

November 14, 2023

Pro Forma Budget Summary & Disclosures
Form for Use in Submitting Owner Notification of Self-Nomination

For the Fiscal Year January 1, 2024 through December 31, 2024

Dear Oasis Villa Resort Owner:

Attached is the Association's pro forma budget summary and required annual disclosures for the upcoming 2024 calendar year (January 1, 2024 to December 31, 2024). The enclosed *Pro Forma Budget Summary & Disclosures* includes, but is not limited to, a summary of the Association's pro forma operations, along with Assessments and Reserve Funding Disclosure Summary.

The complete 2024 Pro Forma Operating Budget is available upon request. If any homeowner requests that a copy of the complete 2024 Pro Forma Operating Budget be mailed to the homeowner, a copy will be provided by first class United States mail at the Association's expense. Delivery shall be within five days of receipt of said request.

Cordially,

Board of Directors
Oasis Villa Resort Homeowners Association

Enclosures:

2024 Pro Forma Budget Summary & Disclosures
Exhibit A – 2024 Oasis Villa Resort Budget Comparison
Exhibit B – 2024 Assessment and Reserve Funding Disclosure Summary
Exhibit C – Certificate of Liability Insurance
Exhibit D – Oasis Villa Resort Homeowners Association Enforcement Procedure
Exhibit E – Guidelines for Submitting an Architectural Change
Exhibit F – Request for Architectural Changes
Exhibit G – FHA Certification Disclosure
Exhibit H – VA Certification Disclosure
Exhibit I – Email Opt-In Form
Exhibit J – Membership List Opt-Out Form
Exhibit K – Charges for Documents

Oasis Villa Resort

Homeowners Association

Pro Forma Budget Summary & Disclosures

For the Fiscal Year January 1, 2024 through December 31, 2024

I. **SUMMARY OF PRO FORMA OPERATING BUDGET, SUMMARY OF RESERVES & CAPITAL BUDGET**

A. Summary of Pro Forma Operating Budget & Reserves. The Board of Directors reviewed the proposed budget for the 2024 fiscal year. Based upon this evaluation, the Board of Directors, adopted the Operations Budget, the summary of which is noted on Exhibit "A" within this package. Regular Assessments shall be increased by \$49.02 (or 7%) per month per Unit, changing from \$704.79 to \$753.81 per month per Unit (hereinafter, referred to as the "Regular Assessment"). All Regular Assessments shall be payable, in advance, in equal installments, on the first day of each month.

In addition, attached hereto as Exhibit "B" are the Executive Summary, Assessment and Reserve Funding Disclosure Summary and Reserve Study Financial Update Report prepared by Associated Reserves.

The complete 2024 Pro Forma Operating Budget is available upon request. If any member requests that a copy of the 2024 Pro Forma Operating Budget be mailed to the member, the Association shall provide the copy to the member by first-class United States mail at the Association's expense. Delivery shall be within five days of receipt of request.

II. **STATEMENT REGARDING MAJOR COMPONENT REPAIRS**

The Board of Directors **WILL** be undertaking repairs or replacement of any major component with a remaining useful life of thirty (30) years or less. This decision was made because these components have reached the end of their useful life (per CC 5300(b)(4)1)

III. **SPECIAL ASSESSMENT STATEMENT**

The Board of Directors does not anticipate that any special assessments will be levied during the course of the 2024 fiscal year. At the present time, the Board of Directors uses that portion of the Regular Assessments allocated to reserves as its mechanisms to fund reserves.

IV. **SUMMARY OF INSURANCE POLICIES**

A. The Association maintains one or more policies of insurance which include coverage for (1) general liability of the Association, and (2) individual liability of officers and directors of the Association for negligent acts or omissions of those persons acting in their capacity as directors and officers. The Association does not carry any flood or earthquake insurance. Pursuant to California Civil Code Section 5310(a)(7) members are hereby notified that the Association carries the insurance policies identified within Exhibit "C" attached hereto. Accordingly, the Association's aggregate insurance coverage meets or exceeds the level specified by *Civil Code* Section 5805 for common interest development consisting of more than 100 separate interests. However, under certain limited circumstance, there may be claims covered by the general liability policy, but excluded from umbrella general liability policy coverage.

B. Statutory Disclosure. The attached Exhibit "C" summary of the association's policies of insurance provides only certain information, as required by *Civil Code* section 5310(a)(7), 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.

V. RECORDS OF THE ASSOCIATION

The records of the Association, including name and addresses of the members are maintained at the Association's on-site office within the clubhouse located at 4190 East Palm Canyon Drive, Palm Springs California 92264

VI. NOTICES

A. Member Right to Obtain Minutes of Board Meetings. The minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board of Directors, other than an Executive Session, shall be available to members within 30 days of the meeting. Upon written demand on the Association by any member for copies of the minutes, summary minutes, or proposed minutes for adoption that are marked to indicate draft status (if available) other than an Executive Session, may be obtained from the Association's on-site office within the clubhouse upon payment of the Association's costs for providing such copies. Cost is \$1.00 per page. Minutes are also available online at www.vimanagementservices.com, the password is Owner! (case-sensitive).

B. Delivery of Notice(s) to Association. Any document required to be delivered to the Association pursuant to the Davis-Stirling Common Interest Development Act and/or any other official document shall be delivered to or addressed to: Oasis Villa Resort Homeowners Association, c/o President, 4190 East Palm Canyon Drive, Palm Springs, California 92264.

C. Member Addresses for Delivery of Notices. A member may submit a request to have notices sent to up to two (2) different specified addresses, pursuant to the Davis-Stirling Common Interest Development Act of the California Civil Code.

D. Posting Location for General Notices to Members. General notices to Members will be delivered by electronic mail to the owners' email address of record and posted to the Association website (www.vimanagemntsvcs.com). A member has the option to receive general notices by individual delivery upon written request to the Association in accordance with the Davis-Stirling Common Interest Development Act of the California Civil Code.

E. Individual Delivery Notice. Documents designated by the Civil Code as requiring General Delivery or General Notice will be delivered using one of the methods detailed in Civil Code section 4045(a). If a member of the Association wishes to receive these general notice documents by individual delivery, they must make such a request to the Association, and the Association will comply with the request.

VII. MONETARY PENALTIES/FINE POLICY STATEMENT

A copy of the Association's *Enforcement Procedure*, Rev. April 16, 2012 is attached hereto as Exhibit "E".

VIII. ARCHITECTURAL REVIEW PROCESS

In accordance with Civil Code Section 4765, the Association hereby provides members with notice of the requirements of Association approval of physical changes to property, as set forth in Article XIII., pages 36 through 38 of the Third Amendment and Restatement of Covenants, Conditions and Restrictions. A copy of the Article XIII is attached hereto as Exhibit "E". The Architectural Committee ("Architectural Committee") meet the first Tuesday of each month, ensuring that members receive review/response to requests for approval of proposed improvements within 30 days of such requests.

IX. NOTICE OF RIGHT TO RECEIVE COLLECTION NOTICES AT SECONDARY ADDRESS

Upon receipt of a written request by an Owner identifying a secondary address for purposed of collection notices, the Association shall send additional copies of any notices to the secondary address provided. The owner's request shall be in writing and shall be mailed to the Association in a manner that shall indicate the Association has received it. The Owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall

only be required to send notices to the indicated secondary address from the point the Association receives the request.

X. NOTICE OF ADDRESS FOR OVERNIGHT PAYMENT OF ASSESSMENTS

Overnight payment of assessments may be sent/delivered to the following address: Oasis Villa Resort Homeowners Association, c/o VI Resorts, 1417 116th Ave NE, Bellevue, WA 98004-3821.

XI. SUMMARY OF THE PROVISIONS OF THE ALTERNATIVE DISPUTE RESOLUTION LEGISLATION. ENUMERATED UNDER CIVIL CODE §§5925 THROUGH 5965 (“ADR Laws”) AND THE INTERNAL DISPUTE RESOLUTION PROCEDURE UNDER CIVIL CODE §§5900 TO 5920 (“IDR Process”)

Pursuant to the ADR Laws, this letter will notify you of a law which requires owners within the subdivision, as well as the Association, to participate in some form of Alternative Dispute Resolution (“ADR”) prior to initiating litigation to enforce the Association’s governing documents, the Davis Stirling Common Interest Development Act or the Nonprofit Mutual Benefit Corporation Law (CID Dispute). Subject to exceptions specified within the ADR Laws, an Association and its owner members must offer to submit their dispute to a form of ADR, such as arbitration or mediation, before filing a civil action to enforce the governing documents.

If the form of ADR chosen is arbitration, it may be either binding or non-binding at the option of the parties. The ADR Laws also provide that the failure of either the Association or any owner to offer ADR prior to initiating litigation is a potential basis for having your lawsuit dismissed. Additionally, the ADR Laws further provide that the reasonableness of any party’s refusal to participate in ADR (prior to the filing of a lawsuit) will be considered by the court on its determination of the amount of attorney’s fees awarded to the prevailing party.

Finally, this statute specifically requires that the Association send a summary of this legislation, which specifically includes the following provision of Civil Code §5965:

Failure by any member of the association to comply with the prefiling requirement of Section 5965 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

If you have a dispute with a member or with the Association regarding a CID Dispute, we strongly suggest that you review the ADR Laws contained herein and consult with an attorney to ascertain your rights and remedies.

IDR PROCESS
CIVIL CODE §§5900 TO 5920

The Association shall comply with the Internal Dispute Resolution Process contained within Civil Code §5915 (deemed within the statute to be fair, reasonable, and expeditious), as follows:

§5915

(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 the 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 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 other 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 of the agreement is ratified by the board.

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

ADR LAWS

California Civil Code §§5925 through 5965 – Alternative Dispute Resolution

§5925. ADR Definitions.

As used in this article:

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

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

(1) Enforcement of this act.

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

(3) Enforcement of the governing documents.

§5930. ADR Prerequisite to Litigation.

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

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

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

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

§5935. Request for Resolution.

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

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

(2) A request for alternative dispute resolution.

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

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

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

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

§5940. Time to Complete ADR Process.

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

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

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

§5945. Tolling of Statute of Limitations.

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

- (a) The period provided in Section 5935 for response to a Request for Resolution.
- (b) If the Request for Resolution is accepted, the period provided by Section 5940 for completion of alternative dispute resolution, including any extension of time stipulated to by the parties pursuant to Section 5940.

§5950. Certification of ADR Efforts Completion.

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

- (1) Alternative dispute resolution has been completed in compliance with this article.
- (2) One of the other parties to the dispute did not accept the terms offered for alternative dispute resolution.

(3) Preliminary or temporary injunctive relief is necessary.

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

§5955. Stay of Litigation for Dispute Resolution

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

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

§5960. Attorney's Fees

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

§5965. Annual ADR Notice.

(a) An association shall annually provide its members a summary of the provisions of this article that specifically reference 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.

XII. ASSESSMENT COLLECTION AND FULL PAY POLICY STATEMENT

ASSESSMENT COLLECTION AND FULL PAY POLICY FOR REGULAR AND SPECIAL ASSESSMENTS
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1. DUE DATES: All Regular Assessments shall be due and payable, in advance, in equal monthly installments, on the first day or 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:

**Oasis Villa Resort Homeowners Association
c/o Vacation Internationale
1417 116th Ave NE
Bellevue, WA 98004**

3. APPLICATION: Payments received on delinquent assessments shall be applied to the Owner's account as follows: payment shall be applied to the principle owed first. Payments on principle shall be applied to the Owner's account by the "balance forward payment" method, *i.e.*, in reverse order so that the oldest arrearages of the principal are retired first. Only after the principle owed is paid in full shall such payments be applied to interest, late charges, collection expenses, administration fees, attorneys' fees, or any other amount due to the Association which result in continued delinquencies.

4. LATE CHARGE: All assessments shall be delinquent if not paid within **30 days** after they become due and will result in the imposition of a late charge of ten dollars (\$10.00). Furthermore, the Association shall be entitled to recover any reasonable collections costs, 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 costs, and late charges, at an annual percentage rate of ten percent (10%).

6. SECONDARY ADDRESS: Upon receipt of a written request by an Owner identifying a secondary address for the purpose 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 notice to the indicated secondary address at the point in time the Association receives the written request.

7. PAY OR LIEN LETTER: If an assessment payment from the Owner is not paid within **forty-five (45) days** after its original due date (for example, if an Owner fails to pay an assessment which was due on June 1 and the failure to pay continues through July 15, then the June assessment would not have been paid within 45 days after its original due date), 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 30 days written notice to a delinquent Owner prior to recording an Assessment Lien and further provide an itemized statement of the charges owed, including a breakdown of: (a) the principle 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 association to the reasonable costs of collection. A copy of the Association's collection policy shall be attached to the Pay and Lien Letter.

8. INTERNAL DISPUTE RESOLUTION PROCESS*: The Association shall offer to meet and confer with a delinquent owner to resolve any 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, which written request must be received by the Association within twenty (20) days of the date of the Meet and Confer Offer. 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 CID 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.

*Pursuant to a 1994 California decision, *Park Place Estates Homeowners Association, Inc. v. Naber* (1994) 29 Cal.App. 4th 427, the appellate court held that homeowners have an independent obligation to pay monthly assessments and do not have a right to set off or withhold payments of assessments.

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 (a) the Owner's voting privileges; (b) the operation of the cable television service to the Owner's unit; and/or (c) the Owner's privileges for use of the common area/recreational facilities, including transponder privileges (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 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 the 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 and/or transponder service shall be reinstated upon the Owner's account being brought current and upon payment to the Association of a reinstatement assessment in an amount equal to what the Association is charged by the cable/gate access company(ies) to facilitate reinstatement of cable and/or transponder 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. ASSESSEMENT LIEN:

a. If the delinquent Owner does not bring his/her/its account current within the deadline set forth in the Pay or Lien Letter, the Board of Directors shall approve the recordation of an assessment lien against the delinquent Owner's property. The Board's decision to record the 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 lot/parcel number of the property that is delinquent, rather than the name of the owner. The Assessment Lien shall be recorded in the County Recorder's Office itemizing all sums that are then delinquent, including the delinquent assessment(s), then current monthly assessment amount which will also accrue and be a part of the lien, interest, late charges, collection costs and reasonable attorneys' fees. Recording this notice creates a lien, which is subject to foreclosure, against the delinquent Owner's property.

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 no 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. An additional fee for legal expenses shall be charged to the Owner at this stage (pursuant to *Civil Code* §5650).

11. PRE-FORECLOSURE ACTIONS:

a. 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-five (35) days from the date of the Owner's receipt of his pre-foreclosure offer) or alternative dispute resolution consistent with *Civil Code* §5925, *et. seq.* ("IDR/ADR Offer"). Owner shall have thirty-five (35) days from the date of the IDR/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).

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 lot/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* §5740. The procedure used shall be a private foreclosure, pursuant to *Civil Code* §2924, *et. seq.* and *Civil Code* §5740. 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 Title Report** shall be obtained from a title company at a cost of approximately \$350.00 and this shall also be charged to the delinquent Owner.

iii. Furthermore, an additional \$300.00 attorneys' fees and costs shall be charged at this stage.

12. If the Association determines 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 attorneys' 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 judgement and/or writ fees shall be recovered from the Owner defendant.

13. 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 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 of \$125.00. 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. 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 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 an Assessment Lien and the Owner will not incur the Assessment Lien costs if the payment plan is strictly followed. The payment plan shall include an administration cost. 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 a right to file an 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 payment plan, payment plans exceeding sixty (60) days shall require that the Association record its Assessment Lien to establish itself as a securer creditor. The payment plan shall also include an administration cost. All costs related to the recordation of the Assessment Lien shall be part of this payment plan. The payment plan would require payment of all delinquent assessments amortized over the length of the payment plan, along with all assessments which will 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 no exceed six (6) months.

16. 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.

<p style="text-align: center;">ASSESSMENT COLLECTION AND FULL PAY POLICY FOR COMPLIANCE ASSESSMENTS</p>
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1. DUE DATE: All Compliance Assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment. However, in no event shall such Compliance Assessment be due and payable earlier than thirty (30) days after it is duly imposed.

2. 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 of ten dollars (\$10.00), whichever is greater. Furthermore, the Association shall be entitled to recover any reasonable collection costs, including attorneys' fees, that the Association then incurs in its efforts to collect the delinquent sums.

3. 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 costs, and late charges, at an annual percentage of ten percent (10%)

4. SHOW CAUSE HEARING: Compliance Assessments not paid within thirty (30) days after the original due date will result in the delinquent Owner being given a written notice of a hearing before the Board of Directors wherein the Owner shall be invited to show good cause why (a) the Owner's voting privileges, (b) the operation of the cable television service to the Owner's Unit and/or (c) the Owner's privileges for use of the common area/recreational facilities, including transponder privileges (hereinafter collectively "Membership Privileges") should not be suspended for non-payment of the delinquent Compliance Assessment ("Show Cause Hearing").

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

a. Written notice shall be mailed to the Owner not less than ten (10) days prior to the date of such 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 the 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 and/or transponder service shall be reinstated upon the Owner's account being brought current and upon payment to the Association of a reinstatement assessment in an amount equal to what the Association is charged by the cable/gate access company(ies) to facilitate reinstatement of cable and/or transponder service. The Board shall hold the hearing in Executive Session; provided, however if the Board is requested by a Member to have his/hers/its 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.

XIII. NOTICE REGARDING ASSESSMENT AND ASSESSMENT ENFORCEMENT RIGHTS

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 condition set forth in Sections 5705, 5715, 5720 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 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5715, 5720, 5725, 5735, and 5740 of the *Civil Code*.)

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 areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 of the *Civil Code*.)

The association must comply with the requirements of Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 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. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 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. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 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. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 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, he or she may request a receipt, and the association is required to provide it. On the receipt, the Association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 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 a 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 5 (commencing with Section 5900) of Chapter 4 of Title 6 of Division 2 of *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 2 (commencing with Section 5925) of Chapter 7 of Title 6 of Division 2 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. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 of the *Civil Code*.)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 of the *Civil Code*.)

The board of directors must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Sections 4040, 4200, 5600, 5605, 5610, 5615, 5620, 5625, 5650, 5655, 5660, 5665, 5670, 5673, 5675, 5680, 5685, 5690, 5700, 5705, 5710, 5725, 5735, and 5740 of the *Civil Code*.)

XIV. OUTSTANDING LOAN STATEMENT

The Association has not outstanding loans.

Oasis Resort Homeowners 2024 Maintenance Fees Analysis

	# of Units	2024 Operating Budget	2024 Reserve Budget	Total Annual Contribution	2024 Per Month			Percent Change - (Increase)/Decrease		
					Operating Expense	Reserve Contribution	Total Monthly contribution	Operating	Reserve	Total Assessment
Vacation Internationale	101.6	759,675	159,373	919,047	63,306.24	13,281.05	76,587.29	(6.5%)	(9.1%)	(7.0%)
Village/Hotel	82	613,123	128,627	741,751	51,093.62	10,718.95	61,812.57	(6.5%)	(9.1%)	(7.0%)
Misc Revenue (VI contribution)		22,008		22,008	1,834.00	-	1,834.00			
Total Assessment	183.6	1,394,806	288,000	1,682,806	116,233.86	24,000.00	140,233.86			
Interest		144								
Total Revenue		1,394,950			1,394,806.30	288,000.00	1,682,806.30			
							138,399.86			

2024 Per Unit/Month Distribution & Comparison

Increase in Reserve contribution

	# of Units	2024 Maintenance Fees	2024 Reserve Contribution	Total 2024 Fees	2023 Maintenance Dues	2023 Reserve Contribution	Total 2023 Fees	Variance	Proof
Vacation Internationale	101.6	623.09	130.72	753.81	584.96	119.83	704.79	(49.02)	(7.0%) 919,047.43
Village/Hotel	82	623.09	130.72	753.81	584.96	119.83	704.79	(49.02)	(7.0%) 741,750.87
Misc Revenue (VI contribution)		1,834.00		1,834.00	1,654.00		1654.00	(180.00)	(10.9%) 22,008.00
		3,080.19	261.44	3,341.62	2,823.93	239.65	3,063.58	(278.04)	1,682,806.30

**Oasis Villa Resort Homeowners Association
2024 Budget Comparison**

	2,024 Budget	2,023 Est Actuals	Variance	2,024 Budget	2,023 Budget	Variance	2,023 Est Actuals	2,023 Budget	Variance
Beginning Retained Earnings	8,500	0	8,500	8,500		(8,500)	0		0
Assessment Income	1,372,798	1,288,787	84,011	1,372,798	1,288,795	84,004	1,288,787	1,288,795	(8)
Interest Income	144	118	26	144	144	0	118	144	(26)
Other Income	0	409	(409)	0	0	0	409	0	409
Contribution from VI	22,008	19,848	2,160	22,008	19,848	2,160	19,848	19,848	0
Total Operating Income	1,394,950	1,309,162	85,788	1,394,950	1,308,787	86,164	1,309,162	1,308,787	376
Operating Expenses									
General & Administrative									
Management fee	22,200	22,200	0	22,200	22,200	0	22,200	22,200	0
Bank Fee	0	119	119	0	0	0	119	0	(119)
Contract Svc Accounting	16,900	15,300	(1,600)	16,900	16,900	0	15,300	16,900	1,600
Professional Fees, Accounting	4,800	4,123	(677)	4,800	6,400	1,600	4,123	6,400	2,277
Annual Meeting	1,700	0	(1,700)	1,700	0	(1,700)	0	0	0
License/Inspection fees	7,800	8,909	1,109	7,800	7,800	0	8,909	7,800	(1,109)
Taxes	0	0	0	0	0	0	0	0	0
Miscellaneous	600	512	(88)	600	600	0	512	600	88
Bad Debt Expense	0	0	0	0	0	0	0	0	0
Legal Expense	13,700	3,850	(9,850)	13,700	13,700	0	3,850	13,700	9,850
Contract - Security	24,000	24,000	0	24,000	24,000	0	24,000	24,000	0
Insurance Liability	35,685	31,285	(4,400)	35,685	0	(35,685)	31,285	0	(31,285)
Insurance-Workman's Comp	600	3,664	3,064	600	300	(300)	3,664	300	(3,364)
Insurance - Property	157,793	143,446	(14,347)	157,793	210,000	52,207	143,446	210,000	66,554
Insurance Claims	0	(3,100)	(3,100)	0	0	0	(3,100)	0	3,100
Insurance - D & O	1,562	1,390	(172)	1,562	2,284	722	1,390	2,284	894
Total G & A Expenses	287,339	255,698	(24,142)	287,339	304,184	16,845	255,698	304,184	48,486
Maintenance/Repairs									
Pest control	18,720	4,386	(14,334)	18,720	2,000	(16,720)	4,386	2,000	(2,386)
Supplies -Pool & spa	4,800	5,056	256	4,800	4,800	0	5,056	4,800	(256)
Contract - pool /jacuzzi	90,000	90,000	0	90,000	90,000	0	90,000	90,000	0
Contract - fire extinguisher	1,200	1,021	(179)	1,200	1,000	(200)	1,021	1,000	(21)
Repair/maint - Driveways, roads	0	500	500	0	1,200	1,200	500	1,200	700
Repair/maint - Buildings/Gate	0	635	635	0	1,200	1,200	635	1,200	565
Repair/maint - Pipes, sprinklers	6,000	1,396	(4,604)	6,000	10,200	4,200	1,396	10,200	8,804
Repair/maint - Pool, spa	6,000	9,680	3,680	6,000	12,000	6,000	9,680	12,000	2,320
Supplies - Ext lights	3,000	3,440	440	3,000	3,000	0	3,440	3,000	(440)
Supplies - Tennis/basketball	1,020	425	(595)	1,020	1,020	0	425	1,020	595
Contract svc - Landscaping	353,068	338,532	(14,536)	353,068	336,000	(17,068)	338,532	336,000	(2,532)
Supplies - Landscapes	1,200	1,202	2	1,200	4,800	3,600	1,202	4,800	3,598
Total Maintenance/Repairs	485,008	456,273	(28,735)	485,008	467,220	(17,788)	456,273	467,220	10,947

**Oasis Villa Resort Homeowners Association
2024 Budget Comparison**

	2,024 Budget	2,023 Est Actuals	Variance	2,024 Budget	2,023 Budget	Variance	2,023 Est Actuals	2,023 Budget	Variance
Utilities									
Cable	78,000	80,275	2,275	78,000	62,400	(15,600)	80,275	62,400	(17,875)
Electricity	138,074	125,804	(12,270)	138,074	127,901	(10,173)	125,804	127,901	2,097
Garbage	72,000	60,904	(11,096)	72,000	57,600	(14,400)	60,904	57,600	(3,304)
Gas	191,827	191,559	(268)	191,827	137,836	(53,991)	191,559	137,836	(53,723)
Sewer/water	134,202	127,470	(6,732)	134,202	131,646	(2,557)	127,470	131,646	4,175
Total Utilities	614,103	586,012	(28,091)	614,103	517,383	(96,721)	586,012	517,383	(68,630)
Total Operating Expense	1,386,450	1,297,983	(80,968)	1,386,450	1,288,787	(97,664)	1,297,983	1,288,787	(9,197)
Operating Fund Surplus (Deficit)	17,000	11,179	(5,821)	8,500	20,000	11,500	11,179	20,000	8,821
Reserve Income Sources									
Reserve Contribution	288,000	264,000	24,000	288,000	264,000	24,000	264,000	264,000	0
Special Assessment	0	0	0	0	0	0	0	0	0
Total Reserve Income	288,000	264,000	24,000	288,000	264,000	24,000	264,000	264,000	0
Reserve Expenses									
Reserve Study	2,260	2,260	0	2,260	1,800	(460)	2,260	1,800	(460)
Access System	0	3,193	3,193	0	0	0	3,193	0	(3,193)
Asphalt & Concrete	20,500	16,512	(3,988)	20,500	49,000	28,500	16,512	49,000	32,488
Domestic Water	26,500	35,101	8,601	26,500	35,000	8,500	35,101	35,000	(101)
Electrical/Lights	75,000	2,407	(72,593)	75,000	0	(75,000)	2,407	0	(2,407)
Fences /Gates/Walls	175,500	27,891	(147,609)	175,500	70,000	(105,500)	27,891	70,000	42,109
Roof Repair									
Landscape & Irrigation	29,100	9,314	(19,786)	29,100	39,500	10,400	9,314	39,500	30,186
Tree Removal	0	0	0	0	0	0	0	0	0
Paint	13,000	0	(13,000)	13,000	0	(13,000)	0	0	0
Pool & Spa	275,650	46,890	(228,760)	275,650	90,600	(185,050)	46,890	90,600	43,710
Pool Heaters	0	260	260	0	0	0	260	0	(260)
Pool, Spa Filters/Pump	0	0	0	0	0	0	0	0	0
Pool Furniture	40,150	20,636	(19,514)	40,150	18,000	(22,150)	20,636	18,000	(2,636)
Tennis Courts	40,000	0	(40,000)	40,000	0	(40,000)	0	0	0
Water Features	0	1,938	1,938	0	0	0	1,938	0	(1,938)
Golf Carts									
Signage	0				0			0	
Total Reserve Expense	697,660	166,402	(531,258)	697,660	303,900	(393,760)	166,402	303,900	137,498
Reserve Fund Balance	(409,660)	97,598	555,258	(409,660)	(39,900)	417,760	97,598	(39,900)	(137,498)
Fund Summary									
Total Operating Fund	8,500	11,179	(2,679)	8,500	20,000	11,500	11,179	20,000	8,821
Total Reserve Fund	(409,660)	96,635	(506,295)	(409,660)	(39,900)	369,760	96,635	(39,900)	(136,535)
Total Oasis Master Owners Assoc	(401,160)	107,814	(508,974)	(401,160)	(19,900)	381,260	107,814	(19,900)	(127,714)



Oasis Villa Resort HOA

Palm Springs, CA

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

Report #: 16514-3

of Units: 184

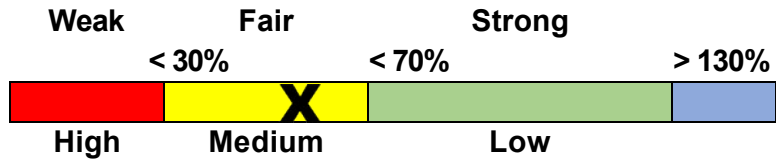
January 1, 2024 through December 31, 2024

Findings & Recommendations

as of January 1, 2024

Projected Starting Reserve Balance	\$1,325,571
Fully Funded Balance	\$2,337,382
Average Reserve Deficit (Surplus) Per Unit	\$5,499
Percent Funded	56.7 %
Recommended 2024 Monthly Reserve Contribution	\$24,000
Most Recent Reserve Contribution Rate	\$22,000

Reserve Fund Strength: 56.7%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves1.00 %

Annual Inflation Rate3.00 %

- This is an Update "With-Site-Visit" Reserve Study.
- This Reserve Study was prepared by a credentialed Reserve Specialist (RS).
- Because the Reserve Fund is at 56.7 % Funded, this means the association's special assessment & deferred maintenance risk is currently Medium.
- The multi-year Funding Plan is designed to gradually bring the association to the 100% level, or "Fully Funded". This is a low risk position where special assessments and other cash flow problems are extremely rare.
- Based on this starting point, anticipated future expenses, and the association's historical Reserve contribution rate, our recommendation is to budget Monthly Reserve contributions of \$24,000. Nominal annual increases are scheduled to help offset inflation (see tables herein for details).
- The purpose of the Reserve Study is to serve as a budget planning tool, which incorporates the association's reserve fund balance, budgeted contributions, a list of significant repair/replacement projects, and a recommended funding plan. The component list contains cost estimates and approximate schedules for the association's predictable reserve expenses. These figures are strictly estimates unless otherwise noted. This document is dynamic and, therefore, we recommend that it be updated annually, with an on-site inspection update every three years to address changing needs, priorities, and financial conditions.

OASIS VILLA RESORT HOMEOWNERS ASSOCIATION ENFORCEMENT PROCEDURE

The entities engaged in enforcing the Association's Third Amendment and Restatement of Covenants, Conditions and Restrictions for Tract No. 24347 (hereinafter "Declaration"), Bylaws and Articles of Incorporation (hereafter, collectively, *Governing Documents*) are:

Board of Directors—The Board of Directors is charged with overseeing the enforcement of the Association's Governing Documents and working with the Architectural Committee. It has the authority to conduct violation hearings for violations, impose Fines and/or Reimbursement Assessments, including but not limited to fines, and cause violations to be remedied.

Architectural Committee —The Architectural Committee (hereinafter, "AC") is primarily charged with reviewing and approving and/or disapproving proposed architectural and landscape modifications within the Oasis Villa Resort community ("Community").

Definitions – For the purposes of this Enforcement Procedure, the following definitions shall apply:

- The term *violation* shall mean and include any failure to follow and/or observe the Association's Governing Documents.
- The term *recurring violation* shall mean any violation of the Association's Governing Documents which has a definite commencement and cessation, but has occurred more than once. An example of a recurring violation is: (1) violation of the Association's Conduct Code on more than one occasion; or (2) violation of leash rules regarding pets on more than one occasion.
- The term *continuous violation* shall mean any violation of the Association's Governing Documents which is ongoing and has not ceased for a period of time in excess of seventy-two (72) consecutive hours. Examples of continuous violations are: (1) retaining an architectural improvement on the Owner's Unit in violation of the Governing Documents; or (2) failure to remove accumulation of rubbish, trash, garbage or other waste material. Upon the Owner's curing the violation, the Board of Directors may, but is not obligated to, waive any portion or all of the monetary fine imposed for a continuous violation.

Enforcement Procedure—The Enforcement Procedure related to any disciplinary action shall be as indicated below.

STEP 1. INITIATION

If a **Violation Report** (Exhibit 1) is completed by a Unit owner, a Board member, Association Manager, AC member or another designated representative of the Association (hereinafter, collectively referred to as "Designated Association Representative"), the Violation Report will be verified as set forth in Step 2.

STEP 2. VERIFICATION

Verification of a Violation Report for non-architectural violations is accomplished by a review of the Association's Governing Documents and/or inspection by the Association Manager, Board of Directors, appropriate committee or other Designated Association Representative. Verification of a Violation Report for architectural violations is accomplished by a review of the Association's Governing Documents and/or inspection by the AC (for alleged architectural violations) and/or Board of Directors. *Violation* shall be defined as an act in direct conflict with the Association's Governing Documents, and/or local, county or State requirements.

STEP 3. DOCUMENTATION PROCESS

A. FOR NON-ARCHITECTURAL AND/OR NON-LANDSCAPE VIOLATIONS

1. Examples of non-architectural and non-landscape violations (hereinafter, referred to as the "Non-Architectural Violations") include, but are not limited to, the following:
 - a. Keeping of animals and fowl in violation of the kind and/or number permitted under the Declaration;
 - b. Failure to maintain a Unit and any improvement placed thereon; and
 - c. Failure to remove accumulation of rubbish, trash, garbage or other waste material.
2. The Board has the following four options for enforcing Non-Architectural Violations:

- A **Warning Notice** (Exhibit 2) is completed by the Association Manager or Designated Association Representative and forwarded to the violating Unit Owner (hereinafter *Violator*). At the discretion of the Board or Association Manager, this step may be skipped if, based on the seriousness of the violation, more immediate action is warranted; or

- If the violation persists after the Warning Notice has been issued OR if the Board or Association Manager determines to proceed directly to a **Violation Notice**, said Violation Notice (Exhibit 3A) is sent to the Violator, stating a deadline by which to cure the violation; or

- If the seriousness of the violation warrants immediate action, an **Expedited Hearing Notice** (Exhibit 5) is sent to the Violator, stating a date, time and place where the Violator may be heard before the Board of Directors.

3. If a **Violation Notice** is sent and the Violator fails to take the necessary action by the deadline given, a **Hearing Notice** (Exhibit 4) will be sent to the Violator, setting forth the date, place and time upon which the Violator may be heard before the Board of Directors.

4. Failure to: (1) appear at any hearing, and/or (2) comply with the **Violation Notice** could result in immediate discipline including, but not limited to, imposition of a Fine, and/or suspension of voting and common area privileges. Association must give at least fifteen (15) days written notice of the hearing to the Violator before any action is taken, pursuant to *Civil Code § 1363* and the Association's Governing Documents.

B. FOR ARCHITECTURAL AND LANDSCAPE VIOLATIONS

1. Examples of architectural and landscape violations are:
 - a. Owner of the Unit has not submitted the requisite application, related documents and plans and/or the requisite fees to the AC or secured requisite written approval from the Board of Directors for installation and/or modification of architectural and/or landscape elements (hereinafter, collectively referred to as "Architectural/Landscape Modification(s)").
 - b. Owner of the Unit has obtained prior approval for Architectural/Landscape Modification(s) but has not complied with the approved final plans and specifications of the proposed work.
 - c. Owner has failed to maintain his/her/its Unit.

2. The Board has the following three options for enforcing Architectural/Landscape Modification(s) violations:

- A **Warning Notice** (Exhibit 2) is completed by the Association Manager and forwarded to the violating Unit Owner (hereinafter *Violator*). At the discretion of the Board or Association Manager, this step may be skipped, and the Association may proceed directly to a **Violation Notice** or an **Expedited Hearing Notice**; or

- If the violation persists after the Warning Notice has been issued OR if the Board or Association Manager determines to proceed directly to a **Violation Notice**, said Violation Notice (Exhibit 3B) is sent to the Violator, stating a deadline by which to cure the violation; or

- If the seriousness of the violation warrants immediate action, an **Expedited Hearing Notice** (Exhibit 5) is sent to the Violator, stating a date, time and place where the Violator may be heard before the Board of Directors.

3. If a Violation Notice is sent and the Violator fails to take the necessary action by the deadline given, a **Hearing Notice** (Exhibit 4) will be sent to the Violator, setting forth the date, time, and place where the Violator may be heard before the Board of Directors.

4. Failure to: (1) appear at any hearing; and/or (2) comply with a written **Violation Notice** could result in immediate discipline including, but not limited to, imposition of a Fine and/or suspension of voting and common area privileges. Association must give at least fifteen (15) days written notice of the hearing to the Violator before any action is taken, pursuant to *Civil Code* § 1363 and the Association's Governing Documents.

STEP 4. UNIT OWNER HEARING PROCEDURE

A. Findings of Fact and Recommended Action: The Board of Directors must make specific findings as it relates to the violation of the Governing Documents, noting them on the **Unit Owner Hearing Procedure form** (Exhibit 6) and **Ruling Notice form** (Exhibit 7) with the facts which support its decision. The decision of the Association and action recommended/taken should also be noted on Exhibit 6. **NOTE:** If no violation is found, then no remedy is required, and the Association would then issue a Ruling Notice pursuant to Step 4.C below.

B. Remedies: If it is determined a violation has taken place, the Board of Directors may take any or all the following actions:

1. **Impose Fine** – Even if the violation is not of a continuing nature and does not lend itself to a self-help remedy, the Board of Directors still has the authority to impose a Fine for failure to comply with the provisions of the Governing Documents. The Board of Directors may only impose a Fine after providing notice and hearing to a Violator, pursuant to the minimum requirements set forth herein.

The Fine structure is detailed in Paragraph 4.D below

2. **Right and Authority to suspend voting rights and/or common area privileges** and/or any other any other privilege of any Owner or Person deriving rights from any Owner for a reasonable period not to exceed six (6) months for each violation of the Governing Documents and/or for any period during which the Owner is delinquent in the payment of any assessment, fine or monetary penalty, or as otherwise provided in the Governing Documents.

3. **Self-Help Remedy for Continuing Non-Architectural Violations** —If the violation of the Governing Documents continues and can be cured through a self-help remedy, the Board has the right to demand correction of the continuing violation and a date certain upon which a Unit Owner must comply (a reasonable period of time shall be given to the Unit Owner) *via* the Notice of Ruling. The Notice should further indicate that if the Unit Owner fails to comply within the time provided by the Association, the Association would bring the Unit Owner into compliance and charge the cost of same to the Unit Owner as a Reimbursement Assessment.

4. **Self-Help Remedy for Continuing Architectural/Landscape Violations**—If it is corrective action (removal, replacement, repair and/or modification) by the Violator and if corrective action is not taken by the Owner and the violation can be cured through a self-help remedy, the Ruling Notice shall further indicate that if the Owner fails to comply within the time provided, the Board of Directors shall bring the Owner into compliance and charge the cost of same to the Owner as a Reimbursement Assessment. However, any demand letter which requires the Association to go onto an Owners' Restricted Common Area property to rectify the violation should be reviewed and sent by Association's counsel. *For*

example, if a Unit Owner's landscaping is becoming an eyesore for lack of maintenance, the Association can provide written notice to the violating Unit Owner that he/she must provide the appropriate maintenance and that he/she is in violation of the Governing Documents. The Notice would further provide that the Owner has a specific (and reasonable) period of time to correct the deficiency. If the Owner fails to correct said deficiency within the specified time given by the Association, the Association could then proceed with the maintenance and charge the cost to the Unit Owner as a Reimbursement Assessment.

5. Other Potential Remedies/Sanctions-Notwithstanding anything set forth herein, the Board of Directors in its discretion shall have the power to require any other applicable remedy and/or sanction for as long as it deems necessary, provided, however, that said remedy / sanction is in accord with the Association's Governing Documents and law. If the violation is of such a serious nature that potential legal action is contemplated, the Association's general counsel should be consulted for determination whether Internal Dispute Resolution ("IDR") and/or Alternative Dispute Resolution ("ADR") should be offered to the Violator (as well as consideration of other potential remedies).

C. Ruling Notice. Regardless what remedy the Board of Directors chooses to take, even if no violation is found, the Association must mail to the Violator a **Ruling Notice** (Exhibit 6) within fifteen (15) days after the date of hearing. If it is ruled that a Fine and/or Reimbursement Assessment(s) shall be imposed against the Violator, then the Board must give notice of the ruling to the Violator and request payment of such assessment(s) within thirty (30) days after the Ruling Notice is mailed. This is to be recorded in the Executive Session minutes or regular minutes, whichever is applicable.

D. Fine Structure. If any Owner's failure to comply with the provisions of the Governing Documents results in the Association's expenditures of monies or incurs costs related to the action or non-action of an Owner, the Association may levy a Reimbursement Assessment against such Owner. A violation may result in a Fine from either or both of the Tables set forth below. The amount of the Fines may be amended from time to time by the Board of Directors. The following Fine structure is based upon a reasonable determination of the costs (*i.e.* attorneys' fees, management fees, etc.) expended by the Association in performing its functions in enforcing the Governing Documents, as well as the imposition of appropriate sanctions for violation of said Governing Documents. The present structure of the Association for Fines for violations of the Governing Documents shall be as follows:

Table 1: Fines for Violation of the Governing Documents	
First Violation	Costs incurred by the Association, if any, as well as a monetary fine up to \$200.00, as well as any other remedy available to the Association.
Recurring Violation for a Second Time	Costs incurred by the Association, if any, as well as a monetary fine up to \$300.00, as well as any other remedy available to the Association.
Recurring Violation for a Third or More Times	Costs incurred by the Association, if any, as well as a monetary fine up to \$500.00, as well as any other remedy available to the Association.
Continuous Violation	Costs incurred by the Association, if any, as well as a monetary fine up to \$500.00 PLUS an amount up to \$40.00 per day from the date of the first Violation Notice until violation is cured, as well as any other remedy available to the Association.

Table 2: Fines for Architectural/Landscape Violations	
Fines for commencing Architectural/Landscape Improvement without <ul style="list-style-type: none"> • Architectural Committee / Board of Director Approval and/or • Submitting Application (even if Improvement is within Guidelines)	Up to \$3,000.00 plus legal costs and any other remedies available to the Association
Fines for failure to follow submitted plans and specifications and/or make corrections upon notice	Up to \$3,000.00 plus legal costs and any other remedies available to the Association
Note: Failure to comply with a Violation Notice may result in the violation being deemed a <i>Continuous Violation</i> and subject Owner to the additional Fines set forth in Table 1 above.	

E. Collection of Fines and Reimbursement Assessments. Pursuant to the Association's collection policy and the Declaration, if a Fine was levied for failure to comply with the Governing Documents and/or a Reimbursement Assessment was levied for costs incurred by the Association in repair of damage to the Common Areas and is not paid within thirty (30) days after mailing the Ruling Notice, then the Board may suspend the Owner's voting and/or common area privileges after notice as set forth in the collection policy.

Guidelines for Submitting an Architectural Request

In order to submit a request for architectural changes you must adhere to the following guidelines.

1. Fill out the attached “**Request for Architectural Change Form.**” Please include all the requested information including but not limited to; location, size, color, building material, exterior finish, dimensions, utilities, and types of plants quantities to be used and written neighbor agreement (If applicable)

Include with your request a copy of your **Plat Map or Lot Survey.** You should have received this document at your closing. If you do not have a plat map you will need to contact your county Tax Department. Please draw the location of the proposed item directly on the map.

2. You must also include a **brochure, photo, picture or drawing** of what the project will look like when it is completed.

Your request cannot be processed without all of the above information included.
Incomplete requests will be returned to the homeowner for completion.

**NO PROJECT CAN BEGIN WITHOUT WRITTEN APPROVAL
FROM THE ARCHITECTURAL COMMITTEE.**

OASIS VILLA RESORT HOMEOWNER ASSOCIATION
REQUEST FOR ARCHITECTURAL CHANGES

Homeowner Name: _____

Address: _____

Unit #: _____

Phone #s: Daytime: _____

Email Address: _____

Date submitted: _____

Type of Modification:

ADDITION FENCE EXTERIOR DECK/PATIO

OUTBUILDING LANDSCAPE MODIFICATION OTHER:

(DESCRIBE) _____

IMPORTANT: PLEASE ATTACH A DETAILED DESCRIPTION OF IMPROVEMENTS/MODIFICATIONS, INCLUDING THE FOLLOWING INFORMATION, IF APPLICABLE, AS WELL AS A PLAT MAP SHOWING LOCATION OF MODIFICATION:

- | | |
|--|--|
| 1. Location | 7. Plans/Drawings/Photo/Brochure |
| 2. Size | 8. Exterior Finish |
| 3. Color | 9. Dimensions |
| 4. Material | 10. Utilities |
| 5. Contractor | 11. Types of plants, quantities, addition or removal, existing or new plant bed edge |
| 6. Copy of Property Plat Map, with Proposed changes/ Additions shown | 12. <u>Written Neighbor agreement (If Applicable)</u> |

What is your estimated start date?: _____

What is your estimated completion date?: _____

Owner Signature _____

THE COMMITTEE RESERVES THE RIGHT TO REQUEST MORE INFORMATION TO CLARIFY THE REQUEST. REQUESTS FOR MULTIPLE CHANGES SHOULD BE SUBMITTED SEPARATELY.

**Status of the Common Interest Development as Federal Housing Administration (FHA) Approved
Condominium Project**
(Civil Code §5300 effective July 1, 2017)

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owners' 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] a condominium project. The association of the common interest development [is / is not] certified by the Federal Housing Administration.

**Status of the Common Interest Development as Federal Department of Veterans Affairs (VA)
Approved Condominium Project**
(Civil Code §5300 effective July 1, 2017)

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owners' 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)] a condominium project. The association of the common interest development [is / (is not)] certified by the federal Department of Veterans Affairs.

THE VILLAGE AT OASIS and THE OASIS VILLA HOMEOWNERS ASSOCIATIONS, (“Association”) now offers all Owners the ability to receive notices and other correspondence from the Association electronically. If Owners accept delivery electronically, the Association hopes to reduce expenses associated with copying, mailing and postage, while also helping reduce the Association’s carbon footprint and effect on the environment. Please complete and return this consent form to take advantage of this offer and to begin receiving communications electronically. ***Please note this form must be renewed annually, this helps to insure we have the most current email address on file.***

The undersigned Owner/Member hereby agrees to accept delivery of all legally permissible documents and notices from the Association in electronic form, via e-mail in Adobe PDF or similar format. The documents, which can be sent to you by the Association in electronic form, include, but are not limited to, the following:

- Regular or Special Board Meeting Notices
- Proposed Rule Change Notices
- Request for Candidates, etc.
- Operating Budget or Summary
- Insurance Coverage Summary
- Rules and Regulations
- Disclosure Document Index
- Newsletter
- Access to Board Minutes
- Architectural Change Notice
- Informal Dispute Resolution (IDR) Notice
- Alternative Dispute Resolution (ADR) Notice
- Secondary Address Notice
- Reserve Funding Plan
- Reserve Study
- Reserve Study Updates
- Financial Statements and/or any Reviews
- Assessment Collection Policy
- Assessment and Foreclosure Notice/Form
- Monetary Penalty Schedule

By signing below, you confirm that you are Owner of the property listed below and/or authorized to make decisions for and bind the property. You further consent to the matters described herein and understand that with certain legally required exceptions by signing below you will no longer receive notices and documents from the Association via U.S. mail. You can revoke this authorization and again receive notices, disclosures and other documents from the Association in printed copy by sending a revocation notice to the Association’s Community management staff, to Duane Rohrbaugh by email at drohrbaugh@viresorts.com, or by first class mail to Village at Oasis HOA, c/o VI Resorts, Attn: Resort Manager, 4190 East Palm Canyon Drive, Palm Springs. CA 92264 USA

No more than one (1) e-mail address will be accepted as the primary address for delivery of the above documents, per property address. This signed form may be returned to the Association by e-mail, facsimile, personal delivery or 1st class mail by using the information listed above.

I understand and agree that delivery of any notices, documents, communications or disclosures are complete at the time of e-mail transmission from the Association. I further understand that it is my obligation to notify the Association through the means described in this form if the e-mail address at which I wish to receive notice changes. I understand that I have the right, at any time, to have the documents delivered electronically pursuant to this consent form made available to me in paper form upon my written request.

Signature of Owner/Authorized Representative

Printed Name

Address within the Association

Primary E-Mail Address
(Please Print Legibly)

Phone Number (Home or Cell)

OASIS VILLA RESORT HOMEOWNERS ASSOCIATION

MEMBERSHIP LIST OPT-OUT FORM

Effective January 1, 2020, a membership list, as defined by California Civil Code §5200(a)(9), will include a Member's name, property address, mailing address (if different from the property address), and email address.

As a Member of Oasis Villa Resort Homeowners Association ("Oasis Villa"), you have the right to request that Oasis Villa withhold your personal information from Oasis Villa's membership list. In order for Oasis Villa to keep your private information from being included as part of Oasis Villa's membership list, you must complete this form and return it to Oasis Villa.

Each owner on the deed to your residence located within Oasis Villa who wishes to opt-out must complete and return this form. Otherwise, only those that opt-out will have their private information kept out of the membership list. Please be advised that your opt-out will remain in effect until you provide written notification to Oasis Villa changing your designation.

MEMBER'S DESIGNATION REGARDING MEMBERSHIP LIST

_____ I/we, as the record owner(s) of the residence located within Oasis Villa, **DO** opt-out of the sharing of my/our name, property address, mailing address and email address as part of Oasis Villa's membership list. I/we prefer to be contacted via the alternative process described in Corporations Code Section 8330(c). This opt-out shall remain in effect until changed by me/us via written notification to Oasis Villa.

_____ I/we, as the record owner(s) of the residence located within Oasis Villa, **DO NOT** opt-out of the sharing of my/our name, property address, mailing address and email address as part of Oasis Villa's membership list.

Owner #1 Name: _____

Owner # 2 Name: _____

Property Address (not mailing address): _____

Owner #1 Signature: _____ Date: _____

Owner #2 Signature: _____ Date: _____

**When completed, please return this form to Oasis Villa Resort Homeowners Association
c/o VI Resorts, Attn: Duane Rohrbaugh, via mail at 4190 E. Palm Canyon Drive, Palm
Springs, CA 92264, or via email at DRohrbaugh@viresorts.com.**

OASIS RESORT HOMEOWNERS ASSOCIATION CHARGES FOR DOCUMENTS
AS REQUIRED BY SECTION 4525

Document	Civil Code Section	Fee for Document	Not Available (N/A) or not Applicable (N/App), or Directly Provided by Seller and confirm in writing by Seller as a current document (DP)
Articles of Incorporation	§4525(a)(1)	\$5	
CC&R's	§4525(a)(1)	\$30	
Bylaws	§4525(a)(1)	\$25	
Operating Rules	§4525(a)(1)		N/App
Age Restrictions	§4525(a)(2)		N/App
Rental restrictions	§4525(a)(9)		N/App
Annual Budget Summary, including reserve study	§5300 and §4525(a)(3)	\$10	
Assessment and reserve funding disclosure summary	§5300 and §4525(a)(4)	\$5	
Financial statement review	§5305 and §4525(a)(3)	\$10	
Assessment enforcement policy	§5310 and §4525(a)(4)	\$5	
Insurance summary	§5300 and §4525(a)(3)	\$3	
Regular assessment	§4525(a)(4)	\$3	
Special assessment	§4525(a)(4)	\$5	
Emergency assessment	§4525(a)(4)	\$5	
Other unpaid obligations of seller	§5675 and §4525(a)(4)	\$5	
Approved changes to assessments	§5300 and §4525(a)(4), (8)	\$5	
Settlement notice regarding common area defects	§4525(a)(6), (7) and 6100		N/APP
Preliminary list of defects	§4525(a)(6), 6000 and 6100		N/App
Notice of violation	§5855 and 4525(a)(5)	\$5	
Required statement of fees	§4525	\$3	
Minutes of regular board meetings conducted over the previous 12 months, if requested	§4525(a)(10)	\$15	

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