PGA WEST™

FAIRWAYS ASSOCIATION

TIBURON SPECIAL BENEFIT AREA (SBA)
2022 ANNUAL BUDGET REPORT AND POLICY STATEMENT

November 19, 2021

Dear Homeowner,

The PGA WEST Fairways Association is providing you with our annual financial budget report and policy statement packet. This summary of your Association's fiscal plan is provided to give you important financial transparency related to your home and our community.

As a preface – in addition to the ongoing maintenance of common areas, the Fairways Board of Directors wanted to recap recent key projects undertaken to enhance the aesthetics of our community as we continue in our quest to position Fairways as a premier community.

Within this 2021 fiscal year the Fairways Association has performed the following:

1. Continued the phased removal of dead/dying queen palms
2. Replaced irrigation controllers throughout Fairways increasing efficiencies relative to watering and irrigation personnel
3. Upgraded holiday lighting throughout the community to highlight the season,
4. Enhanced fall flower plantings to include geraniums in highly visible areas,
5. Established new / refreshed paint palettes in most Special Benefit Areas ("SBAs"),
6. Refreshed the landscaping on Chanticleer and Spanish Bay and
7. Performed touch up painting on the interior perimeter walls.

Your Board of Directors is committed to maintaining Fairways' pace of improvements as we continue forward. As such, we've been hard at work balancing the impact to the budget of state mandated minimum wage and the resultant contract increases, utility increases and dealing with our ever-aging infrastructure needs.

As we enter the next fiscal year the Board would like to highlight three major projects that will affect your individual properties, and in some instances, drive assessment increases.

- **One is the ongoing removal of the numerous dead/dying queen palms over the next year. We continue to identify those queen palms having the most urgent need of being removed with the intention that all queen palms within Fairways HOA maintained areas will be removed by 2022.**

- **The second project is preparing for the removal of various canopy trees that are causing damage to hardscape, are planted too close to structures, are diseased, have a weakened tree structure, or are too large for location planted. As our community has aged beyond 20 years, some canopy trees are of heightened concern and require immediate action as we move through this process.**

- **Another key project we are in the process of is resurfacing the community pools and have repaired and replaced the fencing around the pools.**

All projects are costly and are funded by each individual SBA budget. Thus, the Board has been faced with some difficult decisions relative to assessment increases. While most of the SBAs are not significantly impacted by these improvement projects. Any increases are considered carefully by the Board and are not taken lightly.

Post Office Box 1690 • La Quinta, California 92247 • Phone (760) 776-5100 • Fax (760) 776-5111 • www.pgawestfairways.com

YOUR 2022 MONTHLY ASSESSMENT

Monthly Assessment: Effective January 1, 2022 the total monthly assessment for your home will be $605.

This assessment amount includes a Fairways Base (Base) assessment of $183, the Master Association assessment of $174 and your Special Benefit Area (SBA) assessment of $248.

Important overall budget items to note:

Base Budget: You will note an increase to the Fairways Base Assessment in 2022. The Fairways Board has been able to offset increases in prior years' despite the state-mandated increases to minimum wage and labor costs on our third-party, labor intensive contracts (such as landscape), an increase in annual reserve funding, and the continuous changes to utility usage rates. This year the Board determined an increase was necessary to continue to fulfill the obligations of the Association set forth within the Governing Documents. In addition, the Board used accumulated equity to meet the additional reserve funding requirement.

SBA Budgets: The Board reviewed each of the SBA budgets and determined most of the SBAs are well-funded, and in some cases over-funded. Therefore, some of the increased operational expenses in the 2022 budget (i.e. landscape services) could be offset by a decrease in the Reserve allocation. The Board will again review this information during the 2023 budget cycle and make determinations as needed. Although the SBA budgets vary, the Board felt it necessary to keep all owners informed.

Base Reserves Funded at 84 Percent: The Board contracted with The Management Trust to perform a reserve study update for the capital components within the Fairways Association. At the end of the 2022 fiscal year, the Association's Base reserves are projected to be funded at 84 percent. The Board is funding the reserve funding requirement through its annual reserve allocation as part of the regular assessments and utilizing accumulated equity. A summary of the Association's reserve funding plan is enclosed. The full reserve study report is available upon request.

Monthly Assessment: Your monthly assessment is due on the first day of each month. The Association will continue to utilize a coupon program for payment of the monthly assessments. Payment coupon books and return labels will be mailed to you in December. Homeowners are reminded of their obligation to make assessment payments in a timely manner each month, regardless of whether the coupon books have been received. To ensure prompt payment is made each month, you may wish to enroll in the Association's Surepay program by completing the enclosed form and returning it to The Management Trust, Desert Division. **If you have already enrolled in this program, you do not need to complete the form again. Coupon booklets are not distributed to those homeowners enrolled in the Surepay program. If you are currently making automatic payments through your bank's online bill-pay system, please update the payment amount effective January 1, 2022.**

Finally, we know that you will agree that we have a beautiful community and we hope you are as proud of it as we are. Again, any assessment increase decision is not taken lightly by the Board but we hope you will agree it is well worth the value it provides in maintaining our standards.

Should you have any questions regarding the items contained in this package, please contact the Association Management Office at (760) 862-6335 or by email to Ken.Kuperstein@Managementtrust.com.

Sincerely,

The PGA WEST Fairways Board of Directors

ATTACHMENTS

In this mailer you will find important documents listed below. Please take the time to read the information and file the report with all other documents pertaining to your home, as you may be required to show it to prospective buyers of your property.

1. Annual Policy Statement
2. 2022 Annual SBA Budget
3. 2022 Annual Fairways Base Budget
4. SBA Reserves Study Disclosure
5. Fairways Base Reserve Study Disclosure
6. Assessment and Maintenance Allocation Breakdown
7. Homeowner Information Update/Go Green
8. Insurance Summary Disclosure (Common Areas Only)
9. Certificate of Insurance (Common Areas Only)
10. Surepay form (ACH)
11. Summary of ADR/IDR Laws
12. FHA/VA Disclosure
13. Escrow Disclosure Form
14. Certified Common Interest Development Manager Disclosure Statement
15. Notice of Assessments and Foreclosure/Fairways Collection Policy
16. Fairways Rules & Regulations – Enforcement Policy
17. Fairways Architectural Guidelines – Application Procedures

PGA WEST FAIRWAYS ASSOCIATION
2022 ANNUAL POLICY STATEMENT

California Civil Code requires each Association to provide an annual policy statement to the members within 30 to 90 days of the fiscal year end. Please read these policy statements below, as they contain pertinent information regarding your community.

All official communications to the PGA WEST Fairways Association should be sent to Ken Kuperstein, General Manager, P.O. Box 1690, La Quinta, CA 92247.

Secondary Address
Requires the Association to advise all owners of the right to submit a secondary address to the Association for annual reports the Association is required to provide to owners, and for mailings and notices related to assessments payments, delinquencies and foreclosures; provided that the request is made in writing and mailed to the Association in a manner that indicates that the Association has received it.

General Notices
Requires that the membership be notified of the designated area for the posting of general notices. General Notices (including meeting agendas) are posted in flyer boxes at the following locations/cross streets: Villas Park Area, Brae Burn Community Pool, Spanish Bay/Meadowbrook, Hermitage Community Pool, Muirfield Village/Golf View Drive, Legends Way/Troon, Shinnecock/Mountain View, and Kingston Heath/Medallist. Please be advised that all owners have the option to receive general notices by individual delivery upon written notification that is mailed to the Association in a manner that indicates the Association has received it.

Homeowners are invited to attend the monthly Board meetings, which are generally held on the fourth Thursday of each month, normally held at the Private Clubhouse on PGA Blvd. With COVID-19 restrictions in place, meetings are currently being held electronically via ZOOM.

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

Association Assessment & Collection Policy
Association assessments are due and payable on the first (1st) day of the month and are considered delinquent if the Association has not received payment by the fifteenth (15th) of the month. The Board of Directors Resolution regarding the collection policy for Fairways (containing the mailing address for overnight payments of assessments) is enclosed along with a special notice as required by California Civil Code.

ADR/IDR
Enclosed is a copy of the Alternative Dispute Resolution (ADR) and the Internal Dispute Resolution (IDR) process. California law requires that certain types of disputes between the Association and the Membership provide for an independent forum to resolve the dispute before the filing of a lawsuit by any party.

Architectural Procedures
The procedures for applying for approval of any additions, alterations or modifications to a home within the association are outlined in the enclosed section from the Architectural Guidelines (Article 6).

Certified Common Interest Development Manager, Disclosure Statement
Business and professional codes provide for disclosure of certifications held by the General Manager. Please review the enclosed disclosure statement.

Enforcement Policy
Should any of the rules of the PGA WEST Fairways Association be violated, the Board of Directors will implement the enforcement policy as applicable and as outlined in the enclosed sections of the Rules and Regulations (Section X - Enforcement) and Architectural Guidelines (Section 7.9 - Enforcement Procedure). You may also refer to the Association's Bylaws, Section 5.4 entitled Notice and Hearing Procedures for Disciplinary Actions Against Owners, and the Fairways Declaration, Section 9.11 entitled Enforcement.

Deficit/Special Assessment Notice - The forecasts included in this Budget are based on actual expenses and historical data for your product type. Although unforeseen emergencies or expenses may occur, the Board of Directors is confident that the 2022 Operating Budget and Reserve Study offer a sound budget to fund the Association's activities for the year. The Board is projecting no deficits in the Operating or Replacement Reserve Budgets for the 2022 Fiscal Year and does not anticipate the need to levy a special assessment to repair, replace or restore any major component. However, the Board reserves the right to approve a special assessment to repair, replace or restore any major component. The Board has not deferred any repairs or replacements of any major component with a remaining life of 30 years or less.

The Association does not have any outstanding loans with an original term of more than one year.

PGA WEST Master Association – The PGA WEST Master Association office is located on site at the Weiskopf Gatehouse located at 56144 PGA Blvd., La Quinta, CA 92253. Phone number: (760) 564-3858. You may convey concerns regarding Master Association matters to the Master Board, as the Fairways Board of Directors has no control over that Association's operations including, but not limited to, patrol services, Residential Entry gates, perimeter landscape maintenance and PGA Blvd. Please remember, as Fairways Association members, you are *also* members of PGA WEST Master Association.

PGA WEST Fairways Association
2022 Approved Tiburon Budget

	Annual	Monthly	Per unit
Income			
Assessments	56,544.00	4,712.00	248.00
Total Income	56,544.00	4,712.00	248.00
Expenses			
Utilities			
Electricity	180.00	15.00	0.79
Water	6,446.00	537.17	28.27
Total Utilities	6,626	552.17	29.06
Landscaping			
Contract	35,088.00	2,924.00	153.89
Flowers	2,953.00	246.08	12.95
Tree Trimming	405.00	33.75	1.78
Total Landscaping Budget	38,446	3,203.83	168.62
Common Area			
Lighting	480.00	40.00	2.11
Total Common Area Budget	480.00	40.00	2.11
Reserves			
Lighting/Electrical	3,372.00	281.00	14.79
Landscape/Irrigation	7,080.00	590.00	31.05
Mailboxes	540.00	45.00	2.37
Total Reserve Funding	10,992.00	916.00	48.21
Total Expenses	56,544.00	4,712.00	248.00
Net Surplus/(Deficit)	0.00	0.00	0.00

PGA WEST Fairways Association
2022 Approved Base Budget

	Annual	Monthly
Income		
Assessments	2,138,904.00	178,242.00
Master Assessments	1,247,712.00	103,976.00
Interest - operating	4,800.00	400.00
Reserve Interest	59,280.00	4,940.00
Total Income	3,450,696.00	287,558.00
Expenses		
Utilities		
Electricity	27,005.00	2,250.42
Water	54,750.00	4,562.50
Gas	19,680.00	1,640.00
Cable	466,194.00	38,849.50
Total Utilities	567,629.00	47,302.42
Landscaping		
Contract	408,480.00	34,040.00
Flowers	29,550.00	2,462.50
Tree Trimming	12,376.00	1,031.33
Extras	2,880.00	240.00
Committee	24,000.00	2,000.00
Total Landscaping	477,286.00	39,773.83
Common Area		
Restroom & Cleaning	20,559.00	1,713.25
Lighting Contract	2,316.00	193.00
Lighting Repairs	3,300.00	275.00
Street Sweeping	33,750.00	2,812.50
Common Area R&M	8,100.00	675.00
Pest Control	2,512.00	209.33
Pool contract	24,600.00	2,050.00
Pond Maintenance	8,307.00	692.25
Pool/Spa/Fountain Repairs	2,400.00	200.00
Pool Permits	3,248.00	270.67
Total Common Area	109,092.00	9,091.00

Administrative		
Income Taxes	28,000.00	2,333.33
Master Assessments	1,247,712.00	103,976.00
Legal - General	24,000.00	2,000.00
Legal - Collection	420.00	35.00
Audit	7,400.00	616.67
Accounting	66,396.00	5,533.00
Management	371,760.00	30,980.00
Insurance	22,392.00	1,866.00
Administrative Expense	31,175.00	2,597.92
Office costs	16,860.00	1,405.00
Miscellaneous	0.00	
Reserve Study	8,470.00	705.83
Total Administrative	1,824,585.00	152,048.75
Reserve Funding		
Roofs	696.00	58.00
Walls/Fencing	936.00	78.00
Lighting/Electrical	7,476.00	623.00
Streets/Concrete	231,000.00	19,250.00
Pools/Spa	15,264.00	1,272.00
Landscape/Irrigation	117,120.00	9,760.00
Painting	10,980.00	915.00
Signs	1,896.00	158.00
Access systems	360.00	30.00
Water Features	1,740.00	145.00
Common Area	13,332.00	1,111.00
Contingency	12,024.00	1,002.00
Interest	59,280.00	4,940.00
Total Reserve Funding	472,104.00	39,342.00
Total Expenses	3,450,696.00	287,558.00
Net Surplus/(Deficit)	0.00	0.00

Assessment and Reserve Funding Disclosure Summary for Fiscal Year Ending December 31, 2022

1) The current regular assessment per ownership interest is $248.00 per month.

2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date assessment will be due:	Amount per ownership interest per month*	Purpose of the assessment:
N/A		
	Total:	

* If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page N/A of the attached report.

3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? Yes – If the funding recommendations are followed (barring any unforeseen circumstances).

4) If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

Approximate Date Assessment Will Be Due:	Amount Per Unit Per Month:
N/A	
	Total:

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

6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of the current fiscal year is $28,235, based in whole or in part on the last reserve study or update prepared by The Management Trust as of April, 2021. The projected reserve fund cash balance at the end of the current fiscal year (the fiscal year this reserve study is prepared for) is $54,274, resulting in reserves being 192% percent funded.

7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is shown in the chart below. The estimated year ending balances and the percent funded level in the corresponding years for both the Current Reserve Funding Plan as well as the Approved 2022 Reserve Funding Plan are also shown in the chart below. The Current Reserve Funding Plan only takes into account assessments already approved and other known revenues.

Year	**Estimated Reserve Amount Required**	**Current Reserve Funding Plan Projection**		**Approved 2022 Reserve Funding Plan Projection**	
	Year End Balance	Year End Balance	Percent Funded	Year End Balance	Percent funded
2022	$28,235	$55,424	196%	$54,274	192%
2023	$21,461	$55,163	257%	$52,847	246%
2024	$22,759	$63,706	280%	$60,206	265%
2025	$23,305	$72,288	310%	$67,585	290%
2026	$23,216	$80,907	348%	$74,984	323%

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.5 percent per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2 percent per year.

PGA WEST Fairways - Tiburon
Approved 2022 Funding Model Projection

Beginning Balance: $46,831

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2022	54,374	10,992	732	4,281	54,274	28,235	192%
2023	52,554	10,992	711	13,130	52,847	21,461	246%
2024	47,207	10,992	821	4,454	60,206	22,759	265%
2025	45,126	10,992	930	4,543	67,585	23,305	290%
2026	42,944	10,992	1,041	4,634	74,984	23,216	323%
2027	40,656	10,992	1,198	1,580	85,594	26,420	324%
2028	41,469	10,992	1,268	7,571	90,283	23,481	384%
2029	42,299	10,992	1,428	1,644	101,060	26,801	377%
2030	43,145	10,992	1,591	1,677	111,966	30,244	370%
2031	44,008	10,992	1,755	1,710	123,003	33,814	364%
2032	44,888	10,992	1,921	1,744	134,172	37,515	358%
2033	45,785	10,992	1,990	8,359	138,795	34,438	403%
2034	46,701	10,992	2,159	1,815	150,130	38,273	392%
2035	47,635	10,992	2,153	13,494	149,782	30,017	499%
2036	48,588	10,992	2,323	1,888	161,209	33,891	476%
2037	49,560	10,992	2,495	1,926	172,771	37,909	456%
2038	50,551	10,992	2,560	9,229	177,093	34,441	514%
2039	51,562	10,992	2,734	2,004	188,816	38,604	489%
2040	52,593	10,992	2,911	2,044	200,675	42,920	468%
2041	53,645	10,992	3,089	2,085	212,671	47,393	449%
2042	54,718	10,992	2,796	33,481	192,979	19,087	1011%
2043	55,812	10,992	2,850	10,190	196,631	14,803	1328%
2044	56,928	10,992	3,026	2,212	208,437	18,935	1101%
2045	58,067	10,992	3,204	2,257	220,376	23,226	949%
2046	59,228	10,992	3,383	2,302	232,450	27,682	840%
2047	60,413	10,992	3,565	2,348	244,660	32,306	757%
2048	61,621	10,992	3,615	11,250	248,016	27,800	892%
2049	62,854	10,992	3,799	2,443	260,365	32,592	799%
2050	64,111	10,992	3,748	18,161	256,944	21,101	1218%
2051	65,393	10,992	3,932	2,541	269,327	25,930	1039%

PGA WEST Fairways - Tiburon
Component Summary - Current Costs

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Lighting								
Lighting - LED Light Bulbs	2018	2023	5	0	1	89 Bulbs	59.46	5,292
Lighting - Landscape Lights	2012	2042	30	0	20	89 Fixtures	157.31	14,001
Lighting - Total								$19,293
Mailboxes								
Mailboxes - Cluster Box	2012	2042	30	0	20	2 Kiosks	1,550.00	3,100
Mailboxes - Mailbox Structure	2012	2042	30	0	20	2 Structures	2,000.00	4,000
Mailboxes - Total								$7,100
Landscaping/Irrigation								
Irrigation - Controllers	2020	2035	15	0	13	3 Controllers	3,000.00	9,000
Irrigation - Repairs (Phase 1)	2021	2022	1	0	0	1 Allocation	2,850.00	2,850
Irrigation - Repairs (Phase 2)	2021	2023	1	1	1	1 Allocation	2,850.00	2,850
Irrigation - Repairs (Phase 3)	2021	2024	1	2	2	1 Allocation	2,850.00	2,850
Irrigation - Repairs (Phase 4)	2021	2025	1	3	3	1 Allocation	2,850.00	2,850
Irrigation - Repairs (Phase 5)	2021	2026	1	4	4	1 Allocation	2,850.00	2,850
Irrigation - Valve Replacement	2021	2022	1	0	0	1 Allocation	500.00	500
Landscaping - Plant Replacement	2021	2022	1	0	0	1 Allocation	931.00	931
Landscaping - Tree Remove/Replace (Phase..	2020	2023	1	2	1	1 Allocation	3,300.00	3,300
Landscaping/Irrigation - Total								$27,981
Total Asset Summary								$54,374

PGA WEST Fairways - Tiburon
Component Summary - Ideally Funded

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Assigned Reserves	Monthly Contribution	Ideally Funded
Lighting							
Lighting - LED Light Bulbs	5,398	5	1		5,292	10.54	4,234
Lighting - Landscape Lights	20,804	30	20		5,094	244.82	4,667
Lighting - Total	$26,202				$10,386	$255	$8,900
Mailboxes							
Mailboxes - Cluster Box	4,606	30	20		3,100	7.43	1,033
Mailboxes - Mailbox Structure	5,944	30	20		4,000	9.58	1,333
Mailboxes - Total	$10,550				$7,100	$17	$2,367
Landscaping/Irrigation							
Irrigation - Controllers	11,642	15	13		9,000	20.16	1,200
Irrigation - Repairs (Phase 1)	2,850	1	0		2,850	0.00	2,850
Irrigation - Repairs (Phase 2)	2,907	1	1	1	2,850	5.68	1,425
Irrigation - Repairs (Phase 3)	2,965	1	2	2	2,850	5.73	950
Irrigation - Repairs (Phase 4)	3,024	1	3	3	2,850	5.79	712
Irrigation - Repairs (Phase 5)	3,085	1	4	4	2,850	5.85	570
Irrigation - Valve Replacement	500	1	0		500	207.49	500
Landscaping - Plant Replacement	931	1	0		931	386.35	931
Landscaping - Tree Remove/Replace ..	3,366	1	1	2	3,300	6.57	2,200
Landscaping/Irrigation - Total	$31,271				$27,981	$644	$11,338
Asset Summary Total:	$68,023				$45,467	$916	$22,606
Contingency at 3.00%					$1,364	$27	$678
Grand Total:					$46,831	$943	$23,284

Percent Fully Funded	201%
Current Average Equity per Unit (Total Units: 19)	$1,239

Assessment and Reserve Funding Disclosure Summary for Fiscal Year Ending December 31, 2022

1) The current regular assessment per ownership interest is $183.00 per month.

2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date assessment will be due:	Amount per ownership interest per month*	Purpose of the assessment:
N/A		
	Total:	

* If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page N/A of the attached report.

3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? Yes – If the funding recommendations are followed (barring any unforeseen circumstances).

4) If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

Approximate Date Assessment Will Be Due:	Amount Per Unit Per Month:
N/A	
	Total:

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

6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of the current fiscal year is $4,537,336, based in whole or in part on the last reserve study or update prepared by The Management Trust as of April, 2021. The projected reserve fund cash balance at the end of the current fiscal year (the fiscal year this reserve study is prepared for) is $3,830,398, resulting in reserves being 84% percent funded.

7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is shown in the chart below. The estimated year ending balances and the percent funded level in the corresponding years for both the Current Reserve Funding Plan as well as the Approved 2022 Reserve Funding Plan are also shown in the chart below. The Current Reserve Funding Plan only takes into account assessments already approved and other known revenues.

Year	Estimated Reserve Amount Required	Current Reserve Funding Plan Projection		Approved 2022 Reserve Funding Plan Projection	
	Year End Balance	Year End Balance	Percent Funded	Year End Balance	Percent funded
2022	$4,537,336	$3,697,119	81%	$3,830,398	84%
2023	$4,585,750	$3,606,067	79%	$3,885,386	85%
2024	$4,971,881	$3,831,274	77%	$4,269,799	86%
2025	$5,257,093	$3,946,441	75%	$4,557,758	87%
2026	$5,612,372	$4,116,549	73%	$4,914,674	88%

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.5 percent per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2 percent per year.

PGA WEST Fairways - Base
Approved 2022 Funding Model Projection

Beginning Balance: $3,478,147

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2022	7,711,562	533,000	53,347	234,096	3,830,398	4,537,336	84%
2023	7,858,653	543,660	54,092	542,765	3,885,386	4,585,750	85%
2024	8,008,543	554,533	59,738	229,857	4,269,799	4,971,881	86%
2025	8,161,285	565,624	63,946	341,611	4,557,758	5,257,093	87%
2026	8,316,934	576,936	69,180	289,201	4,914,674	5,612,372	88%
2027	8,475,544	588,475	70,412	570,721	5,002,840	5,690,072	88%
2028	8,645,055	600,245	76,108	288,146	5,391,046	6,077,500	89%
2029	8,817,956	612,249	82,578	254,498	5,831,375	6,519,553	89%
2030	8,994,315	624,494	89,136	267,192	6,277,814	6,968,870	90%
2031	9,174,202	636,984	89,890	670,494	6,334,194	7,015,456	90%
2032	9,357,686	649,724	96,511	295,401	6,785,027	7,469,280	91%
2033	9,544,839	662,719	101,471	424,801	7,124,416	7,808,709	91%
2034	9,735,736	675,973	108,909	278,886	7,630,412	8,320,952	92%
2035	9,930,451	689,492	108,768	801,529	7,627,144	8,307,333	92%
2036	10,129,060	703,282	115,577	354,893	8,091,110	8,775,918	92%
2037	10,331,641	717,348	123,218	320,593	8,611,083	9,303,417	93%
2038	10,538,274	731,695	131,338	310,697	9,163,419	9,865,638	93%
2039	10,749,039	746,329	133,952	697,870	9,345,829	10,046,390	93%
2040	10,964,020	761,255	100,000	3,136,260	7,070,825	7,683,318	92%
2041	11,183,301	776,480	60,093	3,511,742	4,395,656	4,893,122	90%
2042	11,406,967	792,010	20,572	3,461,591	1,746,647	2,114,722	83%
2043	11,635,106	807,850	20,759	808,756	1,766,501	2,083,032	85%
2044	11,867,808	824,007	28,859	301,050	2,318,317	2,599,618	89%
2045	12,105,164	840,487	33,961	523,993	2,668,773	2,908,137	92%
2046	12,347,267	857,297	40,470	452,593	3,113,947	3,313,979	94%
2047	12,594,213	874,443	41,386	846,377	3,183,399	3,330,692	96%
2048	12,846,097	891,932	48,780	435,694	3,688,418	3,795,996	97%
2049	13,103,019	909,770	58,081	334,584	4,321,685	4,393,961	98%
2050	13,365,079	927,966	66,527	418,448	4,897,730	4,933,248	99%
2051	13,632,381	946,525	66,234	1,023,919	4,886,570	4,865,033	100%

PGA WEST Fairways - Base
Component Summary - Current Costs

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units		Unit Cost		Current Cost
General Common Area										
Asphalt - Minor Repairs/Sink Holes	2021	2024	3	0	2	1	Allocation	25,000.00		25,000
Asphalt - Remove/Replace (Phase 1)	2000	2040	40	0	18	653,200	SF	3.00		1,959,600
Asphalt - Remove/Replace (Phase 2)	2001	2041	40	0	19	653,200	SF	3.00		1,959,600
Asphalt - Remove/Replace (Phase 3)	2002	2042	40	0	20	653,200	SF	3.00		1,959,600
Asphalt - Remove/Replace (Phase 4)	2019	2059	40	0	37	81,650	SF	3.00		244,950
Asphalt - Sealcoat & Repair	2019	2023	4	0	1	1	Allocation	285,000.00		285,000
Asphalt - Striping	2021	2022	1	0	0	1	Allocation	8,000.00		8,000
Bathrooms - Remote Bathrooms, Refurbish	1998	2023	25	0	1	2	Ea.	7,500.00		15,000
Concrete - Curbs/Gutters, Repair	2018	2022	4	0	0	1	Allocation	3,100.00		3,100
Concrete - Replace (Masters)	2001	2041	40	0	19	21,300	SF	7.52		160,176
Concrete - Replace (Norman)	2001	2041	40	0	19	1,500	SF	17.67		26,505
Electrical - Meter Pedestals	2000	2025	25	0	3	12	Ea.	1,550.00		18,600
Gates - Metal Gates, Replace	2001	2026	25	0	4	4	Gates	1,500.00		6,000
Irrigation - Controllers	2020	2035	15	0	13	9	Ea.	3,000.00		27,000
Irrigation - Repairs (Phase 1)	2021	2022	1	0	0	1	Allocation	7,000.00		7,000
Irrigation - Repairs (Phase 2)	2021	2023	1	1	1	1	Allocation	7,000.00		7,000
Irrigation - Repairs (Phase 3)	2021	2024	1	2	2	1	Allocation	7,000.00		7,000
Irrigation - Repairs (Phase 4)	2021	2025	1	3	3	1	Allocation	7,000.00		7,000
Irrigation - Repairs (Phase 5)	2021	2026	1	4	4	1	Allocation	7,000.00		7,000
Irrigation - System Upgrade	2015	2035	20	0	13	1	Allocation	22,000.00		22,000
Lakes - Filter/Pump (Hermitage)	2021	2031	10	0	9	1	Filter/Pump	2,000.00		2,000
Lakes - Hermitage Lake, Drain/Clean	2012	2022	10	0	0	15,000	SF	0.20		3,000
Lakes - Lake Motor (Hermitage)	2016	2026	10	0	4	1	Motor	2,000.00		2,000
Landscaping - Canopy Trees	2021	2022	1	0	0	22	Trees	454.55		10,000
Landscaping - DG/Rock Replenish	2019	2022	3	0	0	1	Allocation	11,600.00		11,600
Landscaping - Ground Cover, Replenish	2021	2022	1	0	0	1	Allocation	10,000.00		10,000
Landscaping - Mulch Refresh	2021	2022	1	0	0	1	Allocation	13,714.00		13,714
Landscaping - Plant Replacement	2021	2022	1	0	0	1	Allocation	4,655.00		4,655
Landscaping - Planter Pots	2018	2038	20	0	16	9	Ea.	500.00		4,500
Landscaping - Renovation	2019	2022	1	2	0	1	Allocation	100,000.00		100,000
Landscaping - Tree Removal	2021	2022	1	0	0	818	Trees	487.78@	5%	19,950
Lighting - LED Light Bulbs	2018	2023	5	0	1	900	Bulbs	22.20		19,980
Lighting - Landscape Lights	2012	2042	30	0	20	900	Fixtures	143.34		129,006
Office - Equipment, Replace	2013	2022	5	4	0	1	Allocation	10,000.00		10,000
Office - Furniture, Replace	2013	2028	15	0	6	1	Allocation	3,300.00		3,300
Paint - Metal Fence & Gates (Legends)	2021	2026	5	0	4	190	LF	13.16		2,500
Paint - Misc. Paint Touch-up	2019	2026	7	0	4	1	Allocation	25,000.00		25,000
Paint - Perimeter Walls (Legends, Norman, ..	2015	2025	10	0	3	26,175	LF	3.52		92,136
Signs - Pool Signs, Replace	2018	2033	15	0	11	1	Allocation	5,700.00		5,700
Signs - Street Signs, Replace	2013	2033	20	0	11	52	Ea.	788.47		41,000
Storm Drain - Catch Basins/Drainage Inspec..	2021	2022	1	0	0	92	Catch Basins	184.79		17,001
Streets - Cart Path Pavers, Replace (Legends)	2021	2051	30	0	29	210	LF	67.97@	42%	5,995
Streets - Cart Path Pavers, Restain (Legends)	2021	2026	5	0	4	210	LF	9.53		2,001
Water Features - Fountain Pumps/Filter	2016	2026	10	0	4	5	Total	900.00		4,500
Water Features - Waterfall w/Pond, Refurbi..	2013	2023	10	0	1	1	Fountain	13,000.00		13,000
General Common Area - Total										$7,307,670
Nicklaus Well Site Lot										
Gate - Pedestrian Gate, Replace	2009	2034	25	0	12	1	Gate	1,500.00		1,500
Gate - Vehicle Gate, Replace	2009	2034	25	0	12	1	Gate	4,000.00		4,000
Paint - Perimeter Walls	2015	2025	10	0	3	450	LF	7.56		3,402
Nicklaus Well Site Lot - Total										$8,902
Spanish Bay Pool										
Bathrooms - Pool Bathrooms, Refurbish	2002	2032	30	0	10	3	Bathrooms	6,000.00		18,000
Equipment - Water Heater, Replace	2010	2022	10	2	0	1	Water Heater	1,100.00		1,100

PGA WEST Fairways - Base
Component Summary - Current Costs

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Spanish Bay Pool continued...								
Fence - Metal Fence & Gates, Repair	2020	2028	8	0	6	260 LF	8.85	2,301
Paint - Metal Fence & Gates	2020	2024	4	0	2	260 LF	8.31	2,161
Paint - Stucco	2015	2023	8	0	1	1,700 SF	0.80	1,360
Pool - Filter, Replace	2018	2030	12	0	8	1 Filter	1,300.00	1,300
Pool - Heater, Replace	2015	2025	10	0	3	1 Heater	3,750.00	3,750
Pool - Resurface	2021	2031	10	0	9	1 Pool	13,890.00	13,890
Pool Area - Drinking Fountain	2011	2026	15	0	4	1 Fountain	1,000.00	1,000
Pool Area - Pool Deck, Seal/Repair	2012	2042	30	0	20	6,100 SF	1.50	9,150
Pool Area - Pool Furniture, Replace	2006	2026	20	0	4	19 Pieces	394.74	7,500
Pool Area - Pool Furniture, Restrap	2016	2036	10	0	14	19 Pieces	157.90	3,000
Pool Area - Showers, Retile	2008	2033	25	0	11	210 SF	23.34	4,901
Pool/Spa - Pumps & Motors	2021	2029	8	0	7	4 Pumpsets	621.25	2,485
Roofing - Tile, Underlayment	2002	2027	25	0	5	780 SF	7.82	6,100
Spa - Filter, Replace	2019	2031	12	0	9	1 Filter	1,100.00	1,100
Spa - Heater, Replace	2021	2031	10	0	9	1 Heater	2,485.00	2,485
Spa - Resurface	2021	2029	8	0	7	1 Spa	5,900.00	5,900
Spanish Bay Pool - Total								$87,483
Hermitage Pool								
Bathrooms - Pool Bathrooms, Refurbish	2003	2033	30	0	11	3 Bathrooms	6,000.00	18,000
Equipment - Water Heater, Replace	2010	2022	10	2	0	1 Water Heater	1,100.00	1,100
Fence - Vinyl Fence, Replace	2004	2029	25	0	7	260 LF	52.12	13,551
Paint - Stucco	2015	2023	8	0	1	1,400 SF	0.79	1,106
Pool - Filter, Replace	2016	2028	12	0	6	1 Filter	1,300.00	1,300
Pool - Heater, Replace	2017	2027	10	0	5	1 Heater	3,750.00	3,750
Pool - Resurface	2021	2031	10	0	9	1 Pool	16,159.00	16,159
Pool Area - Drinking Fountain	2018	2033	15	0	11	1 Fountain	1,000.00	1,000
Pool Area - Pool Deck, Seal/Repair	2013	2043	30	0	21	2,650 SF	1.53	4,054
Pool Area - Pool Furniture, Replace	2006	2026	20	0	4	14 Pieces	394.74	5,526
Pool Area - Pool Furniture, Restrap	2016	2036	10	0	14	14 Pieces	157.90	2,211
Pool Area - Showers, Retile	2009	2034	25	0	12	210 SF	23.34	4,901
Pool/Spa - Pumps & Motors	2014	2022	8	0	0	3 Pumpsets	1,000.00	3,000
Roofing - Tile, Underlayment	2003	2028	25	0	6	650 SF	7.85	5,102
Spa - Filter, Replace	2016	2028	12	0	6	1 Filter	1,100.00	1,100
Spa - Heater, Replace	2017	2027	10	0	5	1 Heater	3,750.00	3,750
Spa - Resurface	2021	2029	8	0	7	1 Spa	5,600.00	5,600
Hermitage Pool - Total								$91,212
St. Andrews Pool								
Bathrooms - Pool Bathrooms, Refurbish	2002	2032	30	0	10	3 Bathrooms	6,000.00	18,000
Equipment - Water Heater, Replace	2010	2022	10	2	0	1 Water Heater	1,100.00	1,100
Fence - Metal Fence & Gates, Repair	2020	2028	8	0	6	280 LF	8.83	2,472
Paint - Metal Fence & Gates	2020	2024	4	0	2	280 LF	9.29	2,601
Paint - Stucco	2015	2023	8	0	1	880 SF	1.14	1,003
Pool - Filter, Replace	2016	2028	12	0	6	1 Filter	1,300.00	1,300
Pool - Heater, Replace	2020	2030	10	0	8	1 Heater	3,650.00	3,650
Pool - Resurface	2021	2031	10	0	9	1 Pool	14,540.00	14,540
Pool Area - Drinking Fountain	2018	2033	15	0	11	1 Fountain	1,000.00	1,000
Pool Area - Pool Deck, Seal/Repair	2013	2043	30	0	21	2,400 SF	1.49	3,576
Pool Area - Pool Furniture, Replace	2006	2026	20	0	4	13 Pieces	394.74	5,132
Pool Area - Pool Furniture, Restrap	2016	2036	10	0	14	13 Pieces	157.90	2,053
Pool Area - Showers, Retile	2009	2034	25	0	12	210 SF	23.34	4,901
Pool/Spa - Pumps & Motors	2014	2022	8	0	0	3 Pumpsets	1,000.00	3,000
Roofing - Tile, Underlayment	2003	2028	25	0	6	650 SF	7.85	5,102
Spa - Filter, Replace	2016	2028	12	0	6	1 Filter	1,100.00	1,100
Spa - Heater, Replace	2018	2028	10	0	6	1 Heater	3,750.00	3,750

PGA WEST Fairways - Base
Component Summary - Current Costs

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
St. Andrews Pool continued...								
Spa - Resurface	2021	2029	8	0	7	1 Spa	5,550.00	5,550
St. Andrews Pool - Total								$79,831
Brae Burn Pool								
Bathrooms - Pool Bathrooms, Refurbish	2006	2036	30	0	14	3 Bathrooms	6,000.00	18,000
Equipment - Water Heater, Replace	2011	2022	10	1	0	1 Water Heater	1,100.00	1,100
Fence - Metal Fence & Gates, Repair	2020	2028	8	0	6	115 LF	8.92	1,026
Paint - Metal Fence & Gates	2020	2024	4	0	2	115 LF	7.39	850
Paint - Stucco	2015	2023	8	0	1	2,030 SF	0.79	1,604
Pool - Filter, Replace	2016	2028	12	0	6	1 Filter	1,300.00	1,300
Pool - Heater, Replace	2021	2031	10	0	9	1 Heater	3,750.00	3,750
Pool - Resurface	2021	2031	10	0	9	1 Pool	13,941.00	13,941
Pool Area - Drinking Fountain	2010	2025	15	0	3	1 Fountain	1,000.00	1,000
Pool Area - Pool Deck, Seal/Repair	2013	2043	30	0	21	3,300 SF	1.49	4,917
Pool Area - Pool Furniture, Replace	2006	2026	20	0	4	15 Pieces	394.74	5,921
Pool Area - Pool Furniture, Restrap	2016	2036	10	0	14	15 Pieces	157.90	2,368
Pool Area - Showers, Retile	2009	2034	25	0	12	210 SF	23.34	4,901
Pool/Spa - Pumps & Motors	2014	2022	8	0	0	4 Pumpsets	1,000.00	4,000
Roofing - Tile, Underlayment	2003	2028	25	0	6	800 SF	7.75	6,200
Spa - Filter, Replace	2013	2025	12	0	3	1 Filter	1,100.00	1,100
Spa - Heater, Replace	2013	2023	10	0	1	1 Heater	3,750.00	3,750
Spa - Resurface	2021	2029	8	0	7	1 Spa	5,150.00	5,150
Brae Burn Pool - Total								$80,878
Signature Area								
Asphalt - Remove/Replace	2016	2046	30	0	24	9,310 SF	3.00	27,930
Asphalt - Sealcoat & Repair	2018	2022	4	0	0	9,310 SF	0.18	1,676
Concrete - Pavers, Repair	2016	2041	25	0	19	1 Allocation	2,500.00	2,500
Concrete - Sidewalk, Repair	2016	2031	15	0	9	3,680 SF	1.00	3,680
Electrical - Meter Pedestals, Replace	2016	2041	25	0	19	4 Ea.	1,550.00	6,200
Irrigation - Controller	2020	2035	15	0	13	1 Controller	3,000.00	3,000
Landscaping - Refurbish	2016	2026	10	0	4	1 Allocation	5,000.00	5,000
Lighting - Street Lights	2016	2036	20	0	14	4 Ea.	1,400.00	5,600
Signature Area - Total								$55,586
Total Asset Summary								$7,711,562

PGA WEST Fairways - Base
Component Summary - Ideally Funded

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Assigned Reserves	Monthly Contribution	Ideally Funded
General Common Area							
Asphalt - Minor Repairs/Sink Holes	26,010	3	2		8,333	625.51	8,333
Asphalt - Remove/Replace (Phase 1)	2,798,791	40	18		1,077,780	4,893.43	1,077,780
Asphalt - Remove/Replace (Phase 2)	2,854,767	40	19		1,028,790	4,930.56	1,028,790
Asphalt - Remove/Replace (Phase 3)	2,911,863	40	20		327,782	7,718.13	979,800
Asphalt - Remove/Replace (Phase 4)	509,664	40	37		0	751.19	18,371
Asphalt - Sealcoat & Repair	290,700	4	1		213,750	5,333.34	213,750
Asphalt - Striping	8,000	1	0		8,000	590.33	8,000
Bathrooms - Remote Bathrooms, Ref..	15,300	25	1		14,400	49.38	14,400
Concrete - Curbs/Gutters, Repair	3,100	4	0		3,100	59.33	3,100
Concrete - Replace (Masters)	233,346	40	19		84,092	403.02	84,092
Concrete - Replace (Norman)	38,613	40	19		13,915	66.69	13,915
Electrical - Meter Pedestals	19,738	25	3		16,368	62.18	16,368
Gates - Metal Gates, Replace	6,495	25	4		5,040	20.21	5,040
Irrigation - Controllers	34,927	15	13		3,600	155.16	3,600
Irrigation - Repairs (Phase 1)	7,000	1	0		7,000	0.00	7,000
Irrigation - Repairs (Phase 2)	7,140	1	1	1	3,500	259.51	3,500
Irrigation - Repairs (Phase 3)	7,283	1	2	2	2,333	175.14	2,333
Irrigation - Repairs (Phase 4)	7,428	1	3	3	1,750	132.98	1,750
Irrigation - Repairs (Phase 5)	7,577	1	4	4	1,400	107.69	1,400
Irrigation - System Upgrade	28,459	20	13		7,700	97.01	7,700
Lakes - Filter/Pump (Hermitage)	2,390	10	9		200	16.35	200
Lakes - Hermitage Lake, Drain/Clean	3,000	10	0		3,000	24.71	3,000
Lakes - Lake Motor (Hermitage)	2,165	10	4		1,200	15.75	1,200
Landscaping - Canopy Trees	10,000	1	0		10,000	737.92	10,000
Landscaping - DG/Rock Replenish	11,600	3	0		11,600	292.41	11,600
Landscaping - Ground Cover, Replen..	10,000	1	0		10,000	737.91	10,000
Landscaping - Mulch Refresh	13,714	1	0		13,714	1,011.97	13,714
Landscaping - Plant Replacement	4,655	1	0		4,655	343.50	4,655
Landscaping - Planter Pots	6,178	20	16		900	20.29	900
Landscaping - Renovation	100,000	1	0	2	100,000	7,379.13	100,000
Landscaping - Tree Removal	19,950	1	0		19,950	1,472.15	19,950
Lighting - LED Light Bulbs	20,380	5	1		15,984	300.53	15,984
Lighting - Landscape Lights	191,696	30	20		43,002	417.74	43,002
Office - Equipment, Replace	10,000	5	0	4	10,000	154.99	10,000
Office - Furniture, Replace	3,716	15	6		1,980	18.00	1,980
Paint - Metal Fence & Gates (Legend..	2,707	5	4		500	38.47	500
Paint - Misc. Paint Touch-up	27,061	7	4		10,714	277.32	10,714
Paint - Perimeter Walls (Legends, N..	97,775	10	3		64,495	720.08	64,495
Signs - Pool Signs, Replace	7,087	15	11		1,520	32.27	1,520
Signs - Street Signs, Replace	50,979	20	11		18,450	178.10	18,450
Storm Drain - Catch Basins/Drainage..	17,001	1	0		17,001	1,254.50	17,001
Streets - Cart Path Pavers, Replace (..	10,646	30	29		0	21.36	200
Streets - Cart Path Pavers, Restain (L..	2,166	5	4		400	30.79	400
Water Features - Fountain Pumps/Fil..	4,871	10	4		2,700	35.44	2,700
Water Features - Waterfall w/Pond, ..	13,260	10	1		11,700	100.07	11,700
General Common Area - Total	$10,459,199				$3,202,300	$42,063	$3,872,889
Nicklaus Well Site Lot							
Gate - Pedestrian Gate, Replace	1,902	25	12		780	5.37	780
Gate - Vehicle Gate, Replace	5,073	25	12		2,080	14.32	2,080
Paint - Perimeter Walls	3,610	10	3		2,381	26.59	2,381
Nicklaus Well Site Lot - Total	$10,586				$5,241	$46	$5,241

PGA WEST Fairways - Base
Component Summary - Ideally Funded

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Assigned Reserves	Monthly Contribution	Ideally Funded
Spanish Bay Pool							
Bathrooms - Pool Bathrooms, Refurb..	21,942	30	10		12,000	54.06	12,000
Equipment - Water Heater, Replace	1,100	10	0	2	1,100	9.06	1,100
Fence - Metal Fence & Gates, Repair	2,591	8	6		575	22.78	575
Paint - Metal Fence & Gates	2,248	4	2		1,080	40.74	1,080
Paint - Stucco	1,387	8	1		1,190	12.97	1,190
Pool - Filter, Replace	1,523	12	8		433	8.87	433
Pool - Heater, Replace	3,980	10	3		2,625	29.31	2,625
Pool - Resurface	16,600	10	9		1,389	113.55	1,389
Pool Area - Drinking Fountain	1,082	15	4		733	5.37	733
Pool Area - Pool Deck, Seal/Repair	13,596	30	20		3,050	29.63	3,050
Pool Area - Pool Furniture, Replace	8,118	20	4		6,000	30.90	6,000
Pool Area - Pool Furniture, Restrap	3,959	10	14		900	13.33	900
Pool Area - Showers, Retile	6,094	25	11		2,745	17.42	2,745
Pool/Spa - Pumps & Motors	2,854	8	7		311	24.78	311
Roofing - Tile, Underlayment	6,734	25	5		4,880	20.71	4,880
Spa - Filter, Replace	1,315	12	9		275	7.56	275
Spa - Heater, Replace	2,970	10	9		248	20.31	248
Spa - Resurface	6,777	8	7		737	58.84	737
Spanish Bay Pool - Total	$104,871				$40,272	$520	$40,272
Hermitage Pool							
Bathrooms - Pool Bathrooms, Refurb..	22,381	30	11		11,400	54.47	11,400
Equipment - Water Heater, Replace	1,100	10	0	2	1,100	9.06	1,100
Fence - Vinyl Fence, Replace	15,566	25	7		9,757	46.71	9,757
Paint - Stucco	1,128	8	1		968	10.54	968
Pool - Filter, Replace	1,464	12	6		650	8.74	650
Pool - Heater, Replace	4,140	10	5		1,875	29.75	1,875
Pool - Resurface	19,312	10	9		1,616	132.10	1,616
Pool Area - Drinking Fountain	1,243	15	11		267	5.66	267
Pool Area - Pool Deck, Seal/Repair	6,145	30	21		0	18.15	1,216
Pool Area - Pool Furniture, Replace	5,982	20	4		4,421	22.77	4,421
Pool Area - Pool Furniture, Restrap	2,917	10	14		663	9.82	663
Pool Area - Showers, Retile	6,216	25	12		2,549	17.55	2,549
Pool/Spa - Pumps & Motors	3,000	8	0		3,000	30.14	3,000
Roofing - Tile, Underlayment	5,746	25	6		3,878	17.45	3,878
Spa - Filter, Replace	1,239	12	6		550	7.40	550
Spa - Heater, Replace	4,140	10	5		1,875	29.75	1,875
Spa - Resurface	6,433	8	7		700	55.85	700
Hermitage Pool - Total	$108,152				$45,268	$506	$46,484
St. Andrews Pool							
Bathrooms - Pool Bathrooms, Refurb..	21,942	30	10		12,000	54.06	12,000
Equipment - Water Heater, Replace	1,100	10	0	2	1,100	9.06	1,100
Fence - Metal Fence & Gates, Repair	2,784	8	6		618	24.47	618
Paint - Metal Fence & Gates	2,706	4	2		1,301	49.04	1,301
Paint - Stucco	1,023	8	1		878	9.56	878
Pool - Filter, Replace	1,464	12	6		650	8.74	650
Pool - Heater, Replace	4,277	10	8		730	29.62	730
Pool - Resurface	17,377	10	9		1,454	118.86	1,454
Pool Area - Drinking Fountain	1,243	15	11		267	5.66	267
Pool Area - Pool Deck, Seal/Repair	5,420	30	21		0	16.01	1,073
Pool Area - Pool Furniture, Replace	5,555	20	4		4,105	21.14	4,105
Pool Area - Pool Furniture, Restrap	2,708	10	14		616	9.12	616
Pool Area - Showers, Retile	6,216	25	12		2,549	17.55	2,549

PGA WEST Fairways - Base
Component Summary - Ideally Funded

Description	Future Cost	Useful Life	Remaining Life	Adjustment	Assigned Reserves	Monthly Contribution	Ideally Funded
St. Andrews Pool continued...							
Pool/Spa - Pumps & Motors	3,000	8	0		3,000	30.14	3,000
Roofing - Tile, Underlayment	5,746	25	6		3,878	17.45	3,878
Spa - Filter, Replace	1,239	12	6		550	7.40	550
Spa - Heater, Replace	4,223	10	6		1,500	29.98	1,500
Spa - Resurface	6,375	8	7		694	55.35	694
St. Andrews Pool - Total	$94,399				$35,889	$513	$36,961
Brae Burn Pool							
Bathrooms - Pool Bathrooms, Refurb..	23,751	30	14		9,600	55.72	9,600
Equipment - Water Heater, Replace	1,100	10	0	1	1,100	9.06	1,100
Fence - Metal Fence & Gates, Repair	1,155	8	6		256	10.15	256
Paint - Metal Fence & Gates	884	4	2		425	16.02	425
Paint - Stucco	1,636	8	1		1,403	15.29	1,403
Pool - Filter, Replace	1,464	12	6		650	8.74	650
Pool - Heater, Replace	4,482	10	9		375	30.66	375
Pool - Resurface	16,661	10	9		1,394	113.97	1,394
Pool Area - Drinking Fountain	1,061	15	3		800	5.33	800
Pool Area - Pool Deck, Seal/Repair	7,453	30	21		0	22.01	1,475
Pool Area - Pool Furniture, Replace	6,409	20	4		4,737	24.39	4,737
Pool Area - Pool Furniture, Restrap	3,125	10	14		711	10.52	711
Pool Area - Showers, Retile	6,216	25	12		2,549	17.55	2,549
Pool/Spa - Pumps & Motors	4,000	8	0		4,000	40.19	4,000
Roofing - Tile, Underlayment	6,982	25	6		4,712	21.21	4,712
Spa - Filter, Replace	1,167	12	3		825	7.23	825
Spa - Heater, Replace	3,825	10	1		3,375	28.87	3,375
Spa - Resurface	5,916	8	7		644	51.36	644
Brae Burn Pool - Total	$97,287				$37,556	$488	$39,031
Signature Area							
Asphalt - Remove/Replace	44,924	30	24		0	113.36	5,586
Asphalt - Sealcoat & Repair	1,676	4	0		1,676	32.07	1,676
Concrete - Pavers, Repair	3,642	25	19		600	9.43	600
Concrete - Sidewalk, Repair	4,398	15	9		1,472	20.53	1,472
Electrical - Meter Pedestals, Replace	9,032	25	19		1,488	23.39	1,488
Irrigation - Controller	3,881	15	13		400	17.24	400
Landscaping - Refurbish	5,412	10	4		3,000	39.37	3,000
Lighting - Street Lights	7,389	20	14		1,680	24.88	1,680
Signature Area - Total	$80,354				$10,316	$280	$15,902
Asset Summary Total:	$10,954,847				$3,376,842	$44,417	$4,056,781
Contingency at 3.00%					$101,305	$1,332	$121,703
Grand Total:					$3,478,147	$45,749	$4,178,485

Percent Fully Funded	83%
Current Average Liability per Unit (Total Units: 974)	-$719

PGA WEST Fairways Association
Assessment & Maintenance Allocation Breakdown
Full Assessment 2022

***Norman Gate SBAs**

SBA Component	Eagle Bend (70)	Haciendas-Estates (34)	Heritage (36)	Hermitage (52)	La Cala (52)	Legends (63)	Masters (69)	Monterra* (39)	Mulrfield (85)	Norman Estates* (58)	Pasadera (92)	Spanish Bay (75)	The Summit (60)	Tiburon* (19)	Toll Brothers* (71)	Turnberry* (39)
SBA	$ 138.37	$ 47.59	$ 394.97	$ 374.75	$ 129.19	$ 124.24	$ 179.07	$ 126.31	$ 142.00	$ 192.93	$ 112.14	$ 127.48	$ 177.87	$ 199.79	$ 391.69	$ 182.69
SBA Reserves	$ 36.63	$ 51.41	$ 89.03	$ 84.25	$ 78.81	$ 82.76	$ 12.93	$ 44.69	$ 25.00	$ 53.07	$ 23.86	$ 67.52	$ 34.13	$ 48.21	$ 64.31	$ 24.31
Base	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00	$ 140.00
Base Reserves	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00	$ 43.00
Master Association	$ 87.00	$ 143.00	$ 87.00	$ 87.00	$ 87.00	$ 87.00	$ 87.00	$ 174.00	$ 87.00	$ 174.00	$ 87.00	$ 87.00	$ 87.00	$ 174.00	$ 174.00	$ 174.00
Total:	**$ 445.00**	**$ 425.00**	**$ 754.00**	**$ 729.00**	**$ 478.00**	**$ 477.00**	**$ 462.00**	**$ 528.00**	**$ 437.00**	**$ 603.00**	**$ 406.00**	**$ 465.00**	**$ 482.00**	**$ 605.00**	**$ 813.00**	**$ 564.00**
Basic Cable, HBO, ShowTime	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Exterior Painting:																
Front Door		X	X		X	X						X				
Front Door Frame		X	X		X	X						X				
Building		X	X		X	X						X				
Garage Door		X	X		X	X						X				
Repair/Replacement:																
Front Tree Floodlights	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Sidewalks (lots 18-24)										X						
Repair/Replacement/Maintenance:																
Sidewall					X	X										
Wrought Iron Gates					X	X										
Maintenance:																
Address Lights/Bulbs only	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Garage Lights/Bulbs only	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Walkway Lights							X			X	X					
Landscaping:																
Front Yard	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rear, Courtyard, Sideyard			X	X											X	

* Greg Norman Area SBAs: Monterra, Norman Estates, Tiburon, Toll Brothers and Turnberry pay 2 x Master Association Assessments ($82 x 2 = $164)

This maintenance summary is provided as a courtesy only. Homeowners should refer to the Fairways 2016 Amended and Restated Declaration, Exhibit C, for more specific maintenance information.
Villas SBA refer to Exhibit C-11B for maintenance list.

_____ CC
_____ TL
_____ DD
_____ Excel

PGA WEST®

Fairways Association

HOMEOWNER INFORMATION FORM

SBA: _____

OWNER NAME(S): _____

PGA WEST FAIRWAYS ADDRESS: _____

LOCAL HOME PHONE: _____ **CELL PHONE:** _____

ALT. CELL PHONE _____ **E-MAIL ADDRESS:** _____

***MAILING ADDRESS:** _____

_____

DELEGATE AUTHORIZATION

"I, a homeowner in PGA WEST Fairways Association, _____ *agree* or _____ *do not agree* (check one) to the Association printing, releasing or distributing my email address to any SBA Delegate, (your neighborhood representative).

By checking "agree," I understand that the Association may print, release or distribute my e-mail to any SBA Delegate (neighborhood representative) for the purposes of communicating Association matters. By checking "do not agree," I understand that I am opting out of sharing my e-mail address with any SBA Delegate and by doing so I may not receive important information regarding the Association.

MEMBERSHIP LIST OPT OUT (check mark)

☐ **Do not share my/our name, property address, mailing address, and email address with any other member in response to a request for a copy of the association's membership list and/or voter list. I prefer to be contacted by alternative process as described in Corporations Code section 8330 (c).**

GO GREEN / EMAIL TRANSMISSION OF DOCUMENTS (check mark)

In an effort to "Go Green" the Fairways Association is requesting that you allow management to send certain information via email. Refer to Civil Code sections 4055 & 4045 for more information.

☐ Sign me up to "Go Green" so I can receive important association information by email transmission rather than bulk mailings.

Signing up to Go Green allows the Association to send you documents that you are legally entitled to through electronic means (email). Over 75% of your fellow homeowners have enrolled in this program. Not only will you receive documents faster and more efficiently, you will be assisting the Association with savings on administrative costs associated with these required mailers.

OWNER SIGNATURE _____ **DATE** _____

Please Complete and Return to P.O. Box 1690, La Quinta, CA 92247 or fax to 760-776-5111*

LABARRE/OKSNEE
INSURANCE

PGA West Fairways
INSURANCE SUMMARY DISCLOSURE

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

I.	**GENERAL LIABILITY INSURANCE**	
	A. Name of insurer:	Philadelphia Indemnity Insurance Company
	B. Policy limits:	$1,000,000 each occurrence and $2,000,000 aggregate
	C. Amount of deductible (if any):	N/A
	D. Umbrella coverage, if applicable:	$25,000,000
	E. Umbrella carrier:	Fireman's Fund Insurance Company
	F. Policy dates:	01/01/2020-01/01/2021
II.	**PROPERTY INSURANCE**	
	A. Name of insurer:	Philadelphia Indemnity Insurance Company
	B. Policy limits:	$7,397,500
	C. Amount of deductible:	$2,500
	D. Policy dates:	01/01/2020-01/01/2021
III.	**EARTHQUAKE INSURANCE**	None
	A. Name of insurer:	
	B. Policy limits:	
	C. Amount of deductible:	
	D. Policy dates:	
IV.	**FLOOD INSURANCE**	None
	A. Name of insurer:	
	B. Policy limits:	
	C. Amount of deductible:	
	D. Policy dates:	
V.	**FIDELITY BOND INSURANCE**	
	A. Name of insurer:	Philadelphia Indemnity Insurance/Great American Group
	B. Policy limits:	$7,000,000
	C. Amount of deductible:	$10,000
	D. Policy dates:	01/01/2020-01/01/2021

This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

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

PGAWEST-05 BECKYH

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 12/22/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
LaBarre/Oksnee Insurance
30 Enterprise, Suite 180
Aliso Viejo, CA 92656

CONTACT NAME:
PHONE (A/C, No, Ext): (800) 698-0711 FAX (A/C, No): (949) 588-1275
E-MAIL ADDRESS: proof@hoa-insurance.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Century National Insurance Co.	26905
INSURER B : Fireman's Fund Insurance Co.	21873
INSURER C : PMA Insurance Group	12262
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
PGA West Fairways
c/o The Management Trust
PO Box 1690
La Quinta, CA 92247

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	X		77A1008668-00	1/1/2021	1/1/2022	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY	X		77A1008668-00	1/1/2021	1/1/2022	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $ $
B	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 0	X		USL00656920U	1/1/2021	1/1/2022	EACH OCCURRENCE AGGREGATE	$ 25,000,000 $ 25,000,000 $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		2020010640391Y	5/1/2020	5/1/2021	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
A	Property			77A1008668-00	1/1/2021	1/1/2022	5000 Ded	7,397,500
C	Crime/Fidelity Bond	X		TBA	1/1/2021	1/1/2022	$10,000 Ded	7,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The association has a total of 968 Units/14 units (covered for structural damage) 954 units for common area only, Located in La Quinta, CA

Management Company is additionally insured on the General Liability, Crime and D&O Liability

See Page 2 for additonal coverage information and addresses for condos covered by the Paclage Policy

CERTIFICATE HOLDER

The Management Trust
PO Box 13710
Palm Desert, CA 92255

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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AGENCY CUSTOMER ID: PGAWEST-05 BECKYH

LOC #: 1

ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED
LaBarre/Oksnee Insurance		PGA West Fairways c/o The Management Trust PO Box 1690 La Quinta, CA 92247
POLICY NUMBER SEE PAGE 1		
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

COMMON AREA ONLY (Except for 14 condos)

Special Form with Guaranteed Replacement Cost for the 14 Condos (See addresses below)
$100,000 Property Sublimit for Trees/Shrubs
Building Ordinance or Law A+B+C
Severability of Interest / Separation of Insureds
Computer Fraud & Funds Transfer Fraud
No Co-Insurance

D&O Liability:
Carrier: Philadelphia Insurance Company
Policy #: PCAP018992-0319
Policy Term: 1/1/2021-1/1/2022
Limit: $1,000,000
Deductible: $1,000
D&O IS CLAIMS-MADE

Excess Fidelity Bond Carrier: ACE American Insurance Company
Excess Fidelity Bond Carrier: Great American Insurance Company
Excess Fidelity Bond Policy Number: SSA-392-56-74-06679-03

There are 14 condos (part of Signature Villas in which structural coverage is provided)

80-408 Whisper Rock Way, 80-418 Whisper Rock Way, 80-428 Whisper Rock Way,
80-438 Whisper Rock Way, 80-495 Whisper Rock Way, 80-481 Whisper Rock Way,
80-467 Whisper Rock Way, 80-453 Whisper Rock Way, 80-439 Whisper Rock Way,
80-425 Whisper Rock Way, 80268 Redstone Way, 80256 Redstone Way,
80244 Redstone Way, 20232 Redstone Way

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THE SUREPAY PROGRAM

Surepay is an automatic debit from your bank account for the monthly payment of your Homeowners Association Assessment. Below is your form to enroll. Please fill out the information and return it to our office.

Surepay will begin on the 3rd business day of the month; your paperwork must have been received before that. If not, you will be responsible to pay your assessment by check.

You can email, fax or mail the form back to our office:

- Email: AR@managementtrust.com
- Fax: 760-776-5111
- Mail: P.O. Box 13710
  Palm Desert, Ca 92255

Canada and Mexico Residents: Only bank accounts maintained in the United States or accounts with US routing numbers will be accepted. Please contact your financial institution for verification.

I/We understand and agree that payments will be deducted from my bank account ON OR ABOUT THE 3RD BUSINESS DAY OF EACH MONTH (note, if your association collects assessments other than monthly, the payments will be deducted on or about the 3rd business day of the first month of the assessment cycle). There may be changes to the assessment amounts and/or due dates in accordance with the Association's governing documents and applicable statutes including notification requirements of the ACH (Automated Clearing House) rules. We reserve the right to make changes in the agreement at any time. We may cancel Preauthorized Electronic Payments at any time without cause and you can terminate this agreement at any time by giving sufficient notice or by closing the designated accounts.

PGA WEST FAIRWAYS ASSOCIATION

Property Address:_____ HOA Acct #_____

Homeowner Name (Printed)_____

_____ _____ _____

Bank Account Number Routing Number Telephone Number

PLEASE ATTACH A "VOIDED CHECK"

In order to process your request, a VOIDED CHECK must be attached to this form.

I authorize The Management Trust and/or its' designated agents to initiate electronic fund transfers and if necessary, adjustment entries to my account indicated below. To cancel this authorization, I will contact The Management Trust in writing or by phone.

_____ _____

Signature Date Signature Date

§5940. Time for Completing ADR Process and Cost Splitting

(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.

§5945. Effect of ADR on Statutes of Limitation

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

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

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

§5950. Filing ADR Certificate when Filing Court Action

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

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

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

(3) Preliminary or temporary injunctive relief is necessary.

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

§5955. Referral to ADR and Stay of Court Action by Stipulation

(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. Refusal to Participate in ADR; Effect on Award of Fees and Costs

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

§5965. Annual Disclosure of ADR Procedures to Members

(a) An association shall annually provide its members a summary of the provisions of this article that specifically references this article. The summary shall include the following language: "Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

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

INTERNAL DISPUTE RESOLUTION PROCESS

The Association Board reserves its right to draft and provide its own Internal Dispute Resolution ("IDR") process, consistent with the requirements set forth in Civil Code §§ 5900-5910. Until such time as the Board adopts a different internal dispute resolution process, the statutory procedure set forth in Civil Code §5915 below shall apply.

§5915. Default IDR Procedure

(a) This section applies to an association that does not otherwise provide a fair, reasonable, and expeditious dispute resolution procedure. The procedure provided in this section is fair, reasonable, and expeditious, within the meaning of this article.

(b) Either party to a dispute within the scope of this article may invoke the following procedure:

(1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

(2) A member of an association may refuse a request to meet and confer. The association shall not refuse a request to meet and confer.

(3) The board shall designate a director[1] 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. ***The parties may be assisted by an attorney or another person at their own cost when conferring.***

(5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association.

(c) ***A written*** agreement reached under this section binds the parties and is judicially enforceable if ***it is signed by both parties and*** both of the following conditions are satisfied:

(1) The agreement is not in conflict with law or the governing documents of the common interest development or association.

(2) The agreement is either consistent with the authority granted by the board to its designee or the agreement is ratified by the board.

(d) A member shall not be charged a fee to participate in the process.

1. **Statement Regarding FHA Certification**

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development [is / is not (circle one)] a condominium project. The association of this common interest development [is / is not (circle one)] certified by the Federal Housing Administration.

2. **Statement Regarding VA Certification**

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development [is / is not (circle one)] a condominium project. The association of this common interest development [is / is not (circle one)] certified by the federal Department of Veterans Affairs.

PGA WEST Fairways Homeowners Association

4528. The form for billing disclosures required by Section 4530 shall be in at least 10-point type and substantially the following form:

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller.

A seller may request to purchase some or all of these documents, but shall not be required to purchase ALL of the documents listed on this form.

Property Address: _____

Owner of Property: _____

Owner's Mailing Address: _____

(if known or different from property address)

Provider of the Section 4525 Items:

Cassandra Wood	Customer Support Representative	Next Level Association Solutions	9-29-2021
Print Name	Position or Title	Association or Agent	Date Form Completed

Check or Complete Applicable Column or Columns Below:

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Articles of Incorporation (or statement that not incorporated)	Section 4525(a)(1)	$25.00	
CC&Rs	Section 4525(a)(1)	$75.00	
Bylaws	Section 4525(a)(1)	$35.00	
Operating Rules	Section 4525(a)(1)	$25.00	
Age Restrictions, if any	Section 4525(a)(2)		Refer to the Demand
Rental Restrictions, if any	Section 4525(a)(9)		Refer to CC&Rs
Annual Budget Report (or summary, including Reserve Study)	Sections 5300 and 4525 (a)(3)	$50.00	
Assessment and Reserve Funding Disclosure Summary	Sections 5300 and 4525 (a)(4)		Included in Budget
Financial Statement Review	Sections 5305 and 4525(a)(3)	$50.00	
Assessment Enforcement Policy	Sections 5310 and 4525(a)(4)		Included in Budget
Insurance Summary	Sections 5300 and 4525 (a)(3)		Included in Budget
Regular Assessment	Section 4525(a)(4)		Refer to the Demand
Special Assessment	Section 4525(a)(4)	$0.00	Refer to the Demand
Emergency Assessment	Section 4525(a)(4)		Refer to the Demand

PGA WEST Fairways Homeowners Association

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Other Unpaid Obligations of Seller	Sections 5675 and 4525(a)(4)		Refer to the Demand
Approved Changes to Assessments	Sections 5300 and 4525(a)(4), (8)		Included in Budget
Settlement Notice Regarding Common Area Defects	Sections 4525(a)(6), (7) and 6100		Refer to the Demand
Preliminary List of Defects	Sections 4525(a)(6), 6000 and 6100		Refer to the Demand
Notice(s) of Violations	Sections 5855 and 4525(a)(5)		Refer to the Demand
Required Statement of Fees	Section 4525	$275.00	aka Demand
Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested)	Section 4525(a)(10)	$100.00	
Total fees for these documents:		$ $635.00	

*The information provided by this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 shall be charged separately.

Buyer and Seller may negotiate who pays document and disclosure fees.

The management company was not paid a referral fee by HomeWiseDocs as part of this transaction.

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

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

CERTIFIED COMMON INTEREST DEVELOPMENT MANAGER
DISCLOSURE STATEMENT

In accordance with the disclosure requirements of Business and Professions Codes Section 11500-11506, I provide the following:

The location of my principal office is:
The Management Trust, Onsite Office
80-265 Signature Way
LaQuinta, CA 92253
(760) 776-5100 x 6335

The fidelity insurance of the Management Firm does cover the operating and reserve funds of your Association.

Manager: Ken Kuperstein

Affiliates:
Community Associations Institute (CAI)
6402 Arlington Church, VA. 22042
703-970-9220
CAI FED ID # 23-7392984
Status: Active

I do not hold an active real estate license.

Respectfully,

Ken Kuperstein
PGA WEST Fairways - General Manager

NOTICE ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

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

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

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

ASSESSMENT, COLLECTION & PAYMENT POLICY FOR ASSESSMENTS

PGA WEST FAIRWAYS ASSOCIATION, INC.

Amended December 2014

IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.1 OF THE GOVERNMENT CODE. LAWFUL RESTRICTION UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUCTED AS RESTRICTIONS BASED ON FAMILIAL STATUS.

ASSESSMENT, COLLECTION AND PAYMENT POLICY FOR ASSESSMENTS
PGA WEST FAIRWAYS ASSOCIATION, INC.

1. **DUE DATES:** All Regular Assessments shall be due and payable, in advance, in equal monthly installments, on the first (1st) day of each month. Special Assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment or in the ballot presenting the special assessment to the members for approval. In no event shall a Special Assessment be due and payable earlier than thirty (30) days after it is imposed.

2. **PAYMENT RECEIPTS / OVERNIGHT PAYMENT LOCATION:** Owners can request a receipt from the Association which shall indicate the date of payment and the person who received it. Any request for a receipt of payment must be submitted directly to the Association's business address (separately from any actual payment). Overnight payment of assessments may be sent/delivered to the following address:

PGA WEST Fairways Association, Inc.
THE MANAGEMENT TRUST | MONARCH GROUP DIVISION
39-755 Berkey Drive, Suite A
Palm Desert, CA 92211-1106

If a check is returned for insufficient funds, the Owner will be charged a $20.00 fee. Post-dated checks will not be accepted.

3. **APPLICATION:** Monetary payments received from an owner will be credited to balances on the owner's account in the following order:
   - (a) Special assessments,
   - (b) Regular assessments,
   - (c) Monetary penalties or fines.
   - (d) Late charges
   - (e) Administrative and/or Legal fees and costs,
   - (f) Interest.

4. **LATE CHARGE:** All assessments shall be delinquent if not paid within **fifteen (15) days** after they become due and will result in the imposition of a late charge of ten percent (10%) of the delinquent assessment or ten dollars ($10.00), whichever is greater. Furthermore, the Association shall be entitled to recover any reasonable collections cost, including attorneys' fees, that the Association then incurs in its efforts to collect the delinquent sums.

5. **INTEREST:** If an assessment payment is not paid within **thirty (30) days** of its original due date, interest may be imposed on all sums due, including the delinquent assessment, collection cost, and late charges, at an annual percentage rate of twelve percent (12%) OR the rate specified within the CC&R's, whichever is less.

6. **SECONDARY ADDRESS:** Upon receipt of a written request by an Owner identifying a secondary address for the purposes of assessment collection notices, the Association shall

send additional copies of any collection notices required by this Collection Policy to the secondary address provided. The Owner's notice of a secondary address must be in writing and mailed to the Association in a manner that shall indicate that the Association has received it. The Association shall only send notices to the indicated secondary address at the point in time the Association receives such written request.

7. **PAY OR LIEN LETTER:** When an assessment payment from the Owner becomes delinquent, a notice of delinquency **("Pay or Lien Letter")** shall be sent to the Owner by regular first-class mail and certified mail, return receipt requested. The Pay or Lien Letter shall provide at least thirty (30) days' written notice to a delinquent Owner prior to recording a **"Notice of Assessment Lien"** against the delinquent Owner's property and further provide an itemized statement of the charges, including a breakdown of: (a) the principal amount owed; (b) any late charges with the method of calculation used to determine such charges; (c) any attorneys' fees incurred; and (d) a description of collection practices, including the right of the Association to the reasonable costs of collection. A copy of the Association's collection policy shall be attached to the Pay or Lien Letter.

8. **INTERNAL DISPUTE RESOLUTION PROCESS:** The Association shall offer to meet and confer with a delinquent owner to resolve a dispute related to the total amount due from the delinquent Owner to the Association and/or the Association's Collection Policy **("Meet and Confer Offer").** The Association's Meet and Confer Offer shall either be placed within the Association's Pay or Lien Letter or in a separate written communication to the delinquent Owner. An Owner who wishes to accept the Meet and Confer Offer must do so by submitting his/her/its written request to facilitate the meet and confer with the Association. The Association shall designate a prompt date and time for the meet and confer, at a location that shall either be the Association's principal office or another convenient location as designated by the Association. The Association shall designate a Board officer, along with its Association Manager to participate in the meet and confer with the delinquent owner. Prior to recording a lien for delinquent assessments, the Association shall participate in any meet and confer so accepted by the delinquent Owner, provided, however, that the Owner's acceptance of the Association's Meet and Confer Offer is made within twenty (20) days of the date of the Meet and Confer Offer.

9. **SHOW CAUSE HEARING:** Additionally, a delinquent Owner may be given a written notice (either in the Pay or Lien Letter or in a separate written document, as determined by the Board of Directors) of a hearing before the Board of Directors, wherein the Owner shall be invited to show good cause why (i) the Owner's voting privileges, (ii) the operation of the cable television services to the Owner's Lot/Unit, (iii) the gate transponder privileges, and/or (iv) the Owner's privileges for use of the common area/recreational facilities (hereinafter, collectively, **"Membership Privileges")** should not be suspended for non-payment of the delinquent assessment(s) **("Show Cause Hearing")**

The notice and hearing procedures shall be in accordance with the following:

a. Written notice shall be mailed to the Owner not less than ten (10) days prior to the date of such a hearing by first class or certified mail at Owner's last known address as shown on the Association's records. The notice shall set forth the amount of delinquency owed by the Owner and time, date and place on which the hearing shall be held;

b. The Board of Directors shall provide an opportunity for the Owner to be heard, orally or in writing, at the Show Cause Hearing prior to making any determination on the suspension of any Membership privileges;

c. In the event good cause is not shown and the Owner's account has not been brought current, then the Board may suspend any of the Owner's Membership Privileges. [Cable television services shall be reinstated upon the Owner's account being brought current and upon payment to the cable company to facilitate reinstatement of cable service.] The Board shall hold the hearing in Executive Session; provided, however, if the Board is requested by a Member to have his/her matter be heard in an open Board meeting, then the matter must be heard in an open Board meeting, and not in Executive Session.

d. After the Show Cause Hearing, the Board of Directors shall provide, within fifteen (15) days, written notice to the Owner of the suspension of any Membership Privileges.

10. ASSESSMENT LIEN:

a. If the delinquent Owner does not bring his/her account current within the deadline set forth in the Pay or Lien Letter, the Board of Directors shall approve the recordation of a Notice of Assessment Lien. The Board's decision to record the Notice of Assessment Lien shall be by a majority vote of a quorum of the Board members at an open Board Meeting. The Board's action should refer to the parcel number of the property that is delinquent, rather than the name of the owner. The Notice of Assessment Lien shall be recorded in the County Recorder's Office itemizing all sums that are then delinquent, including the delinquent assessment(s), the then current monthly assessment amount which will also accrue and be a part of the lien, interest, late charges, collection costs and reasonable attorney's fees. Recording this notice creates a lien, which is subject to foreclosure, against the delinquent Owner's property. Within ten (10) days after a lien is recorded for delinquent assessments, the Association, or its designated agent, will mail a copy of the lien to all record owners of the property as set forth in California Civil Code §5660.

b. **At the same time, the Association shall advise the Association's collection agent/bank that it should accept no further monies from this delinquent Owner until the**

assessment lien has been paid in full. Owners shall not send any assessment payments to the Association once the matter has been turned over to the Attorney for collection; such payments shall only be accepted by the law firm. Any payments delivered to the collection agent shall be forwarded to the attorney's office; the attorney shall then release the lien if payment in full was made by the delinquent Owner. Attorney's fees shall be charged to the Owner at this stage.

c. **Collection Agency and Small Claims Court:** Association may elect, in its sole discretion, to hire a collection agency or initiate a small claims court action to advance the collection of delinquent assessments against a former member (Civil Code §5700(a).).

11. PRE-FORECLOSURE ACTIONS:

a. No earlier than thirty (30) days after the Notice of Assessment lien has been recorded, the Association shall make a written pre-foreclosure offer to meet and confer with the delinquent Owner, consistent with the process identified in paragraph 8 herein (except that the timeline for the delinquent Owner to accept a meet and confer would be thirty (30) days from the date of the Owner's receipt of this pre-foreclosure offer) or alternative dispute resolution consistent with Civil Code §5925, *et. seq.* **("ADR Offer").** Owner shall have thirty (30) days from the date of the ADR Offer to decide whether or not Owner wishes to pursue dispute resolution or a particular type of alternative dispute resolution (except that binding arbitration is not available to any delinquent Owner if the Association intends to initiate a judicial foreclosure). Any additional notices or time periods the Association might use are extended solely as a courtesy. No Owner shall be entitled- to expect longer time limits or notices other than those which are required by law or the governing documents.

b. Prior to initiating foreclosure, the Board of Directors must, in Executive Session, approve the decision to proceed with foreclosure by a majority vote of a quorum of the Board of Directors. The Board shall record the Board's executive session decision in the minutes of the next meeting of the Board open to the members by referencing the parcel number of the property that is delinquent.

c. The Board of Directors shall not proceed with any form of foreclosure unless and until the amount of delinquent assessments (exclusive of any accelerated assessments, late charges, fees, costs of collection, attorney's fees or interest) equals or exceeds One Thousand Eight Hundred Dollars ($1,800.00) or the assessments have been delinquent for more than twelve (12) months **("Threshold").** Once the Threshold has been met and all other requirements identified above have been completed, the Board may proceed with foreclosure of the assessment lien pursuant to the Association's governing documents and *Civil Code*

§5720 (2). The procedure used shall be non-judicial foreclosure pursuant to *Civil Code* §2924, et seq., and *Civil Code* §5710. The foreclosure action shall include:

i. A **"Notice of Default and Election to Sell"** shall be recorded at the County Recorder's Office and a ninety-day reinstatement period shall begin.

ii. A Preliminary Title Report shall be obtained from a title company.

iii. All attorney's fees, costs, late charges, interest, penalties, fines, charges and expenses billed to the Association for any of the above activities shall be added to the Owner's account and shall become the liability of the Owner.

12. **LAWSUIT:** If the Association determined that the property is over-encumbered, or otherwise makes a determination that a lawsuit is appropriate, the Association shall file a personal lawsuit against the delinquent Owner to recover all delinquent assessments owing to the Association. If a lawsuit is necessary to collect the delinquent assessments from the Owner, all expenses, costs and attorney's fees in connection with said lawsuit, including but not limited to pre-and post- judgment costs for filing fees, personal service, witness fees, interest, execution of judgment and/or writ fees shall be recovered from the owner defendant.

13. **FORECLOSURE ACTIONS:** If the delinquency is still not cured ninety (90) days after the Notice of Default and Election to Sell was recorded, the attorney shall proceed to record and publish the **"Notice of Trustee's Sale"**. This Notice of Trustee's Sale must also be published three (3) times during a three-week period and posted in a public place. At this final stage, there shall be additional publication costs, as well as attorneys' fees. If a non-judicial foreclosure sale is completed by the Association against the delinquent Owner's property, the Owner shall have the right to redeem the property for a period of time up to and including ninety (90) days after the date of the Trustee's Sale.

14. **RELEASE OF LIEN:** When a delinquent Owner has paid in full all delinquent assessments and charges, the attorney shall prepare a Release of Lien which shall be recorded in the County Recorder's Office of Riverside County California within 21 days of receipt of the sums necessary to satisfy the delinquent amount and mail a copy of the lien release to the Owner of the residential Lot/Unit.

15. **PAYMENT PLAN STANDARDS:** The Association hereby establishes the following payment plan standards.

a. **Payment Within 60 Days:** If an Owner can bring himself/herself/itself current within sixty (60) days, inclusive of assessments which accrue within the sixty (60) days of the payment plan, the Association will forbear filing a Notice of Assessment Lien and the Owner will

not incur the Assessment Lien costs if the payment plan is strictly followed. The payment plan may include an administrative cost of $475.00. By agreeing to the 60 day payment plan, the Owner further agrees that if he/she/it fails to make any of the payments identified in the payment plan, the Association shall have the right to file a Notice of Assessment Lien without recommencing the pre-lien or Pay or Lien Notice process.

b. **Payment Exceeding 60 days:** In light of the length of time of this particular payment plan, payment plans exceeding sixty (60) days shall require that the Association record its Notice of Assessment Lien to establish itself as a secured creditor. The payment plan may also include an administrative cost of $100.00 or $25.00 per month for each month of the plan, whichever is greater. All costs related to the recordation of the Notice of Assessment Lien shall be part of this payment plan. The payment plan shall require payment of all delinquent assessments amortized over the length of the payment plan, along with all assessments which accrue during the payment plan. The Association shall further require that the Owner sign a Forbearance Agreement which identifies his/her/its obligations of repayment consistent with the payment plan and further provides that if there is a default under the payment plan, the Association can proceed with the collection process as particularly identified within the Forbearance Agreement. Payment plans under this paragraph 15.b should normally not exceed six (6) months.

16. **PARTIAL PAYMENTS:** Owners may make partial payment without a written payment plan; provided, however, that any such partial payment shall:

a. not stop any collection action;
b. not invalidate any assessment lien already filed;
c. not stop an already existing non-judicial foreclosure action;
d. not obviate the obligation to pay all collection fees and costs inclusive of late charges, interest, management fees/bookkeeping fees, title charges, lien fees and costs, trustee's fees and/or attorney's fees; and
e. further require (due to the additional bookkeeping and other administrative expenses incurred with a partial payment) that any Owner who submits a partial payment (without an approved payment plan) will incur an administrative expense of $45.00 for each partial payment tendered and received by, or on behalf of the Association.

17. **REQUEST FOR PAYMENT PLAN:** An Owner may submit a written request to the Association for a payment plan consistent with either paragraph 15.a or 15.b above. An Owner can also submit a written request to meet with the Board to identify which payment plan the Owner chooses, as identified in paragraph 15 above. The Board is required to meet with the Owner in executive session within 45 days of the postmark of the request for the meeting, if the request is mailed within fifteen days of the date of the postmark of the Pay or Lien Notice. If there is no regularly scheduled Board Meeting within the 45 day timeline, the Board has designated the Assessment Dispute Resolution Committee to meet with the Owner.

decorative rock, painting of walls, garages, gates or structures, may result in implementation of the Enforcement process.

H. Additional Bedrooms

Members shall refer to La Quinta Municipal Code, for guidance on the minimum development standards applicable to an existing single-family dwelling, or modification to the floor plan configuration of an existing single-family dwelling that results in additional bedrooms. Members may not exceed the maximum bedroom limitations as provided in applicable La Quinta Municipal Code sections. **The Association will notify the City of La Quinta if it becomes aware that a Member has potentially violated this rule.**

SECTION X
Leasing Use Restrictions

A. Leasing Agreements

Members shall comply with the Combined Rules, Section 7, Rental Regulations with respect to the rental and leasing of the residences within the Association and applicable law. **Enforcement of the Combined Rules with respect to leasing, and short-term vacation rentals ("STVRs") is performed by PGA WEST Master Association and the City of La Quinta.**

B. 2021 Short-Term Rental Amendment to Declaration

On March 16, 2021, the 2021 Amendment to the Declaration was recorded in the Riverside County Recorder's Office. This 2021 Amendment provides that no lease or rental within the community shall be for a period of less than twenty-eight (28) days, with certain exceptions. For a copy of the 2021 Amendment to the Declaration, please contact the Association's Management Company staff. **PGA WEST Fairways may enforce this Governing Document provision pursuant to the Enforcement Policy described below in Section XI of these Rules & Regulations. PGA WEST Master Association may separately begin enforcement activity if there is also a violation of the Combined Rules with respect to leasing and STVRs.**

C. Occupancy Limitations

Members shall comply with the Combined Rules, Section 7.5, Occupancy, for rules related to the occupancy limits of residences used for STVRs. **Enforcement of the Combined Rules with respect to leasing, and STVRs is performed by PGA WEST Master Association and the City of La Quinta.**

D. Operational Requirements and Standard Conditions

Members shall comply with the Combined Rules, Section 7, Rental Regulations with respect to the operational requirements and standard conditions for rentals of the residences within the Association and applicable law. **Enforcement of the Combined Rules with respect to leasing, and STVRs is performed by PGA WEST Master Association and the City of La Quinta.**

SECTION XI
Enforcement

A. Due Process

Prior to the imposition of any fine, suspension of rights, or other enforcement activity, the Member shall be given notice and an opportunity to appear in person or in writing before the Board or appropriate committee.

B. Enforcement Policy

The following procedures will apply to all violations and infractions of the Governing Documents, including, but not limited to, the Declaration, Rules & Regulations and Architectural Guidelines.

1. Once the Association receives a written complaint as to a violation of the Governing Documents occurring within the Association development, or a violation is noted in periodic walk-throughs performed by management, Association staff, or by security, the enforcement process may be started against the offending Member, as set forth below.
2. Nothing in this policy obligates or requires the Board, or any authorized committee, to take enforcement action. Similarly, failure by the Association to enforce any provisions of the Governing Documents shall in no event be deemed a waiver of the right to do so later.
3. Depending upon the severity and frequency of the violation and the violator, the choice of enforcement procedure(s) and/or enforcement remedy used may vary.

C. <u>Actions That May Be Taken</u>

I. Responses and penalties for violations of the Association's Governing Documents may include:

1. Warning letters (Courtesy notices).
2. Hearings and levying of fines, only upon Due Process Requirements (as set forth in Civil Code § 5855 and Section E, below) being followed, in accordance with the fine schedule set forth in Section F below.
3. Reimbursement Assessments to reimburse the Association for costs of repairing damage to the common area or replacing items which cannot be repaired, or for costs incurred in bringing the Member's residence into compliance with the Governing Documents, including but not limited to, legal fees. Reimbursement Assessments may additionally be imposed to reimburse the Association for all costs incurred in reversing an unauthorized architectural modification or alteration by restoring the property or Improvement to its prior condition. In such instance, such Reimbursement Assessment may include costs incurred by the Association for time, materials, labor, management fees and reasonable attorneys' fees. Reimbursement Assessments shall be imposed only after compliance with the Due Process Requirements set forth herein. (See Section E below.)
4. Suspension of the following: telecommunication services, gate transponder privileges, or rights to use the Common Area facilities, upon Due Process Requirements being followed;
5. Instituting Internal Dispute Resolution (IDR) (Civil Code § 5910, et seq.);
6. Instituting Alternative Dispute Resolution (ADR) (Civil Code § 5925, et seq.);
7. A lawsuit.
8. Other actions or a combination of actions, as permitted by law or the governing documents, including Section 9.11 entitled "Enforcement" of the Declaration.
9. Summary removal (without prior notice) of signs in violation of these Rules & Regs, and Assessment of fees for removal, storage, and/or disposal of signs.

D. <u>Enforcement Process</u>

Generally, though not necessarily, the Association will adhere to the following procedures:

1. In certain circumstances, a warning letter and request to correct a violation (if applicable) may be issued.
2. If the violation continues, or is not corrected, a letter and notice of a hearing may be issued, in which the Member will be notified of a possible fine, assessment, and/or suspension of privileges.
3. If the violation continues, or is not corrected thereafter, the Association may initiate one of the following enforcement actions, depending upon the severity and nature of the violation and violator:

(i) Legal Counsel: The matter may be sent to the Association's legal counsel. Any costs/attorney's fees incurred will be charged as an individual reimbursement assessment, after the Member has been provided due process.

(ii) IDR: Association may invite the Member to participate in Internal Dispute Resolution pursuant to Civil Code § 5910.

(iii) ADR: Association may offer to submit the dispute to Alternative Dispute Resolution (ADR) pursuant to Civil Code § 5925. Any costs incurred for the mediator or arbitrator is to be split among the parties.

4. Notwithstanding the foregoing, the Board may determine in its sole discretion, that the violation is of a nature or severity that no warning will be issued and the violation will be subject to immediate notice and opportunity for hearing to impose disciplinary action, including fines.
5. If the violation continues or is repeated, or if the owner's response is otherwise unsatisfactory, the Board may impose additional or continuing fines until such time as the matter is satisfactorily resolved. The Board shall call the owner to additional hearings at which the Board may impose additional fines as provided for in the Fine Schedule. Please note that an owner will not be called to additional hearings for **certain persistent, continuing, and uninterrupted CC&Rs and Rules and Regulations violations**.[1] Instead, the owner will be fined on a daily or monthly basis as determined in the Board's sole discretion, in accordance with the Association's Fine Schedule, until the violation is cured.
6. Association has the right to proceed with legal action to compel compliance with the governing documents. The prevailing party in any dispute is entitled to recovery of attorney's fees and costs.
7. Under circumstances involving conduct that constitutes (a) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring owners; (b) a traffic or fire hazard; or (c) a threat of material damage to, or destruction of, the Common Area, the Board or its agents may contact the appropriate civil authorities and undertake immediate corrective action and conduct a hearing as soon as thereafter possible, if either (1) requested by the offending Member within five (5) days following the Association's actions, or (2) on its own initiative.
8. Summary removal of signs not in compliance with these Rules & Regulations is permitted without notice as set forth in Section IV.D.
9. Payment of an assessment or fine, or completion of a suspension period does not eliminate the Member's obligation to correct the violation. Upon due process requirements being followed, non-payment of any assessment may result in suspension of the following: telecommunication services, vehicle entry transponders, or rights to use the Common Area facilities (Section 5.16 of the Declaration).
10. If PGA WEST Master Association begins its enforcement process against an Association Member based on a violation of the Combined Rules, the PGA WEST Master Association must first complete its process, including holding an appeal hearing before the PGA WEST Master Association Board. Thereafter, the Association Member may request that the Association becomes involved in an unresolved violation, if there is simultaneously a purported Governing Documents Violation. The Association will then begin its enforcement process as described above if it finds that there is a violation of the Association's Governing Documents.

E. <u>Due Process Requirements</u> [Civil Code § 5855]

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[1] For the purposes of this document, a "persistent, continuing and uninterrupted violation" is an ongoing, rather than a repetitive violation, i.e. it is a violation that remains substantially unchanged until corrected by the owner, e.g., an unauthorized architectural improvement.

Due process shall consist of at least a ten (10) day notice that the Board intends to meet and consider imposing discipline on a Member. (Towing and summary removal of improper signage, as described above, are not disciplinary actions, and shall not require prior notice and hearing.) The notice shall contain the alleged violation and intended penalty/enforcement action, necessary correction (if any), date/time/location of the meeting, and a statement that the Member has a right to attend and address the Board. The hearing may be scheduled in executive session concurrent with any regular or special Board meeting or annual meeting. If the Member chooses not to attend and address the Board, alternatively, the Member may submit a response in writing. The Board will take the matter under submission. If the Board imposes discipline on the Member, the Board shall provide written notice to the Member within fifteen (15) days following the hearing decision.

F. <u>Fine Schedule</u>

At its discretion, the Board may levy fines for violations which include, but are not limited to, hazardous activities, use restrictions, vehicle and parking restrictions, unauthorized improvements to property, and any violation of the Governing Documents, including Bylaws, CC&Rs and Rules and Regulations.

Fines for first time violations may be levied in accordance with the following schedule:

Trash Violations (Separate from any Reimbursement Assessment imposed against a Member after notice and hearing, for any cost billed to the Association to remove the trash)	$25.00 – Per occurrence
Common parking offenses (parked more than 72 consecutive hours in the street without written permission of the Association; parked more than 30 consecutive days in a driveway; blocking mailbox, driveway or walkway access)	$50.00
Aggravated parking violation (parked in a red zone; blocking fire hydrant)	$100.00
Excess overnight street parking (in excess of 2 vehicles)	$50.00 per vehicle, per day
Personal Conduct	$500.00*
Unauthorized improvements to property.	$750.00*
Any other violation of the Bylaws, Declaration, Architectural Guidelines, or Rules & Regulations not specifically mentioned	$750.00 – Per occurrence*
Violation of the 2021 Short-Term Rental Amendment to Declaration	$750.00 – Per occurrence*

(*) A violation of these Rules & Regulations will be determined on a case-by-case basis. Egregious or repeated infractions of these Rules & Regulations may result in an escalated fine of up to $10,000.00.

Additional items to consider regarding the Association's Fine Schedule, include:

1. Fines for continuing or repeated violations may be doubled at the discretion of the Board, following notice and hearing.
2. Due to high volume of disturbances during holidays or high-profile events such as Coachella Music & Arts Festival, Stagecoach Festival, Desert Trip, PGA Tour Event, etc., violations of the Governing Documents may result in fines beginning at a minimum of $2,500, for violations that occur during holidays or high-profile events. **Any fines issued by the Association for violation of its Governing Documents, will be imposed separate and apart from any fines imposed by the PGA WEST Master Association, after separate notice and hearing.**
3. In the event a Member repairs, reconstructs, alters or modifies an existing wall or fence subject to Section 4.6 of the Architectural Guidelines by creating an opening to allow access through the fence or wall without obtaining the Architectural Committee's prior written approval, the Board may levy a fine of $5,000. The Board may continue to levy an automatic fine of $5,000 for every month that the opening has not been removed and the wall or fence has not been restored to its prior condition.

G. <u>Cost Incurred in Enforcing Rules & Regulations</u>

All costs including, but not limited to, court costs, reasonable attorney's fees, and management fees incurred in enforcing these Rules & Regulations and the Association's Governing Documents shall be borne by the responsible Member. Non-payment of these costs of enforcement may result in an Assessment being levied against the Member and may be collected in the manner set forth in the Association's Declaration.

Section 7.9 **Enforcement Procedure**

(a) Inspections. The members of the Architectural Committee, security staff, or representatives of the management company that have been retained by the Board for the management of the PGA WEST Fairways Association and any other persons designated by the Board shall have the right to conduct periodic inspections to verify that the Authorized Persons are complying with all of the provisions of the Regulations and to insure that the construction of the Improvements is proceeding in accordance with the approved plans and specifications and in accordance with water conserving measures. Entry may be made without notice in the event of an emergency involving potential danger to life or property. Entry for routine inspections shall be made at any reasonable time, after written or oral notice to the Owner of not less than three (3) days. Such entry will be made with as little inconvenience to the Owner as practical. A copy of the Architectural Committee inspection form attached as Exhibit "C" should be used by an Owner to request periodic inspections on the site.

(b) Noncompliance. Unless otherwise stated herein, in the event an Improvement was commenced without the required approval of the Architectural Committee, or, if such Improvement was not completed within the time limitation established for such Improvement in the Architectural Guidelines or in substantial conformance with the approved plans and specifications, the Board shall have the right and power to correct the violation or take other appropriate action in accordance with the procedure described in Section 9.11 entitled "Enforcement" of the Declaration, Section 5.4 entitled "Notice and Hearing Procedures for Disciplinary Actions Against Owners" of the Bylaws, and in accordance with the Enforcement Policy procedure described in the Fairways Rules & Regulations, as applicable.

(c) Enforcement. The Board shall have all the available remedies permitted by the Association Management Documents and by law to enforce the architectural control provisions of the Association Management Documents which include these Regulations. Such rights include, but are not limited to, stopping the construction if any general contractor, job superintendent, subcontractor, supplier or their employees are in violation of any provision of these Regulations, removing or causing the removal of any Improvements that have been made or constructed in violation of any of the provisions of the Regulations or the approved plans and specifications, and reversing any unauthorized modification or alterations by restoring the property or Improvement to its prior condition.

(d) Deposit. Any portion of the Deposit that has not been used for the repair of any damage or the replacement of any damaged Improvements (including without limitation damage to the golf course property, streets, curbs, gutters, storm drain facilities, landscaping, adjacent Lots and all Improvements thereof, and all other Common Area) caused by the construction activities of an Owner shall be refunded to such Owner only after final compliance inspection has been made and all of the repair activity has been satisfactorily completed. Owner acknowledges and agrees that if the Owner is delinquent in the payment of his monthly assessments, liens, fines or any other fees due to the Association, the Board may elect, in its sole discretion and upon due notice to the Owner, to retain sufficient monies from the Deposit to bring the Owner's account current.

Section 7.10 **Agreement and Covenant Running With the Land.** Owner acknowledges and agrees that Association shall have the right in its sole discretion, to cause the "Agreement and Covenant Running with the Land", a copy of which is attached hereto as Exhibit "G" and by this reference made a part hereof, to be recorded against Owner's Lot in connection with and as a condition of the Architectural Committee's approval of Owner's Improvements. Owner agrees to cooperate with Association in executing the Agreement and Covenants Running with the Land in a timely manner as requested by the Association.

at the homeowner's expense if approved by the Architectural Committee (i.e. maintenance agreement).

(b) Citrus Trees. Any citrus trees that are planted in rear or side yards must be maintained on a weekly basis. Fallen or rotten fruit shall be removed and disposed of as necessary to avoid rodents and other pests. Citrus trees shall not be planted in the front yard.

Section 5.2 **Standards of Maintenance.** All Improvements within or upon a Lot are to be maintained in a first class condition and repair and in a clean and attractive condition. Any slopes and terraces are to be maintained so as to prevent erosion. If an Improvement is not maintained in accordance with the guidelines, a courtesy notice will be sent to the homeowner requesting maintenance be performed within thirty (30) days, followed by a hearing before the Board of Directors which may result in a fine for non-compliance.

Section 5.3 **Exterior Improvements.** All Improvements to the exterior of the property must be approved by the Architectural Review Committee. Exterior Improvements include modifications to roofs, exterior painting of house, party walls, gates, fences, garage doors, structures and any changes to exterior lighting.

ARTICLE 6

PROCEDURE FOR FILING APPLICATION

Section 6.1 **Improvements Requiring Approval.** The construction or installation of any Improvements or devices, changes to existing Improvements, the reconstruction of Improvements, or the installation or change of exterior Improvements requires the submission of forms, plans and specifications for review and approval of the Architectural Committee before any such construction or installation activity is commenced.

Changes requiring the approval of the Architectural Committee include, but are not limited to: changes to interior walls, floors and rooms, fences, and improvements within decks, balconies, yards, exterior painting, roof modifications, party walls, gates, fences and other appurtenances, but in the event of a substantial or total destruction of any Improvements on a Lot that is not being reconstructed to a standard or condition as originally constructed by the participating Builder or by an Owner as previously approved by the Architectural Committee, may also include the reconstruction of any such Improvements on a Lot. This includes any Improvements that can be seen from the common areas such as the street, golf course or golf cart path.

Section 6.2 **Address for Submittal.** The Application for Approval of Plans and Specifications and documents indicated below should be provided to the Architectural Committee at the following address:

PGA WEST Fairways Association
P.O. Box 1690
La Quinta, CA 92247
Attn: Architectural Committee

Physical Location:
39-755 Berkey Drive Suite A
Palm Desert, CA 92211

Section 6.3 **Procedure for Application.** The submission of forms, plans and specifications in connection with the construction or installation of any Improvement or for the change or modification of any Improvement must include all of the following:

(a) Application for Approval of Final Plans and Specifications;

(b) Architectural Review Fee in the amount designated if required by Architectural Committee or Board of Directors;

(c) Deposit in the amount designated on the Application Form;

(d) Grading plans (if applicable) where the established drainage pattern might be altered by the proposed Improvements;

(e) Plot plan, irrigation and landscape plans consisting of sketches and product specifications (to include height of any Improvements in relation to the nearest wall(s) and Lot).

(f) Copy of Contractor State License and proof of insurance.

(g) Samples of materials such as awnings, pavers, paint colors, stone etc.

(i) Any other information or documentation deemed necessary by the Architectural Committee.

Each of the foregoing items is discussed in more detail below.

An Application will not be deemed to be complete until all of the foregoing items have been provided to the Architectural Committee at the address indicated above.

Section 6.4 **Application for Approval.** The Application for the approval of plans and specifications for the construction, installation or modification of Improvements must be accompanied by an executed Application for approval of Final Plans and Specifications in the form attached as Exhibit "A". The application may also require completion of Exhibit "D-1" or "D-2" when Improvements include landscape changes.

Section 6.5 **Architectural Review Fee.** The Architectural Committee or Board of Directors can impose a reasonable Architectural Review Fee, consistent with the Declaration and Supplemental Declarations, for the review, processing, approval/disapproval of plans and specifications for any Improvements on a Lot.

Section 6.6 **Deposit.** The Architectural Committee shall require a reasonable Deposit for any construction, reconstruction, alterations or remodels which could result in damage to Improvements on other Owner's property, the Common Area or that are required to be maintained by the Association. The Deposit shall be used to cover the cost of restoring, repairing or work not completed on any such Improvements that are damaged or destroyed as a result of the construction activity of any Owner or an Owner's contractors, subcontractors, suppliers, or any employees of any of the foregoing. *NOTE: Special care shall be given to all irrigation and landscape previously installed by the Participating Builder. Owner will be responsible for any damage to the above existing installations damaged during construction or remodel of his Improvements.* In the event the Deposit is inadequate to cover the cost of any such restoration and repair or if the Deposit has been exhausted prior to completion of the Improvements, an additional Deposit in an amount determined by the Architectural Committee may be required. Any unused portion of the Deposit will be returned after all construction and landscaping activity, including clean up, has been completed or installed and accepted by the Architectural Committee and the Improvement is in substantial conformance to the plans and specifications approved by the Architectural Committee

Section 6.7 **Governmental Approval.** Approval by Architectural Committee shall not be deemed to be approved by the local governmental agency.

Section 6.8 **Approval of Governmental Changes.** Any changes required or requested by the local governmental agency, to plans and specifications previously approved by the Architectural Committee, must be returned to the Architectural Committee for further review and approval.

Section 6.9 **Expiration of Approval.** Approvals of plans and specifications by the Architectural Committee shall be valid for one (1) year from the date of approval. If construction has not started before the expiration of this period of time, the approval will terminate and the plans and specifications must be resubmitted. The completion of the initial landscaping Improvements must be completed **within six (6) months from the close of escrow** of the purchase of the Lot from a participating builder. The date by which any other construction or alteration must be completed shall be determined by the Architectural Committee at the time of the approval of the plans and specifications and shall be based upon the type of improvement that is being made.

Section 6.10 **Duration of Project.** The duration of a project should conform to the amount of time requested by the homeowner on the Exhibit "A" form of the application; and subsequently approved by the Architectural Committee. A project that is not completed in the requested timeframe may be subject to the Enforcement Procedure (Section 7.9) outlined in this document.

Section 6.11 **Request for Inspection.** Upon completion of any work, the Owner shall submit written notice of such completion to the Architectural Committee in the form attached hereto as Exhibit "C". A Compliance Review will be made within thirty (30) days after such notice. If the Improvements were not made in substantial compliance with the approved plans, the Owner will be notified in writing of such noncompliance within such thirty (30) day period and the Owner will be required to correct the violation.

(a) When during the performance of a requested compliance review it is found that the owner has made excessive changes/additions to the plans approved by the Architectural Committee, those excessive and unapproved changes/additions must be resubmitted to the Architectural Committee for further consideration and possible approval before release of the construction deposit to the Owner. This resubmittal may require another application fee, application form and possible additional Deposit.

Section 6.12 **Approval Dates.** The Declaration contains certain performance dates for the submittal and approval of plans and specifications and for the satisfactory completion and approval of the Improvements that were made, as follows:

An Application will not be deemed complete until all of the documents and information set forth above or required by the Architectural Committee has been provided to the Architectural Committee.

No application will be deemed approved unless (1) the owner receives prior written approval of the Architectural Committee or Board; or (2) the owner complies with the requirements of Section 9.6.4 of the CC&Rs and does not receive a response within 30 days. Further outlined below:

(a) The Architectural Committee shall review the complete submission and within thirty (30) days of its receipt, provide a written response to the requesting Owner, including an explanation of the reasons for any disapproval.

(b) In the event the Architectural Committee fails to provide a written response to the requesting Owner within thirty (30) days after the receipt of the complete submission, the Owner may notify the Board in writing that a response has not been received. If the Board fails to respond within thirty (30) days of the receipt of the notice, approval will not be required and the related covenants shall be deemed to have been fully satisfied, so long as the proposed Improvement does not violate any requirements of the Governing Documents or Applicable Law.

(c) In the event the Architectural Committee disapproves the submission, the Owner may appeal to the Board of Directors provided that such appeal is received by the Board not more than fifteen (15) days following the final decision of the Architectural Committee. The appeal request will be placed on the Board's next regularly scheduled meeting agenda for consideration. The Board shall render its decision on any appeal within thirty (30) days following the review at its regularly scheduled meeting. If the Board fails to respond within this set time frame, the request for appeal shall be deemed a decision in favor of the appellant.

(d) If an inspection has not been made within thirty (30) days of notification by an Owner of the completion of an Improvement or if the Owner requesting such inspection has not been notified of any noncompliance within thirty (30) days after such inspection, the Improvements shall be deemed to be completed in substantial conformance with approved plans and specifications.

(e) The Architectural Committee shall provide to any Owner, prospective Owner, Mortgagee or prospective Mortgagee of a Lot who has submitted a written request a statement as to the compliance or noncompliance, as the case may be, of the Improvements upon a Lot made by an Owner with the provisions of the Association Management Documents provided that the Architectural Committee, after notice of not less than three (3) days to the Owner of such Lot, was afforded the right to enter upon the affected Lot at a reasonable time specified by the Architectural Committee.

Section 6.13 **Variance.** The Board may also grant a variance from compliance with certain architectural standards and requirements in accordance with the Declaration under certain extenuating circumstances. An Owner may request a variance from compliance with Regulations by submitting the form attached hereto as Exhibit "B".

Section 6.14 **Preliminary and Final Conceptual Plans.** The provisions of this Section shall apply only in connection with the reconstruction of a dwelling unit on a Lot that has been substantially or totally destroyed where a decision has been made by the affected Owner to reconstruct such dwelling unit to a standard or condition other than as initially constructed by Declarant. In the event of such reconstruction, the provisions of this Section shall prevail in the event of any conflict with any other provisions of this Article.

(a) Application. Each Application must contain complete sets of the preliminary conceptual plans (plot plan, floor plans and elevations) as specified on Exhibit "A" and preliminary product specifications signed and stamped by a Registered Licenses Architect. Preliminary drawings shall contain the following information:

(i) Plot Plan. Plot plan drawn to minimum 1" – 8' (1/8") scale showing Lot layout, dimensions, north arrow, drainage and other easements, topographical information such as property lines, walls, top and toe of all slopes. Building outline, roof outline, drives, walks, garden walls (including their heights), and other site Improvements shall be shown on the plot plan as required by the Architectural Committee. The Plot Plan shall reflect all Improvements on adjacent Lots. Typically all sheets should be dated, titled, and inscribed with the Owner's name, Lot/Unit number, Architect's name and address.

(ii) As previously noted, drainage of each home site has been carefully designed, and the proposed plot plan cannot alter or modify this design except in compliance with the provision of these Regulations. The submitted plot plan must clearly show that the original drainage as developed by the participating Builder is kept intact. It is the responsibility of the Owners to obtain accurate Lot layout topographic information. No changes can be made to any drainage facilities within any Lot or to any other Improvements within a Lot that would interfere with the reasonable drainage to or through such drainage facilities including without limitation, drainage from any other Lot that is serviced by such drainage facilities without the prior approval of the Architectural Committee. If any drainage facilities prove to be inadequate for reasonable drainage from any adjacent Lots, such drainage facilities shall be relocated,

repaired or modified until it can be demonstrated that such drainage facilities do adequately provide reasonable drainage from such adjacent Lots.

(iii) Exterior Colors and Materials. Exterior colors (siding, stucco, trim, accents, etc.) and materials (siding, masonry, roofing, stucco) for the construction, reconstruction or modification of Improvements must be consistent with the exterior colors and materials of the Improvements within the PGA WEST Fairways Association and the specific Special Benefits Area. Pre-approved colors have been selected for each SBA to assist homeowners with selecting paint colors. Homeowners are encouraged to select from the pre-approved color scheme, however, if they desire colors that are not on the pre-approved color board they must make a specific request on the Architectural application to include the submission of desired colors.

(iv) Preliminary Landscape Plans. Each Application must contain complete sets of the plans, specifications, sketches and product catalogs as specified in Exhibit "A" which plans shall be a minimum of 1' – 10'0" (1/10 scale). These plans shall be coordinated with the Owner, the Owner's consultant/builder and Licensed Landscape Architect, and shall be included, stamped, and signed in both preliminary and final architectural submittal packages for approval.

(v) Construction Details. Structural elements such as retaining walls or shade structures must be per governmental standards and approved by a structural engineer.

(b) Final Plans and Specifications. Two (2) complete sets of Working Drawings and Product Specifications, one (1) rendering and one (1) exterior color/material board specifying colors and materials by manufacturers' product number, shall be submitted to the Architectural Committee if required as indicated above. Working Drawings and specifications shall contain all of the information that was required for preliminary drawings plus additional information as outlined below and must be stamped "Final".

(i) Plot Plan. Plot plan drawn to scale showing all information required for preliminary plot plan and also specific flow and manner of surface and/or underground drainage, finish and natural grade elevations at building corners, and street elevations at curb.

(ii) Wall Details. Foundation plans and details and retaining wall details if applicable.

(iii) Roof. Roof mounted mechanical equipment is unacceptable.

(iv) Sections. Structural sections including, but not limited to the following details:

(v) Landscape. Landscape plans and details shall utilize plant materials from the Approved Plant Palette (including size, location and number); provide a sample of rock, pavers, gravel, boulders, if any to be installed; provide complete detail of landscape lighting and irrigation systems; and provide full elevations (including overall height) of any fountains or other water features.

(A) Any details necessary to explain exterior design features and junctions of dissimilar materials;

(B) Details necessary to indicate, explain, and clearly define the design and construction of fences, garden walls, trellises, planters, or any other exterior structures;

(C) Location of exterior lighting including fixture cuts

One (1) copy of the submittal shall be retained by the Architectural Committee.

EXHIBIT A

ARCHITECTURAL APPLICATION FOR APPROVAL OF PLANS AND SPECIFICATIONS

TO: PGA WEST Fairways Association
Attn: Architectural Committee
P.O. Box 1690
La Quinta, CA 92247

NAME OF OWNER: _____

PROPERTY ADDRESS: _____

MAILING ADDRESS: _____

TELEPHONE #'S: _____

EMAIL ADDRESS: _____ SBA _____

Description of Improvements desired (give full details of type and extent of improvements):

_____

_____

_____

_____

ARCHITECT, CONTRACTOR, ENGINEER OR OWNER'S REPRESENTATIVE:

NAME: _____

MAILING ADDRESS: _____

TELEPHONE #s: _____

FAX#: _____ Email: _____

I_____*agree* or_____*do not agree* (check one) to the Association communicating directly with my contractor with regard to these improvements.

PROVIDE COPY OF: **CONTRACTOR'S LICENSE**
CERTIFICATE OF LIABILITY INSURANCE
COPY OF CONTRACTOR'S ESTIMATE/PROPOSAL

Estimated project value: $_____
Requested amount of time required to complete improvements: _____

Please include the following as required by your project (mark N/A by those that aren't relevant)

_____ Exhibit "A" (Application for Approval of Plans & Specification) - 1 set
_____ Exhibit "D" (Approved Plant Palette Checklist, if applicable)
_____ Landscape/Irrigation/Lighting Plans - 1 set
_____ Preliminary Floor Plans - 1 set
_____ Final Plans (Marked "Final" and in compliance with setbacks) - 1 set
_____ Hardscape Plans - 1 set
_____ Detailed Plans and/or Drawings - 1 set
_____ Elevations - 1 set
_____ Performance Deposit (10% of project total)
_____ Photo(s) of the existing area(s) to be modified
_____ Photo(s) of the job site prior to commencement

ARCHITECTURAL APPLICATION FOR APPROVAL OF PLANS AND SPECIFICATIONS

FEES/ DEPOSITS

Performance Deposits:

- Performance Deposit is not required for minor changes such as a tree, a few shrubs, boulders, pots/vases, and painting of homes in SBAs where the homeowner is selecting colors from the pre-approved palette and utilizing a contractor that is already on file with the Association.

- For all other work, a refundable Performance Deposit of 10% of the total cost (rounded to the nearest hundred) must be submitted to the HOA when applying for the approval of the Architectural Committee to proceed. Please provide a copy of the contractor's estimate with this form. The refund will be made upon completion of the work, following an inspection by the Architectural Committee, and approval of the HOA. Checks shall be made payable to PGA WEST Fairways Association.

Other Possible Fees:

- A Homeowner Maintenance Agreement and $350 recordation fee may be required in some special situations (i.e. wooden garage door installations) as deemed necessary by the Architectural Committee. Notification of the Maintenance Agreement requirement will be included with the decision letter from the Committee once reviewed.

- In certain situations, additional fees associated with the review of plans and specifications for proposed Improvements and/or inspection of ongoing or completed exterior modifications and/or interior modifications of condominium units may be required if determined by the Board and/or Architectural Review Committee. This could include a procedure for review of preliminary and final plans by a licensed architect, landscape architect or licensed engineer. This fee is not refundable.

OWNER'S STATEMENT: The undersigned Owner acknowledges and agrees:

1. That no work on this request shall commence until written approval of the Architectural Committee has been received.
2. That the application submitted for approval by the Architectural Committee shall not be deemed complete until Owner has provided all of the items required for the type of improvements contemplated as indicated on the Supplemental Guidelines attached check sheet or as required by the Architectural Committee.
3. That Owner has read, understands, and shall comply with all requirements of the Regulations and the provisions of Section 9 of the Declaration.

OWNER'S SIGNATURE_____ **DATE** _____

NOTE: By signature on this application, Homeowner understands and agrees that if Homeowner is delinquent on the payment of any assessment at the time when refund of architectural deposits would be due, Association shall be entitled to withhold refund of said deposits until Association is notified by management that Homeowner's arrearages have been paid. Association shall notify Homeowner of the amount of the arrearage and the remaining amount on deposit.

For a complete description of the Architectural Guidelines refer to the most recently adopted Fairways Architectural Guidelines. All necessary forms that need to be submitted to the HOA can be obtained by calling Management at 760-776-5100 ext. 6333 or downloaded from the Fairways website at http://www.pgawestfairways.com.