AND OTHER CAUSES OF LOSS CHANGES - CALIFORNIA
MP T5 22 08 07	CALIFORNIA AMENDATORY PROVISIONS
MP T3 06 02 07	SEWER OR DRAIN BACK UP EXTENSION
MP T3 07 03 97	PROTECTIVE SAFEGUARDS ENDORSEMENT FOR SPRINKLERED LOCATIONS AND RESTAURANTS
MP T3 25 01 21	FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE
MP T3 50 11 06	EQUIPMENT BREAKDOWN - SERVICE INTERRUPTION LIMITATION
MP T3 56 02 08	AMENDATORY PROVISIONS - GREEN BUILDING AND BUSINESS PERSONAL PROP COV ENHANCEMENTS
MP T1 71 04 09	BUILDING OWNERS ENDORSEMENT
MP T9 70 03 06	POWER PAC ENDORSEMENT
MP T3 36 02 05	EQUIPMENT BREAKDOWN EXCLUSION
MP T9 54 02 05	EMPLOYEE DISHONESTY AND FORGERY OR ALTERATION EXCLUSION
IL F1 43 02 20	WILDFIRE DEFENSE SERVICES
PN U3 70 02 20	IMPORTANT NOTICE - WILDFIRE DEFENSE SERVICES
MP T5 08 02 20	CALIFORNIA CHANGES

COMMERCIAL GENERAL LIABILITY

CG T0 34 02 19	TABLE OF CONTENTS - COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG T1 00 02 19
CG T1 00 02 19	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG D2 37 02 19	EXCLUSION - REAL ESTATE DEVELOPMENT ACTIVITIES - COMPLETED OPERATIONS
CG D3 09 02 19	AMENDATORY ENDORSEMENT - PRODUCTS-COMPLETED OPERATIONS HAZARD
CG D9 10 09 21	AMENDMENT OF INTELLECTUAL PROPERTY EXCLUSION
CG D2 03 12 97	AMEND - NON CUMULATION OF EACH OCC
MP T1 25 11 03	HIRED AUTO AND NON-OWNED AUTO LIABILITY
CG D2 43 01 02	FUNGI OR BACTERIA EXCLUSION

POLICY NUMBER: 680-1469P203-25-42

EFFECTIVE DATE: 10/30/2025

ISSUE DATE: 09/15/2025

COMMERCIAL GENERAL LIABILITY (CONTINUED)

CG D4 21 07 08 AMEND CONTRAL LIAB EXCL - EXC TO NAMED INS
CG D6 18 10 11 EXCLUSION - VIOLATION OF CONSUMER FINANCIAL PROTECTION
LAWS
CG D9 44 01 23 EXCLUSION - VIOLATION OF BIOMETRIC INFORMATION PRIVACY
LAWS
CG D0 76 06 93 EXCLUSION - LEAD
CG D1 42 02 19 EXCLUSION - DISCRIMINATION

MULTIPLE SUBLINE ENDORSEMENTS

CG T3 33 11 03 LIMITATION WHEN TWO OR MORE POLICIES APPLY

INTERLINE ENDORSEMENTS

IL T4 12 03 15 AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 21 CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL T4 40 10 20 PROTECTION OF PROPERTY
IL T3 82 05 13 EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
IL 00 21 09 08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD
FORM)
IL 01 04 07 20 CALIFORNIA CHANGES
IL 02 70 07 20 CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

POLICY HOLDER NOTICES

PN MP 59 04 19 IMPORTANT NOTICE - PRODUCT AVAILABILITY
PN T1 94 11 21 IMPORTANT NOTICE - LEAD EXCLUSION
PN T4 54 01 08 IMPORTANT NOTICE REGARDING INDEPENDENT AGENT AND
BROKER COMPENSATION
PN MP 57 04 17 IMP NOT PROT SAFEGUARDS SPRK AND REST
PN MP 64 04 25 IMPORTANT INFORMATION ABOUT YOUR CALIFORNIA WILDFIRE
RISK CLASSIFICATION
PN MP 38 01 11 IMPORTANT NOTICE - JURISDICTIONAL INSPECTIONS

ROCKBERRY VILLAS OWNERS ASSOCIATION

**FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
AND ACCOUNTANTS' COMPILATION REPORT**

YEARS ENDING DECEMBER 31, 2026 TO 2052

[2026 Reserve Funding Plan]

ROCKBERRY VILLAS OWNERS ASSOCIATION

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YEARS ENDING DECEMBER 31, 2026 TO 2052

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LEVY, ERLANGER & COMPANY LLP

**100 Montgomery Street, Suite 715
San Francisco, California 94104**

Board Of Directors
Rockberry Villas Owners Association
Mountain View, California

Management is responsible for the accompanying financial forecast of **Rockberry Villas Owners Association**, which comprises the forecasted statements of replacement fund major component repair and replacement costs and cash receipts, disbursements and balances (the 2026 Reserve Funding Plan) for the years ending December 31, 2026 to 2052, and the related summaries of significant assumptions and accounting policies in accordance with guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the financial forecast nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial forecast.

The forecasted results may not be achieved as there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Levy, Erlanger & Company LLP

November 5, 2025

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
YEARS ENDING DECEMBER 31, 2026 TO 2052

	1	2	3	4	5	6	7	8	9	10
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
COMPUTATION PARAMETERS										
Number of units	15	15	15	15	15	15	15	15	15	15
Replace fund regular assmnt per unit per mo	166.39	177.20	188.72	200.99	214.05	227.97	242.79	258.57	275.37	293.27
Replace fund special assmnt per unit for yr	0	0	0	0	0	0	0	0	0	0
Annual assmnt increase rate at 6.5 % thru 2035										
Annual assmnt increase rate at 6.5 % thru 2045										
Annual assmnt increase rate at 3.5 % thru 2052										
After-tax interest on cash balances 0.5 % p.a.	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Replacement cost increase rate at 4.0 % p.a.										
CASH FLOW FORECASTS										
CASH RECEIPTS										
Regular assessments	29950	31897	33970	36178	38530	41034	43701	46542	49567	52789
Special assessments	0									
Interest income	972	892	1038	1052	1253	1434	1616	1861	1123	1359
Total cash receipts	30922	32789	35008	37230	39783	42468	45318	48403	50690	54148
CASH DISBURSEMENTS										
Repair and replacement costs	45816	5697	32448	0	6297	8670	0	185016	7105	7661
Board approved deferral of expenditures										
Total cash disbursements	45816	5697	32448	0	6297	8670	0	185016	7105	7661
CASH FLOW (DEFICIENCY)	-14893	27091	2560	37230	33486	33798	45318	-136613	43586	46487
CASH BALANCE, BEGINNING OF YEAR	180000	165107	192198	194758	231988	265474	299272	344590	207977	251563
CASH BALANCE, END OF YEAR	165107	192198	194758	231988	265474	299272	344590	207977	251563	298050

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
YEARS ENDING DECEMBER 31, 2026 TO 2052

	11	12	13	14	15	16	17	18	19	20
	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
COMPUTATION PARAMETERS										
Number of units	15	15	15	15	15	15	15	15	15	15
Replace fund regular assmnt per unit per mo	312.33	332.64	354.26	377.28	401.81	427.93	455.74	485.36	516.91	550.51
Replace fund special assmnt per unit for yr	0	0	0	0	0	0	0	0	0	0
Annual assmnt increase rate a	6.5 % thru 2035									
Annual assmnt increase rate a	6.5 % thru 2045									
Annual assmnt increase rate a	3.5 % thru 2052									
After-tax interest on cash balai	0.5 % p.a.	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Replacement cost increase rat	4.0 % p.a.									
CASH FLOW FORECASTS										
CASH RECEIPTS										
Regular assessments	56220	59875	63766	67911	72325	77027	82033	87366	93044	99092
Special assessments										
Interest income	1610	106	384	289	16	356	125	252	717	1224
Total cash receipts	57830	59980	64150	68200	72341	77383	82159	87618	93761	100316
CASH DISBURSEMENTS										
Repair and replacement costs	336320	8433	81799	118747	9321	120101	58644	1567	0	11340
Board approved deferral of expenditures										
Total cash disbursements	336320	8433	81799	118747	9321	120101	58644	1567	0	11340
CASH FLOW (DEFICIENCY)	-278490	51547	-17648	-50547	63021	-42718	23515	86051	93761	88976
CASH BALANCE, BEGINNING OF YEAR	298050	19560	71107	53459	2912	65932	23214	46729	132780	226542
CASH BALANCE, END OF YEAR	19560	71107	53459	2912	65932	23214	46729	132780	226542	315517

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
YEARS ENDING DECEMBER 31, 2026 TO 2052

	21	22	23	24	25	26	27	
	2046	2047	2048	2049	2050	2051	2052	Total
COMPUTATION PARAMETERS								
Number of units	15	15	15	15	15	15	15	
Replace fund regular assmnt per unit per mo	569.78	589.72	610.36	631.73	653.84	676.72	700.41	
Replace fund special assmnt per unit for yr	0	0	0	0	0	0	0	
Annual assmnt increase rate a	6.5 % thru 2035							
Annual assmnt increase rate a	6.5 % thru 2045							
Annual assmnt increase rate a	3.5 % thru 2052							
After-tax interest on cash balai	0.5 % p.a.	0.005	0.005	0.005	0.005	0.005	0.005	
Replacement cost increase ral	4.0 % p.a.							
CASH FLOW FORECASTS								
CASH RECEIPTS								
Regular assessments	102560	106150	109865	113711	117690	121810	126073	1960677
Special assessments								0
Interest income	1704	2183	2701	2925	3369	3898	4475	38934
Total cash receipts	104265	108333	112566	116635	121059	125708	130548	1999611
CASH DISBURSEMENTS								
Repair and replacement costs	15614	12483	71098	34434	22980	18997	0	1220586
Board approved deferral of expenditures								0
Total cash disbursements	15614	12483	71098	34434	22980	18997	0	1220586
CASH FLOW (DEFICIENCY)	88651	95850	41468	82201	98079	106711	130548	779025
CASH BALANCE, BEGINNING OF YEAR	315517	404168	500018	541486	623687	721766	828477	180000
CASH BALANCE, END OF YEAR	404168	500018	541486	623687	721766	828477	959025	959025

ROCKBERRY VILLAS OWNERS ASSOCIATION															
FORECASTED STATEMENTS OF REPLACEMENT FUND															
MAJOR COMPONENT REPAIR AND REPLACEMENT COSTS															
YEARS ENDING DECEMBER 31, 2026 TO 2052															
(CONTINUED)															
Description	Est.	Est.	Curr.	Year	Est.	1	2	3	4	5	6	7	8	9	10
	Use.	Rem.	Repl.	Rplc.	Liab.	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Life	Life	Cost	Prov.	12-25										
COMMON AREA															
Asphalt - Remove & Replace	30	13	71316	2377	40413										
Asphalt - Seal/Repair	5	0	7126	1425	7126	7126					7126				
Concrete Surface - Repair (10%)	10	1	5478	548	4930		5478								
Stamped Concrete - Repr/Rplce (25%)	15	0	7379	492	7379	7379									
Boilard Lights - Replace	20	2	28515	1426	25664			28515							
Mailboxes - Replace	25	7	3093	124	2227								3093		
Patio Furniture - Replace	8	0	3583	448	3583	3583								3583	
Wood Fence - Replace	25	7	51406	2056	37013								51406		
Trellis - Replace	25	7	37233	1489	26808								37233		
Backflow Devices - Replace	30	12	2722	91	1633										
Irrigation Controller - Replace	15	8	1609	107	751									1609	
Entry Sign - Replace	20	2	1485	74	1336			1485							
Fire Standpipe - Replace	35	17	804	23	414										
BUILDING EXTERIOR															
Metal Fence - Replace	30	12	48369	1612	29021										
Utility Doors - Replace	25	7	36502	1460	26281								36502		
Metal Fence - Repaint	5	4	5382	1076	1076					5382					5382
Wood Surfaces - Repaint	8	7	7104	888	888								7104		
Wood Siding/Trim - Repair (10%)	8	7	5259	657	657								5259		
EIFS Exterior - Repaint	16	15	39820	2489	2489										
Comp Shingle Roof - Replace	28	10	175479	6267	112808										
Gutters/Downspouts - Replace	28	10	44601	1593	28672										
Fumigation - Treat	16	0	27728	1733	27728	27728									
Rounding to nearest \$1,000/\$5,000				-456	1103										
				28000	390000	45816	5478	30000	0	5382	7126	0	140597	5191	5382
Replacement cost increase factor		4	% per annum			1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42
						45816	5697	32446	0	6297	8670	0	185016	7105	7661

ROCKBERRY VILLAS OWNERS ASSOCIATION										
FORECASTED STATEMENTS OF REPLACEMENT FUND										
MAJOR COMPONENT REPAIR AND REPLACEMENT COSTS										
YEARS ENDING DECEMBER 31, 2026 TO 2052										
(CONTINUED)										
	11	12	13	14	15	16	17	18	19	20
Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
COMMON AREA										
Asphalt - Remove & Replace				71316						
Asphalt - Seal/Repair	7126					7126				
Concrete Surface - Repair (10%)		5478								
Stamped Concrete - Repr/Rplce (25%)						7379				
Bollard Lights - Replace										
Mailboxes - Replace										
Patio Furniture - Replace							3583			
Wood Fence - Replace										
Trellis - Replace										
Backflow Devices - Replace			2722							
Irrigation Controller - Replace										
Entry Sign - Replace										
Fire Standpipe - Replace								804		
BUILDING EXTERIOR										
Metal Fence - Replace			48369							
Utility Doors - Replace										
Metal Fence - Repaint					5382					5382
Wood Surfaces - Repaint						7104				
Wood Siding/Trim - Repair (10%)						5259				
EIFS Exterior - Repaint						39820				
Comp Shingle Roof - Replace	175479									
Gutters/Downspouts - Replace	44601									
Fumigation - Treat							27728			
	227206	5478	51091	71316	5382	66688	31311	804	0	5382
	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11
	336320	8433	81799	118747	9321	120101	58644	1567	0	11340

ROCKBERRY VILLAS OWNERS ASSOCIATION								
FORECASTED STATEMENTS OF REPLACEMENT FUND								
MAJOR COMPONENT REPAIR AND REPLACEMENT COSTS								
YEARS ENDING DECEMBER 31, 2026 TO 2052								
(CONTINUED)								
	21	22	23	24	25	26	27	
Description	2046	2047	2048	2049	2050	2051	2052	Total
COMMON AREA								
Asphalt - Remove & Replace								71316
Asphalt - Seal/Repair	7126					7126		42756
Concrete Surface - Repair (10%)		5478						16434
Stamped Concrete - Repr/Rplce (25%)								14758
Bollard Lights - Replace			28515					57031
Mailboxes - Replace								3093
Patio Furniture - Replace					3583			14331
Wood Fence - Replace								51406
Trellis - Replace								37233
Backflow Devices - Replace								2722
Irrigation Controller - Replace				1609				3217
Entry Sign - Replace			1485					2970
Fire Standpipe - Replace								804
BUILDING EXTERIOR								
Metal Fence - Replace								48369
Utility Doors - Replace								36502
Metal Fence - Repaint					5382			26912
Wood Surfaces - Repaint				7104				21311
Wood Siding/Trim - Repair (10%)				5259				15776
EIFS Exterior - Repaint								39820
Comp Shingle Roof - Replace								175479
Gutters/Downspouts - Replace								44601
Fumigation - Treat								55456
	7126	5478	30000	13971	8965	7126	0	782298
	2.19	2.28	2.37	2.46	2.56	2.67	2.77	
	15614	12463	71098	34434	22980	18997	0	1220566

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052**

NOTE 1 - THE ASSOCIATION

Rockberry Villas Owners Association (the Association) is a common interest subdivision located in Mountain View, California which consists of 15 residential units and certain common area property. The Association was organized in July 2008 as a nonprofit, mutual-benefit association to provide for the management and maintenance of the common area property.

The accompanying forecasted financial statements include only the income and expenditures of the replacement fund; the activities of the operations fund are not included.

NOTE 2 - THE FORECASTS

These forecasted statements are the Board of Directors' estimate of cash receipts and cash disbursements from replacement fund activity based on the assumptions set forth below. The assumptions disclosed herein are those that the Board of Directors believes are significant to the forecasts. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur subsequent to November 5, 2025, the date of these forecasts. Therefore, the actual results achieved during the forecast period may vary from the forecasts, and the variations may be material. Because of automatic rounding to the nearest whole dollar of calculated line item amounts, certain subtotals and totals may not exactly equal the printed sum of the line item amounts above such subtotals and totals. These minor rounding differences have no significant effect on the accompanying forecasted statements.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)**

NOTE 3 - BASIS OF PRESENTATION

The accompanying forecasted financial statements have been prepared on the cash basis of accounting, rather than accrual basis accounting which is consistent with generally accepted accounting principles used in the Association's historical financial statements because the Association believes it to be more useful for estimating its future replacement fund cash requirements.

NOTE 4 - FUNDING PLAN AND SUMMARY OF SIGNIFICANT ASSUMPTIONS

Regular assessments represent that portion of the total annual assessments which are allocated to the future repair, replacement or additions to major common area property components. Annual replacement assessments are computed by multiplying the product of the number of units and the base year annual assessment by the compounded assessment increase factor.

As of **December 31, 2025**, the estimated cash balance is \$180,000 and the estimated liability for the replacement of major components is \$390,000. Hence, the Association is expected to be **46% funded** at December 31, 2025.

The initial replacement fund contribution per unit per month of \$166.39, assessment increase factor of 6-1/2% per annum through the year 2045, and assessment increase factor of 3-1/2% per annum thereafter through the year 2052 (the end of the forecast period) is the recommendation of the Board of Directors.

As of **December 31, 2035**, the forecast results in an estimated cash balance of approximately \$300,000 (\$210,000 in current dollars utilizing a discount factor of 4% per annum); the estimated liability for the replacement of major components is forecasted to approximate \$570,000 (\$400,000 in current dollars utilizing a discount factor of 4% per annum). Hence, the Association is expected to be **53% funded** at December 31, 2035.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)

NOTE 4 - FUNDING PLAN AND SUMMARY OF SIGNIFICANT ASSUMPTIONS
(CONTINUED)

As of **December 31, 2045**, the forecast results in an estimated cash balance of approximately \$315,000 (\$150,000 in current dollars utilizing a discount factor of 4% per annum); the estimated liability for the replacement of major components is forecasted to approximate \$465,000 (\$220,000 in current dollars utilizing a discount factor of 4% per annum). Hence, the Association is expected to be **68% funded** at December 31, 2045.

As of **December 31, 2052**, the forecast results in an estimated cash balance of approximately \$960,000 (\$345,000 in current dollars utilizing a discount factor of 4% per annum); the estimated liability for the replacement of major components is also forecasted to approximate \$960,000 (\$345,000 in current dollars utilizing a discount factor of 4% per annum). Hence, the Association is expected to be **100% funded** at December 31, 2052.

In arriving at the foregoing funding plan, the following significant assumptions have been made:

Components not included in the component and funding studies by the Board of Directors have either been considered to have an estimated remaining useful life in excess of 17 years, or are expected to be maintained, repaired and replaced through the annual operations fund budget.

Average long-term rate of increase expected in repair and replacement costs will approximate 4% per annum

Average long-term, before-tax interest rate earned on idle replacement fund cash balances will approximate 3/4% per annum

Interest earned on replacement fund cash balances will remain in the replacement fund and not be used to defray day-to-day operations fund expenses.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)**

**NOTE 4 - FUNDING PLAN AND SUMMARY OF SIGNIFICANT ASSUMPTIONS
(CONTINUED)**

Year-end replacement fund cash balance will not fall below \$-0- during the forecast period.

NOTE 5 - SPECIAL ASSESSMENTS

Special assessments represent discrete assessments levied by the Board Of Directors to meet present or anticipated financial requirements. There are no special assessments presently projected during the forecast period.

NOTE 6 - INTEREST INCOME

The Board of Directors has determined that the forecasted cash balances will earn interest at an after-tax interest rate averaging 1/2% per annum. Interest income (after income taxes) is computed by multiplying the beginning of the year cash balances by the after-tax interest rate of 1/2% per annum. The after-tax interest rate was derived by multiplying the before-tax rate of 3/4% per annum estimated by the Board of Directors by an effective combined federal and California income tax rate of approximately 30%.

NOTE 7 - REPLACEMENT COSTS, USEFUL AND REMAINING LIVES

Replacement costs are the result of a reserve analysis performed by Association Reserves of San Francisco in their report dated March 2022. The component description, estimated useful life, estimated remaining life, and estimated replacement costs were originally taken from this report.

For purposes of this, the 2026 Reserve Funding Plan, the 2025 Reserve Funding Plan has been updated, generally, by increasing current replacement costs by 4% and decreasing estimated remaining lives by one year. In addition, adjustments may have been made based upon actual or anticipated major component repairs and replacements.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)**

NOTE 8 - MAJOR COMPONENT INFLATION RATE

In order to compute the estimated liability for repair and replacement of major components at December 31, 2052, it was necessary to first determine the periodic interest rate needed for a present value (the latest replacement cost prior to December 31, 2052) to grow to its estimated future value in the year 2052 (the end of the forecast period). For these purposes, the Board of Directors believes that 4% per annum represents a reasonable estimated rate of increase.

NOTE 9 - YEARLY REPLACEMENT PROVISION

The yearly replacement provision represents an estimate of the "wearing out" of the major components, stated in dollars. The provision for repair and replacement of major components has been estimated, for each component, by dividing the estimated current replacement cost by the estimated useful life.

**NOTE 10 - ESTIMATED LIABILITY AT DECEMBER 31, 2025, 2035, 2045
AND 2052**

The estimated liability for repair and replacement of major components represents an estimate of how much money should have been accumulated for that portion of each component which has "worn out" or been "used up" as of a particular point in time.

The estimated liabilities at December 31, 2025, 2035, 2045, and 2052, for each major component, are computed by multiplying the estimated replacement cost by the fraction (useful life-remaining life)/useful life.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

2026 ANNUAL BUDGET REPORT

[California Civil Code Section 5300]

ROCKBERRY VILLAS OWNERS ASSOCIATION

**2026 ANNUAL BUDGET REPORT
[California Civil Code Section 5300]**

**CONTENTS
YEAR ENDING DECEMBER 31, 2026**

- I. 2026 Pro Forma Operating Budget and Supplementary Assessment and Reserve Funding Disclosure Summary
- II. Insurance Disclosure

Rockberry Villas Owners Association
2026 Pro Forma Operating Budget & Supplementary
Assessment And Reserve Funding Disclosure Summary

The accompanying 2026 pro forma operating budget for the fiscal year ending December 31, 2026 and related supplementary assessment and reserve funding disclosure summary are presented in accordance with California Civil Code Sections 5300 and 5570 and is the representation of management and/or the board of directors.

	----- Page Reference -----							
	<u>Pro Forma</u> <u>Budget</u>	<u>Disclosure</u> <u>Summary</u>						
<u>2026 Pro Forma Operating Budget Disclosure</u>								
Accountants' report on financial forecast	1	-						
Accrual-basis revenue and expenses	2 - 3	-						
Percentage reserves are funded at December 31, 2025 including cash reserves and reserve obligation	6	-						
Reserve funding plan	6 - 7	-						
Significant assumptions	8 - 9	-						
Major component data, including major component description, estimated useful life, estimated remaining life, estimated current replacement cost and estimated future cost	10	-						
<u>Assessment And Reserve Funding Disclosure Summary</u>								
1. <i>The current assessment per unit per month <u>\$330.00</u>. If assessments vary by the size or type of unit, the assessment applicable to this unit may be found on page ...</i>	-	-						
2. <i>Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the Board and/or members:</i>								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Date Due</u></th> <th style="text-align: left;"><u>\$ PUPM (a)</u></th> <th style="text-align: left;"><u>Purpose</u></th> </tr> </thead> <tbody> <tr> <td>January 1, 2026</td> <td>\$350.00</td> <td>2026 operations and reserve funding</td> </tr> </tbody> </table>	<u>Date Due</u>	<u>\$ PUPM (a)</u>	<u>Purpose</u>	January 1, 2026	\$350.00	2026 operations and reserve funding		
<u>Date Due</u>	<u>\$ PUPM (a)</u>	<u>Purpose</u>						
January 1, 2026	\$350.00	2026 operations and reserve funding						
_____ <i>(a) PUPM - per unit per month. If variable, see attached schedule at pages...</i>	-	-						

The above information is the representation of management and/or the board of directors of the association.

Levy, Erlanger & Company LLP
San Francisco, California

Assessment/Reserve Funding Disclosure Summary
(Continued)

- (2) "Major component" has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment And Reserve Funding Disclosure Summary.
- (3) The form set out in subdivision (a) [items #1-#7] 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) [items #1-#7] 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.

The above information is the representation of management and/or the board of directors of the association.

**Levy, Erlanger & Company LLP
San Francisco, California**

ROCKBERRY VILLAS OWNERS ASSOCIATION

**FORECASTED STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND BALANCES
AND ACCOUNTANTS' COMPILATION REPORT**

YEAR ENDING DECEMBER 31, 2026

**[California Civil Code Section 5300
2026 Pro Forma Operating Budget]**

ROCKBERRY VILLAS OWNERS ASSOCIATION

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YEAR ENDING DECEMBER 31, 2026**

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Forecasted Schedule Of Major Component Replacement Provision For The Year Ending December 31, 2026 And Estimated Liability At December 31, 2025	10

LEVY, ERLANGER & COMPANY LLP

**100 Montgomery Street, Suite 715
San Francisco, California 94104**

Board Of Directors
Rockberry Villas Owners Association
Mountain View, California

Management is responsible for the accompanying financial forecast of **Rockberry Villas Owners Association**, which comprises the forecasted statement of revenues, expenses and changes in fund balances and the supplemental information (the 2026 Pro Forma Operating Budget) for the year ending December 31, 2026, and the related summaries of significant assumptions and accounting policies in accordance with guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the financial forecast nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial forecast.

The forecasted results may not be achieved as there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Accordingly, the current funding program may or may not be sufficient to meet all future replacement costs. The ability of the Association to fund its liability for replacement of major components is dependent upon increases in that portion of the regular assessment which is allocated to the replacement fund, as well as special assessments.

This forecast is presented in accordance with the requirements of California Civil Code Section 5300.

Levy, Erlanger & Company LLP

November 5, 2025

ROCKBERRY VILLAS OWNERS ASSOCIATION

**FORECASTED STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026**

	Operations Fund	Replacement Fund	Total Funds
	-----	-----	-----
REVENUES			
Assessments	\$ 33,050	\$ 29,950	\$ 63,000
Interest income		1,400	1,400
	-----	-----	-----
Total revenues	33,050	31,350	64,400
	-----	-----	-----
EXPENSES			
<u>Maintenance and operations</u>			
Major component replacement provision (Notes 3 and 5)	-	28,000	28,000
Landscape maintenance	4,200		4,200
Facilities maintenance	3,502		3,502
Pest control	2,700		2,700
Plumbing maintenance	1,500		1,500
	-----	-----	-----
	11,902	28,000	39,902
	-----	-----	-----
<u>Administration</u>			
Management	9,900	-	9,900
Insurance	2,748		2,748
Reserve study	750		750
Legal, accounting and professional	500		500
Office, copies and postage	405		405
Income tax provision		400	400
	-----	-----	-----
	14,303	400	14,703
	-----	-----	-----

See accountants' compilation report and accompanying notes and significant assumptions.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**FORECASTED STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026
(CONTINUED)**

	Operations Fund	Replacement Fund	Total Funds
	-----	-----	-----
EXPENSES (CONTINUED)			
<u>Utilities</u>			
Water	\$ 5,880	\$ -	\$ 5,880
Electricity	965		965
	-----	-----	-----
	6,845	-	6,845
	-----	-----	-----
 Total expenses	 33,050	 28,400	 61,450
	-----	-----	-----
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	-	2,950	2,950
 FUND BALANCE (DEFICIT), BEGINNING OF YEAR (NOTE 5)	 20,000	 (210,000)	 (190,000)
	-----	-----	-----
 FUND BALANCE (DEFICIT), END OF YEAR	 \$ 20,000	 \$ (207,050)	 \$ (187,050)
	=====	=====	=====

See accountants' compilation report and accompanying notes and significant assumptions.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026**

NOTE 1 - THE ASSOCIATION

Rockberry Villas Owners Association (the Association) is a common interest subdivision located in Mountain View, California which consists of 15 residential units and certain common area property. The Association was organized in July 2008 as a nonprofit, mutual-benefit association to provide for the management and maintenance of the common area property.

NOTE 2 - THE FORECAST

This forecasted statement is the Board of Directors' estimate of revenues, expenses and changes in fund balances based on the assumptions set forth below. The assumptions disclosed herein are those that the Board believes are significant to the forecast. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur subsequent to November 5, 2025 the date of this forecast. Therefore, the actual results achieved during the forecast period may vary from the forecast, and the variations may be material.

NOTE 3 - BASIS OF PRESENTATION

The accompanying forecasted financial statement is presented on the accrual basis of accounting, in accordance with the provisions of California Civil Code Section 5300.

The yearly replacement provision represents an estimate of the "wearing out" of the major components, stated in dollars. The provision for repair and replacement of major components has been estimated, for each component, by dividing the estimated current replacement cost by the estimated useful life. Hence, for 2026, the estimated annual wearing out of the major components, shown as "major component replacement provision" totals \$28,000 (the component by component computation of this amount is shown in the accompanying forecasted schedule of major component replacement provision and estimated liability).

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026
(CONTINUED)**

NOTE 3 - BASIS OF PRESENTATION (CONTINUED)

While the Association is required by California statute to present its budget on an accrual basis, it is also important to understand the projected cash-basis expenditures for next year based upon the Association's most recent reserve study or Board-directed update thereof. During the year ending December 31, 2026, the following major component repair and replacement expenditures are presently forecasted:

Fumigation - treat	\$ 27,700
Asphalt and concrete	14,500
Other major repairs	3,600

Total	\$ 45,800
	=====

Whether or not the foregoing forecasted expenditures are made during the year ending December 31, 2026 will depend upon the respective components' state of repair and the approval of the Board of Directors. In addition, major component repairs and replacements not listed above may be made if the component should fail and require immediate repair and replacement.

NOTE 4 - REVENUES

Total regular (monthly) assessments for 2026 are expected to average \$350.00 per unit per month. The amount allocated to the operations fund is estimated to average \$183.61 per unit per month. The amount allocated to the replacement fund is estimated to average \$166.39 per unit per month.

Interest income (after income taxes) of \$1,000 is forecasted to be earned on replacement fund cash balances. Interest income is computed utilizing an estimated 3/4% before-tax interest rate and an estimated 1/2% after-tax interest rate. Hence, an estimated combined federal and California income tax rate of approximately 30% is assumed.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026
(CONTINUED)**

NOTE 5 - REPLACEMENT FUND BALANCE DEFICIT AND PERCENT FUNDED

The beginning of the year deficit in the replacement fund results from an excess of estimated major component replacement liability over estimated replacement fund cash reserves, as follows:

Estimated cash reserves	\$ 180,000
Estimated liability	(390,000)

Replacement fund surplus (deficit) (aka over-(under-)funded reserves	\$ (210,000)
	=====
Over-(under-)funded reserves per unit on average	\$ (14,000)
	=====
Estimated percent funded	46%
	=====

The estimated liability for repair and replacement of major components represents an estimate of how much money should have been accumulated for that portion of each component which has "worn out" or been "used up" as of December 31, 2025. The estimated liability is computed, for each component, by multiplying the estimated current replacement cost by the fraction (estimated useful life-estimated remaining life)/estimated useful life. The component by component computation of liability is shown in the accompanying forecasted schedule of major component replacement provision and estimated liability. The estimated reserves percent funded is computed by dividing the estimated cash reserves by the estimated reserve liability.

NOTE 6 - RESERVE FUNDING PLAN

The Association plans to fund the future repair and/or replacement of the major components by proposing increases in that portion of the regular assessment which goes into the replacement fund, and/or special assessments.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026
(CONTINUED)**

NOTE 6 - RESERVE FUNDING PLAN (CONTINUED)

Under this program, beginning in 2026 at a base replacement fund contribution of \$166.39, that portion of the total assessment which is allocated to the replacement fund must increase by 6-1/2% per annum through the year 2045 and increase by 3-1/2% per annum through the year 2052 (the end of the forecast period).

The presently-projected reserve funding plan is further summarized as follows:

	Estimated Cash <u>Balance</u>	Estimated <u>Liability</u>	Est. <u>Income</u>	Est. <u>Expend</u>	
<u>Present</u> 12-2025	180,000	390,000			= 46% Funded
2026			30,900	45,800	
2027			32,789	5,697	
2028			35,008	32,448	
2029			37,230	-0-	
2030			39,783	6,297	
 <u>10 Years</u> 12-2035	 300,000	 570,000			 = 53% Funded
 <u>20 Years</u> 12-2045	 315,000	 465,000			 = 68% Funded
 <u>27 Years</u> 12-2052	 960,000	 960,000			 = 100% Funded

Note: Estimated reserve expenditures may be net of projected Board-approved deferrals; see the reserve funding plan for full details.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026
(CONTINUED)**

NOTE 7 - SIGNIFICANT ASSUMPTIONS

In arriving at the foregoing reserve funding plan, the following significant assumptions have been made:

Components

The components listed here are those the Board of Directors has determined to be the major components which the Association is obligated to reserve for after reviewing its governing documents and/or consulting with legal counsel and other knowledgeable persons. The Board of Directors has determined that the maintenance and repair of major components not included in the reserve fund, if any, shall be funded through the operations fund budget.

Components not included in the component and funding studies by the Board of Directors have either (1) been considered to have an estimated remaining life in excess of 17 years and will remain unfunded until the estimated remaining life is 17 years or less, or (2) are expected to be maintained, repaired and replaced through the operations fund budget.

Replacement Cost Inflation Rate

The estimated average long-term rate of increase expected in major repair and replacement costs will approximate 4% per annum.

Replacement Fund Interest Rate

The estimated average long-term before-tax interest rate earned on replacement fund cash balances will approximate 3/4% per annum. Interest earned on replacement fund cash balances will remain in the replacement fund and not be used to defray day-to-day operating expenses. The before-tax interest rate assumption is based on the lower of that rate used in the most recent reserve study or two percent (2%) greater than the discount rate published by the Federal Reserve Bank of San Francisco as of the date of this report.

Estimated Useful Life

The estimated useful life of each identified major component was determined by Association Reserves of San Francisco, the Association's component study expert, in their report dated March 2022.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2026
(CONTINUED)**

NOTE 7 - SIGNIFICANT ASSUMPTIONS (CONTINUED)

Estimated Remaining Life

The estimated remaining life of each identified major component was originally determined by Association Reserves of San Francisco, the Association's component study expert, in their report dated March 2022.

For purposes of this, the 2026 Pro Forma Operating Budget, the 2025 Pro Forma Operating Budget has been updated, generally, by decreasing estimated remaining lives by one year. In addition, adjustments may have been made based upon actual or anticipated major component repairs and replacements.

Estimated Current Replacement Cost

The estimated current replacement cost of each identified major component was originally determined by Association Reserves of San Francisco, the Association's component study expert, in their report dated March 2022.

For purposes of this, the 2026 Pro Forma Operating Budget, the 2025 Pro Forma Operating Budget has been updated, generally, by increasing estimated current replacement costs by 4%. In addition, adjustments may have been made based upon actual or anticipated major component repairs and replacements.

NOTE 8 - BANK LOAN DISCLOSURE

There is no outstanding current or projected loan balance as of December 31, 2025.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED SCHEDULE OF ESTIMATED MAJOR COMPONENT
REPLACEMENT PROVISION FOR THE YEAR ENDING DECEMBER 31, 2026
AND ESTIMATED LIABILITY AT DECEMBER 31, 2025

<u>Description</u>	Est. Use. <u>Life</u>	Est. Rem. <u>Life</u>	Curr. Repl. <u>Cost</u>	Year Rplc. <u>Prov.</u>	Est. Liab. <u>12-25</u>
COMMON AREA					
Asphalt - Remove & Replace	30	13	71316	2377	40413
Asphalt - Seal/Repair	5	0	7126	1425	7126
Concrete Surface - Repair (10%)	10	1	5478	548	4930
Stamped Concrete - Repr/Rplce (25%)	15	0	7379	492	7379
Bollard Lights - Replace	20	2	28515	1426	25664
Mailboxes - Replace	25	7	3093	124	2227
Patio Furniture - Replace	8	0	3583	448	3583
Wood Fence - Replace	25	7	51406	2056	37013
Trellis - Replace	25	7	37233	1489	26808
Backflow Devices - Replace	30	12	2722	91	1633
Irrigation Controller - Replace	15	8	1609	107	751
Entry Sign - Replace	20	2	1485	74	1336
Fire Standpipe - Replace	35	17	804	23	414
BUILDING EXTERIOR					
Metal Fence - Replace	30	12	48369	1612	29021
Utility Doors - Replace	25	7	36502	1460	26281
Metal Fence - Repaint	5	4	5382	1076	1076
Wood Surfaces - Repaint	8	7	7104	888	888
Wood Siding/Trim - Repair (10%)	8	7	5259	657	657
EIFS Exterior - Repaint	16	15	39820	2489	2489
Comp Shingle Roof - Replace	28	10	175479	6267	112808
Gutters/Downspouts - Replace	28	10	44601	1593	28672
Fumigation - Treat	16	0	27728	1733	27728
Rounding to nearest \$1,000/\$5,000				-456	1103
Estimated major component repair and replacement provision for the year ending December 31, 2026				28000	
Estimated liability for repair and replacement of common area major components at December 31, 2025					390000
Estimated replacement fund cash reserves at December 31, 2025					180000
Excess of estimated major component replacement liability over estimated replacement fund cash reserves at December 31, 2025					210000

See accountants' compilation report and accompanying notes and significant assumptions.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**2026 ANNUAL BUDGET REPORT
[California Civil Code Section 5300]**

II. INSURANCE DISCLOSURE

Please refer to the following pages.

Architectural Modification Request

Name of Owner(s): _____
Address of Condo: _____
Home Phone: _____ Work Phone: _____ Mobile Phone: _____
E-mail Address: _____ Other Contact: _____

BRIEF DESCRIPTION OF PROPOSED ARCHITECTURAL MODIFICATION

Contractor's Name & License #: _____
Will City Permits Be Pulled? _____
When Would You Like to Start Work? _____
Any Other Additional Comments: _____

Applicant agrees to the terms and conditions on page two of this application form and accepts those terms and conditions as evidenced by the owner's

Signature: _____ Date: _____

THE ROCKBERY VILLAS BOARD OF DIRECTORS USE ONLY

APPROVED: _____ DENIED: _____ SIGNATURE: _____ DATE: _____

REASON FOR DENIAL: _____

TERMS AND CONDITIONS OF ARCHITECTURAL MODIFICATION REQUEST

Applicant agrees and understands that the application does not fulfill all of the conditions and requirements for an approval. In addition to this completed "Architectural Modification Request" form, the applicant is encouraged to submit to the Architectural Review Committee (and/or Board of Directors) a set of plans and specifications showing the nature, kind, shape, height, materials and locations of the proposed architectural alteration. There may be additional information required as deemed necessary to make a decision. Until all information is submitted to the committee, the application will be deemed to be incomplete and the application will stand unapproved.

Applicant agrees and understands that, in the event the modification is approved by the Architectural Review Committee or Board of Directors, that they may impose "Special Conditions" of construction and maintenance on the approved work. Any special conditions shall be attached and be a part of the approval. Any deviation from the approved plans, specifications or special conditions shall cause the permit to terminate and become null and void. Applicant agrees and understands that failure to conform to these requirements will be automatic authorization by the applicant to have the work brought into conformance with the approved plans, specifications and special conditions. Applicant further agrees and understands that all costs incurred by the Association as a result of bringing said work into compliance shall be a charge against the applicant's lot. Such costs shall include costs of construction, reconstruction, administration, fees, attorney fees and reasonable court costs, if incurred. It is also agreed that no work will be initiated which would be a violation of any of the provisions of the Association's Declaration of Covenants, Conditions and Restrictions or any applicable building code; be an annoyance to the residents; or increase the cost of insurance. Applicant agrees to indemnify the Association against any and all acts or claims arising in connection with the approval, construction, operation, maintenance, repair, use or removal of the improvement, including attorney fees and costs of litigation in connection therewith. Applicant agrees that, in the event the application is approved, all maintenance, repair or replacement of the approved item will be the sole responsibility of the unit owner and further that any expense incurred by the Association that is the direct or indirect result of the approved change shall also be the sole responsibility of the unit owner. All work should be initiated with consideration of the grounds, esthetics, time and noise factors. Applicant understands that all necessary permits and approvals from municipalities or other jurisdictions are the sole responsibility of applicant and that Committee/Board approval of this application is subject to the applicant receiving all such necessary permits and approvals.

**ELECTION RULES AND PROCEDURES
of
ROCKBERRY VILLAS OWNERS ASSOCIATION**

THESE PROCEDURES SHALL APPLY TO MEMBER MEETINGS FOR ELECTION AND REMOVAL OF DIRECTORS, ASSESSMENTS, AMENDMENTS TO THE GOVERNING DOCUMENTS, THE GRANT OF EXCLUSIVE USE COMMON AREA PROPERTY, AND ANY OTHER APPLICATION AS DETERMINED BY THE BOARD, GOVERNING DOCUMENTS, OR REQUIRED BY CURRENT LAW. THESE PROCEDURES COMPLY WITH CIVIL CODE §§5100 – 5145, 5200, and 5910.1.

I. EQUAL ACCESS

- A. All candidates or members advocating a point of view shall be provided equal access to Association media, newsletters and/or an internet website during a campaign, for purposes that are reasonably related to that election, including those not endorsed by the Board. Equal access shall be provided to all candidates at no cost to the Common Area meeting space.
- B. The Association shall not edit nor redact any content from these communications, but may include a short statement specifying that the candidate or member, and not the Association, is responsible for that content.
- C. All candidates shall have access to the Common Area meeting space, if any exists, during a campaign, at no cost and to all members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election.

II. ELECTIONS

- A. Required Election. The Board of Directors shall be elected at the expiration of a director's term and at least once every four (4) years.
- B. When Procedure Does Not Apply. If the Governing Documents provide that one member from each separate interest is a Director, the procedure stated here shall not apply.
- C. Qualifications for Candidates for the Board of Directors.
 - 1. The candidate must be a member of the Association;
 - 2. The candidate must be in good standing (i.e. current on all assessments and not in violation of any provisions of the Governing Documents); and
 - 3. Only one owner per unit can be on the Board of Directors.
- D. Disqualification of a Candidate.
 - 1. If the candidate discloses or the Association, is aware or becomes aware, of a past criminal conviction that would prevent the Association from purchasing the Fidelity bond required, the candidate shall be disqualified by the current Board of Directors; or
 - 2. Failure to be current on the payment of regular and Special Assessments, provided each member of the Board of Directors must be current on regular and Special Assessments. "Current on payment of assessments" shall mean if payment has been made under protest, a payment plan has been entered into, or the candidate has not been provided the opportunity to engage in Internal Dispute Resolution.

E. Procedures for Nomination of Candidates.

1. An Association shall provide general notice of the procedure and deadline for submitting a nomination at least thirty (30) days before any deadline for submitting a nomination.
2. An Association shall provide general notice of the following at least thirty (30) days before ballots are distributed:
 - a. the date and time by which, and the physical address where, ballots are to be returned by mail or handed to the inspector or inspectors of election;
 - b. the date, time, and location of the meeting at which ballots will be counted;
 - c. the list of all candidates' names that will appear on the ballot; and
 - d. individual notice shall be delivered, if requested.
3. A nominating committee shall be appointed by the Board consisting of 1 or 3 members;
4. Nomination of candidates shall be submitted to the nominating committee at least thirty (30) days before the election;
5. The nominating committee shall screen the potential candidates and submit a list of nominations to the Board; and
6. The nominations shall appear on the ballot, with room for write-in candidates and nominations from the floor.

F. Qualifications for Voting

1. Voting can only be by a member;
2. A member must be the record owner of a unit;
3. Only one (1) vote per unit; and
4. The ballot of a person with a general power of attorney for a member is to be counted if it is returned in a timely manner.

G. Election Materials.

1. There shall be a candidate registration list and voter list. The voter list shall include name, voting power, and either the physical address of the voter's separate interest, the parcel number, or both.
2. The mailing address for the ballot shall be listed in the voter list if it differs from the physical address of the voter's separate interest or if only the parcel number is used.
3. Members may verify the accuracy of their individual information on both lists at least thirty (30) days before the ballots are distributed.
4. The Association or member shall report any errors or omissions to either list to the inspector or inspectors who shall make corrections within two (2) business days.
5. These Election Rules and Procedures may not be amended ninety (90) days before an election.

H. Voting Period for Elections

1. The voting period for elections shall be designated by the Board of Directors.
2. Elections may be conducted entirely by mail unless otherwise specified by the Governing Documents, except for the counting of ballots.
3. The hours of election at which polls are open and close shall be established by the Board of Directors.

I. Proxies

1. "Proxy" means a written authorization signed by a member or the authorized representative of the member who gives another member or members the power to vote on behalf of that member.
2. "Signed" means the placing of the member's name on the proxy (whether by manual signature, typewriting, electronic transmission or otherwise) by the member or authorized representative of the member.
3. Proxies shall not be construed as, or used in lieu of, a ballot.
4. Members may use proxies and they must meet the requirements of the law and the Governing Documents.
5. The Association shall not otherwise be required to prepare or distribute proxies.
6. Any instructions given in a proxy issued for an election that direct the manner in which the proxy holder is to cast the vote shall be set forth in a separate page of the proxy that can be detached and given to the proxy holder to retain.
7. The proxy holder shall cast the member's vote by secret ballot.

J. Secret Ballots

1. Any election regarding assessments, elections and removal of members of the Board of Directors, amendments to the Governing Documents, or the grant of exclusive use common area property and any other application as determined by the Board, Governing Documents, or required by law shall be held by secret ballot.

K. Quorum

1. Each ballot received by the inspector(s) of election shall be treated as a member present at a meeting for purposes of establishing a quorum.

L. Inspectors

1. An independent third party shall be the inspector of election;
2. The number of inspectors shall be one or three;
3. The inspector of election shall be appointed by the Board, but may not be a member of the Board, a candidate for the Board, or related to a member of the Board;
4. An independent third party may not be a person who is currently employed or under contract to the Association for any compensable services.

5. The inspector shall do all of the following:
 - a. Determine the number of memberships entitled to vote and the voting power of each;
 - b. Determine the authenticity, validity and effect of proxies, if any;
 - c. At least thirty (30) days before an election, deliver or cause to be delivered, the ballot or ballots; a copy of the election rules (which can be by individual delivery or posted on an internet website and includes the corresponding internet website address on the ballot together with the phrase, in at least 12-point font: "The rules governing this election may be found here.")
 - d. Receive ballots;
 - e. Hear and determine all challenges and questions arising out of, or in connection with, the right to vote and receive ballots;
 - f. Count and tabulate all votes;
 - g. Determine the result of the election;
 - h. Determine when the polls shall close; and
 - i. Perform any acts that may be proper to conduct the election with fairness to all members in accordance with this section and all applicable rules of the Association regarding conducting the election that are not in conflict with this section.
 - ii. Appoint and oversee additional persons to verify signatures and to count and tabulate votes, provided that the persons are independent third parties.
6. An inspector of election shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as practical.
 - a. When there are three inspectors of election, the decision or act of a majority shall be effective in all respects as the decision or act of all.
 - b. Any report made by the inspector(s) of election(s) is prima facie evidence of the facts stated in the report.

M. Ballots

1. Ballots and two envelopes (one unmarked and the other pre-addressed to the inspector(s) of election) with instructions on how to return ballots shall be mailed by first-class mail or delivered by the Association to every member not less than thirty (30) days prior to the deadline for voting;
2. In order to preserve confidentiality, a voter may not be identified by name, address, nor the lot, parcel or unit number on the ballot;
3. The ballot itself is not signed by the voter, but is completed and inserted into the unmarked envelope that is sealed (the sealed ballot).
 - a. This sealed ballot is inserted into the second pre-addressed envelope and sealed.
 - i. In the upper left-hand corner of the pre-addressed envelope the voter prints and signs his or her name, address, and the lot, parcel or unit number that entitles him or her to vote.
 - ii. The pre-addressed envelope is addressed to the inspector(s) of election and may then be mailed or delivered by hand to a location specified by the inspector(s) of election.
 - iii. The member may request a receipt for delivery.
4. Upon receiving the pre-addressed envelope, the inspector(s) shall open it and record the information from the exterior of the upper left-hand corner of the envelope.
5. Then, the pre-addressed envelopes are opened and the sealed ballots are removed and stored in a safe place.

6. The sealed ballots, at all times, shall be in the custody of the inspector(s) of election or at a location designated by the inspector(s) until after tabulation of the votes, at which time custody shall be transferred to the Association. This envelope may be mailed or delivered by hand to a location specified by the inspector or inspectors of election. The member may request a receipt for delivery.
7. A quorum shall be required and each ballot received by the Inspector(s) of Election shall be treated as a member present at a meeting for purposes of establishing a quorum.
8. Except for the meeting to count votes, an election may be conducted entirely by mail, unless otherwise specified in the Governing Documents.
9. In an election to approve an amendment to the Governing Documents, the text of the proposed amendment shall be delivered to the members with the ballot.
10. The sealed ballots, signed voter envelopes, voter list, proxies, and candidate registration list shall at all times be in the custody of the inspector or inspectors of election or at a location designated by the inspector or inspectors of election until after tabulation of the vote, and until the time allowed for challenging the election has expired (currently one year), at which time custody shall be transferred to the Association. If there is a recount or other challenge to the election process, the inspector or inspectors of election, shall, upon written request, make the ballots available for inspection and review by an Association member or the member's authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.

N. Conflicts

1. In the event of a conflict between these procedures and the Nonprofit Mutual Benefit Corporations Code relating to elections, these procedures shall apply.

O. Counting of Votes, Tabulation and Retention.

1. All votes shall be counted and tabulated by the inspector(s) of election in public at a properly noticed open meeting of the Board of Directors or members;
2. Any candidate or other member of the Association may witness the counting and tabulation of the votes;
3. No other person, including a member of the Association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which ballots are counted and tabulated;
4. The results of the election shall be:
 - a. Promptly reported to the Board of Directors of the Association;
 - b. Recorded in the minutes of the next meeting of the Board of Directors;
 - c. Available for review by members of the Association;
 - d. Publicized by the Board in a communication directed to all members within fifteen (15) days of the election;
 - e. The inspector(s) of election, his or her designee, may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated; and
 - f. Once a secret ballot is received by the inspector(s) of election, it shall be irrevocable.

5. After tabulation:

- a. Election ballots shall be stored by the inspector(s) of election or at a location designated by the inspector(s) in a secure place for no less than twelve (12) months after the date of election;
- b. In the event of a recount or other challenge to the election process, the inspector(s) shall, upon written request, make the ballots available for inspection and review by an Association member or member(s) or his/her/their authorized representative;
- c. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote;
- d. After transfer of the ballots to the Association, the ballots shall be stored by the Association in a secure place for no less than one (1) year after the date of the election.

P. Use of Association Funds (Civil Code §5135)

1. Association funds shall not be used for campaign purposes in connection with any Association Board election, except to the extent necessary to comply with the law.
 - a. Association funds cannot be used for the advocacy of the election or defeat of any candidate on the Association ballot;
 - b. Association funds cannot be used for the photograph or prominently featuring the name of any candidate on a communication from the Association or its Board, excepting ballot and ballot materials, within thirty (30) days of an election.

Q. Civil Actions

1. Violations of these procedures may result in a civil action for declaratory relief or equitable relief, injunctive relief, restitution, or a combination thereof;
2. The statute of limitations is within 1 year from the date the inspector or inspectors of elections notifies the Board of Directors and membership of the results or the cause of action accrues, whichever is later. If a member establishes, by a preponderance of the evidence, that the election procedures, or the adoption of and adherence to the rules stated herein, were not followed, a court may void any results of the election unless the Association establishes, by a preponderance of the evidence, that the Association's noncompliance with the law or these election rules did not affect the results of the election. The findings of court shall be stated in writing as part of the record.
3. A Court, if it finds a violation of the procedures stated herein, may void the election;
4. A member who prevails in a civil action to enforce his or her rights shall be entitled to:
 - a. Reasonable attorney's fees and costs; and
 - b. The Court may impose a civil penalty of up to \$500.00 for each violation, except that each identical violation shall be subject to only one penalty if the violation affects each member of the Association equally.
5. A prevailing association shall not recover any costs, unless the Court finds the action to be frivolous unreasonable, or without foundation;
6. A cause of action with respect to use of Association resources by a candidate or a member advocating a point of view, the receipt of a ballot by a member, or the counting, tabulation, or reporting of, or access to, ballots for inspection and review after tabulation may be brought in Small Claims Court, if the amount of the demand does not exceed the jurisdiction of the court.

Rockberry Villas Owners Association

Exhibit "B" **Rules and Regulations**

General Information

Homeowners are subject to the rules and regulations as contained in the By-Laws and Covenants, Conditions and Restrictions (CC&R's) of the association. Owners who choose to rent their unit are responsible for the actions of their tenants and guests while on the property. Below is a condensed version of the rules and regulations contained in the governing documents and as such is not intended to replace them, but rather to reiterate and supplement them.

Note that the governing documents of Rockberry Villas Owners Association provide that the Board of Directors shall have the power to conduct, manage, and control the affairs and activities of the corporation and make such rules and regulations not inconsistent with the law as they deem best for the community.

Rules and Regulations

Single Family Residential Use – The use of the individual Lots within the association is hereby restricted to residential use only.

Common Areas – The Common Areas are not to be altered in any way and shall be preserved as open space. Gatherings in the Common Area are limited to 10 people at a time. Owners will need to be notified in advance if Common Area will be used for gatherings. If the gathering consists of greater than 10 people, the Board will need to be notified. This area will be on a first come, first serve basis should a conflict occur.

Prohibition of Noxious Activities – No illegal, noxious or offensive activities shall be carried out or conducted on any Lot or Common Area.

Quiet Hours – Quiet hours shall be observed Monday through Friday: 10PM - 8AM. Saturday through Sunday: 11PM - 9AM.

Temporary Structures – No temporary structure shall be erected or used on any Lot or Common Area unless approved in writing by the Architectural Review Board (ARB).

Household Pets – The number of pets is limited to two ordinary household pets. Pets shall not become a nuisance and shall be on a leash at all times when in the Common Area. Owners are responsible for cleaning up after their pets. If owners do not clean up after their pets, they will be fined based on the Fine Schedule.

Signs – No commercial signs, except 'For Rent', 'For Lease' or 'For Sale' shall be displayed or posted on any lot or in the common area without prior written consent of the association.

Rockberry Villas Owners Association

Commercial Activities – No commercial activity shall be conducted on any Lot without the prior written approval of the Board of Directors.

Garbage – No rubbish, trash or garbage shall be allowed to accumulate on any lot. Trash bins shall be stored inside the garage of each unit and shall be removed from the common areas within 24 hours of trash pickup.

Clotheslines – No exterior clotheslines shall be erected or maintained on any Lot except inside patio areas, and must not be visible from the street, common area of other lots.

Burning – There shall be no open exterior fires on any Lot except those contained within barbeques.

Athletic Equipment – No basketball standards, portable or fixed sports apparatus shall be erected on the exterior of any Lot or Common Area which is visible from any Lot or Common Area.

Restriction on Leasing – No unit may be leased for a period of less than 60 days. No subleasing permitted without owner's written approval. Subleasee(s) are subject to the same rules and regulations as leasee(s). Owner must notify the Board giving name(s) and telephone number(s) of current tenant(s).

Machinery & Equipment – No power tools, machinery or equipment, or car maintenance shall be placed, operated or maintained on any lot or common areas without prior approval of the board.

Garages – Each owner shall be responsible for the maintenance and repair of the interior of the garage. Garage sales are not permitted in garages or in the common area.

Parking –

- Parking in the Common Area is restricted to the designated spaces and is for non-Residents only.
- Inoperable, unused vehicles or vehicles "For Sale" may not be parked or stored in the Common Area parking spaces.
- Extended use of parking spaces by non-residents and guests will require notification to the Board for review and approval. Guest(s) should not regularly occupy any parking space(s) for greater than 7 days per month; otherwise they are subject to notification, review and approval by the Board.

Mailboxes – There shall be no exterior newspaper tubes or freestanding mailboxes except those approved by the ARB.

Fences – No fences, hedges, or walls shall be erected or maintained on any Lot unless approved by the ARB.

Vehicle Storage – No recreational vehicles, boats, trailers, commercial vehicles or inoperable vehicles may be stored, reconstructed, or repaired on the common areas.

Rockberry Villas Owners Association

Drainage Alterations – No improvement or act which may interfere with the natural or established drainage system or patterns within the Association is permitted without prior written consent of the Board.

Fine Schedule

The fine schedule for violations of any of the above **Rules and Regulations**, except Article VI-Sections 6.02 and 6.03 - Restriction on Leasing shall be as follows:

1st Violation	2nd Violation	3rd Violation	4th & Subsequent Violations
Warning Notice	\$100	\$250	\$500 each violation

FILED (50)
in the office of the Secretary of State
of the State of California

JUL - 2 2008

ARTICLES OF INCORPORATION
OF
ROCKBERRY VILLAS OWNERS ASSOCIATION

ARTICLE I

The name of the corporation [hereinafter called the "Association"] is Rockberry Villas Owners Association.

ARTICLE II

AGENT FOR THE SERVICE OF PROCESS

The name of the Association's initial agent for service of process is: Michael Ahi. The address of its initial agent is: 2160 S. Bascom Avenue, Ste. 1, Campbell, CA 95008.

ARTICLE III

PURPOSE OF THE ASSOCIATION

This corporation is a Nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Benefit Corporation Law.

The purpose of this Corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

This corporation is an association formed to manage a common-interest development under the Davis-Stirling Common Interest Development Act. The Association has no business or corporate office. The nine-digit zip code for the common interest development is 94040-0000; and the front street and nearest cross street are Rock Street and Independence Avenue, respectively.

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific primary purposes for which it is formed are to provide for management, administration, maintenance, preservation, and architectural control of the common area within that certain tract of property situated in the County of Santa Clara, California, more particularly described as follows:

*All of Lots 1 through 15 and Lot A (Common Area), as shown on that certain Map of Tract No. 9874 Rockberry Villas, which Map was filed for record in the office of the Recorder of the County of Santa Clara, State of California on October 15, 2007, in Book 819 of Maps, Pages 27 and 28.
APN: 147-12-043, ARB: 147-12-043*

and to promote the health, safety, and welfare of all the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose, all according to that certain Declaration of Covenants, Conditions, and Restrictions, hereinafter called the "Declaration" recorded or to be recorded with respect to said property in the Office of the Recorder of Santa Clara County.

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this corporation.

ARTICLE IV

DISSOLUTION

This Association is intended to qualify as a Homeowners' Association under the applicable provisions of the Internal Revenue Code, and the Revenue and Taxation Code of California. No part of the net earnings of this organization shall inure to the benefit of any private individual, except as expressly provided in those Sections with respect to the acquisition, construction, or provision for management, maintenance, and care of the Association property, and other than by a rebate of excess membership dues, fees, or assessments. So long as there is any unit or parcel for which the Association is obligated to provide management, maintenance, preservation or control, the Association may not transfer all or substantially all of its assets or file a certificate of dissolution without the approval of one hundred percent (100%) of the members. In the event of the dissolution, liquidation, or winding up of the Association, upon or after termination of the project, in accordance with the provisions of the Declaration, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Association, shall be divided among and distributed to the members in accordance with their respective rights therein.

ARTICLE V

AMENDMENTS

These Articles may be amended only by the affirmative vote in person or by proxy or written consent of a majority of the Board and of members representing the majority of the voting power of the Association and a majority of the votes of members other than Declarant, or where the two class

voting structure is still in effect, a majority of each class of membership. However, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of California, the undersigned has executed these Articles of Incorporation this 1st day of July, 2008.



Michael Ahi, Incorporator

I declare that I am the person who executed the above Articles of Incorporation, and such instrument is my act and deed.



Michael Ahi, Incorporator

Rockberry Villas Owners Association

Balance Sheet as of 3/31/2026

Assets	Operating	Reserve	Total
Cash-Operating			
10020 - Deposit in Suspense Operating	(\$1,000.00)		(\$1,000.00)
10090 - Due To/From Reserves	(\$63,510.45)		(\$63,510.45)
10100 - Alliance Bank Operating 3000	\$41,371.89		\$41,371.89
Total Cash-Operating	(\$23,138.56)		(\$23,138.56)
Cash-Reserves			
11090 - Due To/From Operating		\$63,510.45	\$63,510.45
11100 - Alliance Bank Reserve 8524		\$169,039.62	\$169,039.62
Total Cash-Reserves		\$232,550.07	\$232,550.07
Other Assets			
14100 - Accounts Receivable	\$215.00		\$215.00
Total Other Assets	\$215.00		\$215.00
Total Assets	(\$22,923.56)	\$232,550.07	\$209,626.51
Liabilities / Equity	Operating	Reserve	Total
Liabilities			
20700 - Accrued Expense Payable	\$3,930.51		\$3,930.51
24000 - Prepaid Assessments	\$3,321.00		\$3,321.00
Total Liabilities	\$7,251.51		\$7,251.51
Equity			
30100 - Operating Beginning Balance	\$2,664.27		\$2,664.27
30200 - Reserve Beginning Balance		\$199,554.42	\$199,554.42
30400 - Retained Earnings	(\$1,609.70)		(\$1,609.70)
30401 - Net Income / (Loss)	(\$5,867.28)	\$7,633.29	\$1,766.01
Total Equity	(\$4,812.71)	\$207,187.71	\$202,375.00
Total Liabilities / Equity	\$2,438.80	\$207,187.71	\$209,626.51

Rockberry Villas Owners Association

Statement of Revenues and Expenses 3/1/2026 - 3/31/2026

	Current Period			Year To Date			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating Income							
Income							
40000 - Assessment Income	5,250.00	5,250.00	-	15,750.00	15,750.00	-	63,000.00
41000 - Late Fees & Interest	35.00	50.00	(15.00)	75.00	150.00	(75.00)	600.00
41050 - Interest Earned Operating	.86	8.33	(7.47)	2.54	24.99	(22.45)	100.00
Total Operating Income	5,285.86	5,308.33	(22.47)	15,827.54	15,924.99	(97.45)	63,700.00
Operating Expense							
Administration Expenses							
50050 - Management Service	825.00	825.00	-	2,475.00	2,475.00	-	9,900.00
51000 - Accounting/Legal	-	41.67	41.67	-	125.01	125.01	500.00
51380 - Taxes Fed & State	-	33.33	33.33	-	99.99	99.99	400.00
51540 - Printing & Mailing	27.21	33.75	6.54	358.31	101.25	(257.06)	405.00
52200 - Reserve Study	-	62.50	62.50	-	187.50	187.50	750.00
55000 - General Insurance	424.33	229.00	(195.33)	1,689.99	687.00	(1,002.99)	2,748.00
Total Administration Expenses	1,276.54	1,225.25	(51.29)	4,523.30	3,675.75	(847.55)	14,703.00
Utilities							
60000 - Electricity & Gas	87.26	80.42	(6.84)	234.90	241.26	6.36	965.00
62000 - Water & Sewer	-	490.00	490.00	974.13	1,470.00	495.87	5,880.00
Total Utilities	87.26	570.42	483.16	1,209.03	1,711.26	502.23	6,845.00
General Maintenance							
74000 - General Maintenance	-	291.83	291.83	-	875.49	875.49	3,502.00
75100 - Pest Control	-	225.00	225.00	225.00	675.00	450.00	2,700.00
75130 - Plumbing Repair & Maintenance	460.00	125.00	(335.00)	8,250.00	375.00	(7,875.00)	1,500.00
Total General Maintenance	460.00	641.83	181.83	8,475.00	1,925.49	(6,549.51)	7,702.00
Landscape Maintenance							
80000 - Landscaping Service	-	350.00	350.00	-	1,050.00	1,050.00	4,200.00
Total Landscape Maintenance	-	350.00	350.00	-	1,050.00	1,050.00	4,200.00
Allocation to Reserves							
90000 - Reserve - Allocation/Transfer	2,495.83	2,495.83	-	7,487.49	7,487.49	-	29,949.96
Total Allocation to Reserves	2,495.83	2,495.83	-	7,487.49	7,487.49	-	29,949.96
Total Operating Expense	4,319.63	5,283.33	963.70	21,694.82	15,849.99	(5,844.83)	63,399.96
Net Operating Income (Loss)	966.23	25.00	941.23	(5,867.28)	75.00	(5,942.28)	300.04

Rockberry Villas Owners Association

Statement of Revenues and Expenses 3/1/2026 - 3/31/2026

	Current Period			Year To Date			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
Reserve Income							
Income							
45000 - Reserve Income	2,495.83	2,495.83	-	7,487.49	7,487.49	-	29,949.96
47000 - Interest Earned Reserve	50.24	58.33	(8.09)	145.80	174.99	(29.19)	700.00
Total Reserve Income	2,546.07	2,554.16	(8.09)	7,633.29	7,662.48	(29.19)	30,649.96
Reserve Expense							
Reserve Expenses (Per Reserve Study)							
91150 - Asphalt Seal/Repair	-	593.83	593.83	-	1,781.49	1,781.49	7,126.00
93130 - Fumigation - Treat	-	2,310.67	2,310.67	-	6,932.01	6,932.01	27,728.00
93800 - Stamped Concrete - Repair/ Replace (25%)	-	614.92	614.92	-	1,844.76	1,844.76	7,379.00
93855 - Patio Furniture Replace	-	298.58	298.58	-	895.74	895.74	3,583.00
Total Reserve Expenses (Per Reserve Study)	-	3,818.00	3,818.00	-	11,454.00	11,454.00	45,816.00
Total Reserve Expense	-	3,818.00	3,818.00	-	11,454.00	11,454.00	45,816.00
Net Reserve Income (Loss)	2,546.07	(1,263.84)	3,809.91	7,633.29	(3,791.52)	11,424.81	(15,166.04)
Net Total	3,512.30	(1,238.84)	4,751.14	1,766.01	(3,716.52)	5,482.53	(14,866.00)

Unaudited Financials

Rockberry Villas Owners Association

Summary Statement of Revenues and Expenses For 3/31/2026

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Operating Income													
Income													
40000 - Assessment Income	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	5,250	5,250	5,250	60,300
41000 - Late Fees & Interest	174	182	182	153	157	161	165	(2,283)	-	20	20	35	-1,035
41050 - Interest Earned Operating	1	1	1	1	1	1	1	1	1	1	1	1	9
Total Income	5,125	5,132	5,133	5,104	5,108	5,112	5,116	2,668	4,951	5,271	5,271	5,286	59,274
Total Income	5,125	5,132	5,133	5,104	5,108	5,112	5,116	2,668	4,951	5,271	5,271	5,286	59,274
Operating Expense													
Administration Expenses													
50050 - Management Service	825	825	825	825	825	825	825	825	825	825	825	825	9,900
51000 - Accounting/Legal	-	-	-	2,375	-	-	-	1,550	-	-	-	-	3,925
51220 - Legal & Professional Fees	-	-	-	-	-	-	-	195	-	-	-	-	195
51540 - Printing & Mailing	32	29	53	48	24	39	28	93	43	293	39	27	746
55000 - General Insurance	229	229	229	229	229	229	229	2,174	424	841	424	424	5,889
Total Administration Expenses	1,085	1,082	1,106	3,477	1,078	1,092	1,081	4,837	1,292	1,959	1,288	1,277	20,655
Utilities													
60000 - Electricity & Gas	97	27	81	83	86	92	47	27	73	78	70	87	849
62000 - Water & Sewer	-	-	1,824	-	424	-	919	-	1,442	-	974	-	5,583
Total Utilities	97	27	1,905	83	510	92	966	27	1,516	78	1,044	87	6,432
General Maintenance													
74000 - General Maintenance	-	-	255	113	460	-	-	-	-	-	-	-	828
74060 - Gutter Cleaning & Repair	-	-	-	-	-	-	-	2,620	-	-	-	-	2,620
75100 - Pest Control	-	-	225	221	-	225	-	-	-	225	-	-	896
75130 - Plumbing Repair & Maintenance	-	-	-	-	-	-	-	-	-	7,790	-	460	8,250
Total General Maintenance	-	-	480	334	460	225	-	2,620	-	8,015	-	460	12,594
Landscape Maintenance													
80000 - Landscaping Service	1,050	350	350	350	350	350	350	350	350	-	-	-	3,850

Rockberry Villas Owners Association

Summary Statement of Revenues and Expenses For 3/31/2026

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Operating Expense													
80045 - Landscape Repairs / Supplies	-	-	-	-	-	-	-	2,950	-	-	-	-	2,950
80150 - Tree Maintenance	-	-	-	-	-	2,800	-	-	-	-	-	-	2,800
Total Landscape Maintenance	1,050	350	350	350	350	3,150	350	3,300	350	-	-	-	9,600
Allocation to Reserves													
90000 - Reserve - Allocation/Transfer	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,496	2,496	2,496	26,829
Total Allocation to Reserves	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,496	2,496	2,496	26,829
Total Expense	4,382	3,608	5,990	6,393	4,547	6,709	4,547	12,933	5,307	12,548	4,828	4,320	76,110
Operating Net Total	\$743	\$1,524	(\$858)	(\$1,289)	\$561	(\$1,597)	\$569	(\$10,265)	(\$356)	(\$7,277)	\$443	\$966	(\$16,835)

Rockberry Villas Owners Association

Summary Statement of Revenues and Expenses For 3/31/2026

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Reserve Income													
Income													
45000 - Reserve Income	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,496	2,496	2,496	26,829
47000 - Interest Earned Reserve	37	42	50	52	52	50	52	49	50	50	45	50	580
Total Income	2,186	2,191	2,199	2,201	2,201	2,199	2,201	2,198	2,199	2,546	2,541	2,546	27,409
Total Income	2,186	2,191	2,199	2,201	2,201	2,199	2,201	2,198	2,199	2,546	2,541	2,546	27,409
Reserve Expense													
Reserve Expenses (Per Reserve Study)													
91150 - Asphalt Seal/Repair	-	-	-	-	-	-	6,300	-	-	-	-	-	6,300
Total Reserve Expenses (Per Reserve Study)	-	-	-	-	-	-	6,300	-	-	-	-	-	6,300
Total Expense	-	-	-	-	-	-	6,300	-	-	-	-	-	6,300
Reserve Net Total	\$2,186	\$2,191	\$2,199	\$2,201	\$2,201	\$2,199	(\$4,099)	\$2,198	\$2,199	\$2,546	\$2,541	\$2,546	\$21,109
Net Total	\$2,929	\$3,715	\$1,342	\$912	\$2,762	\$602	(\$3,530)	(\$8,067)	\$1,843	(\$4,731)	\$2,984	\$3,512	\$4,274

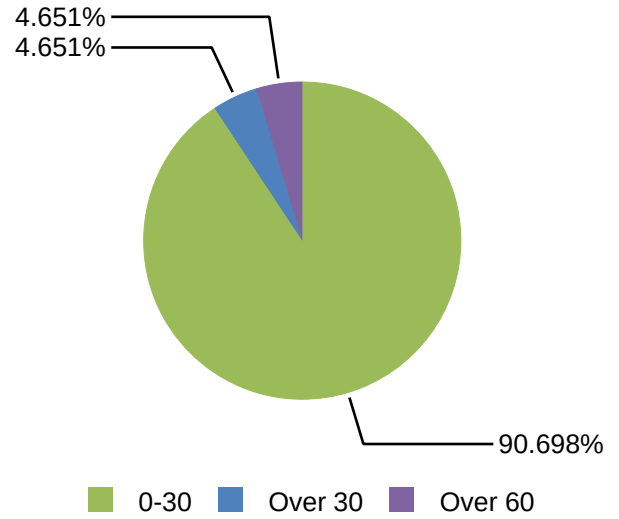
Rockberry Villas Owners Association

AR Aging - 3/31/2026

SUMMARY

Charge	Balance
Late Fees (6)	\$150.00
Monthly Assessment (6)	\$280.00
Total	\$430.00

DISTRIBUTION



Property	0-30	Over 30	Over 60	Over 90	Balance
49713796 - 2223 Woodberry Lane - Liu	\$770.00	-	-	-	\$770.00
Monthly Assessment	\$700.00	-	-	-	\$700.00
Late Fees	\$70.00	-	-	-	\$70.00
49713837 - 2218 Woodberry Lane - Weaver	\$140.00	\$20.00	\$20.00	-	\$180.00
Monthly Assessment	\$120.00	-	-	-	\$120.00
Late Fees	\$20.00	\$20.00	\$20.00	-	\$60.00
49713768 - 2219 Raspberry Lane - Hwang	(\$520.00)	-	-	-	(\$520.00)
Monthly Assessment	(\$540.00)	-	-	-	(\$540.00)
Late Fees	\$20.00	-	-	-	\$20.00
Total:	\$390.00	\$20.00	\$20.00	\$0.00	\$430.00
Property Count:	3	1	1	0	

(*** indicates previous owners)

Rockberry Villas Owners Association

Pre Paid Homeowners For 3/31/2026

Account	Property	Owner Name	Credit Amount
49713791	2223 Raspberry Lane	Yuan Li	3,321.00
		Total	3,321.00

(** indicates previous owners)

Unaudited Financials

Rockberry Villas Owners Association

Cash Disbursement - 3/31/2026

Date	CheckNo	Description	Amount
10100 - Alliance Operating 3000			
3/4/2026	Auto Draft ACH 55000 - General Insurance	Travelers Insurance Company	424.33
			424.33
3/6/2026	Avid 400079 51540 - Printing & Mailing	Tri-State Enterprises, Inc. Inv # 497-020126-AX	27.21
			27.21
3/8/2026	ACH 50050 - Management Service	Tri-State Enterprises, Inc. Inv # 160178	825.00
			825.00
3/11/2026	Auto Draft ACH 60000 - Electricity & Gas	PG&E	87.26
			87.26
3/16/2026	Avid 400080 75130 - Plumbing Repair & Maintenance	Storm Water Insp & Maintenance Services, Inc. Inv # 100162	460.00
			460.00
		Total	1,823.80

Rockberry Villas Owners Association

AP Aging for Ending Date: 3/31/2026

Provider	Current	Over 30	Over 60	Over 90	Total
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Total

Unaudited Financials

Rockberry Villas Owners Association

GL Trial Balance For 3/1/2026 - 3/31/2026

		Beginning Balance	Current		Ending Balance
			Debit	Credit	
10020 - Deposit in Suspense Operating		-1,000.000	-	-	-1,000.000
Date	Description		Debit	Credit	Type
10090 - Due To/From Reserves		-61,014.620	-	2,495.83	-63,510.450
Date	Description		Debit	Credit	Type
03/16/2026	Allocation/Transfer-Mar 2026		-	2,495.83	GL Entry
10100 - Alliance Bank Operating 3000		38,591.830	5,303.86	2,523.80	41,371.890
Date	Description		Debit	Credit	Type
03/01/2026	Batched eCheck (Vantaca Pay) Recurring Payment		680.00	-	Owner Payment
03/01/2026	Batched Credit Distribution		700.00	700.00	Credit Distribution
03/02/2026	Batched Check		680.00	-	Owner Payment
03/04/2026	Travelers Insurance Company		-	424.33	Invoice
03/04/2026	eCheck (Vantaca Pay) Recurring Payment		350.00	-	Owner Payment
03/06/2026	497-020126-AX - Tri-State Enterprises, Inc.		-	27.21	Invoice
03/08/2026	160178 - Tri-State Enterprises, Inc.		-	825.00	Invoice
03/10/2026	Batched ACH		2,450.00	-	Owner Payment
03/11/2026	PG&E		-	87.26	Invoice
03/16/2026	100162 - Storm Water Insp & Maintenance Services, Inc.		-	460.00	Invoice
03/18/2026	Check		113.00	-	Owner Payment
03/31/2026	March Interest		.86	-	GL Entry
03/31/2026	Check		330.00	-	Owner Payment
11090 - Due To/From Operating		61,014.620	2,495.83	-	63,510.450
Date	Description		Debit	Credit	Type
03/16/2026	Allocation/Transfer-Mar 2026		2,495.83	-	GL Entry
11100 - Alliance Bank Reserve 8524		168,989.380	50.24	-	169,039.620
Date	Description		Debit	Credit	Type
03/31/2026	March Interest		50.24	-	GL Entry
14100 - Accounts Receivable		-210.000	5,305.00	4,880.00	215.000
Date	Description		Debit	Credit	Type
03/01/2026	Batched Monthly Assessment		5,250.00	-	Owner Charge
03/01/2026	eCheck (Vantaca Pay) Recurring Payment		-	350.00	Owner Payment
03/01/2026	Batched Credit Distribution		-	700.00	Credit Distribution
03/02/2026	Batched Check		-	680.00	Owner Payment
03/02/2026	Adjustment Late fee removal		-	20.00	Adjustment

Rockberry Villas Owners Association

GL Trial Balance For 3/1/2026 - 3/31/2026

		Beginning Balance	Current		Ending Balance
			Debit	Credit	
14100 - Accounts Receivable		-210.000	5,305.00	4,880.00	215.000
Date	Description		Debit	Credit	Type
03/04/2026	eCheck (Vantaca Pay) Recurring Payment		-	350.00	Owner Payment
03/10/2026	Batched ACH		-	2,450.00	Owner Payment
03/16/2026	Batched Late Fees		55.00	-	Owner Charge
03/31/2026	Check		-	330.00	Owner Payment
20700 - Accrued Expense Payable		-3,930.510	-	-	-3,930.510
Date	Description		Debit	Credit	Type
22000 - Accounts Payable		0.000	1,823.80	1,823.80	0.000
Date	Description		Debit	Credit	Type
03/02/2026	497-020126-AX - Tri-State Enterprises, Inc.		-	27.21	Invoice
03/04/2026	Batched Travelers Insurance Company		424.33	424.33	Invoice
03/04/2026	100162 - Storm Water Insp & Maintenance Services, Inc.		-	460.00	Invoice
03/06/2026	497-020126-AX - Tri-State Enterprises, Inc.		27.21	-	Invoice
03/08/2026	Batched 160178 - Tri-State Enterprises, Inc.		825.00	825.00	Invoice
03/11/2026	Batched PG&E		87.26	87.26	Invoice
03/16/2026	100162 - Storm Water Insp & Maintenance Services, Inc.		460.00	-	Invoice
24000 - Prepaid Assessments		-3,578.000	700.00	443.00	-3,321.000
Date	Description		Debit	Credit	Type
03/01/2026	eCheck (Vantaca Pay) Recurring Payment		-	330.00	Owner Payment
03/01/2026	Batched Credit Distribution		700.00	-	Credit Distribution
03/18/2026	Check		-	113.00	Owner Payment
30100 - Operating Beginning Balance		-2,664.270	-	-	-2,664.270
Date	Description		Debit	Credit	Type
30200 - Reserve Beginning Balance		-199,554.420	-	-	-199,554.420
Date	Description		Debit	Credit	Type
30400 - Retained Earnings		1,609.700	-	-	1,609.700
Date	Description		Debit	Credit	Type
40000 - Assessment Income		-10,500.000	-	5,250.00	-15,750.000
Date	Description		Debit	Credit	Type

Rockberry Villas Owners Association

GL Trial Balance For 3/1/2026 - 3/31/2026

		Beginning Balance	Current		Ending Balance
			Debit	Credit	
40000 - Assessment Income		-10,500.000	-	5,250.00	-15,750.000
Date	Description		Debit	Credit	Type
03/01/2026	Batched Monthly Assessment		-	5,250.00	Owner Charge
41000 - Late Fees & Interest		-40.000	20.00	55.00	-75.000
Date	Description		Debit	Credit	Type
03/02/2026	Adjustment Late fee removal		20.00	-	Adjustment
03/16/2026	Batched Late Fees		-	55.00	Owner Charge
41050 - Interest Earned Operating		-1.680	-	0.86	-2.540
Date	Description		Debit	Credit	Type
03/31/2026	March Interest		-	.86	GL Entry
45000 - Reserve Income		-4,991.660	-	2,495.83	-7,487.490
Date	Description		Debit	Credit	Type
03/16/2026	Allocation/Transfer-Mar 2026		-	2,495.83	GL Entry
47000 - Interest Earned Reserve		-95.560	-	50.24	-145.800
Date	Description		Debit	Credit	Type
03/31/2026	March Interest		-	50.24	GL Entry
50050 - Management Service		1,650.000	825.00	-	2,475.000
Date	Description		Debit	Credit	Type
03/08/2026	160178 - Tri-State Enterprises, Inc.		825.00	-	Invoice
51540 - Printing & Mailing		331.100	27.21	-	358.310
Date	Description		Debit	Credit	Type
03/02/2026	497-020126-AX - Tri-State Enterprises, Inc.		27.21	-	Invoice
55000 - General Insurance		1,265.660	424.33	-	1,689.990
Date	Description		Debit	Credit	Type
03/04/2026	Travelers Insurance Company		424.33	-	Invoice
60000 - Electricity & Gas		147.640	87.26	-	234.900
Date	Description		Debit	Credit	Type
03/11/2026	PG&E		87.26	-	Invoice

Rockberry Villas Owners Association

GL Trial Balance For 3/1/2026 - 3/31/2026

		Beginning Balance	Current		Ending Balance
			Debit	Credit	
60000 - Electricity & Gas		147.640	87.26	-	234.900
Date	Description		Debit	Credit	Type
62000 - Water & Sewer		974.130	-	-	974.130
Date	Description		Debit	Credit	Type
75100 - Pest Control		225.000	-	-	225.000
Date	Description		Debit	Credit	Type
75130 - Plumbing Repair & Maintenance		7,790.000	460.00	-	8,250.000
Date	Description		Debit	Credit	Type
03/04/2026	100162 - Storm Water Insp & Maintenance Services, Inc.		460.00	-	Invoice
90000 - Reserve - Allocation/Transfer		4,991.660	2,495.83	-	7,487.490
Date	Description		Debit	Credit	Type
03/16/2026	Allocation/Transfer-Mar 2026		2,495.83	-	GL Entry
Net Total		0.000	20,018.36	20,018.36	0.000

Rockberry Villas Owners Association

Bank Account Reconciliation for Period 3/31/2026

Reconciliation Summary

Bank Account	Bank Bal.	Uncleared Items	Adj. Balance	Book Balance	Status
Alliance Operating 3000	41,391.84	-19.95	41,371.89	41,371.89	Balanced
Alliance Reserve 8524	169,039.62	0.00	169,039.62	169,039.62	Balanced

Unreconciled Items

Date	Description	Check No	Amount
Alliance Operating 3000			
4/29/2024	Tri-State Enterprises, Inc.	400009	-10.64
4/29/2024	Tri-State Enterprises, Inc.	400009	-9.31
Total Alliance Operating 3000			-19.95

Reconciled Items

Date	Description	Check No	Amount
Alliance Operating 3000			
3/1/2026	Recurring Payment - Account Number: 49713791	7689	330.00
3/1/2026	Recurring Payment - Account Number: 49716449	3353	350.00
3/2/2026	Lockbox Deposit - Western Alliance Bank		680.00
3/4/2026	Recurring Payment - Account Number: 49713821	9962	350.00
3/10/2026	OwnerDraft Deposit	ACH	2,450.00
3/18/2026	Lockbox Deposit - Western Alliance Bank		113.00
3/31/2026	March Interest		0.86
3/31/2026	Lockbox Deposit - Western Alliance Bank		330.00
3/4/2026	Travelers Insurance Company	ACH	-424.33
3/6/2026	Tri-State Enterprises, Inc.	400079	-27.21
3/8/2026	Tri-State Enterprises, Inc.	ACH	-825.00
3/11/2026	PG&E	ACH	-87.26
3/16/2026	Storm Water Insp & Maintenance Services, Inc.	400080	-460.00
Total Alliance Operating 3000			2,780.06

Alliance Reserve 8524

3/31/2026	March Interest		50.24
Total Alliance Reserve 8524			50.24



PO Box 26237 • Las Vegas, NV 89126-0237

Return Service Requested

Last statement: February 28, 2026
This statement: March 31, 2026
Total days in statement period: 31

ROCKBERRY VILLAS OWNERS ASSOCIATION
C/O TRI-STATE ENTERPRISES, INC.
OPERATING
2133 LEGHORN ST
MOUNTAIN VIEW CA 94043-1605

Page 1
XXXXXX3000
(1)

Direct inquiries to:
888-734-4567

Alliance Association Banking
3075 W. Ray Road, FL 4
Chandler AZ 85226

THANK YOU FOR BANKING WITH US!

AAB Community Checking

Account number	XXXXXX3000	Beginning balance	\$38,611.78
Enclosures	1	Total additions	4,603.86
Low balance	\$38,867.45	Total subtractions	1,823.80
Average balance	\$40,665.09	Ending balance	\$41,391.84
Avg collected balance	\$40,632		

CHECKS

<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Number</u>	<u>Date</u>	<u>Amount</u>
400080	03-24	460.00			

DEBITS

<u>Date</u>	<u>Description</u>	<u>Subtractions</u>
03-04	' ACH Debit TRAVELERS BUS INSUR 260303 1402549	424.33
03-09	' ACH Debit AVIDPAY SERVICE AVIDPAY REF*CK*400079*2603 06*TriState Enterprises Inc\203292085\162075403\203292	27.21
03-10	' ACH Debit Rockberry Villas L137757 260310	825.00
03-11	' ACH Debit PGANDE WEB ONLINE 260311	87.26

CREDITS

<u>Date</u>	<u>Description</u>	<u>Additions</u>
03-02	' Lockbox Deposit	680.00
03-05	' ACH Credit Vantaca - Payout TRANSFER 260305 ST-T0F5T6Q3R7Y6	680.00
03-10	' ACH Credit Vantaca - Payout TRANSFER 260310 ST-H1K9C2A5I3M0	350.00
03-11	' ACH Credit Rockberry Villas L140158 260311	2,450.00
03-18	' Lockbox Deposit	113.00
03-31	' Lockbox Deposit	330.00
03-31	' Interest Credit	0.86

DAILY BALANCES

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
02-28	38,611.78	03-09	39,520.24	03-24	41,060.98
03-02	39,291.78	03-10	39,045.24	03-31	41,391.84
03-04	38,867.45	03-11	41,407.98		
03-05	39,547.45	03-18	41,520.98		

INTEREST INFORMATION

Annual percentage yield earned	0.02%
Interest-bearing days	31
Average balance for APY	\$40,632.50
Interest earned	\$0.86

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Rockberry Villas Owners Association
2133 Leghorn Street
Mountain View, CA 94043

Alliance Association Bank
3075 W Bay Road, 4th Floor
Chandler, AZ 85226

400080
DATE: 03/16/2026

PAY TO THE ORDER OF Storm Water Insp & Maintenance Services, Inc.
\$ 460.00
DOLLARS
Four Hundred Sixty Dollars and Zero Cents

memo: Inv: 100162

Xiaolan Wang

⑈400080⑈ ⑆122105980⑆ 8543173000⑈

03/24/2026 400080 \$460.00

Unaudited Financials



PO Box 26237 • Las Vegas, NV 89126-0237

Return Service Requested

Last statement: February 28, 2026
This statement: March 31, 2026
Total days in statement period: 31

ROCKBERRY VILLAS OWNERS ASSOCIATION
C/O TRI-STATE ENTERPRISES, INC.
RESERVE
2133 LEGHORN ST
MOUNTAIN VIEW CA 94043-1605

Page 1
XXXXXX8524
(0)

Direct inquiries to:
888-734-4567

Alliance Association Banking
3075 W. Ray Road, FL 4
Chandler AZ 85226

THANK YOU FOR BANKING WITH US!

AAB Association MMA

Account number	XXXXXX8524	Beginning balance	\$168,989.38
Low balance	\$168,989.38	Total additions	50.24
Average balance	\$168,989.38	Total subtractions	0.00
Avg collected balance	\$168,989	Ending balance	\$169,039.62
Interest paid year to date	\$145.80		

CREDITS

Date	Description	Additions
03-31	Interest Credit	50.24

DAILY BALANCES

Date	Amount	Date	Amount
02-28	168,989.38	03-31	169,039.62

INTEREST INFORMATION

Annual percentage yield earned	0.35%
Interest-bearing days	31
Average balance for APY	\$168,989.38
Interest earned	\$50.24

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Unaudited Financials

**BY-LAWS OF
ROCKBERRY VILLAS OWNERS ASSOCIATION**

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OF
ROCKBERRY VILLAS OWNERS ASSOCIATION

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BY-LAWS OF
ROCKBERRY VILLAS OWNERS ASSOCIATION,
A NONPROFIT MUTUAL BENEFIT CORPORATION

ARTICLE I

NAME AND LOCATION

The name of the Association is Rockberry Villas Owners Association [hereinafter referred to as the "Association"]. The principal office of the Association shall be located at Rock Street and Independence Avenue, County, State of California, but meetings may be held at such places within the County of Santa Clara, State of California, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 2.1. The definitions contained in the Declaration are incorporated by reference herein.

Section 2.2. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions recorded on the _____ day of _____, 200_, in Book _____ of Official Records at Page _____, Santa Clara County Records.

ARTICLE III

MEETINGS OF MEMBERS

Section 3.1. **Annual Meetings.** Regular meetings of members of the Association shall be held not less frequently than once each calendar year at a time and place prescribed by the By-Laws. The first meeting of the Association, whether a regular or special meeting, shall be held within forty-five (45) days after the closing of the sale of the subdivision interest which represents the subdivision interest which represents the fifty-first (51st) percentile interest authorized for sale under the first public report for the subdivision, provided the public report authorizes the sale of fifty (50) subdivision interests or more in the subdivision. However, in no event shall the meeting be held later than six (6) months after the closing of the sale of the first subdivision interest without regard to the number of subdivision interests authorized for sale in the first public report.

The first annual meeting shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent regular annual meetings of the members shall be held within thirty (30) days of the same day of the same month of each year thereafter, at the hour of 7:00 p.m. If the date for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following, which is not a legal holiday (excluding

Saturday and Sunday).

Section 3.2. Special Meetings. Special meetings of the members shall be called at any time upon request of a majority of a quorum of the Board of Directors, or upon written request of members representing five percent (5%) of the total voting power of the Association. If the Association is the obligee under a bond to secure performance of the commitment of the Declarant to complete common area improvements which have not been completed prior to the close of escrow of the sale of the first unit, then a special meeting of members for the purpose of voting to override a decision by the Board not to initiate action to enforce the obligations under the bond or on the failure of the Board to consider and vote on the question shall be held not less than 35 days nor more than 45 days after receipt by the Board of a petition for such a meeting signed by members representing 5% or more of the total voting power of the Association. At such special meeting, a vote of a majority of members of the Association other than Declarant shall be required to take action to enforce the obligations under the bond and a vote of a majority of the voting power of the Association, excluding Declarant, shall be deemed to be the decision of the Association, and the Board shall thereafter implement this decision by initiating and pursuing appropriate action in the name of the Association.

Section 3.3. Notice, Place, and Manner of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary by personal delivery or mailing a copy of such notice, postage prepaid, at least ten (10) but not more than ninety (90) days before such meeting to each institutional lender requesting notice and to each member, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. If action is proposed to be taken at any meeting for approval for any of the following proposals, the notice shall state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposals:

- (a) Removing a director without cause;
- (b) Filling vacancies in the Board of Directors by members;
- (c) Amending the Articles of Incorporation;
- (d) Approving a contract or transaction in which a Director has a material financial interest.

Meetings shall be held within the project or at a meeting place as close thereto as possible. Unless unusual conditions exist, members' meetings shall not be held outside of the County in which the subdivision is situated.

Meetings shall be conducted in accordance with the provisions of Section 1363.05 of the Civil Code. All voting shall be in accordance with the provisions of California Civil Code § 1363.03.

Section 3.4. Quorum. The presence either in person or by proxy, at any meeting, of members entitled to cast more than fifty percent (50%) of the votes of the membership, shall consti-

tute a quorum for any action except as otherwise provided in this declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting, a majority of the members entitled to vote thereat may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum by those in attendance shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date, at which meeting the quorum requirements shall be one-third (1/3) of the total voting power of the Association, except that for purposes of imposing a regular assessment that is more than 20% greater than the regular assessment for the Association's preceding fiscal year or imposing special assessments which would in the aggregate exceed 5% of the budgeted gross expenses of the Association for that fiscal year, the quorum requirement shall remain at more than fifty percent (50%) of the total voting power of the Association. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

Section 3.5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her unit, or upon receipt of notice by the Secretary or the Board of the death or judicially declared incompetence of a member, or upon the expiration of eleven (11) months from the date of the proxy. Every form of proxy or written ballot distributed by any person to the membership of the Association shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon, except it shall not be mandatory that a candidate for election to the governing body be named in the proxy or written ballot. The proxy or written ballot shall provide that, where the member specifies a choice, the vote shall be cast in accordance with that choice. The proxy shall also identify the person or persons authorized to exercise the proxy and the length of time it will be valid.

Section 3.6. Membership and Voting. Membership shall be held as provided in the Declaration. The Association shall have two classes of voting members:

Class A: Class A members shall be all Owners with the exception of the Declarant (as defined in the Declaration) and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any such lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any unit.

Class B: The Class B members shall be the Declarant and shall be entitled to vote as follows: voting shall be the same as for Class A memberships, except that Class B members may triple their votes for each unit owned. The Class B memberships shall cease and be converted to Class A memberships upon the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes (tripled as stated above) outstanding in the Class B membership; or

(b) On the second anniversary of the first conveyance of a subdivision interest in the development.

Any action by the Association which must have the approval of the members before being undertaken shall require the vote or written assent of at least a majority of each class of membership during the time that there are two outstanding classes of membership. Where the vote or written assent of each class of membership is required, any requirement that the vote of Declarant be excluded is not applicable, except as provided in Article II, Section 2.09 of the Declaration. After the conversion of Class B memberships to Class A memberships, where the vote or written assent of a prescribed majority of the members is required excluding the Declarant, then except as provided in Article II, Section 2.09 of the Declaration, the vote or written assent of a bare majority of the total voting power of the Association as well as the vote or written assent of the prescribed majority of the total voting power of members other than the Declarant shall be required. Voting rights attributable to lots shall vest immediately upon transfer of title or contract to purchase a lot.

Section 3.7. Action Without Meeting. Any action that may be taken at any annual or special meeting of the members (except the election of directors) may be taken without a meeting and without prior notice if the provisions of California Corporations Code Section 7513 are complied with. Written ballots must be solicited from all members and received from a number of members at least equal to the quorum applicable to a meeting of members. All such written ballots shall be filed with the Secretary of the Association and maintained in the association's records. All solicitation of ballots shall indicate the time by which the ballot must be returned to be counted.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1. Number. The affairs of the Association shall be managed by a Board of three directors, who need not be members of the Association.

Section 4.2. Election of Directors. The first election of the Board shall be conducted at the first meeting of the Association, in accordance of the provisions of California Civil Code § 1363.03..

At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall be utilized during all elections in which two or more positions on the Board are to be filled, subject only to the procedural prerequisite to cumulative voting prescribed in Section 7615(b) of the Corporations Code. Voting for Directors shall be by secret ballot, and subject to the provisions regarding specially elected directors which follow, the persons receiving the highest number of votes up to the number of positions to be filled shall be elected.

As long as a majority of the voting power of the Association resides in the Declarant, or as long as there are two outstanding classes of membership in the Association, no less than 20% of the directors shall be elected by members other than Declarant. If members other than Declarant are unable to elect at least 20% of the directors by the exercise of cumulative voting or otherwise, the number of positions on the Board necessary to meet the 20% requirement shall be filled by nominees elected by members other than Declarant (the "specially elected" directors). Nominations for specially elected directors may be made by any member other than Declarant by submitting a written nomination before the meeting to the Secretary of the Association, or by placing a name in

nomination at the meeting prior to the vote. A specially elected director may be removed prior to the expiration of his or her term only by the vote or written assent of members other than Declarant who hold the majority of the voting rights other than the voting rights held by Declarant. In case of the death, resignation, or removal of a specially elected director, notwithstanding any other provisions of these by-laws, a successor shall be elected by members other than Declarant to hold office for the unexpired term of his or her predecessor and until a successor has been elected and qualified.

Section 4.3. Removal; Vacancies. Unless the entire Board is removed from office by the vote of Association members, an individual director shall not be removed prior to the expiration of his or her term of office, if the votes cast against his or her removal would be sufficient to elect him if voted cumulatively at an election at which the same total number of votes were cast and the entire number of directors authorized at the time of the most recent election of directors were then being elected. Any vacancy on the Board may be filled by a majority of the remaining directors or by a sole remaining director, except for a vacancy created by removal of a director by vote of the members, which shall be filled by the members. In addition, the members may fill any vacancy not filled by the directors. Any director elected to fill a vacancy shall hold office until the expiration of the term of his or her predecessor and until a successor has been elected and qualified.

Section 4.4. Term of Office. At the first election of the Board of Directors as specified above, three directors shall be elected for a term of one year each, and at each annual meeting thereafter the members shall elect three directors for a term of one year each.

ARTICLE V

MEETINGS OF DIRECTORS

Section 5.1. Regular Meetings. Regular meetings of the Board of Directors shall be held every three (3) months at a time and a place within the subdivision fixed by the Board of Directors from time to time. Should said meeting fall upon a legal holiday, then the meeting shall be held at the same time on the next day which is not a legal holiday, excluding Saturday and Sunday. Notice of the time and place of the meeting shall be posted at a prominent place within the common area and shall be communicated to Directors not less than four (4) days prior to the meeting, provided, however, that notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to holding of the meeting. If the common area is unsuitable for posting of such notice, the Board of Directors shall communicate the notice of the time and place of such meeting by any means it deems appropriate.

Section 5.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by notice signed by the President, Vice-President or Secretary of the Association, or by any two Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Such notices shall be posted at a prominent place within the common area not less than seventy-two (72) hours prior to the scheduled

time of the meeting. Notices sent by first class mail shall be deposited in a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegram shall be delivered, telephoned, or given to a telegraph company at least seventy-two (72) hours before the time set for the meeting. Notice of a special meeting need not be given to any director who signed the waiver of notice or a written consent to holding of the meeting. If the common area is unsuitable for posting of such notice, the Board of Directors shall communicate the notice of the time and place of such meeting by any means it deems appropriate.

Section 5.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.4. Open Meetings. Any member of the Association may attend meetings of the Board of Directors except when the Board adjourns to executive session to consider litigation, matters relating to the formation of contracts with third parties, member discipline, or personnel matters. The Board of Directors of the Association shall meet in executive session, if requested by a member who may be subject to a fine, penalty, or other form of discipline, and the member shall be entitled to attend the executive session. The Board of Directors shall permit any member to speak at any meeting of the Association or the Board of Directors, except for meetings of the Board held in executive session. A reasonable time limit for all members of the Association to speak to the Board of Directors or before a meeting of the Association shall be established by the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 5.5. Executive Session. The Board may, with approval of a majority of its members present at a meeting in which a quorum for the transaction of business has been established, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 5.6. Telephone Meetings. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

Section 5.7. Notice of Adjourned Meeting. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment, and shall be posted at a prominent place within the common area.

Section 5.8. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents

shall be filed with the minutes of the proceedings of the Board. An explanation of the action shall be posted at a prominent place or places within the common area within three (3) days after the written consents of all Board members have been obtained. If the common area is unsuitable for posting of the explanation of the action taken, the Board of Directors shall communicate said explanation by any means it deems appropriate.

Section 5.9. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 5.10. Minutes of Meeting. The minutes, proposed for adoption that are marked to indicate draft status, or a summary of the minutes of any meeting of the Board, other than an executive session, shall be available to members within 30 days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member on request and on reimbursement of the Association's costs in making that distribution. The members shall be notified in writing at the time that the pro forma budget required in California Civil Code Section 1365 is distributed or at the time of any general mailing to the entire membership of the Association of their right to have copies of the minutes of meetings of the board, how and where those minutes may be obtained, and the cost of obtaining them.

If two or more associations consolidate any of their functions under a joint neighborhood association, the members of each participating association are entitled to attend all meetings of the joint association other than executive sessions. Those members must be given reasonable opportunity to participate in the meetings and must be given the same access to the joint records as they are to the participating association's records.

ARTICLE VI

POWERS AND DUTIES OF BOARD OF DIRECTORS

Section 6.1. Duties. It shall be the duty of the Board of Directors to:

- (a) Enforce applicable provisions of the covenants, conditions, and restrictions, articles, by-laws and other instruments for the ownership, management and control of the subdivision;
- (b) Pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- (c) Contract for casualty, liability and other insurance on behalf of the Association;
- (d) Cause to be kept a complete record of all its acts and affairs and to present a

statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth of the Class A members; keep adequate and correct books and records of account, minutes of proceedings of its members, board and committees and a record of its members, giving their names and addresses and classes of membership;

(e) Supervise all officers, agents and employees of the association, and see that all their duties are properly performed;

(f) Maintain the project, including but without limitation, all roads, drainage facilities, landscaping, common space areas and all other common facilities.

(g) With regard to the Association's accounting records:

(1) Review a current reconciliation of the Association's operating accounts on at least a quarterly basis.

(2) Review a current reconciliation of the Association's reserve accounts on at least a quarterly basis.

(3) Review, on at least a quarterly basis, the current year's actual reserve revenues and expenses compared to the current year's budget.

(4) Review the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts.

(5) Review an income and expense statement for the Association's operating and reserve accounts on at least a quarterly basis.

(h) Deliver to each Owner by personal delivery or first class mail, a schedule of the monetary penalties that may be assessed by the Association for a violation of a governing documents or rules of the Association, including any monetary penalty relating to the activities of a guest or invitee of an Owner, and shall also distribute personal delivery or first class mail, any changes to the schedule previously distributed to the Owners.

Section 6.2. Powers. The Board of Directors shall have power to:

(a) Formulate rules of operation of the common area and facilities owned or controlled by the Association;

(b) Contract for goods and/or services for the common areas, facilities and interest or for the Association subject to limitations set forth below;

(c) Initiate and execute disciplinary proceedings against members of the Association for violation of provisions of the governing instruments in accordance with procedures set forth in the governing instruments;

(d) Enter upon any privately owned lot as necessary in connection with the

construction, maintenance, or emergency repair for the benefit of a common area or the Owners in common; provided, however, that the lot Owner shall be given 48 hours advance notice of such entry. In case of emergency the right to enter shall be immediate upon notice to the Owner;

(e) Delegate its authority and powers to committees, officers or employees of the Association or to a manager employed by the Association. The Board may not delegate to the manager the authority to make expenditures for capital additions or improvements chargeable against the reserve funds; to conduct hearings concerning compliance by an Owner or his or her tenant, lessee, guest or invitee with the Declaration or rules and regulations promulgated by the Board, or to make a decision to levy monetary fines, impose special assessments against the individual units, temporarily suspend an Owner's rights as a member of the Association or otherwise impose discipline following any such hearing; to make a decision to levy regular or special assessments; or to make a decision to bring suit, record a claim of lien, or institute foreclosure proceedings for default in payment of assessments. The Board may delegate to a manager any of its other duties, powers or functions. Any such delegation shall be revocable by the Board at any time. Any such manager may be either a person or firm.

Section 6.3. Prohibited Acts. The Board of Directors shall not take any of the following actions, except with the vote or written consent of a majority of the voting power of the association including a majority of members other than Declarant:

(a) Entering into a contract with a third person wherein the third person will furnish goods or services for the common area or the association for a term longer than one (1) year with the following exceptions:

(1) A management contract, the terms of which have been approved by the Federal Housing Administration or Veterans Administration;

(2) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(3) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured;

(4) Lease agreements for laundry room fixtures and equipment of not to exceed five (5) years duration provided that the lessor under the agreement is not an entity in which the declarant has a direct or indirect ownership interest of ten percent (10%) or more;

(5) Agreements for cable television services and equipment or satellite television services and equipment of not to exceed five years duration provided that the supplier is not an entity in which the subdivider has a direct or indirect ownership interest of 10% or more;

(6) Agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five years duration provided that the supplier or suppliers are not entities in which the subdivider has a direct or indirect ownership interest of 10% or more.

(7) A contract for a term not to exceed three (3) years that is terminable by the Association after no longer than one (1) year without cause, penalty, or other obligation upon ninety (90) days' written notice of termination to the other party.

(b) Incurring aggregate expenditures for capital improvements to the common area in any fiscal year in excess of five (5%) percent of the budgeted gross expenses of the Association for that fiscal year;

(c) Selling during any fiscal year property of the Association having an aggregate fair market value greater than five (5%) percent of the budgeted gross expenses of the Association for that fiscal year;

(d) Paying compensation to members of the Board or to the officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association;

(e) Levying special assessments which in the aggregate exceed five (5%) percent of the budgeted gross expenses of the Association for that fiscal year;

(f) Filling a vacancy on the Board created by the removal of a director.

(g) Initiating investigation or incurring expenditures for the investigation of construction defects for the purpose of pursuing claims for construction defects.

ARTICLE VII

OFFICERS

Section 7.1. **Enumeration of Officers.** The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary, and a chief financial officer, and such other officers as the Board may from time to time by resolution create.

Section 7.2. **Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors and following each annual meeting of the members.

Section 7.3. **Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 7.4. **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold offices for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.5. **Resignation and Removal.** Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the

Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 7.4 of this Article.

Section 7.8. Duties. The duties of the officers are as follows:

(a) **President.** The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

(b) **Vice President.** The Vice President shall act in the place and stead of the President in the event of his or her absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) **The Secretary** shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) **Chief Financial Officer.** The chief financial officer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall cosign all checks and promissory notes of the Association; shall keep proper books of account; and shall prepare and distribute to each member financial documents as required by Civil Code Section 1365.

(e) **Delegation:** The foregoing duties may be delegated to a manager appointed by the Board.

ARTICLE VIII

COMMITTEES

The Association shall appoint an architectural control committee, as provided in the Declaration, and a nominating committee, as provided in these by-laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX

BOOKS AND RECORDS

Section 9.1. **Inspection by Members.** The association shall make available association records and enhanced association records for inspection and copying by a member of the association or the member's designated representative, in accordance with California Civil Code Section 1365.2 and California Corporations Code Section 8330 et seq

Section 9.2. **Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and copies of documents.

Section 9.3. **Special Rules Regarding Minutes.** Minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes of any meeting of the Board of Directors, other than an executive session, shall be available to members within thirty (30) days of the meeting and shall be distributed only to members upon request and payment of the cost of reproducing copies. At the time the pro forma operating budget is distributed or at the time of any general mailing, members of the Association shall be notified in writing of their right to have copies of the minutes of meetings of the Board of Directors and as to how and where those minutes may be obtained and the cost of obtaining such copies.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, there shall be a late charge of \$10.00. A late charge may not be imposed more than once on any delinquent payment, shall not eliminate or supersede any charges imposed on prior delinquent payments, and shall constitute full compensation to the Association for any additional bookkeeping, billing, or other administrative costs resulting from the delinquent payment. Interest shall also accrue on any delinquent payment at the rate of twelve percent (12%) per annum or at such rate as the Board may impose from time to time, not to exceed the limits set forth in California Civil Code Section 1725. Late charges and interest shall accrue from the first day following the due date of the assessment through and including the date full payment is received by the Association. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common area or abandonment of his or her lot.

ARTICLE XI

AMENDMENTS

Section 11.1. Prior to close of escrow on the sale of the first unit, Declarant may amend these By-Laws, with the consent of the Department of Real Estate. After sale of the first unit, these By-Laws may be amended only by the affirmative vote (in person or by proxy) or written consent of members representing a majority of a quorum of the Association which shall include a majority of the votes or written consent of members other than Declarant, or where the two (2) class voting structure is still in effect, shall include a majority of each class of members. However, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

Section 11.2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

CERTIFICATION

I hereby certify that I am the duly elected and acting Secretary of Rockberry Villas Owners Association, a Nonprofit Mutual Benefit Corporation, and that the foregoing By-Laws constitute the original By-Laws of the Association, duly adopted at a meeting of the Board thereof, held on the 25th day of April, 2009, and that they do now constitute the By-Laws of said Association.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of June, 2009.

[Handwritten Signature]
Secretary

ATTEST:

[Handwritten Signature]
President

State of California County of

Santa Clara

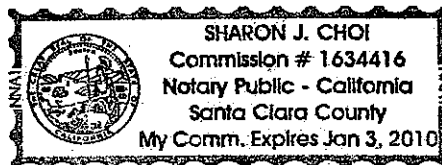
Subscribed and sworn to (or affirmed)

Before me on this 6th day of June 2009, by

Steven D. Osterberg & Michael G. Grogan

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me

Signature: *[Handwritten Signature]*



Financial Title
Order No. 27225000-297

DOCUMENT: 19915460

Pages: 48

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2160 S. Bascom Avenue, Ste. 1)
Campbell, CA 95008)

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Financial Title Company

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8:00 AM

DECLARATIONS OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF
ROCKBERRY VILLAS

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GAF

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
ROCKBERRY VILLAS**

THIS DECLARATION is made on the date hereinafter set forth by Rockberry Villas, LLC, a California limited liability company, hereinafter referred to as "Declarant", being the owner of certain real property situated in the City of Mountain View, County of Santa Clara, State of California, more particularly described as follows:

*All of Lots 1 through 15 and Lot A (Common Area), as shown on that certain Map of Tract No 9874 Rockberry Villas, which Map was filed for record in the office of the Recorder of the County of Santa Clara, State of California on October 15, 2007, in Book 819 of Maps, Pages 27 and 28.
APN- 147-12-043, ARB. 147-12-043*

Declarant does hereby declare, for the purpose of establishing a general plan for the creation of a planned residential development, within the meaning of California Civil Code Section 1351(k), that all of the property described above shall be held, occupied, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, liens and charges, set forth hereinafter, all of which shall run with the real property described above and shall be binding on all parties having any right, title or interest therein or in any thereof, their heirs, successors and assigns, and which shall inure to the benefit of each owner thereof, and all of which are imposed upon said real property and every part hereof as a servitude in favor of each and every lot thereof as the dominant tenement and may be enforced by Declarant, or his or her successors and assigns, each owner, his or her successors and assigns, or by the association, its successors and assigns.

ARTICLE I

DEFINITIONS

Section 1.01. "Association" shall mean and refer to Rockberry Villas Owners Association, a Nonprofit Mutual Benefit Corporation, its successors and assigns, the members of which shall be the owners of lots in the project.

Section 1.02. "Assessment" shall mean that portion of the cost of maintaining, improving, repairing, operating and managing the property which is to be paid by each lot owner as determined by the association

Section 1.03 "Board" or "board of directors" shall mean and refer to the governing body of

the association.

Section 1.04. "By-laws" shall mean and refer to the by-laws of the association as amended from time to time.

Section 1.05. "Common area" shall mean and refer to all of the property described as Lot A on the above-described subdivision map.

Section 1.06. "Common expense" means and includes the actual and estimated expenses of operating the common area and any reasonable reserve for such purposes as found and determined by the board and all sums designated, and expenses by or pursuant to the project documents.

Section 1.07. "Declarant" shall mean and refer to Rockberry Villas, LLC, a California limited liability company, and their successors and assigns.

Section 1.08. "Declaration" shall mean and refer to this enabling declaration, as amended or supplemented from time to time.

Section 1.09. "Eligible mortgage holder" shall mean a first lender who has requested notice of certain matters from the association in accordance with Section 9.06c.

Section 1.10. "Eligible insurer or guarantor" shall mean an insurer or governmental guarantor of a first mortgage who has requested notice of certain matters from the association in accordance with Section 9.06c.

Section 1.11. "Exclusive use common area" shall mean and refer to those portions of the common area, if any, set aside for the exclusive use of the lot owner or owners pursuant to Article II, Section 2.04. Each such exclusive use common area shall be appurtenant to the owner's lot and may not be conveyed or transferred apart from the lot. Except as expressly provided in this declaration, no other portion of the project is exclusive use common area.

Section 1.12. "First lender" shall mean any person, entity, bank, savings and loan association, insurance company or financial institution holding a recorded first mortgage on any lot.

Section 1.13. "Map" shall mean and refer to that subdivision map entitled Tract No. 9874, Rockberry Villas recorded on the 15th day of October, 2007, in Book 819 of Maps at Pages 27 and 28, in the Official Records of Santa Clara County.

Section 1.14. "Member" shall mean and refer to a person entitled to membership in the association as provided herein.

Section 1.15. "Mortgage" shall mean a deed of trust as well as a mortgage

Section 1.16. "Mortgagee" shall include a beneficiary or a holder of a deed of trust as well as a mortgagee

Section 1.17. "Mortgagor" shall include the trustor of a deed of trust as well as a mortgagor.

Section 1.18. "Owner" shall mean and refer to the record fee title owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, except if a lot is sold under a recorded contract of sale, the contract purchaser, rather than the fee owner, shall be considered the "owner" "Owner" shall not include persons or entities who hold an interest in a lot merely as security for the performance of an obligation.

Section 1.19. "Person" means a natural person, a corporation, a partnership, a trustee, or other legal entity.

Section 1.20. "Project" shall mean and refer to the entire real property above-described.

Section 1.21. "Project documents" shall mean this declaration, as amended from time to time, the exhibits, if any, attached thereto, together with the other basic documents used to create and govern the project, including the map, the articles, and the by-laws

ARTICLE II

PROPERTY RIGHTS

Title to Homeowner's Association Common Area

Section 2.01. At any time prior to the conveyance of the first lot in the project, Declarant shall convey to the homeowners association fee simple title to the common area, free and clear of all liens and encumbrances, except current real property taxes, which taxes shall be prorated to the date of transfer, and reservations, easements, covenants, conditions, and restrictions then of record, including those set forth in this document.

In connection with the conveyance of the common area to the association, Declarant may reserve easements for a period of time not to exceed three years for the nonexclusive use of any driveways on the project, for drainage and encroachment purposes, and for ingress to and egress from the common areas for the purpose of completing improvements thereon or for the performance of necessary repair work. In addition to the foregoing, in the case of a phased project, Declarant may reserve an easement for entry onto the project in connection with the development of additional phases

Owners' Easement of Enjoyment

Section 2.02. Every owner shall have a right and easement of enjoyment in and to the

common area which shall be appurtenant to and pass with title to every lot, subject to reasonable rules and regulations from time to time set by the association as well as the right of the association to dedicate or transfer a portion of the common area to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed to by said members, so long as the dedication or transfer shall be for the general benefit of the association and its members.

Delegation of Use

Section 2.03. Any owner may delegate his or her rights of use and enjoyment of the common area and the facilities to the members of his or her family, his or her guests, tenants, employees, and invitees, and to such other persons as may be permitted by the by-laws and the association rules, subject however to this declaration. However, if an owner has sold his or her lot to a contract purchaser or has leased or rented it, the owner, members of the owner's family, guests, tenants, employees, and invitees shall not be entitled to use and enjoy any of such rights while the owner's lot is occupied by the contract purchaser or tenant. Instead, the contract purchaser, or tenant, while occupying such lot, shall be entitled to use and enjoy such rights, including the recreational facilities, and can delegate the rights of use and enjoyment in the same manner as if such contract purchaser or tenant were an owner during the period of his or her occupancy. Each owner shall notify the secretary of the association of the names of any contract purchasers or tenants of such owner's lot. Each owner, contract purchaser, or tenant shall also notify the secretary of the association of the names of all persons to whom such owner, contract purchaser, or tenant has delegated any rights of use and enjoyment and the relationship that each such person bears to the owner, contract purchaser, or tenant. Any delegated rights of use and enjoyment are subject to suspension to the same extent as are the rights of owners. No such delegation shall relieve an owner from liability to the association or to other owners for payment of assessments or performance of the covenants, conditions and restrictions contained in this declaration. The association and each owner shall have a right of action directly against any tenant or contract purchaser of an owner, as well as against the owner, for nonperformance of any of the provisions of this declaration to the same extent that such right of action exists against such owner.

Exclusive Use Common Areas

Section 2.04. There are no exclusive use common areas designated on the map and set aside and allocated for the exclusive use of the owner of the lot. The board may not grant exclusive use to any other portion of the common area to any member except in compliance with Civil Code Section 1363.07, or any successor thereto.

Parking

Section 2.05. The board may from time to time assign the exclusive right to use certain spaces to particular lots. All parking spaces not so assigned may be used by all owners, their tenants and guests. Parking is prohibited in the common area other than in designated parking spaces. The common area shall at all times contain signage indicating that parking is prohibited other than in

designated parking areas. All garages shall have automatic garage door openers and shall be used solely for resident parking and no other use that prevents vehicle parking.

Non-Severability of Component Interests

Section 2.06. An owner shall not be entitled to sever his or her lot from his or her membership in the association, and shall not be entitled to sever his or her lot and his or her membership from his or her interest in and to the common area, as provided in Section 2.02 above. Any attempt to sever an owner's interest in and to the common area from the ownership of his or her lot, shall be void. After the initial sale of each lot, any conveyance of the lot by the owner shall be presumed to convey all of the owner's right and easement of enjoyment in and to the common area.

Destruction of Common Area Improvements

Section 2.07. In the event of a partial or total destruction of the improvements upon the common area, it shall be the duty of the association to restore and repair the same to their former condition as promptly as is practicable and in a lawful and workmanlike manner. The proceeds of any insurance maintained pursuant hereto shall be used for such purpose, subject to the prior rights of mortgagees whose interests may be protected by said policies. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least ninety-five percent (95%) of the estimated cost of restoration and repair, a reconstruction assessment, with each owner contributing equally as provided in Section 4.07, may be levied by the association to provide the necessary funds for such reconstruction and repair, over and above the amount of any insurance proceeds available for such purpose.

In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than ninety-five percent (95%) of the estimated cost of restoration and repair, the improvements shall not be replaced or restored unless approved by the vote or written consent of members entitled to exercise two-thirds (2/3) of the voting power of the membership of the association. In such event if the members do not elect to rebuild the improvements, the insurance proceeds received by the association on account of the destruction of the common area shall be distributed by the association among owners of lots and their respective mortgagees proportionately based upon the respective selling prices of the lots in the original sales of the lots by the Declarant.

Eminent Domain - Common Area

Section 2.08. The term "taking" as used in this section shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened taking of all or any portion of the common area, the members hereby appoint the board of the association and such persons as the board of the association may delegate to represent all of the members in connection with the taking. The board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemner in lieu of engaging in a condemnation action. Any awards received on account of the taking shall be paid to

the association. In the event of a taking of less than all of the common area, the rules as to restoration and replacement of the common area and the improvements thereon shall apply as in the case of destruction of improvements upon the common area. In the event of a total taking, the board shall retain any award in the general funds of the association. Notwithstanding anything to the contrary in this section, the distribution of any award or awards for taking of all or any portion of the common area shall be subject to the prior rights of mortgagees under deeds of trust

Declarant's Obligation to Complete the Common Area Improvements

Section 2 09. In the event that there are common area improvements which have not been completed prior to close of escrow on the sale of any first lot, and where the association is the obligee under a bond or other arrangement to secure performance of the commitment of Declarant to complete said improvements, the board shall consider and vote on the question of action by the association to enforce the obligations under the bond with respect to any improvement for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for that improvement in the planned construction statement appended to the bond. If the association has given an extension in writing for the completion of any common area improvement, the board shall consider and vote on the aforesaid question if a Notice of Completion has not been filed within thirty (30) days after expiration of the extension. A special meeting of members of the association for the purpose of voting to override a decision of the board not to initiate action to enforce the obligations under the bond or on the failure of the board to consider and vote on the question shall be held not less than thirty-five (35) days nor more than forty-five (45) days after receipt by the board of a petition for such a meeting signed by members representing five (5%) percent of the total voting power of the association. At such special meeting, a vote of a majority of the members of the association, other than Declarant, shall be required to take action to enforce the obligations under the bond, and a vote of a majority of the voting power of the association, excluding Declarant, shall be deemed to be the decision of the association, and the board shall thereafter implement this decision by initiating and pursuing appropriate action in the name of the association

Annexation of Additional Parcels

Section 2.10. Additional parcels may be annexed to become subject to this declaration in accordance with the following provisions:

a. **Annexation Pursuant to Approval.** Upon approval in writing of the association, pursuant to vote or written consent of a two-thirds (2/3) majority of the voting power of its members, excluding the Declarant, and the approval of the Department of Real Estate of the State of California, all mortgagees of lots, the association and the owner of any property who desires to add it to the scheme of this declaration and to subject it to the jurisdiction of the association, may file of record a declaration of annexation in the manner described below.

b. **Declaration of Annexation.** A declaration of annexation shall be recorded covering the

applicable portion of the property to be annexed. Said declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this declaration as may be necessary to reflect the different character, if any, of the added property, and as are not inconsistent with the scheme of this declaration.

c. **Effect of Annexation.** Upon annexation, the property annexed shall become subject to this declaration without the necessity of amending individual sections hereof. Assessments collected from owners in the property may be expended by the association without regard to the particular phase from which such assessments came. All owners shall have ingress and egress to and use of all portions of the common area throughout the property, subject to the provisions of this declaration, the by-laws of the association, and to the rules and regulations of the association in effect from time to time.

Delivery of Documents to the Association

Section 2.11. Commencing not later than ninety (90) days after the close of escrow of the first interest in the subdivision, copies of the documents listed below, as soon as readily obtainable, shall be delivered by Declarant to the board of directors of the association at the office of the association, or at such other place as the board of directors of the association shall prescribe. The obligation to deliver the documents listed below shall apply to any documents obtained by the Declarant no matter when obtained, provided, however, such obligation shall terminate upon the earlier of (1) the conveyance of the last subdivision interest covered by a subdivision public report or (2) three years after the expiration of the most recent public report, on the subdivision:

- (1) The recorded subdivision map or maps for the project.
- (2) The deeds and easements executed by the subdivider conveying the common area or other interest to the association, to the extent applicable.
- (3) The recorded covenants, conditions and restrictions for the subdivision, including all amendments and annexations thereto.
- (4) The association's filed articles of incorporation, if any, and all amendments thereto
- (5) The association's bylaws and all amendments thereto.
- (6) All architectural guidelines and all other rules regulating the use of an owner's interest in the subdivision or use of the common area which have been promulgated by the association
- (7) The plans approved by the local agency or county where the subdivision is located for the construction or improvement of facilities that the association is obligated to maintain or repair; provided, however, that the plans need not be as-built plans and that the plans may bear appropriate restrictions on their commercial exploitation or use and may contain appropriate disclaimers

regarding their accuracy

(8) All notice of completion certificates issued for common area improvements (other than residential structures)

(9) Any bond or other security device in which the association is the beneficiary.

(10) Any written warranty being transferred to the association for common area equipment, fixtures or improvements

(11) Any insurance policy procured for the benefit of the association, its board of directors or the common area

(12) Any lease or contract to which the association is a party.

(13) The membership register, including mailing addresses and telephone numbers, books of account and minutes of meetings of the members, of the board of directors and of committees of the board of directors of the association.

(14) Any instrument referred to in Section 11018.6(d) but not described above which establishes or defines the common, mutual or reciprocal rights or responsibilities of the members of the association

Commencing not later than 90 days after the annexation of additional phases to the subdivision, copies of those documents listed above which are applicable to that phase, shall, as soon as readily obtainable, be delivered by the Declarant to the board of directors of the association at the office of the association, or at such other place as the board of directors of the association shall prescribe. The obligation to deliver the documents listed above shall apply to any documents obtained by Declarant no matter when obtained, provided, however, such obligation shall terminate upon the earlier of (1) the conveyance of the last subdivision interest covered by a subdivision public report or (2) three years after the expiration of the most recent public report, on the subdivision

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Membership

Section 3.01. The owner of a lot shall automatically, upon becoming the owner of same, be a member of the association, and shall remain a member thereof until such time as his or her ownership ceases for any reason, at which time his or her membership in the association shall automatically cease. Membership shall be held in accordance with the articles and by-laws of the association.

Transferred Membership

Section 3 02. Membership in the association shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of the lot to which it is appurtenant, and then only to the new fee owner or contract purchaser, in the case of a sale, or mortgagee, in the case of an encumbrance of such lot. Upon death of a member, his or her membership passes automatically along with title to his or her lot to his or her heirs. The mortgagee does not have membership rights until he becomes an owner by foreclosure or deed in lieu thereof. Any attempt to make a prohibited transfer is void. No member may resign his or her membership. In the event the owner of any lot should fail or refuse to transfer the membership registered in his or her name to the purchaser of his or her lot, the association shall have the right to record the transfer upon its books and thereupon any old membership outstanding in the name of the seller shall be null and void.

Membership Classes and Voting Rights

Section 3.03. Only memberships shall have voting rights, and the association shall have two classes of voting memberships:

a. Class A members shall be all owners with the exception of the Declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot all such persons shall be members.

b. Class B member(s) shall be the Declarant and shall be entitled to three votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earliest:

(1) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(2) On the second anniversary of the first close of escrow for the sale of a subdivision interest to an individual owner.

c. Whenever membership approval is necessary for any action to be taken by the association or the board of directors, except with respect to any action to enforce the obligations of the Declarant as specified in Article II, Section 2.09, the vote or written assent of the designated percentage of each class of membership shall be required during the time that there are two outstanding classes of membership.

d. Whenever the vote or written assent of each class of membership is necessary for the initiation of action by or in the name of the association, except with respect to any action to enforce the obligations of Declarant as specified in Article II, Section 2.09, any requirement that the vote of the subdivider shall be excluded is not applicable. After the conversion of Class B memberships to Class A memberships, where the vote or written assent of a prescribed majority of the members is re-

quired other than Declarant, then except as provided in Article II, Section 2.09 of the declaration, the vote or written assent of a bare majority of the total voting power of the association as well as the vote or written assent of a prescribed majority of the total voting power of members other than the Declarant shall be required.

e. Voting rights shall vest either at the time assessments are levied against the owner's lot or as provided in a subsidization plan approved by the California Department of Real Estate.

Joint Owner Disputes

Section 3.04. All votes for each lot for any membership class shall, if at all, be cast as a unit. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any owner casts a vote or votes representing a certain lot, it will thereafter be conclusively presumed for all purposes that said owner was acting with the authority and consent of all the owners of the lot.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS OF COMMON AREA

Creation of the Lien and Personal Obligations of Assessments

Section 4.01. The Declarant, for each lot owned within the properties, hereby covenants, and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the association: (1) regular assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The regular and special assessments, together with any late charges, reasonable costs of collection (including reasonable attorney's fees) and interest shall be a lien on the owner's interest in the planned development from and after the time the association causes to be recorded in the recorder's office of the county in which the lot is located, a notice of delinquent assessment, which shall state the amount of the assessment and other sums imposed in accordance with California Civil Code Section 1366, a legal description of the owner's interest in the common interest development against which the assessment and other sums are levied, the name of the record owner of the owner's interest in the common interest development against which the lien is imposed, and, in order for the lien to be enforced by nonjudicial foreclosure as provided in California Civil Code Section 1367(d), the name and address of the trustee authorized by the association to enforce the lien by sale. The notice of delinquent assessment shall be signed by the secretary or the president of the association, and mailed in the manner set forth in Civil Code Section 2924(b) to all record owners of the owner's interest in the project no later than ten (10) calendar days after recordation. Upon payment of the sum specified in the notice of delinquent assessment, the association shall cause to be recorded a further notice stating the satisfaction and release of the lien thereof. Each such assessment, together with any late charges, reasonable costs of collection (including reasonable

attorney's fees) and interest shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his or her successors in title unless expressly assumed by them.

A statement describing the association's policies and practices in enforcing lien rights or other legal remedies for default in payment of its assessments against its members shall be annually delivered to the members during the sixty (60) day period immediately preceding the beginning of the association's fiscal year.

The association shall not place a lien upon the interest of any owner to collect amounts due as provided herein unless the association first complies with the requirements of Civil Code Section 1367 1(a) – (c), and the notice of delinquent assessments complies with Civil Code Section 1367 1(d).

Purpose of Assessment

Section 4.02. The assessments levied by the association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the improvement and maintenance of the common area.

Regular Assessments

Section 4 03

a. Prior to the first meeting of the association, the maximum regular assessment under ARTICLE IV shall be as set forth in the budget worksheet approved by the California Department of Real Estate.

b. The board may not impose a regular assessment that is more than twenty percent (20%) greater than the regular assessment for the association's preceding fiscal year without the approval of owners, constituting a quorum, casting a majority of the votes at a meeting or election of the association conducted in accordance with Chapter V (commencing with Section 7510) of Part III of Division II of Title I of the Corporations Code and Section 7613 of the Corporations Code. For the purposes of this section, quorum means more than 50% of the owners of the association. The foregoing restriction shall not apply to any assessment increases necessary for emergency situations. For purposes of this section, an emergency situation is any one of the following:

- (1) An extraordinary expense required by an order of a court.
- (2) An extraordinary expense necessary to repair or maintain the planned development or any part of it for which the association is responsible where a threat to personal safety on the property is discovered.

(3) An extraordinary expense necessary to repair or maintain the planned development or any part of it for which the association is responsible that could not have been reasonably foreseen by the board in preparing and distributing the pro forma operating budget required by the by-laws of the corporation.

c. The board of directors shall comply with the provisions of Section 1366 of the Civil Code prior to any increase in assessments.

d. Subject to the limitations on the maximum and minimum amount of assessments herein provided, if at any time during the course of the year the board shall deem the amount of the regular assessment to be inadequate or excessive, the board shall have the power at a regular or special meeting, to revise the assessment for the balance of the assessment year, effective on the first day of the month following the date of the revision.

e. During the time the project is subject to an outstanding public report, the Declarant shall notify the Department of Real Estate of any increase of ten percent (10%) over the amount of the regular assessment reflected in the current public report for the project.

Special Assessments for Capital Improvements

Section 4.04. In addition to the regular assessments authorized above, the association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, provided that:

a. The board may not levy special assessments without complying with the provisions of Section 1366 of the Civil Code.

b. Every special assessment shall be levied on the same basis as that prescribed for the levying of regular assessments.

c. The provisions of this section regarding special assessments do not apply to an assessment levied by the board of directors against a member to reimburse the association for costs incurred in bringing the member and his or her subdivision interest into compliance with provisions of the governing instruments as provided in Section 4.12 below.

Reserve Fund Procedures

Section 4.05.

a. As part of the regular assessment for maintenance authorized above, the board of directors shall annually fix the amount to be contributed pro-rata by each member to reserve funds for the

purpose of defraying, in whole or in part, the cost or estimated cost of any reconstruction, repair or replacement of improvements, including fixtures and personal property related thereto. Such determination shall be made after consideration of the need for additional funds and of the association's capital position. The board shall fix the method of payment of such assessments and shall be empowered to permit either lump sum or monthly payments. Separate records shall be maintained for all funds deposited to the said account, which shall be designated as a "reserve account". The signatures of at least two persons, who shall be members of the association's board of directors, or one officer who is not a member of the board of directors and a member of the board of directors, shall be required for the withdrawal of monies from the association's reserve account. Deposits shall be made and funds accounted for so that reserves for capital improvements and for replacement, can be clearly separated from funds for operating expenses.

b. The board of directors shall not expend funds designated as reserve funds for any purpose other than those purposes set forth in Section 1365.5 of the Civil Code

Notice and Quorum for Any Action Authorized Under Section 4.03, 4.04

Section 4.06. Any action authorized under Section 4.03 or 4.04 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than ten (10) days nor more than ninety (90) days in advance of the meeting specifying the place, day and hour of the meeting and in the case of a special meeting, the nature of the business to be undertaken. The presence at any such meeting in person or by proxy of members entitled to cast 33-1/3 percent of the total votes of all members shall constitute a quorum, except that in the case of the imposition of a regular assessment that is more than 20% greater than the regular assessment for the association's preceding fiscal year or the imposition of special assessments which in the aggregate exceed 5% of the budgeted gross expenses of the association for that fiscal year, the quorum requirement shall be more than 50% of the total voting power of the association. If a quorum is present and the proposed action is favored by a majority vote of the members present at such meeting, but such vote is less than a majority of the voting power of the association, including a majority of members other than the Declarant, approval of the action may be obtained by written ballot in accordance with the provisions of California Corporations Code Section 7513.

Rate of Assessment

Section 4.07. All regular assessments shall be charged to and divided among the lot owners according to the ratio of the number of lots owned by each owner assessed to the total number of lots assessed.

Due Dates for Regular and Special Assessments

Section 4.08. The regular assessments provided for herein shall commence as to all lots on

the first day of the month following the closing of the first sale of a subdivision interest to an individual owner. The first regular assessment shall be adjusted according to the number of months remaining in the calendar year. The board of directors shall fix the amount of the regular assessment against each lot at least forty-five (45) days in advance of each regular assessment period. The due dates shall be established by the board of directors. The association shall provide notice by first class mail to the owners of all lots of any increase in the regular or special assessments of the association, not less than 30 nor more than 60 days prior to the increased assessment becoming due. The association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified lot have been paid.

Effect of Nonpayment of Assessments; Remedies of the Association

Section 4.09 Any assessment payment shall become delinquent if payment is not received by the association within fifteen (15) days after its due date. If an assessment is delinquent, the association may recover all of the following: (1) reasonable costs incurred in collecting the delinquent assessment, including reasonable attorney's fees; (2) a late charge not exceeding 10% of the delinquent assessment or \$10.00, whichever is greater; (3) interest on all sums imposed in accordance with this section, including the delinquent assessment, reasonable costs of collection, and late charges, at an annual percentage rate not to exceed twelve percent (12%) interest, commencing thirty (30) days after the assessment becomes due.

Transfer of Lot by Sale or Foreclosure and Priority of First Lender

Section 4.10. Sale or transfer of any lot shall not affect the assessment lien. However, a lien for regular or special assessments against an owner shall be subordinate to the lien of any first mortgage or first deed of trust against subdivision interests of the owner, and the sale of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof involving a default under the first encumbrance shall extinguish the lien of assessments which were due and payable prior to the transfer of the subdivision interest. No sale or transfer of a lot as the result of a foreclosure or exercise of the power of sale shall relieve the new owner, whether it be the former beneficiary or the first encumbrance or another person, from liability for any assessments thereafter becoming due or from any lien thereof.

When the mortgagee of a mortgage of record or other purchaser of a lot obtains title to the same as a result of foreclosure of any such mortgage, such acquirer of title, his or her successor and assigns, shall not be liable for the share of the common expenses or assessment by the association which became due prior to the acquisition of title to such lot by such acquirer (except for assessment liens recorded prior to the mortgage). No amendment of the preceding section may be made without the consent of owners of lots to which at least sixty-seven percent (67%) of the votes in the association are allocated, and the consent of the eligible mortgage holders holding first mortgages on lots comprising fifty-one percent (51%) of the lots subject to first mortgages. Such unpaid share of

common expenses of assessments shall be deemed to be common expenses collectible from all of the lot owners including such acquirer, his or her successors and assigns.

Priorities; Enforcements; Remedies

Section 4.11. When a notice of assessment has been recorded, such assessment shall constitute a lien on each respective lot prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which by law would be superior thereto, and (2) the lien or charge of any first mortgage of record made in good faith and for value.

If the lien is for delinquent assessments equal to or more than \$1,800, or more than 12 months delinquent, such lien, after the expiration of thirty (30) days following the recording of the lien, and after complying with the requirements of Civil Code Section 1367.4(c) may be enforced by sale by the association, its attorneys or other person authorized to make the sale after failure of the owner to pay such assessment in accordance with its terms, such sale to be conducted in accordance with the provisions of Sections 2924, 2924(b), and 2924(c) of the California Civil Code, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. If the amount of the delinquent assessments is less than \$1,800, not including any accelerated assessments, late charges, fees and costs of collection, attorneys' fees, or interest, the association may not collect the debt through judicial or nonjudicial foreclosure, but may attempt to collect or secure the debt as specified in Civil Code Section 1367.4(b).

The association, acting on behalf of the lot owners, shall have the power to bid for the lot at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Where the purchase of a foreclosure lot will result in a five percent (5%) or greater increase in assessments, the purchase shall require the vote or written consent of a majority of the total voting power of the association, including majority of members other than Declarant. During the period a lot is owned by the association, following foreclosure: (1) no right to vote shall be exercised on behalf of the lot; (2) no assessment shall be assessed or levied on the lot; and (3) each other lot shall be charged, in addition to its usual assessments, its equal share of the assessment that would have been charged to such lot had it not been acquired by the association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses, rent and attorney's fees shall be maintainable without foreclosing or waiving a lien securing the same.

After acquiring title to the lot at foreclosure sale following notice and publication, the association may execute, acknowledge and record a deed conveying title to the lot which deed shall be binding upon the owners, successors, and all of the parties.

Disciplinary Proceedings

Section 4.12. In addition to all other remedies provided in this declaration, the board may temporarily suspend the voting rights of a member who is in default in payment of any assessment, or was otherwise in violation of this declaration, and may impose reasonable monetary penalties.

which may be in the form of a special assessment against the member to reimburse the association for costs incurred in bringing a member and his or her subdivision interest into compliance with provisions of governing instruments, or for the purpose of repairing damage to common areas and facilities for which the member was responsible. Prior to any finding of liability or any decision to impose sanctions or penalties, the Board shall notify the member in writing, by either personal delivery or first class mail, at least 10 days prior to the meeting. Notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which the member may be disciplined, and a statement that the member has a right to attend and may address the board at the meeting. The board shall meet in executive session if requested by the member being disciplined.

If the board imposes discipline on a member, the board shall provide the member a written notification of the disciplinary action, by either personal delivery or first class mail, within 15 days following the action. Any dispute between the Association and a member involving their rights, duties, or liabilities under the Declaration shall be subject to the internal dispute resolution process specified in California Civil Code Section 1363.810 and following.

The association shall not cause a forfeiture or abridgement of an owner's right to the full use and enjoyment of his or her individually-owned subdivision interest on account of the failure by the owner to comply with provisions of the governing instruments or of duly-enacted rules of operation for common areas and facilities except by judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the owner to pay assessments duly levied by the association. Any monetary penalty imposed by the association as a disciplinary measure for failure of a member to comply with the governing instruments except as a means of reimbursing the association for costs incurred by the association in the repair of damage to common areas and facilities for which the member or the member's guests or tenants were responsible, shall not be treated as an assessment which may become a lien against the member's subdivision interest enforceable by sale of the interest in accordance with the provisions of Sections 2924, 2924(b) and 2924(c) of the Civil Code.

The provisions of the preceding paragraph do not apply to charges imposed against an owner consisting of reasonable late payment penalties for delinquent assessments and/or charges to reimburse the association for the loss of interest and for costs reasonably incurred (including attorney's fees) in its efforts to collect delinquent assessments.

Notwithstanding any other provision of this declaration, the association shall not impose or collect an assessment, penalty, or fee that exceeds the amount necessary for the purpose or purposes for which it is levied.

Unallocated Taxes

Section 4.13. In the event that any taxes are assessed against the common area, or the personal property of the association, rather than against the lots, said taxes shall be included in the

assessments made under the provisions of Section 4.01 and, if necessary, a special assessment may be levied against the lots in an amount equal to said taxes to be paid in two installments, thirty (30) days prior to the due date of each tax installment.

Exemption from Assessments

Section 4.14. Notwithstanding the provisions of Sections 4.01 - 4.08 inclusive, any lot having no structural improvements for human occupancy shall be exempt from the payment of that portion of any assessment that is for the purpose of defraying expenses and reserves directly attributable to the existence and use of the structural improvement. The exemption may include, but is not limited to:

- a. Roof replacement;
- b. Exterior maintenance;
- c. Walkway and carport lighting;
- d. Refuse disposal;
- e. Cable television; and
- f. Domestic water supplied to living units.

The foregoing exemption shall be in effect until the earliest of the following events:

- (1) Recordation of a notice of completion of the structural improvements;
- (2) Occupation or use of the lot; or
- (3) Completion of all elements of the residential structures that the association is obligated to maintain.

The Declarant and any other owner of a lot are exempt from the payment of that portion of any assessment that is for the purpose of defraying expenses and reserves directly attributable to the existence and use of a common facility that is not complete at the time assessments commence. This exemption from the payment of assessments shall be in effect until the earliest of the following events:

- (1) A notice of completion of the common facility has been recorded; or
- (2) The common facility has been placed into use.

ARTICLE V

DUTIES AND POWERS OF THE ASSOCIATION

Maintenance

Section 5.01. The association shall maintain, repair, replace, restore, operate and manage, all of the common area, including roadways, sanitary sewage facilities, landscaping, on-site drainage, and common open space area, and retaining walls. In addition, the association shall maintain and repair the landscape islands in the alleys between lots, all landscaping adjacent to the common area and the driveway

aprons The responsibility of the association for maintenance and repair shall not extend to repairs or replacements arising out of or caused by the willful or negligent act or neglect of an owner, or his or her guests, tenants, or invitees, the cost of which is not covered by insurance. The cost of repair or replacement resulting from such excluded items shall be the responsibility of each owner; provided, however, that if an owner shall fail to make the repairs or replacements which are the responsibility of such owner, as provided above, then after thirty (30) days notice to the owner and at public hearing, the association shall make such repairs or replacements, and the cost thereof shall be paid immediately to the association by the owner of such lot. Any such amount, together with reasonable costs of collection (including reasonable attorneys' fees) and interest thereon at the legal rate of interest shall be a lien on the owner's interest in the planned development from and after the time the association causes to be recorded in the Recorder's Office of the county in which the lot is located, a notice of delinquent assessment, which shall state the amount incurred the association to perform such maintenance, a description of the owner's interest in the common interest development against which the assessment and other sums are levied, the name of the record owner of the owner's interest in the common interest development against which the lien is imposed, and, in order for the lien to be enforced by nonjudicial foreclosure as provided in California Civil Code Section 1367(d), the name and address of the trustee authorized by the association to enforce the lien by sale. The notice shall be signed by the secretary or the president of the association. Upon payment of the sum specified in the notice, the association shall cause to be recorded a further notice stating the satisfaction release of the lien thereof.

In the event Portland cement concrete is installed over the existing public water main, the association shall reimburse the City of Mountain View for the cost to replace any such paving as may be necessary to repair, replace or maintain the public water main, to the extent it exceeds the cost of standard asphalt paving.

The association shall regularly inspect the roofs and decks of the buildings in the project, or cause them to be inspected by competent professionals. Any exterior repainting of stucco surfaces shall be done with elastomeric paint, or its equivalent.

Exterior Maintenance

Section 5.02. In addition to maintenance on the common area, the association shall provide exterior maintenance on each lot. Such maintenance shall include painting, repairing, replacing and caring for roof, gutters, downspouts, drainage, sanitary sewer system and exterior building surfaces (except windows and skylights). The responsibility of the association for maintenance and repair shall not extend to repairs or replacements arising out of or caused by the willful or negligent act or neglect of an owner, or his or her guests, tenants, or invitees, the cost of which is not covered by insurance. The cost of repair or replacement resulting from such excluded items shall be the responsibility of each other; provided, however, that if an owner shall fail to make the repairs or replacements which are the responsibility of such owner, as provided above, then after thirty (30) days notice to the owner and at public hearing, the association shall make such repairs or replacements, and the cost thereof shall be paid immediately to the association by the owner of such

lot Any such amount, together with reasonable costs of collection (including reasonable attorneys' fees) and interest thereon at the legal rate of interest shall be the personal obligation of the owner

The association, or its agents, may enter into any residence lot when necessary in connection with any maintenance, repairs or construction for which the association is responsible, subject to 48 hours advance notice. In case of an emergency, the right to enter shall be immediate upon notice to the owner. Such entry shall be made with as little inconvenience to the owner as practicable and any damage caused thereby shall be repaired by the association at the expense of the maintenance fund

Insurance

Section 5.03. The association shall maintain such policy or policies of insurance as are required by Article X of this declaration.

Discharge of Liens

Section 5.04. After notice of hearing as provided in Section 4.12, the association shall discharge by payment, if necessary, any lien against the common area, and assess the cost thereof to the member or members responsible for the existence of said lien.

Assessments

Section 5.05. The association shall affix, levy, collect, and enforce assessments as set forth in Article IV hereof.

Payment of Expenses

Section 5.06. The association shall pay all expenses and obligations incurred by the association in the conduct of its business including, without limitation, all licenses, taxes or governmental charges levied or imposed against the property of the association.

Enforcement

Section 5.07. The association shall enforce this declaration and has authority to enforce it as per Article IX hereof.

Utility Service

Section 5.08. The association shall have the authority to obtain, for the benefit of all of the lots, all water, gas and electric service and refuse collection, and cable TV service.

Easements

Section 5.09. The association shall have the authority by document signed or approved by fifty-one percent (51%) of the total voting power of the association, including fifty-one percent (51%) of the members other than Declarant, to grant easements in addition to those shown on the subdivision map, when necessary, for utilities, cable television and sewer facilities, over the common area, to serve the common and open space areas and the lots.

Manager

Section 5.10. The association shall have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the association, except for the responsibility to levy fines, impose discipline, hold hearings, file suit, record and foreclose liens, or make capital expenditures, provided that any contract with a firm or person appointed as a manager or managing agent shall not exceed a one (1) year term, shall provide for the right of the association to terminate the same at the first annual meeting of the members of the association, and to terminate the same for cause on thirty (30) days written notice or without cause or payment of a termination fee on ninety (90) days written notice

Assessments, Liens and Fines

Section 5.11. The association shall have the power to levy and collect assessments in accordance with the provisions of Article IV hereof. The association may impose fines or take disciplinary action against any owner for failure to pay assessments or for violation of any provision of the project documents. Penalties may include but are not limited to: fines, temporary suspension of voting rights, or other appropriate discipline, provided that the accused member is given notice and the opportunity to be heard with respect to the alleged violations before a decision to impose fines or discipline is made, as provided in Section 4.12.

Dedication

Section 5.12. The association shall have the power to dedicate all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication shall be effective unless an instrument has been signed by fifty-one percent (51%) of the total voting power of the association, including fifty-one percent (51%) of the members other than Declarant, or where the two class voting structure is still in effect, three-fourths (3/4) of the voting power of each class of members, agreeing to such dedication.

Contracts

Section 5.13. The association shall have the power to contract for goods and/or services for

the common area or for the association, subject to limitations set forth in the by-laws or elsewhere in the project documents.

Delegation

Section 5.14. The association, the board and the officers of the association shall have the power to delegate their authority and powers to committees, officers or employees of the association, or to a manager employed by the association, provided that the board shall not delegate its responsibility for hearings required to be given by the board.

Rules

Section 5.15. The association shall adopt rules as provided in California Civil Code § 1363.03 regarding elections. The association or the board may adopt reasonable rules not inconsistent with this declaration relating to the use of the common area and all facilities thereon, and the conduct of owners and their tenants and guests with respect to the property and other owners. All such rules shall comply with Civil Code § 1357.100 et seq.

Access

Section 5.16. For the purpose of performing construction, maintenance or emergency repair for the benefit of the common area or the owners in common, the association's agents or employees shall have the right, after reasonable notice (not less than 48 hours) to the owner thereof, to enter any lot or to enter any portion of the common area at reasonable hours. In case of emergency, the right shall be immediate upon notice. Such entry shall be made with as little inconvenience to the owner as practicable and any damage caused thereby shall be repaired by the board at the expense of the association.

Preparation and Distribution of Documents

Section 5.17. The association shall prepare and distribute the following materials as indicated:

a. A written notice as described in Civil Code Section 1365.1(b). A copy of this notice shall be distributed to each owner and to any mortgagee that has requested a copy within sixty (60) days prior to the beginning of each fiscal year, and to the secondary address of any owner as required by Civil Code Section 1365.1(c).

b. Copies of this declaration and the articles, together with a true statement in writing as to the amount of any delinquent assessments, penalties, attorneys' fees, and other charges imposed on the owner's lot, a copy of the most recent financial statement distributed to the members, and a true statement as to the amount of the association's current regular and special assessments and fees shall be provided any owner within ten (10) days of the mailing or delivery of a written request therefor.

The board may impose a fee to provide these materials not exceeding the association's reasonable cost in preparing and reproducing the materials.

c. A statement describing the association's policies and practices in enforcing lien rights or other legal remedies for default in payment of its assessments against its members shall be annually delivered to the members during the sixty (60) day period immediately preceding the beginning of the association's fiscal year.

Additional Association Powers

Section 5.18. The association shall have the power, subject to compliance with Section 1354 of the California Civil Code, to institute, defend, settle, or intervene on behalf of the association in litigation, arbitration, mediation, or administrative proceedings in matters pertaining to (A) enforcement of the governing instruments, (B) damage to the common areas, (C) damage to the separate interests which the association is obligated to maintain or repair, or (D) damage to the separate interest which arises out of, or is integrally related to, damage to the common areas or separate interests that the association is obligated to maintain or repair.

The association shall have the power to perform any act reasonably necessary to resolve any civil claim or action through alternative dispute resolution proceedings such as mediation, binding arbitration, or nonbinding arbitration proceedings. The association shall provide, or in good faith attempt to provide, 120 days advance notice of the association's intent to initiate the prosecution of any civil action and of the nature and basis of the claim to every member of the association and every entity or person who is a prospective party to the civil action, provided that notice can be given (A) more than 120 days prior to the expiration of any pertinent statute of limitations, and (B) without prejudice to the association's right to enforce the governing documents, and further provided that no such notice need be given prior to the filing of an action in small claims court or an action solely to enforce assessment obligations. Prior to initiating the prosecution of a civil action solely for declaratory relief or injunctive relief to enforce the governing documents, or for declaratory relief or injunctive relief to enforce the governing documents in conjunction with a claim for monetary damages not in excess of \$5,000, the association shall endeavor to submit the matter to alternative dispute resolution in compliance with the provisions of Section 1354(b) of the Civil Code.

Section 5.19. No association funds shall be used for campaign purposes in connection with any association board election. Funds of the association shall not be used for campaign purposes in connection with any other association election except to the extent necessary to comply with duties of the association imposed by law.

ARTICLE VI

UTILITIES

Owners' Rights and Duties

Section 6.01. The rights and duties of the owners of lots within the project with respect to sanitary sewer, water, electricity, gas and television receiving and telephone lines and facilities shall be as follows:

a. Whenever storm or sanitary sewer, drainage, plumbing, water, electricity, gas, television receiving, telephone lines or connections, are installed within the property which connections or any portion thereof lie in or upon lots owned by other than the owner of a lot served by said connections, the owners of any lot served by said connections shall have the right of reasonable access for themselves or for utility companies to repair, replace and generally maintain said connections as and when necessary, subject to 48 hours advance notice. In case of emergency the right shall be immediate upon notice.

b. Whenever storm or sanitary sewer, drainage, plumbing, water, electricity, gas, television receiving or telephone lines or connections, are installed within the property which connections serve more than one lot, the owner of each lot served by said connection shall be entitled to the full use and enjoyment of such portions of said connections as service his or her lot.

c. In the event of a dispute between owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then, upon written request of one of such owners addressed to the association, the matter shall be submitted to arbitration and the decision of the arbitrator shall be final and conclusive on the parties.

Easements for Utilities and Maintenance

Section 6.02. Easements over and under the property for the installation, repair, and maintenance of electric, telephone, water, gas, and sanitary sewer lines and facilities, cable or master television antenna lines, drainage facilities, walkways, and landscaping as shown on the recorded map of the property, and as may be hereafter required or needed to service the property, are hereby reserved by Declarant and its successors and assigns, including the association, together with the right to grant and transfer the same.

Association's Duties

Section 6.03. The association shall maintain all utility installations located in the common area except for those installations maintained by utility companies, public, private, or municipal. The association shall pay all charges for utilities supplied to the project except those metered or charged separately to the lots.

ARTICLE VII

USE RESTRICTIONS

In addition to all the covenants contained herein, the use of the property and each lot herein is subject to the following:

Usage

Section 7.01. No lot shall be occupied and used except for residential purposes by the owners, their tenants, and social guests, and no trade or business shall be conducted therein, except that Declarant, its successors or assigns, may use any lot or lots in the project owned by Declarant for a model home site or sites and display and sales office during construction and for a time period not to exceed three years from sale of the first lot. Notwithstanding the foregoing, a lot may be used as a combined residence and executive or professional office by the owner thereof, so long as its use does not interfere with the quiet enjoyment by other lot owners of their residences. No tent, shack, trailer, basement, garage, outbuilding or structure of a temporary character shall be used at any time as a residence either temporarily or permanently.

No lot or any portion thereof in the project shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time sharing agreement, plan, program, or arrangement, including without limitation, any so-called "vacation license", "travel club", "extended vacation" or other membership or time interval ownership arrangement. The term "time sharing" as used herein shall be deemed to include, but shall not be limited to, any agreement, plan, program, or arrangement under which the right to use, occupy or possess the lot or lots or any portion thereof in the project rotates among various persons, either corporation, partnership, individual, or otherwise, on a periodically recurring basis for value exchanged, whether monetary or like kind use privileges, according to a fixed or floating interval or period of time of 25 consecutive calendar days or less. Provided, this section shall not be construed to limit the personal use of any lot or any portion thereof in the project by any lot owner or his or her or its social or familial guests.

Nuisances

Section 7.02. No noxious, illegal, or seriously offensive activities shall be carried on upon any lot, or in any part of the property, nor shall anything be done thereon which may be or may

become a serious annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the owners of the respective lots, or which shall in any way increase the rate of insurance for the project, or cause any insurance policy to be canceled or to cause a refusal to renew the same, or which will impair the structural integrity of any building.

Vehicle Restrictions

Section 7.03 No trailer, camper, mobile home, motor home, house car, commercial vehicle, truck (other than standard size pickup truck or standard size van), boat, inoperable automobile, or similar equipment shall be permitted to remain upon any area within the property unless placed or maintained within an enclosed garage or carport. Commercial vehicles shall not include sedans or standard size vans and pickup trucks which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the board. No noisy or smoky vehicles shall be operated on the property. No unlicensed motor vehicles shall be operated on the property.

Signs

Section 7.04. No commercial sign of any kind shall be displayed to the public view on any lots or on any portion of the property without the approval of the association, except such signs as may be used by the Declarant or its designees for the purpose of developing, selling and improving lots within the project for a period of time not to exceed the date on which the last lot is sold by Declarant or three years from the date of recordation of this declaration, whichever is sooner. In exercising its rights under this provision, Declarant shall not unreasonably interfere with the use of the common area by any owner. Notwithstanding the foregoing, the association shall not prohibit or restrict the right of any owner or his or her agent to display or have displayed on their lot or on a lot owned by others with their consent, or both, signs which are reasonably located, in plain view of the public, are reasonable dimensions and design, and do not adversely affect public safety, including traffic safety, and which advertise the property for sale, lease or exchange, or advertise directions to the property.

Noncommercial signs and posters that are more than nine square feet in size and noncommercial flags and banners that are more than 15 square feet in size shall not be posted or displayed on any lot or any portion of the property.

Animals

Section 7.05. No animals, reptiles, insects or birds of any kind shall be raised, bred, or kept in any lot, or on any portion of the property; except that no more than a total of two usual and ordinary household pets such as dogs, cats, birds, etc. may be kept provided that they are not kept, bred, or maintained for any commercial purposes, and that they are kept under reasonable control at all times.

After making a reasonable attempt to notify the owner, Declarant or any owner may cause any unleashed dog found within the common area to be removed by Declarant (or any owner) to a point or county animal shelter, by calling the appropriate authorities, whereupon the owner may, upon payment of all expenses connected therewith, repossess the dog. The owner shall be given immediate notice of any such removal. Owners shall prevent their pets from soiling all portions of the common area and shall promptly clean up any mess left by their pets. Owners shall be fully responsible for any damage caused by their pets

Garbage and Refuse Disposal

Section 7.06. All rubbish, trash and garbage shall be regularly removed from the property, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. All equipment garbage cans, woodpiles, or storage piles shall be kept screened and concealed from view of other lots, streets and common areas. Trash and recycling carts shall be provided for attached homes. Owners and their tenants shall set the carts for collection in front of their garages near the gutter without encroaching into the travelway. All carts shall be stored inside a garage no later than the day after collection.

Right to Lease

Section 7.07. No owner shall be permitted to lease his or her lot for any period less than thirty (30) days. Any lease agreement shall be required to provide that the term of the lease shall be subject in all respects to the provisions of the declaration and the by-laws and that any failure of the lessee to comply with the terms of such documents shall be a default under the lease. All owners leasing or renting their units shall promptly notify the secretary of the association in writing of the names of all tenants and members of tenant's family occupying such house and of the address and telephone number where such owner can be reached. All leases shall be required to be in writing.

Architectural Control

Section 7.08. No building, fence, wall, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, carport, carport cover, improvement or structure of any kind shall be modified, installed, erected, painted, repainted or maintained upon the property, nor shall any alteration or improvement of any kind be made thereto until the same has been approved in writing by the board, or by an architectural control committee appointed by the board.

Plans and specifications showing the nature, kind, shape, color, size, materials and location of such improvements, alterations, etc., shall be submitted to the board or to the architectural control committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with Declarant's original color scheme, or to rebuild in accordance with Declarant's original plans and

specifications. No permission or approval shall be required to remain in accordance with a color scheme previously approved by the board or the committee, or to rebuild in accordance with plans and specifications previously approved by the board or by the committee. Nothing contained herein shall be construed to limit the right of an owner to paint the interior of his or her lot any color desired.

The architectural control committee shall consist of three members. Declarant may appoint all of the original members of the committee and all replacements until the first anniversary of the issuance of the original final public report for the project. The Declarant shall appoint a majority of the members to the committee until ninety percent (90%) of all lots in the project have been sold or until the fifth anniversary of the issuance of the final public report for the project, whichever occurs first. After one year from the date of issuance of the original public report for the project, the board shall have the power to appoint one member to the architectural control committee until ninety percent (90%) of all the lots in the project have been sold or until the fifth anniversary date of the issuance of the final public report for the project, whichever occurs first. Thereafter, the board shall have the power to appoint all of the members of the architectural control committee. A majority of the architectural control committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the successor shall be appointed by the person, entity or group which appointed such member until Declarant no longer has the right to appoint any members to the committee, and thereafter the board shall appoint such a successor. Neither the members of the committee nor its designated representatives shall be entitled to any compensation for services performed pursuant hereto. In the event the committee fails to approve or disapprove plans and specifications within thirty (30) days after the same have been submitted to it, approval will not be required and the related covenants shall be deemed to have been fully complied with.

Clothes Lines

Section 7.09. There shall be no outside laundering or drying of clothes, except inside fenced patios and then only if the clothes cannot be seen from the street, common area, or other lots.

Power Equipment and Car Maintenance

Section 7.10. No power equipment, hobby shops, or car maintenance (other than emergency work) shall be permitted on the property except with prior written approval of the board. Approval shall not be unreasonably withheld and in deciding whether to grant approval the board shall consider the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television reception, and similar objections.

Liability of Owners for Damage to Common Area

Section 7.11. The owner of each lot shall be liable to the association for all damage to the common area or improvements thereon caused by such owner or any occupant of his or her lot or guest, or by the owners' pets, except that portion of said damage, if any, fully covered by insurance.

Liability of an owner shall be established only in accordance with the provisions of Section 4.12 of this declaration.

Sports Apparatus

Section 7.12. No sports apparatus shall be permitted on any lot which is visible from other lots or from common areas.

Garage Sales

Section 7.13. No auctions, yard sales, garage sales, or similar events shall be conducted on or about any residence lot or the Common Area.

Drainage Alterations

Section 7.14. No owner shall do any act or construct any improvements which may interfere with the natural or established drainage system or patterns within the project without the prior written consent of the Board.

Use of the Common Area

Section 7.15. All use of the Common Area is subject to this Declaration, the Bylaws, and any rules promulgated by the Board. All person residing within the Project may enjoy the use of all facilities in the Common Areas as long as they abide by the terms of this Declaration, the Bylaws, and any rules promulgated by the Board. There shall be no obstruction of any part of the Common Area. Nothing shall be stored or kept in the Common Area without the prior consent of the Board. Nothing shall be done or kept in the Common Area which will increase the rate of insurance on the common area without the prior consent of the Board.

ARTICLE VIII

PARTY WALLS

General Rules of Law to Apply

Section 8.01. Each wall which is built as a part of the original construction of the homes upon the properties and placed on the dividing line between the lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article VIII, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Sharing of Repair and Maintenance

Section 8.02 If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

Weatherproofing

Section 8.03 Notwithstanding any other provision of this article, an owner who by his or her negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements

Right of Contribution Runs with the Land

Section 8.04 The right of any owner to contribution from any other owner under this article shall be appurtenant to the land and shall pass to such owner's successors in title.

Arbitration

Section 8.05. In the event of any dispute arising concerning a party wall, or under the provisions of this article, it shall be settled by binding arbitration before a neutral arbitrator in accordance with the provisions of the California Arbitration Act, California's Code of Civil Procedure § 1981 et seq. If the parties are unable to agree upon an arbitrator, one shall be appointed by the presiding judge of the Superior Court of the county in which the project is located. The arbitrator's fees, and attorneys' fees incurred in connection with the appointment of an arbitrator, shall be allocated as determined by the arbitrator.

ARTICLE IX

GENERAL PROVISIONS

Enforcement

Section 9.01. The association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this declaration, and in such action shall be entitled to recover reasonable attorney's fees as are determined by court. Failure by the association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Severability

Section 9.02. Should any provision or portion hereof be declared invalid or in conflict with any law of the jurisdiction where this project is situated, the validity of all other provisions and portions hereof shall remain unaffected and in full force and effect.

Term

Section 9.03 The covenants and restrictions of this declaration shall run and bind the property, and shall inure to the benefit of and shall be enforceable by the association or the owner of any property subject to this declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then owners of the lots, has been recorded within the year preceding the beginning of each successive period of ten (10) years agreeing to change said covenants and restrictions in whole or in part, or to terminate the same.

Amendments

Section 9.04. Prior to close of escrow on the sale of the first lot, Declarant may amend this declaration (with the consent of the Department of Real Estate as to any amendment constituting a material change). After sale of the first lot, this declaration may be amended only by the affirmative vote (in person or by proxy) or written consent of members representing a majority of the total voting power of the association and a majority of the affirmative votes or written consent of members other than the Declarant, or where the two class voting structure is still in effect, a majority of each class of membership. However, the percentage of voting power necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment shall adversely affect the rights of the holder of any mortgage of record prior to the recordation of such amendment. Except as provided in California Civil Code Section 1356, an amendment shall be effective after (1) the approval of the percentage of owners required above; (2) the certification in writing of such approval executed and acknowledged by the secretary of the association; and (3) the recording of such writing in the county in which a portion of the planned development is located.

Encroachment Easements

Section 9.05 Each lot within the property is hereby declared to have an easement over all adjoining lots and the common area for the purpose of accommodating any encroachment due to minor engineering errors, minor errors in original construction, repair, settlement, shifting, or movement of a structure, or any other cause, including encroachments for footings, foundations and architectural projections such as overhangs, gutters and trim elements not to exceed eighteen (18) inches over any common property line. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of owners shall not be

altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the intentional conduct of said owner or owners. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the owners of each lot agree that minor encroachments, over adjoining lots or common areas shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

Rights of First Lenders

Section 9.06. No breach of any of the covenants, conditions and restrictions herein contained, nor the enforcement of any lien provisions herein, shall render invalid the lien of any first mortgage (meaning the mortgage with first priority over any other mortgage) on any lot made in good faith for value, but all of said covenants, conditions, and restrictions shall be binding upon and effective against any owner whose title is derived through foreclosure or trustee's sale, or otherwise. Notwithstanding any provision in the association documents to the contrary, first lender shall have the following rights:

a. Copies of project documents: the association shall make available to lot owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the declaration, by-laws, articles or other rules concerning the project and the books, records and financial statements of the association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

b. Audited statement: the holders of fifty-one percent (51%) or more of first mortgages shall be entitled, upon request, to have an audited financial statement for the immediately preceding fiscal year prepared at their expense if one is not otherwise available. Such statement shall be furnished within a reasonable time following such request.

c. Notice of action: upon written request to the association, identifying the name and address of the eligible mortgage holder or eligible insurer or guarantor, and the lot number or address, such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

(1) condemnation loss or any casualty loss which affects a material portion of the project or any lot on which there is a first mortgage held, insured or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;

(2) any default in performance of obligations under the project documents or delinquency in the payment of assessments or charges owed by an owner of a lot subject to a first mortgage held, insured or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60) days;

(3) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the association;

(4) any proposed action which would require the consent of the specified percentage of eligible mortgage holders as specified in the following subsection;

(5) the association shall discharge its obligation to notify eligible holders or eligible insurers or guarantors by sending written notices required herein to such parties at the address given on the current request for notice, in the manner prescribed by Section 9.07

d. Consent to action: except as provided by statute or by other provision of the project documents in case of substantial destruction or condemnation of the project, the consent of owners of lots which have at least sixty-seven percent (67%) of the votes of lots subject to eligible holder mortgages, shall be required to terminate the legal status of the project as a planned development. For purposes of this paragraph, "eligible mortgage holder" shall mean a first lender who has requested notice of certain matters from the association in accordance with this declaration.

e. Right of first refusal: the right of a lot owner to sell, transfer, or otherwise convey his or her lot shall not be subject to any right of first refusal or similar restriction.

f. Contracts: any agreement for professional management of the project, or lease or any other contract providing for services of the developer, sponsor, or builder, may not exceed one year. Any agreement, contract, or lease, including a management contract entered into prior to passage of control of the board of directors to lot owners, must provide for termination by either party for cause on thirty (30) days written notice, or without cause and without payment of termination fee or penalty on ninety (90) days or less written notice.

g. Reserves: association dues or charges shall include an adequate reserve fund for maintenance, repairs, and replacement of those common area improvements (and restricted common area improvements which the association is obligated to maintain) that must be replaced on a periodic basis, and shall be payable in regular installments rather than by special assessments.

h. Priority of liens: each holder of a first mortgage lien on a lot who comes into possession of the lot by virtue of foreclosure of the mortgage, or any purchaser at a foreclosure sale under a first deed of trust, will take the lot free of any claims for unpaid assessments and fees, late charges, fines or interest levied in connection therewith, against the lot which accrued prior to the time such holder comes into possession of the lot, except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges for all project lots including the mortgaged lot, and except for assessment liens recorded prior to the mortgage

i. Restoration or repair: any restoration or repair of the project, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the declaration and the original plans and specifications, unless other action is agreed to by owners representing at least 67% of the total allocated votes in the association, and by eligible mortgage holders representing at least 67% of the votes of lots that are subject to mortgages held by eligible

holders.

j. Termination: any election to terminate the legal status of the project after substantial destruction or a substantial taking in condemnation of the project property must require the approval of lot owners representing at least 67% of the total allocated votes in the association, and by eligible mortgage holders representing at least 67% of the votes of lots that are subject to mortgages held by eligible holders.

k. Limitations in actions of homeowners association: Unless at least 2/3 of the first mortgagees (based on one vote for each first mortgage owned) or 2/3 of the owners of the lots, excluding the developer, have given their prior written approval, the association shall not be entitled to take any of the following actions:

(1) By any act or omissions seek to abandon, partition, subdivide, encumber, sell, or transfer the common property owned, directly or indirectly, by the association for the benefit of the owners. The granting of easements for public utilities or other public purposes consistent with the intended use of the common property by the association is not a transfer within the meaning of this clause;

(2) Change the method of determining the obligations, assessments, dues, or other charges that may be levied against an owner;

(3) By act or omission change, waive, or abandon any scheme of regulations or their enforcement pertaining to the architectural design or the exterior appearance of lots, the exterior maintenance of lots, the maintenance of the common property, party walks, common fences and driveways, and the upkeep of lawns and plantings in the project;

(4) Fail to maintain fire and extended coverage on insurable common property on a current replacement cost basis and in an amount at least 100% of the insurable value (based on current replacement costs);

(5) Use hazard insurance proceeds for losses to any common property for other than the repair, replacement or reconstruction of the common property.

l. Payment of taxes or other charges: First mortgagees of individual lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the common property and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the common property and first mortgagees making such payments shall be owed immediate reimbursement therefor from the association. Entitlement to such reimbursement shall be reflected by an agreement in favor of all first mortgagees of individual lots duly executed by the association.

Notices

Section 9.07. Any notices permitted or required by the declaration or by-laws may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered 72 hours after a copy of the same has been deposited in the United States mail, first-class or registered, postage prepaid, addressed to each person at the current address given by such person to the secretary of the board or addressed to the lot of such person if no address has been given to the secretary.

Termination of Any Responsibility of Declarant

Section 9.08. In the event Declarant shall convey all of its right, title and interest in and to the property to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall be obligated to perform all duties and obligations of the Declarant

Owner's Compliance

Section 9.09. Each owner, tenant or occupant of a lot shall comply with the provisions of this declaration, and to the extent they are not in conflict with the declaration, the articles, or the by-laws, as lawfully amended from time to time. Failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action to recover damages or injunctive relief.

All agreements and determinations lawfully made by the association in accordance with the voting percentages established in this declaration or in the articles or the by-laws shall be deemed to be binding on all owners of lots, their successors and assigns.

Provisions Required By City of Mountain View

Section 9.10. Upon completion of the original construction in accordance with the approved plans, the project shall be deemed complete and no further expansions shall be allowed without the approval of the City of Mountain View Community Development Department. All homes shall have automatic fire sprinklers. All owners shall comply with California Civil Code § 51.2, prohibiting discrimination in the sale or rental of housing based upon age. There shall be no discrimination against families with children. Notwithstanding any other provision of this declaration, no amendments shall be made to Section 2.05 regarding parking, Section 4.01-4.04 regarding assessments, Section 5.01 regarding maintenance, Section 5.02 regarding exterior maintenance, Section 7.06 regarding garbage and refuse disposal, or this Section 9.10 without the prior consent of the City of Mountain View. The project is approved, developed and constructed as a Planned Unit Development in compliance with permit PUD #036-06-PUD. Any exterior modifications to the project require the prior review and approval of the Community

ARTICLE X

DESTRUCTION - DUTY TO REBUILD - INSURANCE

Association Fire Insurance

Section 10.01. The association shall obtain and maintain a master or blanket policy of fire insurance coverage for the full insurable value of all of the improvements within the project. The form, content, and term of the policy and its endorsements and the issuing company must be satisfactory to all institutional first mortgagees. If more than one institutional first mortgagee has a loan of record against the lot in the project, the policy and endorsements shall meet the maximum standards of the various institutional first mortgagees represented in the project. To the extent available the policy shall contain an agreed amount endorsement or its equivalent; an increased cost of construction endorsement or a contingent liability from operation of building laws endorsement or their equivalent; an extended coverage endorsement; vandalism, malicious mischief coverage; a special form endorsement; and a determinable cash adjustment clause or a similar clause to permit cash settlement covering full value of the improvements in case of partial destruction and a decision not to rebuild. The policy shall provide amounts of coverage as shall be determined by the board. The policy shall name as insured the association, the owners, and Declarant as long as Declarant is the owner of any lot, and all mortgagees as their respective interests may appear, and may contain a loss payable endorsement in favor of the trustee described in the following subparagraph.

Trustee for Payment of Insurance Proceeds

Section 10.02. All fire and casualty insurance proceeds payable under Section 10.01 above for losses to real property and improvements, subject to the rights of mortgagees, may be paid to a trustee, to be held and expended for the benefit of the owners, mortgagees, and others, as their respective interests shall appear. The trustee shall be a commercial bank or other financial institution with trust powers in the county in which the project is located and agrees in writing to accept such trust. If repair or reconstruction is authorized, the association shall have the duty to contract for such work as provided for in this declaration.

Limitations on Individual Insurance

Section 10.03. Except as provided in this clause, no owner shall separately insure the improvements upon his or her lot against loss by fire or other casualty covered by insurance carried under Section 10.01. If any owner violates this provision, any diminution in insurance proceeds otherwise payable under policies described in Section 10.01 that results from the existence of such other insurance will be chargeable to the owner who acquired other insurance, and such other owner will be liable to the association to the extent of any such diminution. An owner can insure his or her personal property against loss, and may obtain additional living expense coverage and public liability

insurance for the owner's individual lot. All such insurance that is individually carried must contain a waiver of subrogation rights by the carrier as to other owners, the association, Declarant, and institutional first mortgagee of such lot.

Other Association Insurance

Section 10.04. The association shall obtain and continue in effect a master policy of insurance covering all of the personal property and supplies of the association, comprehensive general liability insurance insuring the association and each owner for his or her liability and for the common area, and a fidelity bond covering officers, directors, and employees in an amount to be determined by the board, but in no event less than a sum equal to three (3) months' aggregate assessments on all lots plus reserve funds

Each owner appoints the association, or any insurance trustee to be designated by the association, as attorney-in-fact for the purpose of purchasing and maintaining the association's insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The association and any insurance trustee shall be required to receive, hold, or otherwise properly dispose of any proceeds of insurance in trust for lot owners and their first mortgage holders, as their interests may appear.

All insurance shall contain "severability of interest provision", "cross-liability endorsement" and waiver of subrogation as to the association, officers, directors, members, guests, agents and employees.

The minimum limits on the liability insurance policy shall be two million dollars (\$2,000,000 00) single limit and shall include personal injury, bodily injury, property damage and liability for non-owned automobiles. Worker's compensation insurance shall at all times be carried to the extent required to comply with any applicable law. Officers and directors liability insurance shall be carried by the association to cover persons serving in such capacities.

Insurance premiums for the master policy shall be a common expense to be included in the monthly assessment levied by the association and a portion of such payment necessary for the insurance premiums may be held in a separate account of the association and shall be used solely for the payment of the master insurance policy premiums as such premiums become due

Destruction of Improvements

Section 10.05. If there is a total or partial destruction of any of the improvements in the project, and if the available proceeds of the insurance carried pursuant to Section 10.01 are sufficient to cover not less than 85% of the costs of repair and reconstruction, the improvements shall be promptly rebuilt, unless within sixty (60) days from the date of destruction, owners then holding at least 66-2/3% of the total voting power of each class of owners present and entitled to vote, in person

or by proxy, at a duly constituted meeting, determine that repair and reconstruction shall not take place. If such a meeting is called, the association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the owners at the meeting. If repair and reconstruction is to take place the association shall be required to execute, acknowledge and record in the Office of the County Recorder of the county not later than 120 days from the date of destruction, a certificate declaring the intention of the owners to rebuild.

If the proceeds of insurance carried pursuant to Section 10.01 are less than 85% of the costs of repair and reconstruction, the improvements shall be promptly rebuilt unless, within 60 days from the date of destruction, owners then holding at least 51% of the total voting power of each class of owners present and entitled to vote, in person or by proxy, in a duly constituted meeting, determine that repair and reconstruction shall not take place. If such a meeting is called, the association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the owners at the meeting. If repair and reconstruction are to take place, the association shall execute, acknowledge, and record in the office of the County Recorder of the county not later than 120 days from the date of destruction a certificate declaring the intention of the owners to rebuild.

If the improvements are to be rebuilt pursuant to this section, the owners of all lots shall be obligated to contribute such funds as may be necessary to pay their proportionate share of the costs of rebuilding or reconstruction, over and above the available insurance proceeds. The proportionate share of each such owner or owners in the case of damage or destruction to improvements located upon a lot or lots, shall be determined based on the relative square footage of the living area and, in the case of damage or destruction of the common area shall be equally to each lot. If any owner fails to pay his or her proportionate share, the association may levy a special assessment against the lot or such owner, which may be enforced under the lien provisions contained in this declaration or in any other manner provided in this declaration. The contributions of the owners as provided in this section shall be assessed in accordance with the provisions pertaining to special assessments in Section 4.04(a) of this declaration.

If rebuilding is authorized, the association or its authorized representative shall, after having obtained bids from at least two reputable contractors, award the repair and reconstruction work to the lowest bidder that otherwise meets the requirements set forth by the association in soliciting bids. The association shall have the authority to enter into a written contract with the contractor for the repair and reconstruction, and the insurance proceeds held by the trustee shall be disbursed to the contractor according to the terms of the contract. It shall be the obligation of the association to take all steps necessary to assure the commencement and completion of authorized rebuilding at the earliest possible date.

If the owners determine not to rebuild, then subject to the rights of mortgagees as set forth in this declaration, any insurance proceeds then available for such rebuilding shall instead be distributed to the owner or owners of such lot or lots in proportion based on the relative fair market value as

described hereinafter; or, in the case of damage or destruction to the common area, shall instead be distributed to the owners equally. The association, within 120 days of the date of such destruction, shall execute, acknowledge, and record in the office of the County Recorder of the county, a certificate declaring the intention of the association not to rebuild.

The association shall have the duty to repair and reconstruct improvements, without the consent of owners and irrespective of the amount of available insurance proceeds, in all cases of partial destruction when the estimated costs of repair and reconstruction does not exceed \$5,000.00 in the case of destruction to the common area and does not exceed \$2,000.00 in the case of damage to any individual improvement. The association is empowered to levy a special assessment for the cost of repairing and reconstructing improvements to the extent insurance proceeds are unavailable, such assessment to be levied as described in this declaration and in accordance with the provisions of Section 4 04(a) herein.

Whenever reference is made in this section to a determination of the relative fair market value of one or more lots, it shall mean the relative fair market values of such lots as of the date immediately prior to any damage or destruction, as determined by an appraisal by an independent appraiser selected by the board, who shall be a member of the Society of Real Estate Appraisers or other nationally recognized appraiser organization and who shall apply its or such other organization's standards in determining the relative fair market value of each such lot. The costs of such appraisals shall be paid from the insurance proceeds

ARTICLE XI

LIMITATION OF LIABILITY AND INDEMNIFICATION

Limitation of Liability

Section 11.01. No director, officer, committee member, employee or other agent of the association, including the Declarant or any agent of the Declarant when acting in such capacity, shall be liable to any owner or any other party, including the association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of any such person if such person has acted in good faith and in a manner such person reasonably believed to be in the best interests of the association.

Indemnification

Section 11.02. The association shall defend and indemnify the board, and each of its members, and the officers of the association, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceedings to which such person may be made a party, by reason of his or her being or having been a board member or an officer of the association, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had

no reasonable cause to believe the conduct of such person was unlawful.

ARTICLE XII

DISPUTE RESOLUTION

Compliance with California Civil Code Provisions Regarding Construction Defects

Section 12.01. Title 7, Part II of Division II of the California Civil Code, commencing with Section 895, provides certain standards, requirements and procedures for claims of construction defects. California Civil Code Section 914 requires a builder to notify all homeowners whether the builder intends to engage in the non-adversarial procedures of Section 910, and following, or enforce alternative non-adversarial contractual provisions. Declarant has elected to adopt and has elected to adopt and follow the standards and procedures set forth in Section 910, and following, including the pre-litigation procedures set forth in Section 910 through 938 of the California Civil Code. Completion of the prelitigation procedures shall be a condition precedent to pursuing a claim as set forth in Section 11.2 below.

The Association shall be limited to making claims for violations of building standards affecting the Common Area, or affecting the separate interests that the Association is obligated to maintain or repair.

Declarant shall neither participate nor vote on any matters relating to application of Section 895 and following, or on whether any claims should be made for construction defects.

In the event the Association makes a claim for violation of construction standards pursuant to Section 895 and following, the notice of claim shall be served upon Declarant at the address set forth below, or such other address as Declarant provides to the Association.

Declarant:

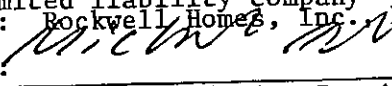
Rockberry Villas, LLC,
a California limited liability company
2160 S. Bascom Avenue, Ste. 1
Campbell, CA 95008

Judicial Reference

Section 12.02. It is the desire and intention of the parties to utilize a mechanism and procedure under which any controversy, breach or dispute arising out of this Declaration, including, without limitation, any dispute between Declarant and the Association or any owner arising over the design, specifications, surveying, planning, supervision, testing or observation of construction or construction of any improvements to the Project, will be resolved in a prompt and

expeditious manner. Accordingly, any controversy, breach or dispute arising out of this Declaration or relating to the interpretation of any term or provision of this Declaration, or regarding any construction defect claim not otherwise resolved, shall be heard by a referee pursuant to the provisions of the California Code of Civil Procedure, Section 638-645.1, inclusive. The venue as to any such proceeding shall be in the County of Santa Clara, California, unless all parties agree otherwise. The referee shall have the power to decide all issues of fact and law and report his/her decision thereon, and to issue all legal and equitable relief appropriate under the circumstances of the controversy. The parties shall agree upon a single, neutral referee, who after trial of all the disputed matters of fact and law, shall issue a finding and judgment thereon. If the parties are unable to agree upon a referee within ten days after written request by any party, a referee shall be appointed upon application of any party pursuant to California Code of Civil Procedure Section 638 and 640. The costs of the proceeding shall be born as determined by the referee. Notwithstanding any other provision of this Declaration, this Section may not be amended without the consent of Declarant.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, had signed this
1 day of July, 2008

Rockberry Villas, LLC, a California
limited liability company
By: Rockwell Homes, Inc., Manager
By: 
Michael Ahi, Vice President

State of California)

County of Santa Clara)

On July 1, 2008 before me, K. Marcelino, Notary Public, personally appeared Michael Ahi, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

K. Marcelino



_____(Seal)

CONSENT AND SUBORDINATION AGREEMENT

The undersigned, Bank of the West, a California banking corporation, as Beneficiary of that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated September 20, 2007, recorded October 15, 2007, as Instrument No. 19618394, Official Records of the County of Santa Clara, California executed by Rockberry Villas, LLC, a California limited liability company as Trustor, with First Santa Clara Corporation, a California corporation as Trustee, does hereby consent to the execution and recordation of the Declaration of Covenants, Conditions, and Restrictions - Rockberry Villas attached hereto

and does hereby subordinate said Deed of Trust to the Declaration of Covenants, Conditions and Restrictions - Rockberry Villas, to the same extent and with the same force and effect, as if said Declaration of Covenants, Conditions and Restrictions - Rockberry Villas, and any proper amendments thereto, had been executed and recorded prior to the execution and recordation of said Deed of Trust.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Subordination this 12th day of March, 2008.

BANK OF THE WEST, A CALIFORNIA BANKING CORPORATION

BY: Paula J. Maxwell
TITLE: VP & Documentation Supervisor

State of California

SS.

County of CONTRA COSTA

On MARCH 12, 2008 before me, CHONA DELAFUENTE
a Notary Public in and for said
State, personally appeared PAMELA J. MCCLYNN,
who proved to me on the basis of satisfactory evidence to the
person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that ~~he~~/she/~~they~~ executed the same in
~~his~~/her/~~their~~ authorized capacity(ies), and that by ~~his~~/her/~~their~~
signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Chona De La Fuente* (Seal)



**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF THE ROCKBERRY VILLAS HOA
A California Nonprofit Mutual Benefit Corporation
March 1, 2025 at 2:00PM**

The directors of the above named corporation held this meeting on the above date and time pursuant to a notice of meeting. The following directors, constituting a quorum of the board of directors of said Association were present at said meeting:

- Frank Chen
- Xiolan Wang
- Jinghua Lee

Also present were Nagi Chami, Antonio Ayala and Jennifer Yeo from Tri-State Enterprises.

HOMEOWNERS FORUM

Homeowner, Gina Fallon raised concerns about a dues increase and the budget for tree trimming. Management noted there is a need for increased reserve contributions. A reserve study will be updated later this year, providing a clearer picture of the Association's financial position. Gina Fallon also asked about the tree trimming schedule. It was noted the trimming would most likely take place in September or October 2025. Gina Fallon asked about the frequency of Board meetings and it was noted the Board of Directors is aiming for quarterly meetings.

TREE TRIMMING

The Board of Directors discussed the rat problem and the need for tree trimming. They agreed to engage tree trimming bids.

REVIEW OF FINANCIALS

The Board of Directors reviewed their latest financials. The Board of Directors approved the financials as presented. The Board of Directors reviewed owner payments and closing letters for Heritage Bank.

TERMITE TREATMENT REPORTING PROCEDURES

The Board of Directors reviewed the process for treating termites at the property. Xiolan Wang suggested a communication be sent to the membership showing them what to look for and how to report any findings to the management team. Tri-State will create an announcement about termite activity and reporting procedures.

ASPHALT SEAL PROPOSAL

The Board of Directors discussed the asphalt sealing and striping cost of \$6,994. It was suggested that this work take place around September.

ANNUAL MEETING AND ELECTION PROCESS

The Board of Directors discussed the upcoming annual meeting and the application process for homeowners to volunteer to join the Board of Directors. The election process will involve a 2-3 month timeline, with a 30 day application period and a 30 day voting period.

NEW LANDSCAPING TEAM

The Board of Directors reviewed the new landscaper, Vicente Maciel. The Board of Directors discussed trimming the maple trees to their natural tree shape instead of the hedge-like appearance. Tri-State Management agreed to inform the landscape company to trim the grass and stop blowing leaves onto the small porches. They also planned to arrange a walk through with the landscaper.

APPROVAL OF MINUTES

These minutes were drafted by Tri-State Enterprises, then distributed to the members of the Board of Directors, and approved by the Board as evidenced by the signature of a Board Member below.

Name

Title

Date

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF THE ROCKBERRY VILLAS HOA
A California Nonprofit Mutual Benefit Corporation
November 10, 2025 at 12:00PM**

The directors of the above named corporation held this meeting on the above date and time pursuant to a notice of meeting. The following directors, constituting a quorum of the board of directors of said Association were present at said meeting:

- Frank Chen
- Xiolan Wang
- Jinghua Lee

Also present were Nagi Chami, Antonio Ayala and Jennifer Yeo from Tri-State Enterprises.

ANNUAL MEETING UPDATE

It was announced to the membership present that an independent third party inspection company will be hired to undertake the task of conducting the annual meeting. The cost will be approximately \$800-\$900 for 15 units. The Board of Directors discussed informing the membership of this cost. .

BOARD MEMBER RESIGNATION

Board Member, Xiolan Wang announced her resignation. The Board of Directors discussed the process for nominating a new Board member.

2026 BUDGET REVIEW

The Board of Directors reviewed their latest financials. The Board of Directors discussed their latest 2026 budget draft. They noted the Auditor suggested a 3% increase in dues to maintain reserve funds. The Board of Directors will review the draft and set a date to approve it later in November.

APPROVAL OF MINUTES

These minutes were drafted by Tri-State Enterprises, then distributed to the members of the Board of Directors, and approved by the Board as evidenced by the signature of a Board Member below.

Name	Title	Date
------	-------	------



Report Claims Immediately by Calling*

1-800-238-6225

*Speak directly with a claim professional
24 hours a day, 365 days a year*

*Unless Your Policy Requires **Written** Notice or Reporting

CONDOMINIUM PAC

CONDO - 1-4 UNITS PER FIRE DIVISION



A Custom Insurance Policy Prepared for:

**ROCKBERRY VILLAS HOA
C/O TRI-STATE ENTERPRISES, INC.
2133 LEGHORN ST
MOUNTAIN VIEW CA 94043-1605**

Presented by: BAY AREA INS AGCY INC



One Tower Square, Hartford, Connecticut 06183

COMMON POLICY DECLARATIONS
CONDOMINIUM PAC
BUSINESS: CONDO - 1-4 UNI

POLICY NO.: 680-1469P203-25-42
ISSUE DATE: 09/15/2025

INSURING COMPANY:
TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA

1. NAMED INSURED AND MAILING ADDRESS:

ROCKBERRY VILLAS HOA
C/O TRI-STATE ENTERPRISES, INC.
2133 LEGHORN ST
MOUNTAIN VIEW CA 94043-1605

2. POLICY PERIOD: From 10/30/2025 to 10/30/2026 12:01 A.M. Standard Time at your mailing address.

3. DESCRIPTION OF PREMISES:

PREM. LOC. NO.	BLDG. NO.	OCCUPANCY	ADDRESS (same as Mailing Address unless specified otherwise)
001	ALL	CONDO 1-4	2222 RASPBERRY LN MOUNTAIN VIEW CA 94043

4. COVERAGE PARTS AND SUPPLEMENTS FORMING PART OF THIS POLICY AND INSURING COMPANIES

COVERAGE PARTS and SUPPLEMENTS	INSURING COMPANY
Businessowners Coverage Part	ACJ

5. The COMPLETE POLICY consists of this declarations and all other declarations, and the forms and endorsements for which symbol numbers are attached on a separate listing.

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy containing its complete provisions.

POLICY	POLICY NUMBER	INSURING COMPANY
--------	---------------	------------------

DIRECT BILL

7. PREMIUM SUMMARY:

Provisional Premium	\$	5,020.00
Due at Inception	\$	
Due at Each	\$	

NAME AND ADDRESS OF AGENT OR BROKER

BAY AREA INS AGCY INC HE874
3 LAGOON DR STE 260

REDWOOD CITY CA 940655158

IL TO 19 02 05 (Page 1 of 01)
Office: WALNUT CREEK CA DOWN

COUNTERSIGNED BY:

Authorized Representative

DATE: 09/15/2025



One Tower Square, Hartford, Connecticut 06183

BUSINESSOWNERS COVERAGE PART DECLARATIONS

CONDOMINIUM PAC

POLICY NO.: 680-1469P203-25-42

ISSUE DATE: 09/15/2025

INSURING COMPANY:

TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA

POLICY PERIOD:

From 10-30-25 to 10-30-26 12:01 A.M. Standard Time at your mailing address

FORM OF BUSINESS: HOA

COVERAGES AND LIMITS OF INSURANCE: Insurance applies only to an item for which a "limit" or the word "included" is shown.

COMMERCIAL GENERAL LIABILITY COVERAGE

OCCURRENCE FORM	LIMITS OF INSURANCE
General Aggregate (except Products-Completed Operations Limit)	\$ 2,000,000
Products-completed Operations Aggregate Limit	\$ 2,000,000
Personal and Advertising Injury Limit	\$ 1,000,000
Each Occurrence Limit	\$ 1,000,000
Damage to Premises Rented to You	\$ 300,000
Medical Payments Limit (any one person)	\$ 5,000

BUSINESSOWNERS PROPERTY COVERAGE

DEDUCTIBLE AMOUNT: Businessowners Property Coverage: \$ 5,000 per occurrence.
 Building Glass: \$ 5,000 per occurrence.

BUSINESS INCOME/EXTRA EXPENSE LIMIT: Actual loss for 12 consecutive months

Period of Restoration-Time Period: Immediately

ADDITIONAL COVERAGE:

Other additional coverages apply and may be changed by an endorsement. Please read the policy.

SPECIAL PROVISIONS:

**COMMERCIAL GENERAL LIABILITY COVERAGE
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**

BUSINESSOWNERS PROPERTY COVERAGE

PREMISES LOCATION NO.: 001

BUILDING NO.: ALL

COVERAGE	LIMIT OF INSURANCE	VALUATION	COINSURANCE	INFLATION GUARD
BUILDING *Replacement Cost	\$ 9,465,062	Blanket Limit RC*	N/A	0.0%

Other coverage extensions apply and may be changed by an endorsement. Please read the policy.

POLICY NUMBER: 680-1469P203-25-42

EFFECTIVE DATE: 10/30/2025

ISSUE DATE: 09/15/2025

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS
BY LINE OF BUSINESS

IL T0 19 02 05	COMMON POLICY DECLARATIONS
MP T0 01 02 05	BUSINESSOWNERS COVERAGE PART DECLARATIONS
IL T8 01 01 01	FORMS ENDORSEMENTS AND SCHEDULE NUMBERS
IL T3 15 09 07	COMMON POLICY CONDITIONS

BUSINESSOWNERS

MP T1 30 02 05	TABLE OF CONTENTS - BUSINESSOWNERS COVERAGE PART - DELUXE PLAN
MP T1 02 02 05	BUSINESSOWNERS PROPERTY COVERAGE SPECIAL FORM
MP T1 03 02 05	AMENDATORY PROVISIONS CONDOMINIUM ASSOCIATION COVERAGE
CP 02 99 11 85	CANCELLATION CHANGES
MP T4 89 08 06	FUNGUS, ROT, BACTERIA AND OTHER CAUSES OF LOSS CHANGES - CALIFORNIA
MP T5 22 08 07	CALIFORNIA AMENDATORY PROVISIONS
MP T3 06 02 07	SEWER OR DRAIN BACK UP EXTENSION
MP T3 07 03 97	PROTECTIVE SAFEGUARDS ENDORSEMENT FOR SPRINKLERED LOCATIONS AND RESTAURANTS
MP T3 25 01 21	FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE
MP T3 50 11 06	EQUIPMENT BREAKDOWN - SERVICE INTERRUPTION LIMITATION
MP T3 56 02 08	AMENDATORY PROVISIONS - GREEN BUILDING AND BUSINESS PERSONAL PROP COV ENHANCEMENTS
MP T1 71 04 09	BUILDING OWNERS ENDORSEMENT
MP T9 70 03 06	POWER PAC ENDORSEMENT
MP T3 36 02 05	EQUIPMENT BREAKDOWN EXCLUSION
MP T9 54 02 05	EMPLOYEE DISHONESTY AND FORGERY OR ALTERATION EXCLUSION
IL F1 43 02 20	WILDFIRE DEFENSE SERVICES
PN U3 70 02 20	IMPORTANT NOTICE - WILDFIRE DEFENSE SERVICES
MP T5 08 02 20	CALIFORNIA CHANGES

COMMERCIAL GENERAL LIABILITY

CG T0 34 02 19	TABLE OF CONTENTS - COMMERCIAL GENERAL LIABILITY COVERAGE FORM CG T1 00 02 19
CG T1 00 02 19	COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG D2 37 02 19	EXCLUSION - REAL ESTATE DEVELOPMENT ACTIVITIES - COMPLETED OPERATIONS
CG D3 09 02 19	AMENDATORY ENDORSEMENT - PRODUCTS-COMPLETED OPERATIONS HAZARD
CG D9 10 09 21	AMENDMENT OF INTELLECTUAL PROPERTY EXCLUSION
CG D2 03 12 97	AMEND - NON CUMULATION OF EACH OCC
MP T1 25 11 03	HIRED AUTO AND NON-OWNED AUTO LIABILITY
CG D2 43 01 02	FUNGI OR BACTERIA EXCLUSION

POLICY NUMBER: 680-1469P203-25-42

EFFECTIVE DATE: 10/30/2025

ISSUE DATE: 09/15/2025

COMMERCIAL GENERAL LIABILITY (CONTINUED)

CG D4 21 07 08 AMEND CONTRAL LIAB EXCL - EXC TO NAMED INS
CG D6 18 10 11 EXCLUSION - VIOLATION OF CONSUMER FINANCIAL PROTECTION
LAWS
CG D9 44 01 23 EXCLUSION - VIOLATION OF BIOMETRIC INFORMATION PRIVACY
LAWS
CG D0 76 06 93 EXCLUSION - LEAD
CG D1 42 02 19 EXCLUSION - DISCRIMINATION

MULTIPLE SUBLINE ENDORSEMENTS

CG T3 33 11 03 LIMITATION WHEN TWO OR MORE POLICIES APPLY

INTERLINE ENDORSEMENTS

IL T4 12 03 15 AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 21 CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IL T4 40 10 20 PROTECTION OF PROPERTY
IL T3 82 05 13 EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA
IL 00 21 09 08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD
FORM)
IL 01 04 07 20 CALIFORNIA CHANGES
IL 02 70 07 20 CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

POLICY HOLDER NOTICES

PN MP 59 04 19 IMPORTANT NOTICE - PRODUCT AVAILABILITY
PN T1 94 11 21 IMPORTANT NOTICE - LEAD EXCLUSION
PN T4 54 01 08 IMPORTANT NOTICE REGARDING INDEPENDENT AGENT AND
BROKER COMPENSATION
PN MP 57 04 17 IMP NOT PROT SAFEGUARDS SPRK AND REST
PN MP 64 04 25 IMPORTANT INFORMATION ABOUT YOUR CALIFORNIA WILDFIRE
RISK CLASSIFICATION
PN MP 38 01 11 IMPORTANT NOTICE - JURISDICTIONAL INSPECTIONS

ROCKBERRY VILLAS OWNERS ASSOCIATION

**FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
AND ACCOUNTANTS' COMPILATION REPORT**

YEARS ENDING DECEMBER 31, 2026 TO 2052

[2026 Reserve Funding Plan]

ROCKBERRY VILLAS OWNERS ASSOCIATION

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YEARS ENDING DECEMBER 31, 2026 TO 2052

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LEVY, ERLANGER & COMPANY LLP

**100 Montgomery Street, Suite 715
San Francisco, California 94104**

Board Of Directors
Rockberry Villas Owners Association
Mountain View, California

Management is responsible for the accompanying financial forecast of **Rockberry Villas Owners Association**, which comprises the forecasted statements of replacement fund major component repair and replacement costs and cash receipts, disbursements and balances (the 2026 Reserve Funding Plan) for the years ending December 31, 2026 to 2052, and the related summaries of significant assumptions and accounting policies in accordance with guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the financial forecast nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial forecast.

The forecasted results may not be achieved as there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Levy, Erlanger & Company LLP

November 5, 2025

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
YEARS ENDING DECEMBER 31, 2026 TO 2052

	1	2	3	4	5	6	7	8	9	10
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
COMPUTATION PARAMETERS										
Number of units	15	15	15	15	15	15	15	15	15	15
Replace fund regular assmnt per unit per mo	166.39	177.20	188.72	200.99	214.05	227.97	242.79	258.57	275.37	293.27
Replace fund special assmnt per unit for yr	0	0	0	0	0	0	0	0	0	0
Annual assmnt increase rate at 6.5 % thru 2035										
Annual assmnt increase rate at 6.5 % thru 2045										
Annual assmnt increase rate at 3.5 % thru 2052										
After-tax interest on cash balances 0.5 % p.a.	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Replacement cost increase rate at 4.0 % p.a.										
CASH FLOW FORECASTS										
CASH RECEIPTS										
Regular assessments	29950	31897	33970	36178	38530	41034	43701	46542	49567	52789
Special assessments	0									
Interest income	972	892	1038	1052	1253	1434	1616	1861	1123	1359
Total cash receipts	30922	32789	35008	37230	39783	42468	45318	48403	50690	54148
CASH DISBURSEMENTS										
Repair and replacement costs	45816	5697	32448	0	6297	8670	0	185016	7105	7661
Board approved deferral of expenditures										
Total cash disbursements	45816	5697	32448	0	6297	8670	0	185016	7105	7661
CASH FLOW (DEFICIENCY)	-14893	27091	2560	37230	33486	33798	45318	-136613	43586	-46487
CASH BALANCE, BEGINNING OF YEAR	180000	165107	192198	194758	231988	265474	299272	344590	207977	251563
CASH BALANCE, END OF YEAR	165107	192198	194758	231988	265474	299272	344590	207977	251563	298050

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
YEARS ENDING DECEMBER 31, 2026 TO 2052

	11	12	13	14	15	16	17	18	19	20
	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
COMPUTATION PARAMETERS										
Number of units	15	15	15	15	15	15	15	15	15	15
Replace fund regular assmnt per unit per mo	312.33	332.64	354.26	377.28	401.81	427.93	455.74	485.36	516.91	550.51
Replace fund special assmnt per unit for yr	0	0	0	0	0	0	0	0	0	0
Annual assmnt increase rate a	6.5 % thru 2035									
Annual assmnt increase rate a	6.5 % thru 2045									
Annual assmnt increase rate a	3.5 % thru 2052									
After-tax interest on cash balai	0.5 % p.a.									
Replacement cost increase rat	4.0 % p.a.									
	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
CASH FLOW FORECASTS										
CASH RECEIPTS										
Regular assessments	56220	59875	63766	67911	72325	77027	82033	87366	93044	99092
Special assessments										
Interest income	1610	106	384	289	16	356	125	252	717	1224
Total cash receipts	57830	59980	64150	68200	72341	77383	82159	87618	93761	100316
CASH DISBURSEMENTS										
Repair and replacement costs	336320	8433	81799	118747	9321	120101	58644	1567	0	11340
Board approved deferral of expenditures										
Total cash disbursements	336320	8433	81799	118747	9321	120101	58644	1567	0	11340
CASH FLOW (DEFICIENCY)	-278490	51547	-17648	-50547	83021	-42718	23515	86051	93761	88976
CASH BALANCE, BEGINNING OF YEAR	298050	19560	71107	53459	2912	65932	23214	46729	132780	226542
CASH BALANCE, END OF YEAR	19560	71107	53459	2912	65932	23214	46729	132780	226542	315517

ROCKBERRY VILLAS OWNERS ASSOCIATION

FORECASTED STATEMENTS OF REPLACEMENT FUND
CASH RECEIPTS, DISBURSEMENTS AND BALANCES
YEARS ENDING DECEMBER 31, 2026 TO 2052

	21	22	23	24	25	26	27	
	2046	2047	2048	2049	2050	2051	2052	Total

COMPUTATION PARAMETERS

Number of units	15	15	15	15	15	15	15	
Replace fund regular assmnt per unit per mo	569.78	589.72	610.36	631.73	653.84	676.72	700.41	
Replace fund special assmnt per unit for yr	0	0	0	0	0	0	0	
Annual assmnt increase rate a	6.5 % thru 2035							
Annual assmnt increase rate a	6.5 % thru 2045							
Annual assmnt increase rate a	3.5 % thru 2052							
After-tax interest on cash bal	0.5 % p.a.	0.005	0.005	0.005	0.005	0.005	0.005	
Replacement cost increase rat	4.0 % p.a.							

CASH FLOW FORECASTS

CASH RECEIPTS

Regular assessments	102560	106150	109865	113711	117690	121810	126073	1960677
Special assessments								0
Interest income	1704	2183	2701	2925	3369	3898	4475	38934
Total cash receipts	104265	108333	112566	116635	121059	125708	130548	1999611

CASH DISBURSEMENTS

Repair and replacement costs	15614	12483	71098	34434	22980	18997	0	1220586
Board approved deferral of expenditures								0
Total cash disbursements	15614	12483	71098	34434	22980	18997	0	1220586

CASH FLOW (DEFICIENCY)

	88651	95850	41468	82201	98079	106711	130548	779025
--	-------	-------	-------	-------	-------	--------	--------	--------

CASH BALANCE, BEGINNING OF YEAR

	315517	404168	500018	541486	623687	721766	828477	180000
--	--------	--------	--------	--------	--------	--------	--------	--------

CASH BALANCE, END OF YEAR

	404168	500018	541486	623687	721766	828477	959025	959025
--	--------	--------	--------	--------	--------	--------	--------	--------

ROCKBERRY VILLAS OWNERS ASSOCIATION																
FORECASTED STATEMENTS OF REPLACEMENT FUND																
MAJOR COMPONENT REPAIR AND REPLACEMENT COSTS																
YEARS ENDING DECEMBER 31, 2026 TO 2052																
(CONTINUED)																
Description	Est.	Est.	Curr.	Year	Est.	1	2	3	4	5	6	7	8	9	10	
	Use.	Rem.	Repl.	Rplc.	Liab.	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
	Life	Life	Cost	Prov.	12-25											
COMMON AREA																
Asphalt - Remove & Replace	30	13	71316	2377	40413											
Asphalt - Seal/Repair	5	0	7126	1425	7126	7126					7126					
Concrete Surface - Repair (10%)	10	1	5478	548	4930		5478									
Stamped Concrete - Repr/Rplce (25%)	15	0	7379	492	7379	7379										
Ballard Lights - Replace	20	2	28515	1426	25664			28515								
Mailboxes - Replace	25	7	3093	124	2227								3093			
Patio Furniture - Replace	8	0	3583	448	3583	3583								3583		
Wood Fence - Replace	25	7	51406	2056	37013								51406			
Trellis - Replace	25	7	37233	1489	26808								37233			
Backflow Devices - Replace	30	12	2722	91	1633											
Irrigation Controller - Replace	15	8	1609	107	751									1609		
Entry Sign - Replace	20	2	1485	74	1336			1485								
Fire Standpipe - Replace	35	17	804	23	414											
BUILDING EXTERIOR																
Metal Fence - Replace	30	12	46369	1612	29021											
Utility Doors - Replace	25	7	36502	1460	26281								36502			
Metal Fence - Repaint	5	4	5392	1076	1076					5382					5382	
Wood Surfaces - Repaint	8	7	7104	888	888								7104			
Wood Siding/Trim - Repair (10%)	8	7	5259	657	657								5259			
EIFS Exterior - Repaint	16	15	39920	2489	2489											
Comp Shingle Roof - Replace	28	10	175479	6267	112808											
Gutters/Downspouts - Replace	28	10	44501	1593	28672											
Fumigation - Treat	16	0	27728	1733	27728	27728										
Rounding to nearest \$1,000/\$5,000				-466	1103											
				28000	390000	45816	5478	30000	0	5382	7126	0	140597	5191	5382	
Replacement cost increase factor		4	% per annum			1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	
						45816	5697	32448	0	6297	8670	0	185016	7105	7661	

ROCKBERRY VILLAS OWNERS ASSOCIATION										
FORECASTED STATEMENTS OF REPLACEMENT FUND										
MAJOR COMPONENT REPAIR AND REPLACEMENT COSTS										
YEARS ENDING DECEMBER 31, 2026 TO 2052										
(CONTINUED)										
	11	12	13	14	15	16	17	18	19	20
Description	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
COMMON AREA										
Asphalt - Remove & Replace				71316						
Asphalt - Seal/Repair	7126					7126				
Concrete Surface - Repair (10%)		5478								
Stamped Concrete - Repr/Rplce (25%)						7379				
Bollard Lights - Replace										
Mailboxes - Replace										
Patio Furniture - Replace							3583			
Wood Fence - Replace										
Trellis - Replace										
Backflow Devices - Replace			2722							
Irrigation Controller - Replace										
Entry Sign - Replace										
Fire Standpipe - Replace								804		
BUILDING EXTERIOR										
Metal Fence - Replace			48369							
Utility Doors - Replace										
Metal Fence - Repaint					5382					5382
Wood Surfaces - Repaint						7104				
Wood Siding/Trim - Repair (10%)						5259				
EIFS Exterior - Repaint						39820				
Comp Shingle Roof - Replace	175479									
Gutters/Downspouts - Replace	44801									
Fumigation - Treat							27728			
	227206	5478	51091	71316	5382	66688	31311	804	0	5382
	1.48	1.54	1.60	1.67	1.73	1.80	1.87	1.95	2.03	2.11
	336320	8433	81799	118747	9321	120101	58644	1557	0	11340

ROCKBERRY VILLAS OWNERS ASSOCIATION								
FORECASTED STATEMENTS OF REPLACEMENT FUND								
MAJOR COMPONENT REPAIR AND REPLACEMENT COSTS								
YEARS ENDING DECEMBER 31, 2026 TO 2052								
(CONTINUED)								
	21	22	23	24	25	26	27	
Description	2046	2047	2048	2049	2050	2051	2052	Total
COMMON AREA								
Asphalt - Remove & Replace								71316
Asphalt - Seal/Repair	7126					7126		42756
Concrete Surface - Repair (10%)		5478						16434
Stamped Concrete - Repr/Rplce (25%)								14758
Bollard Lights - Replace			28515					57031
Mailboxes - Replace								3093
Patio Furniture - Replace					3583			14331
Wood Fence - Replace								51408
Trellis - Replace								37233
Backflow Devices - Replace								2722
Irrigation Controller - Replace				1609				3217
Entry Sign - Replace			1485					2970
Fire Standpipe - Replace								804
BUILDING EXTERIOR								
Metal Fence - Replace								46388
Utility Doors - Replace								36502
Metal Fence - Repaint					5982			26912
Wood Surfaces - Repaint				7104				21311
Wood Siding/Trim - Repair (10%)				5259				15776
EIFS Exterior - Repaint								39820
Comp Shingle Roof - Replace								175479
Gutters/Downspouts - Replace								44601
Fumigation - Treat								55456
	7126	5478	30000	13971	8965	7126	0	782298
	2.19	2.28	2.37	2.46	2.56	2.67	2.77	
	15514	12483	71098	34434	22980	18997	0	1220588

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052**

NOTE 1 - THE ASSOCIATION

Rockberry Villas Owners Association (the Association) is a common interest subdivision located in Mountain View, California which consists of 15 residential units and certain common area property. The Association was organized in July 2008 as a nonprofit, mutual-benefit association to provide for the management and maintenance of the common area property.

The accompanying forecasted financial statements include only the income and expenditures of the replacement fund; the activities of the operations fund are not included.

NOTE 2 - THE FORECASTS

These forecasted statements are the Board of Directors' estimate of cash receipts and cash disbursements from replacement fund activity based on the assumptions set forth below. The assumptions disclosed herein are those that the Board of Directors believes are significant to the forecasts. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur subsequent to November 5, 2025, the date of these forecasts. Therefore, the actual results achieved during the forecast period may vary from the forecasts, and the variations may be material. Because of automatic rounding to the nearest whole dollar of calculated line item amounts, certain subtotals and totals may not exactly equal the printed sum of the line item amounts above such subtotals and totals. These minor rounding differences have no significant effect on the accompanying forecasted statements.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)**

NOTE 3 - BASIS OF PRESENTATION

The accompanying forecasted financial statements have been prepared on the cash basis of accounting, rather than accrual basis accounting which is consistent with generally accepted accounting principles used in the Association's historical financial statements because the Association believes it to be more useful for estimating its future replacement fund cash requirements.

NOTE 4 - FUNDING PLAN AND SUMMARY OF SIGNIFICANT ASSUMPTIONS

Regular assessments represent that portion of the total annual assessments which are allocated to the future repair, replacement or additions to major common area property components. Annual replacement assessments are computed by multiplying the product of the number of units and the base year annual assessment by the compounded assessment increase factor.

As of **December 31, 2025**, the estimated cash balance is \$180,000 and the estimated liability for the replacement of major components is \$390,000. Hence, the Association is expected to be **46% funded** at December 31, 2025.

The initial replacement fund contribution per unit per month of \$166.39, assessment increase factor of 6-1/2% per annum through the year 2045, and assessment increase factor of 3-1/2% per annum thereafter through the year 2052 (the end of the forecast period) is the recommendation of the Board of Directors.

As of **December 31, 2035**, the forecast results in an estimated cash balance of approximately \$300,000 (\$210,000 in current dollars utilizing a discount factor of 4% per annum); the estimated liability for the replacement of major components is forecasted to approximate \$570,000 (\$400,000 in current dollars utilizing a discount factor of 4% per annum). Hence, the Association is expected to be **53% funded** at December 31, 2035.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)

NOTE 4 - FUNDING PLAN AND SUMMARY OF SIGNIFICANT ASSUMPTIONS
(CONTINUED)

As of **December 31, 2045**, the forecast results in an estimated cash balance of approximately \$315,000 (\$150,000 in current dollars utilizing a discount factor of 4% per annum); the estimated liability for the replacement of major components is forecasted to approximate \$465,000 (\$220,000 in current dollars utilizing a discount factor of 4% per annum). Hence, the Association is expected to be **68% funded** at December 31, 2045.

As of **December 31, 2052**, the forecast results in an estimated cash balance of approximately \$960,000 (\$345,000 in current dollars utilizing a discount factor of 4% per annum); the estimated liability for the replacement of major components is also forecasted to approximate \$960,000 (\$345,000 in current dollars utilizing a discount factor of 4% per annum). Hence, the Association is expected to be **100% funded** at December 31, 2052.

In arriving at the foregoing funding plan, the following significant assumptions have been made:

Components not included in the component and funding studies by the Board of Directors have either been considered to have an estimated remaining useful life in excess of 17 years, or are expected to be maintained, repaired and replaced through the annual operations fund budget.

Average long-term rate of increase expected in repair and replacement costs will approximate 4% per annum

Average long-term, before-tax interest rate earned on idle replacement fund cash balances will approximate 3/4% per annum

Interest earned on replacement fund cash balances will remain in the replacement fund and not be used to defray day-to-day operations fund expenses.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)**

**NOTE 4 - FUNDING PLAN AND SUMMARY OF SIGNIFICANT ASSUMPTIONS
(CONTINUED)**

Year-end replacement fund cash balance will not fall below \$-0- during the forecast period.

NOTE 5 - SPECIAL ASSESSMENTS

Special assessments represent discrete assessments levied by the Board Of Directors to meet present or anticipated financial requirements. There are no special assessments presently projected during the forecast period.

NOTE 6 - INTEREST INCOME

The Board of Directors has determined that the forecasted cash balances will earn interest at an after-tax interest rate averaging 1/2% per annum. Interest income (after income taxes) is computed by multiplying the beginning of the year cash balances by the after-tax interest rate of 1/2% per annum. The after-tax interest rate was derived by multiplying the before-tax rate of 3/4% per annum estimated by the Board of Directors by an effective combined federal and California income tax rate of approximately 30%.

NOTE 7 - REPLACEMENT COSTS, USEFUL AND REMAINING LIVES

Replacement costs are the result of a reserve analysis performed by Association Reserves of San Francisco in their report dated March 2022. The component description, estimated useful life, estimated remaining life, and estimated replacement costs were originally taken from this report.

For purposes of this, the 2026 Reserve Funding Plan, the 2025 Reserve Funding Plan has been updated, generally, by increasing current replacement costs by 4% and decreasing estimated remaining lives by one year. In addition, adjustments may have been made based upon actual or anticipated major component repairs and replacements.

See accountants' compilation report.

ROCKBERRY VILLAS OWNERS ASSOCIATION

**NOTES AND ASSUMPTIONS TO THE FORECASTED FINANCIAL STATEMENTS
YEARS ENDING DECEMBER 31, 2026 TO 2052
(CONTINUED)**

NOTE 8 - MAJOR COMPONENT INFLATION RATE

In order to compute the estimated liability for repair and replacement of major components at December 31, 2052, it was necessary to first determine the periodic interest rate needed for a present value (the latest replacement cost prior to December 31, 2052) to grow to its estimated future value in the year 2052 (the end of the forecast period). For these purposes, the Board of Directors believes that 4% per annum represents a reasonable estimated rate of increase.

NOTE 9 - YEARLY REPLACEMENT PROVISION

The yearly replacement provision represents an estimate of the "wearing out" of the major components, stated in dollars. The provision for repair and replacement of major components has been estimated, for each component, by dividing the estimated current replacement cost by the estimated useful life.

**NOTE 10 - ESTIMATED LIABILITY AT DECEMBER 31, 2025, 2035, 2045
AND 2052**

The estimated liability for repair and replacement of major components represents an estimate of how much money should have been accumulated for that portion of each component which has "worn out" or been "used up" as of a particular point in time.

The estimated liabilities at December 31, 2025, 2035, 2045, and 2052, for each major component, are computed by multiplying the estimated replacement cost by the fraction (useful life-remaining life)/useful life.

See accountants' compilation report.



Rockberry Villas HOA

Mountain View, CA

Level of Service: Update "With-Site-Visit"

Report #: 31742-3

of Units: 15

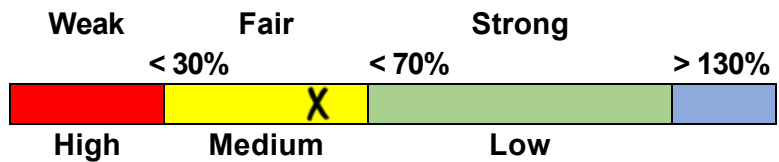
January 1, 2022 through December 31, 2022

Findings & Recommendations

as of January 1, 2022

Projected Starting Reserve Balance	\$171,767
Current Fully Funded Reserve Balance	\$278,955
Average Reserve Deficit (Surplus) Per Unit	\$7,146
Percent Funded	61.6 %
Recommended 2022 "Monthly Fully Funding Contributions"	\$2,290
Recommended 2022 Special Assessments for Reserves	\$0
2021 Monthly Contribution Rate	\$2,153

Reserve Fund Strength: 61.6%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	0.50 %
Annual Inflation Rate	3.00 %

- This is an Update "With-Site-Visit" Reserve Study.
- The information in this Reserve Study is based on our site inspection on 5/20/2021.
- This Reserve Study was prepared by or under the supervision of, a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is at 61.6 % Funded, this means the association's special assessment & deferred maintenance risk is currently Medium.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is for you to increase your Reserve contributions to \$2,290/Monthly.
- No assets appropriate for Reserve designation were excluded.
- We recommend that this Reserve Study be updated annually, with an on-site inspection update every three years.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Common Area				
202	Asphalt - Remove & Replace	30	17	\$57,650
203	Asphalt - Seal/Repair	5	3	\$5,760
206	Concrete Surface - Repair (10%)	10	5	\$4,425
207	Stamped Concrete - Repr/Rplce (25%)	15	3	\$5,960
322	Bollard Lights - Replace	20	6	\$23,050
403	Mailboxes - Replace	25	11	\$2,500
404	Patio Furniture - Replace	8	2	\$2,895
505	Wood Fence - Replace	25	11	\$41,550
518	Trellis - Replace	25	11	\$30,100
1001	Backflow Devices - Replace	30	16	\$2,200
1003	Irrigation Controller - Replace	15	12	\$1,300
1403	Entry Sign - Replace	20	6	\$1,200
1813	Fire Standpipe - Replace	35	21	\$650
Building Exterior				
503	Metal Fence - Replace	30	16	\$39,050
703	Utility Doors - Replace	25	11	\$29,500
1107	Metal Fence - Repaint	5	1	\$4,350
1116	Wood Surfaces - Repaint	8	2	\$5,740
1117	Wood Siding/Trim - Repair (10%)	8	2	\$4,250
1125	EIFS Exterior - Repaint	16	2	\$32,150
1303	Comp Shingle Roof - Replace	28	14	\$142,000
1312	Gutters/Downspouts - Replace	28	14	\$36,050
1880	Fumigation - Treat	16	2	\$22,400
22 Total Funded Components				

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

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Rockberry Villas HOA *Mountain View, CA*



Report #: 31742-4
Beginning: January 1, 2023
Expires: December 31, 2023

RESERVE STUDY Update "No-Site-Visit"

March 18, 2022

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



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Rockberry Villas HOA

Mountain View, CA

Level of Service: Update "No-Site-Visit"

Report #: 31742-4

of Units: 15

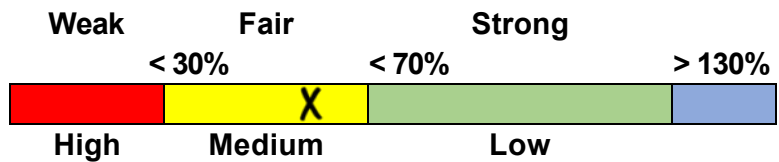
January 1, 2023 through December 31, 2023

Findings & Recommendations

as of January 1, 2023

Projected Starting Reserve Balance	\$199,384
Current Fully Funded Reserve Balance	\$332,093
Average Reserve Deficit (Surplus) Per Unit	\$8,847
Percent Funded	60.0 %
Recommended 2023 "Monthly Fully Funding Contributions"	\$2,634
Recommended 2023 Special Assessments for Reserves	\$0
2022 Monthly Contribution Rate	\$2,290

Reserve Fund Strength: 60.0%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	0.50 %
Annual Inflation Rate	4.00 %

- This is an Update "No-Site-Visit" Reserve Study.
- This Reserve Study was prepared by or under the supervision of, a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is at 60.0 % Funded, this means the association's special assessment & deferred maintenance risk is currently Medium.
- Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is for you to increase your Reserve contributions to \$2,634/Monthly.
- No assets appropriate for Reserve designation were excluded.
- We recommend that this Reserve Study be updated annually, with an on-site inspection update every three years.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Common Area				
202	Asphalt - Remove & Replace	30	16	\$63,400
203	Asphalt - Seal/Repair	5	2	\$6,335
206	Concrete Surface - Repair (10%)	10	4	\$4,870
207	Stamped Concrete - Repr/Rplce (25%)	15	2	\$6,560
322	Bollard Lights - Replace	20	5	\$25,350
403	Mailboxes - Replace	25	10	\$2,750
404	Patio Furniture - Replace	8	1	\$3,185
505	Wood Fence - Replace	25	10	\$45,700
518	Trellis - Replace	25	10	\$33,100
1001	Backflow Devices - Replace	30	15	\$2,420
1003	Irrigation Controller - Replace	15	11	\$1,430
1403	Entry Sign - Replace	20	5	\$1,320
1813	Fire Standpipe - Replace	35	20	\$715
Building Exterior				
503	Metal Fence - Replace	30	15	\$43,000
703	Utility Doors - Replace	25	10	\$32,450
1107	Metal Fence - Repaint	5	0	\$4,785
1116	Wood Surfaces - Repaint	8	1	\$6,315
1117	Wood Siding/Trim - Repair (10%)	8	1	\$4,675
1125	EIFS Exterior - Repaint	16	1	\$35,400
1303	Comp Shingle Roof - Replace	28	13	\$156,000
1312	Gutters/Downspouts - Replace	28	13	\$39,650
1880	Fumigation - Treat	16	1	\$24,650
22 Total Funded Components				

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

Introduction



A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.



Reserve contributions are not “for the future”. Reserve contributions are designed to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology



For this [Update No-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association

precedents. We updated and adjusted your Reserve Component List on the basis of time elapsed since the last Reserve Study and interviews with association representatives.

Which Physical Assets are Funded by Reserves?

There is a national-standard four-part test to determine which expenses should appear in your Reserve Component List. First, it must be a common area maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an association's total budget). This limits Reserve



Components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

How do we establish Useful Life and Remaining Useful Life estimates?

- 1) Visual Inspection (observed wear and age)
- 2) Association Reserves database of experience
- 3) Client History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

- 1) Actual client cost history, or current proposals
- 2) Comparison to Association Reserves database of work done at similar associations
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
- 2) Compare that to the Reserve Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Boardmembers invite liability exposure when Reserve contributions are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your property as defined by your Reserve Component List. A summary of these components is shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Expense Summary table.

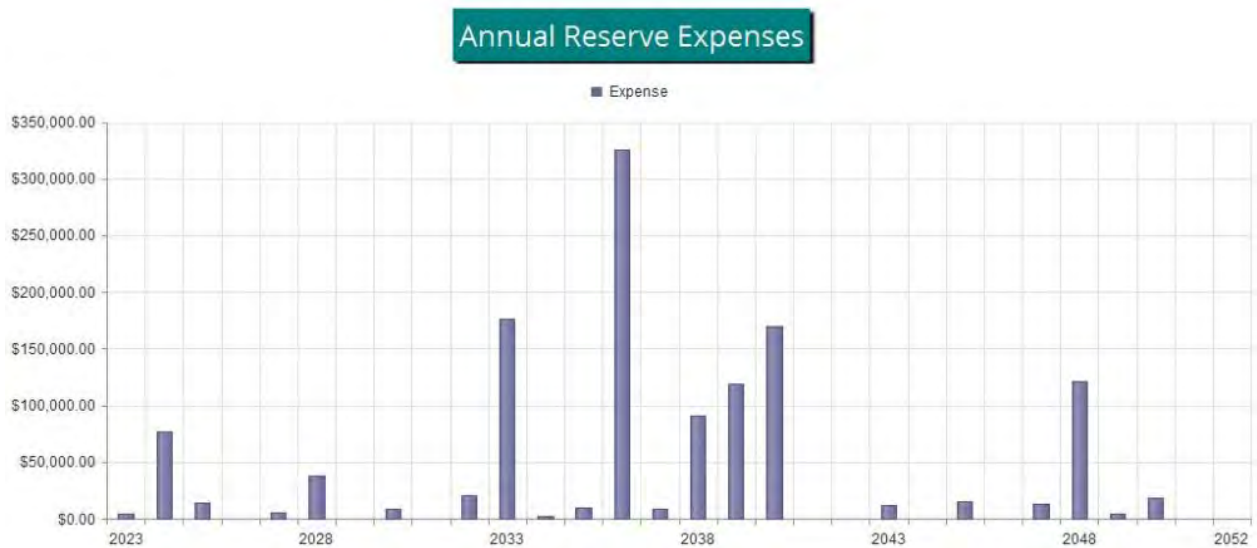


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$199,384 as-of the start of your fiscal year. This is based on your actual balance on 1/31/2022 of \$174,194 and anticipated Reserve contributions and expenses projected through the end of your Fiscal Year. As of 1/1/2023, your Fully Funded Balance is computed to be \$332,093. (see Acct/Tax Summary table). This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates you are 60.0 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$2,634/Monthly this Fiscal Year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

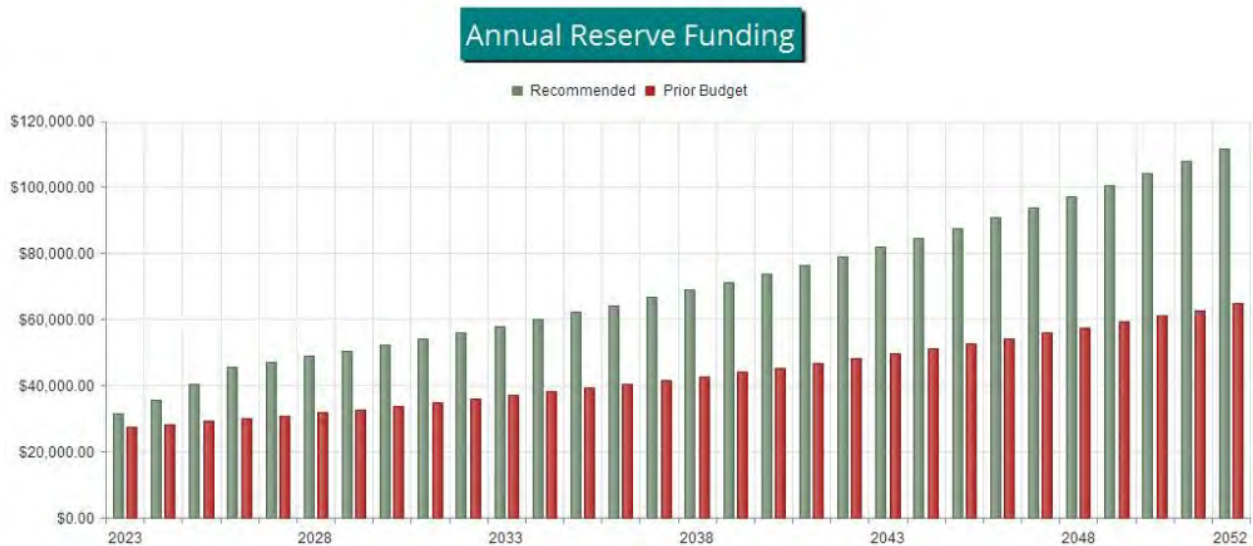


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target.

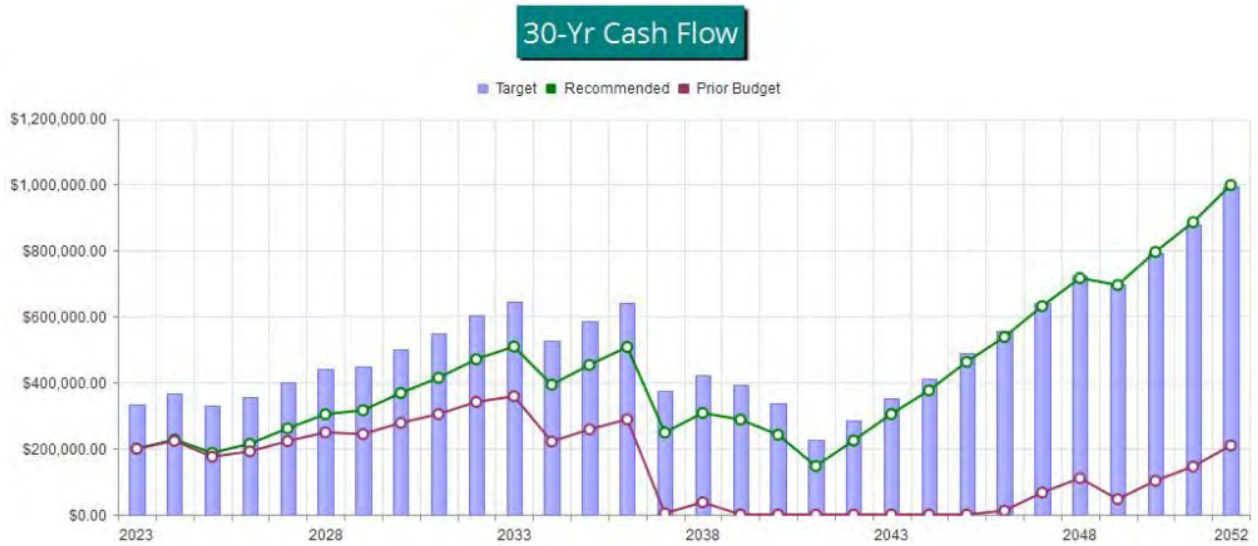


Figure 3

This figure shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

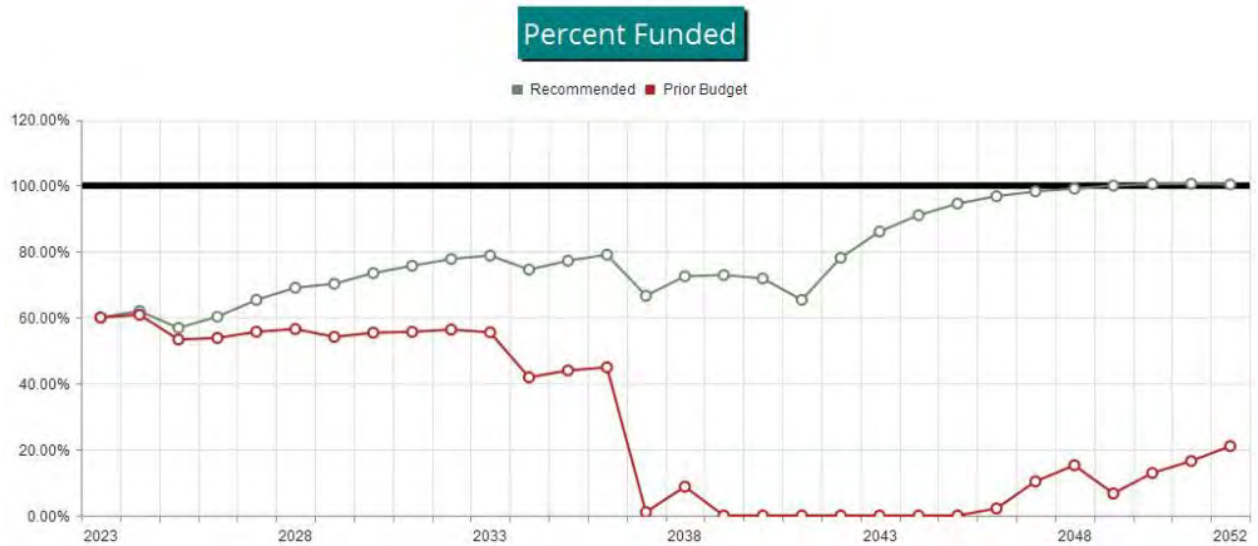


Figure 4

Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

Accounting & Tax Summary provides information on each Component's proportion of key totals. If shown, the Current Fund Balance is a re-distribution of the current Reserve total to near-term (low RUL) projects first. Any Reserve contribution shown is a portion of the total current contribution rate, assigned proportionally on the basis of that component's deterioration cost/yr. As this is a Cash Flow analysis in which no funds are assigned or restricted to particular components, all values shown are only representative and have no merit outside of tax preparation purposes. They are not useful for Reserve funding calculations.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

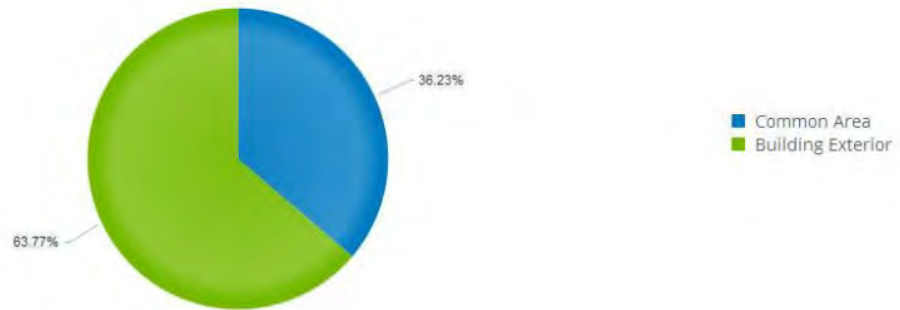
30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

	Useful Life		2023 Rem. Useful Life		Estimated Replacement Cost in 2023	2023 Expenditures	01/01/2023	01/01/2023	Remaining Bal. to be Funded	2023 Contributions
	Min	Max	Min	Max			Current Fund Balance	Fully Funded Balance		
Common Area	5	35	1	20	\$197,135	\$0	\$84,509	\$115,612	\$112,626	\$11,863
Building Exterior	5	30	0	15	\$346,925	\$4,785	\$114,875	\$216,481	\$232,050	\$19,745
					\$544,060	\$4,785	\$199,384	\$332,093	\$344,676	\$31,608

Percent Funded: 60.0%

Budget Summary

Percentage of Total Estimated Replacement Costs



#	Component	Quantity	Useful Life	Rem. Useful Life	Current Cost Estimate
Common Area					
202	Asphalt - Remove & Replace	Approx 9,600 GSF	30	16	\$63,400
203	Asphalt - Seal/Repair	Approx 9,600 GSF	5	2	\$6,335
206	Concrete Surface - Repair (10%)	Approx 10% of 1,835 GSF	10	4	\$4,870
207	Stamped Concrete - Repr/Rplce (25%)	Approx 25% of 870 GSF	15	2	\$6,560
322	Bollard Lights - Replace	(16) Bollards	20	5	\$25,350
403	Mailboxes - Replace	(17) Boxes, (1) Kiosk	25	10	\$2,750
404	Patio Furniture - Replace	(6) Furniture Pieces	8	1	\$3,185
505	Wood Fence - Replace	Approx 760 LF	25	10	\$45,700
518	Trellis - Replace	Approx 1,000 GSF	25	10	\$33,100
1001	Backflow Devices - Replace	(1) Device	30	15	\$2,420
1003	Irrigation Controller - Replace	(1) Controller	15	11	\$1,430
1403	Entry Sign - Replace	(1) Entry Sign	20	5	\$1,320
1813	Fire Standpipe - Replace	Extensive Devices	35	20	\$715
Building Exterior					
503	Metal Fence - Replace	Approx 500 LF	30	15	\$43,000
703	Utility Doors - Replace	(60) Doors	25	10	\$32,450
1107	Metal Fence - Repaint	Approx 500 LF	5	0	\$4,785
1116	Wood Surfaces - Repaint	Approx 3,000 GSF	8	1	\$6,315
1117	Wood Siding/Trim - Repair (10%)	Approx 10% of 3,000 GSF	8	1	\$4,675
1125	EIFS Exterior - Repaint	Approx 16,800 GSF	16	1	\$35,400
1303	Comp Shingle Roof - Replace	Approx 15,700 GSF	28	13	\$156,000
1312	Gutters/Downspouts - Replace	Approx 3,000 LF	28	13	\$39,650
1880	Fumigation - Treat	(15) Units	16	1	\$24,650
<hr/>					
22	Total Funded Components				

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Common Area								
202	Asphalt - Remove & Replace	\$63,400	X	14	/	30	=	\$29,587
203	Asphalt - Seal/Repair	\$6,335	X	3	/	5	=	\$3,801
206	Concrete Surface - Repair (10%)	\$4,870	X	6	/	10	=	\$2,922
207	Stamped Concrete - Repr/Rplce (25%)	\$6,560	X	13	/	15	=	\$5,685
322	Bollard Lights - Replace	\$25,350	X	15	/	20	=	\$19,013
403	Mailboxes - Replace	\$2,750	X	15	/	25	=	\$1,650
404	Patio Furniture - Replace	\$3,185	X	7	/	8	=	\$2,787
505	Wood Fence - Replace	\$45,700	X	15	/	25	=	\$27,420
518	Trellis - Replace	\$33,100	X	15	/	25	=	\$19,860
1001	Backflow Devices - Replace	\$2,420	X	15	/	30	=	\$1,210
1003	Irrigation Controller - Replace	\$1,430	X	4	/	15	=	\$381
1403	Entry Sign - Replace	\$1,320	X	15	/	20	=	\$990
1813	Fire Standpipe - Replace	\$715	X	15	/	35	=	\$306
Building Exterior								
503	Metal Fence - Replace	\$43,000	X	15	/	30	=	\$21,500
703	Utility Doors - Replace	\$32,450	X	15	/	25	=	\$19,470
1107	Metal Fence - Repaint	\$4,785	X	5	/	5	=	\$4,785
1116	Wood Surfaces - Repaint	\$6,315	X	7	/	8	=	\$5,526
1117	Wood Siding/Trim - Repair (10%)	\$4,675	X	7	/	8	=	\$4,091
1125	EIFS Exterior - Repaint	\$35,400	X	15	/	16	=	\$33,188
1303	Comp Shingle Roof - Replace	\$156,000	X	15	/	28	=	\$83,571
1312	Gutters/Downspouts - Replace	\$39,650	X	15	/	28	=	\$21,241
1880	Fumigation - Treat	\$24,650	X	15	/	16	=	\$23,109
								\$332,093

# Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Common Area				
202 Asphalt - Remove & Replace	30	\$63,400	\$2,113	8.35 %
203 Asphalt - Seal/Repair	5	\$6,335	\$1,267	5.01 %
206 Concrete Surface - Repair (10%)	10	\$4,870	\$487	1.93 %
207 Stamped Concrete - Repr/Rplce (25%)	15	\$6,560	\$437	1.73 %
322 Bollard Lights - Replace	20	\$25,350	\$1,268	5.01 %
403 Mailboxes - Replace	25	\$2,750	\$110	0.43 %
404 Patio Furniture - Replace	8	\$3,185	\$398	1.57 %
505 Wood Fence - Replace	25	\$45,700	\$1,828	7.23 %
518 Trellis - Replace	25	\$33,100	\$1,324	5.23 %
1001 Backflow Devices - Replace	30	\$2,420	\$81	0.32 %
1003 Irrigation Controller - Replace	15	\$1,430	\$95	0.38 %
1403 Entry Sign - Replace	20	\$1,320	\$66	0.26 %
1813 Fire Standpipe - Replace	35	\$715	\$20	0.08 %
Building Exterior				
503 Metal Fence - Replace	30	\$43,000	\$1,433	5.67 %
703 Utility Doors - Replace	25	\$32,450	\$1,298	5.13 %
1107 Metal Fence - Repaint	5	\$4,785	\$957	3.78 %
1116 Wood Surfaces - Repaint	8	\$6,315	\$789	3.12 %
1117 Wood Siding/Trim - Repair (10%)	8	\$4,675	\$584	2.31 %
1125 EIFS Exterior - Repaint	16	\$35,400	\$2,213	8.75 %
1303 Comp Shingle Roof - Replace	28	\$156,000	\$5,571	22.02 %
1312 Gutters/Downspouts - Replace	28	\$39,650	\$1,416	5.60 %
1880 Fumigation - Treat	16	\$24,650	\$1,541	6.09 %
22 Total Funded Components			\$25,297	100.00 %

#	Component	UL	RUL	Current Cost Estimate	Fully Funded Balance	Projected Reserve Balance	Proportional Reserve Contribs
Common Area							
202	Asphalt - Remove & Replace	30	16	\$63,400	\$29,587	\$0	\$220.04
203	Asphalt - Seal/Repair	5	2	\$6,335	\$3,801	\$3,801	\$131.92
206	Concrete Surface - Repair (10%)	10	4	\$4,870	\$2,922	\$2,922	\$50.71
207	Stamped Concrete - Repr/Rplce (25%)	15	2	\$6,560	\$5,685	\$5,685	\$45.54
322	Bollard Lights - Replace	20	5	\$25,350	\$19,013	\$19,013	\$131.97
403	Mailboxes - Replace	25	10	\$2,750	\$1,650	\$1,650	\$11.45
404	Patio Furniture - Replace	8	1	\$3,185	\$2,787	\$2,787	\$41.45
505	Wood Fence - Replace	25	10	\$45,700	\$27,420	\$27,420	\$190.33
518	Trellis - Replace	25	10	\$33,100	\$19,860	\$19,860	\$137.86
1001	Backflow Devices - Replace	30	15	\$2,420	\$1,210	\$0	\$8.40
1003	Irrigation Controller - Replace	15	11	\$1,430	\$381	\$381	\$9.93
1403	Entry Sign - Replace	20	5	\$1,320	\$990	\$990	\$6.87
1813	Fire Standpipe - Replace	35	20	\$715	\$306	\$0	\$2.13
Building Exterior							
503	Metal Fence - Replace	30	15	\$43,000	\$21,500	\$0	\$149.24
703	Utility Doors - Replace	25	10	\$32,450	\$19,470	\$19,470	\$135.15
1107	Metal Fence - Repaint	5	0	\$4,785	\$4,785	\$4,785	\$99.64
1116	Wood Surfaces - Repaint	8	1	\$6,315	\$5,526	\$5,526	\$82.19
1117	Wood Siding/Trim - Repair (10%)	8	1	\$4,675	\$4,091	\$4,091	\$60.85
1125	EIFS Exterior - Repaint	16	1	\$35,400	\$33,188	\$33,188	\$230.37
1303	Comp Shingle Roof - Replace	28	13	\$156,000	\$83,571	\$3,466	\$580.10
1312	Gutters/Downspouts - Replace	28	13	\$39,650	\$21,241	\$21,241	\$147.44
1880	Fumigation - Treat	16	1	\$24,650	\$23,109	\$23,109	\$160.41
22 Total Funded Components					\$332,093	\$199,384	\$2,634

30-Year Reserve Plan Summary

Report # 31742-4
No-Site-Visit

Fiscal Year Start: 2023

Interest: 0.50 %

Inflation: 4.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Contribs.	Reserve Contribs.			
2023	\$199,384	\$332,093	60.0 %	Medium	15.02 %	\$31,608	\$0	\$1,066	\$4,785
2024	\$227,273	\$366,709	62.0 %	Medium	13.00 %	\$35,717	\$0	\$1,035	\$77,194
2025	\$186,831	\$328,458	56.9 %	Medium	13.00 %	\$40,360	\$0	\$1,002	\$13,947
2026	\$214,247	\$355,547	60.3 %	Medium	13.00 %	\$45,607	\$0	\$1,188	\$0
2027	\$261,042	\$399,363	65.4 %	Medium	3.50 %	\$47,203	\$0	\$1,412	\$5,697
2028	\$303,960	\$440,191	69.1 %	Medium	3.50 %	\$48,855	\$0	\$1,550	\$38,270
2029	\$316,096	\$450,007	70.2 %	Low	3.50 %	\$50,565	\$0	\$1,711	\$0
2030	\$368,372	\$501,297	73.5 %	Low	3.50 %	\$52,335	\$0	\$1,956	\$8,336
2031	\$414,327	\$547,301	75.7 %	Low	3.50 %	\$54,167	\$0	\$2,212	\$0
2032	\$470,706	\$605,199	77.8 %	Low	3.50 %	\$56,063	\$0	\$2,449	\$20,175
2033	\$509,042	\$645,871	78.8 %	Low	3.50 %	\$58,025	\$0	\$2,256	\$175,831
2034	\$393,492	\$527,786	74.6 %	Low	3.50 %	\$60,056	\$0	\$2,117	\$2,201
2035	\$453,463	\$587,110	77.2 %	Low	3.50 %	\$62,158	\$0	\$2,403	\$10,143
2036	\$507,882	\$642,168	79.1 %	Low	3.50 %	\$64,333	\$0	\$1,890	\$325,772
2037	\$248,333	\$372,859	66.6 %	Medium	3.50 %	\$66,585	\$0	\$1,390	\$8,433
2038	\$307,875	\$424,562	72.5 %	Low	3.50 %	\$68,915	\$0	\$1,489	\$90,416
2039	\$287,863	\$394,893	72.9 %	Low	3.50 %	\$71,327	\$0	\$1,324	\$118,747
2040	\$241,768	\$336,469	71.9 %	Low	3.50 %	\$73,824	\$0	\$971	\$169,701
2041	\$146,862	\$224,686	65.4 %	Medium	3.50 %	\$76,408	\$0	\$927	\$0
2042	\$224,197	\$286,972	78.1 %	Low	3.50 %	\$79,082	\$0	\$1,322	\$0
2043	\$304,601	\$353,880	86.1 %	Low	3.50 %	\$81,850	\$0	\$1,701	\$12,051
2044	\$376,101	\$413,149	91.0 %	Low	3.50 %	\$84,715	\$0	\$2,097	\$0
2045	\$462,913	\$489,628	94.5 %	Low	3.50 %	\$87,680	\$0	\$2,502	\$15,013
2046	\$538,081	\$555,950	96.8 %	Low	3.50 %	\$90,748	\$0	\$2,924	\$0
2047	\$631,753	\$643,033	98.2 %	Low	3.50 %	\$93,925	\$0	\$3,370	\$12,483
2048	\$716,565	\$723,211	99.1 %	Low	3.50 %	\$97,212	\$0	\$3,530	\$121,642
2049	\$695,665	\$695,768	100.0 %	Low	3.50 %	\$100,614	\$0	\$3,728	\$3,965
2050	\$796,043	\$792,417	100.5 %	Low	3.50 %	\$104,136	\$0	\$4,205	\$18,266
2051	\$886,117	\$880,976	100.6 %	Low	3.50 %	\$107,781	\$0	\$4,711	\$0
2052	\$998,609	\$995,109	100.4 %	Low	3.50 %	\$111,553	\$0	\$5,284	\$0

Fiscal Year	2023	2024	2025	2026	2027
Starting Reserve Balance	\$199,384	\$227,273	\$186,831	\$214,247	\$261,042
Annual Reserve Contribution	\$31,608	\$35,717	\$40,360	\$45,607	\$47,203
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,066	\$1,035	\$1,002	\$1,188	\$1,412
Total Income	\$232,058	\$264,025	\$228,194	\$261,042	\$309,657
# Component					
Common Area					
202 Asphalt - Remove & Replace	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$6,852	\$0	\$0
206 Concrete Surface - Repair (10%)	\$0	\$0	\$0	\$0	\$5,697
207 Stamped Concrete - Repr/Rplce (25%)	\$0	\$0	\$7,095	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Replace	\$0	\$3,312	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
518 Trellis - Replace	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controller - Replace	\$0	\$0	\$0	\$0	\$0
1403 Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
1813 Fire Standpipe - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
503 Metal Fence - Replace	\$0	\$0	\$0	\$0	\$0
703 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence - Repaint	\$4,785	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$6,568	\$0	\$0	\$0
1117 Wood Siding/Trim - Repair (10%)	\$0	\$4,862	\$0	\$0	\$0
1125 EIFS Exterior - Repaint	\$0	\$36,816	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1312 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
1880 Fumigation - Treat	\$0	\$25,636	\$0	\$0	\$0
Total Expenses	\$4,785	\$77,194	\$13,947	\$0	\$5,697
Ending Reserve Balance	\$227,273	\$186,831	\$214,247	\$261,042	\$303,960

Fiscal Year	2028	2029	2030	2031	2032
Starting Reserve Balance	\$303,960	\$316,096	\$368,372	\$414,327	\$470,706
Annual Reserve Contribution	\$48,855	\$50,565	\$52,335	\$54,167	\$56,063
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,550	\$1,711	\$1,956	\$2,212	\$2,449
Total Income	\$354,365	\$368,372	\$422,663	\$470,706	\$529,218
# Component					
Common Area					
202 Asphalt - Remove & Replace	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$8,336	\$0	\$0
206 Concrete Surface - Repair (10%)	\$0	\$0	\$0	\$0	\$0
207 Stamped Concrete - Repr/Rplce (25%)	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$30,842	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$4,533
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
518 Trellis - Replace	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controller - Replace	\$0	\$0	\$0	\$0	\$0
1403 Entry Sign - Replace	\$1,606	\$0	\$0	\$0	\$0
1813 Fire Standpipe - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
503 Metal Fence - Replace	\$0	\$0	\$0	\$0	\$0
703 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence - Repaint	\$5,822	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$0	\$8,988
1117 Wood Siding/Trim - Repair (10%)	\$0	\$0	\$0	\$0	\$6,654
1125 EIFS Exterior - Repaint	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1312 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
1880 Fumigation - Treat	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$38,270	\$0	\$8,336	\$0	\$20,175
Ending Reserve Balance	\$316,096	\$368,372	\$414,327	\$470,706	\$509,042

Fiscal Year	2033	2034	2035	2036	2037
Starting Reserve Balance	\$509,042	\$393,492	\$453,463	\$507,882	\$248,333
Annual Reserve Contribution	\$58,025	\$60,056	\$62,158	\$64,333	\$66,585
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$2,256	\$2,117	\$2,403	\$1,890	\$1,390
Total Income	\$569,323	\$455,665	\$518,024	\$574,105	\$316,309
# Component					
Common Area					
202 Asphalt - Remove & Replace	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$10,143	\$0	\$0
206 Concrete Surface - Repair (10%)	\$0	\$0	\$0	\$0	\$8,433
207 Stamped Concrete - Repr/Rplce (25%)	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$4,071	\$0	\$0	\$0	\$0
404 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$67,647	\$0	\$0	\$0	\$0
518 Trellis - Replace	\$48,996	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controller - Replace	\$0	\$2,201	\$0	\$0	\$0
1403 Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
1813 Fire Standpipe - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
503 Metal Fence - Replace	\$0	\$0	\$0	\$0	\$0
703 Utility Doors - Replace	\$48,034	\$0	\$0	\$0	\$0
1107 Metal Fence - Repaint	\$7,083	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1117 Wood Siding/Trim - Repair (10%)	\$0	\$0	\$0	\$0	\$0
1125 EIFS Exterior - Repaint	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$259,751	\$0
1312 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$66,020	\$0
1880 Fumigation - Treat	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$175,831	\$2,201	\$10,143	\$325,772	\$8,433
Ending Reserve Balance	\$393,492	\$453,463	\$507,882	\$248,333	\$307,875

Fiscal Year	2038	2039	2040	2041	2042
Starting Reserve Balance	\$307,875	\$287,863	\$241,768	\$146,862	\$224,197
Annual Reserve Contribution	\$68,915	\$71,327	\$73,824	\$76,408	\$79,082
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,489	\$1,324	\$971	\$927	\$1,322
Total Income	\$378,280	\$360,515	\$316,563	\$224,197	\$304,601
# Component					
Common Area					
202 Asphalt - Remove & Replace	\$0	\$118,747	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$12,340	\$0	\$0
206 Concrete Surface - Repair (10%)	\$0	\$0	\$0	\$0	\$0
207 Stamped Concrete - Repr/Rplce (25%)	\$0	\$0	\$12,778	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Replace	\$0	\$0	\$6,204	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
518 Trellis - Replace	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$4,358	\$0	\$0	\$0	\$0
1003 Irrigation Controller - Replace	\$0	\$0	\$0	\$0	\$0
1403 Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
1813 Fire Standpipe - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
503 Metal Fence - Replace	\$77,441	\$0	\$0	\$0	\$0
703 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence - Repaint	\$8,618	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$12,301	\$0	\$0
1117 Wood Siding/Trim - Repair (10%)	\$0	\$0	\$9,106	\$0	\$0
1125 EIFS Exterior - Repaint	\$0	\$0	\$68,956	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1312 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
1880 Fumigation - Treat	\$0	\$0	\$48,016	\$0	\$0
Total Expenses	\$90,416	\$118,747	\$169,701	\$0	\$0
Ending Reserve Balance	\$287,863	\$241,768	\$146,862	\$224,197	\$304,601

Fiscal Year	2043	2044	2045	2046	2047
Starting Reserve Balance	\$304,601	\$376,101	\$462,913	\$538,081	\$631,753
Annual Reserve Contribution	\$81,850	\$84,715	\$87,680	\$90,748	\$93,925
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,701	\$2,097	\$2,502	\$2,924	\$3,370
Total Income	\$388,152	\$462,913	\$553,094	\$631,753	\$729,048
# Component					
Common Area					
202 Asphalt - Remove & Replace	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$15,013	\$0	\$0
206 Concrete Surface - Repair (10%)	\$0	\$0	\$0	\$0	\$12,483
207 Stamped Concrete - Repr/Rplce (25%)	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$0	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Replace	\$0	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
518 Trellis - Replace	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controller - Replace	\$0	\$0	\$0	\$0	\$0
1403 Entry Sign - Replace	\$0	\$0	\$0	\$0	\$0
1813 Fire Standpipe - Replace	\$1,567	\$0	\$0	\$0	\$0
Building Exterior					
503 Metal Fence - Replace	\$0	\$0	\$0	\$0	\$0
703 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence - Repaint	\$10,485	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1117 Wood Siding/Trim - Repair (10%)	\$0	\$0	\$0	\$0	\$0
1125 EIFS Exterior - Repaint	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1312 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
1880 Fumigation - Treat	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$12,051	\$0	\$15,013	\$0	\$12,483
Ending Reserve Balance	\$376,101	\$462,913	\$538,081	\$631,753	\$716,565

Fiscal Year	2048	2049	2050	2051	2052
Starting Reserve Balance	\$716,565	\$695,665	\$796,043	\$886,117	\$998,609
Annual Reserve Contribution	\$97,212	\$100,614	\$104,136	\$107,781	\$111,553
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,530	\$3,728	\$4,205	\$4,711	\$5,284
Total Income	\$817,307	\$800,008	\$904,384	\$998,609	\$1,115,446
# Component					
Common Area					
202 Asphalt - Remove & Replace	\$0	\$0	\$0	\$0	\$0
203 Asphalt - Seal/Repair	\$0	\$0	\$18,266	\$0	\$0
206 Concrete Surface - Repair (10%)	\$0	\$0	\$0	\$0	\$0
207 Stamped Concrete - Repr/Rplce (25%)	\$0	\$0	\$0	\$0	\$0
322 Bollard Lights - Replace	\$67,579	\$0	\$0	\$0	\$0
403 Mailboxes - Replace	\$0	\$0	\$0	\$0	\$0
404 Patio Furniture - Replace	\$8,491	\$0	\$0	\$0	\$0
505 Wood Fence - Replace	\$0	\$0	\$0	\$0	\$0
518 Trellis - Replace	\$0	\$0	\$0	\$0	\$0
1001 Backflow Devices - Replace	\$0	\$0	\$0	\$0	\$0
1003 Irrigation Controller - Replace	\$0	\$3,965	\$0	\$0	\$0
1403 Entry Sign - Replace	\$3,519	\$0	\$0	\$0	\$0
1813 Fire Standpipe - Replace	\$0	\$0	\$0	\$0	\$0
Building Exterior					
503 Metal Fence - Replace	\$0	\$0	\$0	\$0	\$0
703 Utility Doors - Replace	\$0	\$0	\$0	\$0	\$0
1107 Metal Fence - Repaint	\$12,756	\$0	\$0	\$0	\$0
1116 Wood Surfaces - Repaint	\$16,835	\$0	\$0	\$0	\$0
1117 Wood Siding/Trim - Repair (10%)	\$12,463	\$0	\$0	\$0	\$0
1125 EIFS Exterior - Repaint	\$0	\$0	\$0	\$0	\$0
1303 Comp Shingle Roof - Replace	\$0	\$0	\$0	\$0	\$0
1312 Gutters/Downspouts - Replace	\$0	\$0	\$0	\$0	\$0
1880 Fumigation - Treat	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$121,642	\$3,965	\$18,266	\$0	\$0
Ending Reserve Balance	\$695,665	\$796,043	\$886,117	\$998,609	\$1,115,446



Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Derek Eckert, R.S., company president, is a credentialed Reserve Specialist (#114). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.

Where any uncertainties exist, we urge the association to obtain a legal review and written opinion of the legitimacy of the funding policies, as stipulated or permitted under your Declaration and local statutes. As these are legal questions, we highly recommend use of an experienced real property attorney specializing in association law.

Re-use of reserve study, figures or calculations in any other format absolves ARSF of all responsibility.



Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.



Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The Component Details herein represent a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

- 1) Common area maintenance repair & replacement responsibility
- 2) The component must have a limited life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of annual operating expenses).

Some components are recommended for reserve funding, while others are not. The components that meet these criteria in our judgment are shown with corresponding maintenance, repair, or replacement cycles (UL = Useful Life of how often the project is expected to occur, RUL = Remaining Useful Life pr how many years from our reporting period) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, we are attempting to represent a market to be a one-time expense. Where no pricing, the component deemed inappropriate for Reserve Funding.

Common Area

Comp #: 202 Asphalt - Remove & Replace

Quantity: Approx 9,600 GSF

Location: Association streets

Funded?: Yes.

History:

Comments: We recommend resealing the asphalt surfaces every 4-5 years to protect against water intrusion and other factors that accelerate the deterioration of the aggregate base.

Useful Life: 30 years

Remaining Life: 16 years

Best Case: \$ 57,600

Worst Case: \$69,200

Lower allowance to remove & replace

Higher allowance to remove & replace

Cost Source: ARSF Cost Database

Comp #: 203 Asphalt - Seal/Repair

Quantity: Approx 9,600 GSF

Location: Association streets

Funded?: Yes.

History: Addressed in 2020.

Comments: We recommend sealing every 4-5 years to help maximize the useful life of the asphalt surfaces.

Useful Life: 5 years

Remaining Life: 2 years

Best Case: \$ 5,760

Worst Case: \$6,910

Lower allowance to seal/repair

Higher allowance to seal/repair

Cost Source: ARSF Cost Database

Comp #: 206 Concrete Surface - Repair (10%)

Quantity: Approx 10% of 1,835 GSF

Location: Association sidewalks

Funded?: Yes.

History:

Comments: Inspect all areas periodically to identify any areas of major damage or safety issues.

Useful Life: 10 years

Remaining Life: 4 years

Best Case: \$ 4,390

Worst Case: \$5,350

Lower allowance for repairs

Higher allowance for repairs

Cost Source: ARSF Cost Database

Comp #: 207 Stamped Concrete - Repr/Rplce (25%)

Quantity: Approx 25% of 870 GSF

Location: Association streets

Funded?: Yes.

History:

Comments: Inspect all areas periodically to identify any areas of major damage or safety issues.

Useful Life: 15 years

Remaining Life: 2 years

Best Case: \$ 5,900

Worst Case: \$7,220

Lower allowance to repair/replace

Higher allowance to repair/replace

Cost Source: ARSF Cost Database

Comp #: 322 Bollard Lights - Replace

Quantity: (16) Bollards

Location: Common area

Funded?: Yes.

History:

Comments: We recommend periodic cleaning and painting to maintain an attractive appearance.

Useful Life: 20 years

Remaining Life: 5 years

Best Case: \$ 23,100

Worst Case: \$27,600

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 403 Mailboxes - Replace

Quantity: (17) Boxes, (1) Kiosk

Location: Common area

Funded?: Yes.

History: Manufacture Date: 04/2008

Comments: As routine maintenance, inspect regularly, clean by wiping down for appearance, change lock cylinders, lubricate hinges and repair as needed from operating budget.

Useful Life: 25 years

Remaining Life: 10 years

Best Case: \$ 2,420

Worst Case: \$3,080

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 404 Patio Furniture - Replace**Quantity: (6) Furniture Pieces**

Location: Common area

Funded?: Yes.

History:

Comments: Inspect regularly and repair or replace any damaged pieces promptly to ensure safety.

Useful Life: 8 years

Remaining Life: 1 years

Best Case: \$ 2,880

Worst Case: \$3,490

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 505 Wood Fence - Replace**Quantity: Approx 760 LF**

Location: Association perimeter

Funded?: Yes.

History:

Comments: As routine maintenance, inspect regularly for any damage, repair as needed and avoid contact with ground and surrounding vegetation wherever possible. Regular cycles of uniform, professional sealing/painting will help to maintain appearance and maximize life. Plan to replace at roughly the time frame below with funding included here for similar wood fence replacement.

Useful Life: 25 years

Remaining Life: 10 years

Best Case: \$ 41,100

Worst Case: \$50,300

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 518 Trellis - Replace**Quantity: Approx 1,000 GSF**

Location: Common area

Funded?: Yes.

History:

Comments: With ordinary care and maintenance, plan for replacement at roughly the interval indicated below due to deterioration that will result from constant exposure. Local repairs between large scale replacements can be funded as general maintenance item.

Useful Life: 25 years

Remaining Life: 10 years

Best Case: \$ 30,100

Worst Case: \$36,100

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1001 Backflow Devices - Replace**Quantity: (1) Device**

Location: Common area

Funded?: Yes.

History:

Comments: We recommend periodic inspection by a licensed professional to ensure the device is functioning properly.

Useful Life: 30 years

Remaining Life: 15 years

Best Case: \$ 2,200

Worst Case: \$2,640

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1003 Irrigation Controller - Replace**Quantity: (1) Controller**

Location: Common area

Funded?: Yes.

History:

Comments: We recommend regular inspection and testing by a professional landscape vendor to help ensure the irrigation system continues to function properly. Funding for replacement at the interval below.

Useful Life: 15 years

Remaining Life: 11 years

Best Case: \$ 1,210

Worst Case: \$1,650

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1403 Entry Sign - Replace**Quantity: (1) Entry Sign**

Location: Common area

Funded?: Yes.

History:

Comments: Funding allowance here can vary significantly depending on style/type desired. As routine maintenance, inspect regularly, clean/touch up for appearance and repair from operating budget.

Useful Life: 20 years

Remaining Life: 5 years

Best Case: \$ 1,210

Worst Case: \$1,430

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1811 Plumbing - Replace/Reline/Repair

Quantity: Extensive LF

Location: Garage and vertical stacks between walls

Funded?: No. The useful life of this component extends past the scope of this report. No Reserve funding allocated.

History:

Comments:

Useful Life:

Remaining Life:

Best Case:

Worst Case:

Cost Source:

Comp #: 1813 Fire Standpipe - Replace

Quantity: Extensive Devices

Location: Common area

Funded?: Yes.

History:

Comments: Regular testing and inspections should be conducted as an Operating expense.

Useful Life: 35 years

Remaining Life: 20 years

Best Case: \$ 660

Worst Case: \$770

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Building Exterior

Comp #: 503 Metal Fence - Replace**Quantity: Approx 500 LF**

Location: Unit perimeters

Funded?: Yes.

History:

Comments: Inspect regularly to ensure stability of fencing. Durable and typically long lived component with ordinary care and maintenance, however, we recommend setting aside

Useful Life: 30 years

Remaining Life: 15 years

Best Case: \$ 39,100

Worst Case: \$46,900

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 703 Utility Doors - Replace**Quantity: (60) Doors**

Location: Building exteriors

Funded?: Yes.

History:

Comments: Inspect regularly, repair hardware as needed from maintenance budget. Clean and paint along with other interior building surfaces.

Useful Life: 25 years

Remaining Life: 10 years

Best Case: \$ 28,800

Worst Case: \$36,100

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1107 Metal Fence - Repaint**Quantity: Approx 500 LF**

Location: Common area fencing

Funded?: Yes.

History: Addressed in 2018.

Comments: We recommend painting metal surfaces every 4-6 years to prevent rust and natural deterioration.

Useful Life: 5 years

Remaining Life: 0 years

Best Case: \$ 4,180

Worst Case: \$5,390

Lower allowance to repaint

Higher allowance to repaint

Cost Source: ARSF Cost Database

Comp #: 1116 Wood Surfaces - Repaint**Quantity: Approx 3,000 GSF**

Location: Building exterior surfaces

Funded?: Yes.

History:

Comments: We recommend painting wood surfaces every 6-8 years to prevent rot and natural deterioration.

Useful Life: 8 years

Remaining Life: 1 years

Best Case: \$ 5,410

Worst Case: \$7,220

Lower allowance to repaint

Higher allowance to repaint

Cost Source: ARSF Cost Database

Comp #: 1117 Wood Siding/Trim - Repair (10%)**Quantity: Approx 10% of 3,000 GSF**

Location: Building exterior surfaces

Funded?: Yes.

History:

Comments: Funding is recommended for partial replacement of wood due to potential for termite damage, wood rot, and natural deterioration. Coordinate with painting for cost efficiency purposes.

Useful Life: 8 years

Remaining Life: 1 years

Best Case: \$ 4,290

Worst Case: \$5,060

Lower allowance to repair (10%)

Higher allowance to repair (10%)

Cost Source: ARSF Cost Database

Comp #: 1125 EIFS Exterior - Repaint**Quantity: Approx 16,800 GSF**

Location: Building exterior surfaces

Funded?: Yes.

History:

Comments: We recommend setting aside funding for eventual repainting at the interval below. Once repainted the surfaces will need to be repainted every 14-16 years to maintain appearance.

Useful Life: 16 years

Remaining Life: 1 years

Best Case: \$ 30,400

Worst Case: \$40,400

Lower allowance to repaint

Higher allowance to repaint

Cost Source: ARSF Cost Database

Comp #: 1303 Comp Shingle Roof - Replace**Quantity: Approx 15,700 GSF**

Location: Building roofs

Funded?: Yes.

History:

Comments: We recommend periodic inspection by a licensed professional to ensure the roof is aging properly.

Useful Life: 28 years

Remaining Life: 13 years

Best Case: \$ 141,000

Worst Case: \$171,000

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1312 Gutters/Downspouts - Replace**Quantity: Approx 3,000 LF**

Location: Perimeter of buildings

Funded?: Yes.

History:

Comments: Inspect regularly, keep gutters and downspouts free of debris to ensure water evacuating from rooftops as designed and repair as needed from general operating funds. Best to plan for replacement at the same intervals as roof replacement cost efficiency.

Useful Life: 28 years

Remaining Life: 13 years

Best Case: \$ 36,100

Worst Case: \$43,200

Lower allowance to replace

Higher allowance to replace

Cost Source: ARSF Cost Database

Comp #: 1880 Fumigation - Treat**Quantity: (15) Units**

Location: Association buildings

Funded?: Yes.

History:

Comments: Plan on complete treatment every 10-16 years, do spot treatment as needed.

Useful Life: 16 years

Remaining Life: 1 years

Best Case: \$ 21,700

Worst Case: \$27,600

Lower allowance to treat

Higher allowance to treat

Cost Source: ARSF Cost Database