



Board of Directors

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DATE: April 25, 2025
TO: The Membership - Ladera Ranch Maintenance Corporation
FROM: The Board of Directors
RE: 2025 - 2026 FY Budget - Effective June 1, 2025

Each year the association's volunteer Board of Directors performs a careful review of the past year's expenses and income to best project the amount to collect from each member in the upcoming fiscal year. This review leads to the creation and publication of a budget that accurately portrays the forecasted and contracted operational expenses for the fiscal year. Several factors are considered as the budget is prepared, such as recurring contract costs, inflation, utility usage and rates, insurance rates, and appropriate reserve contribution (savings) each month to pay for the repair, restoration and/or replacement of common area components as needed.

Master Association and Front Yard & Driveway Special Benefit Area (SBA)

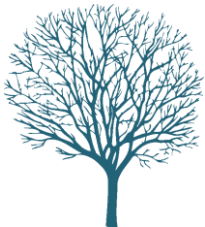
The master association is the corporation that oversees the entire association, including its cost centers or special benefits areas (SBA's). All members of the master association pay assessments to maintain common area components defined in the association's governing documents as master association responsibilities.

Members of the cost centers or SBA's pay another assessment in addition to the regular master association assessment to maintain areas identified in the governing documents as benefiting only members within that cost center or SBA.

As a result of this year's budget review, the Board has determined that an increase of 2.7% is needed to responsibly meet the association's financial needs in the upcoming fiscal year. **Please note that effective June 1, 2025, your new monthly assessment will be \$231.00 per month.**

The primary contributing factors for this year's assessment increase include:

- Reserve Expenses - This is LARMAC's "savings" account used to repair, replace, and improve community assets as detailed in the Reserve Study. Recent examples of projects funded by reserves include:
 - Mission Hills Park - 9-Hole Putting Course and 5-Hole Practice Green installation and other improvements
 - Terramor Water Park – Water structure replacement and other improvements
 - Asphalt Resurfacing/Repairs – Avendale Club and Founders Park
 - Trail Improvements and Repairs - Extensive trail washouts due to heavy rain
 - Park Signage Replacement – Boreal, Cherry, Hilltop, Linear, Mission Hills, and Township
 - Boreal Plunge – Restrooms and shower renovation



Avendale Village Club
1 Daisy Street
Ladera Ranch, CA 92694
Tel: (949) 218-0900
contact.larmac@laderalife.com

- Flintridge Tennis Courts – Windscreen replacement and court resurfacing
- Avendale Tennis Courts- Windscreen replacement
- Cox Sports Park – Light pole replacement
- Wrought Iron Repair and Painting Projects – Various painting projects such as fences, gates and park furnishings
- Wood Refurbishment Projects – Numerous trellis and gazebo repairs
- Landscape Refurbishment/Enhancement Projects
 - Founders Park, Poets Park and Mission Hills Park
 - Acacia Removal & Replacement – Multiple Locations

Note - While the monthly reserve contribution decreased, this decrease occurred as a result of annual maintenance items being removed from the reserve study and added to the operating budget.

- Water – Increased budgets in anticipation of a 10-15% SMWD increase for domestic and reclaimed water.
- Contract Increases – Contract increases, primarily ranging in the 2-4% range for contracts such as patrol service, landscape, legal service and staffing. Also, additional funds have been budgeted for common area expenses and insurance in anticipation of continued rising costs.

Visit the ‘Budget and Financing’ page (instructions listed below) to learn what LARMAC is doing to reduce costs.

The Board has also determined that the cost center or SBA assessments must be increased by 5.8%. The monthly cost center or SBA assessment will increase to \$145.00 per month.

Your total assessment (Master + Front Yard & Driveway SBA) will be \$376.00 per month effective June 1, 2025.

The primary contributing factors for this year’s cost center or SBA assessment increase include:

- Reserve Contribution - Like the master, this is the “savings” account for SBA used to repair and/or replace assets as detailed in the Reserve Study. The monthly reserve contribution will decrease from \$37.47 to \$34.29 to continue to properly fund future repair and replacement projects.
Note: Like the master association, this decrease is a result of annual maintenance items being removed from the reserve study and added to the operating budget.
- Landscape Expenses - Labor and supply costs continue to rise, which impacts landscape and tree maintenance budgets.
- Water – Increased budget in anticipation of a 10-15% SMWD increase for domestic water.

Budget Packet

To review your complete Budget Packet, please insert the following link in your internet browser: LaderaLife.com/forms/budget2 (log-in to LaderaLife.com required). You can also access the Budget Packet by going to the community website, LaderaLife.com, and selecting “Budget and Financing” section found under the LARMAC section of the “ABOUT” tab. Once there, under Financial Documents

you will select the 2025 - 2026 Master + Front Yard & Driveway Budget. You may also obtain a hard copy of the Budget Packet at the association's expense. Please email contact.LARMAC@LaderaLife.com to request your copy.

Please note: If you need assistance logging into your LaderaLife account please contact us at contact.LARMAC@LaderaLife.com.

What is included in this Budget Packet?

State law and the association's governing documents require the Board of Directors to distribute the following documents annually to each member:

- A summary of the *pro forma* budget for the upcoming fiscal year
- Assessment and Reserve Funding Disclosure Summary
- Executive Summary pages of the reserve study
- 5-Year Reserve Projection Model
- 30-Year Reserve Cashflow Analysis
- Delinquency Policy
- Written Notice of Assessments, Foreclosure, and Payment Plans
- Alternative Dispute Resolution (ADR) procedure
- Internal Dispute Resolution (IDR) procedure
- Discipline Policy
- Schedule of Penalties for Violation of the Association's Documents
- Architectural Submittal and Appeal process
- Insurance Summary
- FHA Certification Disclosure
- VA Certification Disclosure
- Billing Disclosure Form
- ADR/IDR Policy
- Annual Homeowner Disclosure

About the Reserve Study

California law requires the association's Board of Directors to "cause to be conducted" a reserve study with an onsite inspection at least once every three years. Although the law does not require the Board to perform a reserve study in years two and three, the law does require an annual disclosure to be distributed to the membership in those years. To ensure that the association's major components are appropriately identified, the Board hires a professional reserve analyst for these services.* The "Executive Summary" in this packet will show whether or not a site inspection was completed this year as determined by the Board.

California law also requires the Board to make these disclosures about the association's reserve funds:

For the Master Association:

- 1) In the upcoming year, the association will fund reserves using the following sources:

	<i>Type of Funding</i>
<input checked="" type="checkbox"/>	Regular Assessments
<input type="checkbox"/>	Special Assessments
<input type="checkbox"/>	Borrowing

<input type="checkbox"/>	Use of Other Assets
<input type="checkbox"/>	Deferral of Repairs
<input type="checkbox"/>	Alternate Mechanisms

- 2) **The association has a total of \$10,757,341 in actual accumulated reserve funds as of February 28, 2025. The Board anticipates that the amount will decrease to \$9,775,487 by the end of the current fiscal year. According to the reserve analyst, the total replacement cost for all major components is \$28,101,012. The current reserve fund amount represents 34.8% of the projected total replacement cost.** Although this number usually seems low, the legislature requires the Board to disclose (in boldface type) how much it would cost the association to rebuild all of its major common area components if they were replaced all at once.
- 3) According to the reserve analyst, at the start of the upcoming fiscal year the association is anticipated to be 62% funded to the “ideal funding level”. That number represents the amount the association is anticipated to have on hand to repair or replace major components when they are scheduled to be repaired or replaced.
- 4) The Board of Directors has determined to defer or not undertake repairs or replacement of the following major components with a remaining life of 30 years or less (as identified in the reserve study as having zero estimated remaining life):

<i>Item Location</i>	<i>Item Description</i>	<i>Reason for Deciding to Defer or Not Undertake Repairs/Replacement</i>
<i>Covenant Hills Club</i>	<i>Bathroom – Refurb (Pool Building)</i>	<i>Planned for FY 2026</i>
<i>Cherry Plunge</i>	<i>Bathroom Refurb</i>	<i>Planned for FY 2026</i>
<i>Celestial Plunge</i>	<i>Bathroom Refurb</i>	<i>Planned for FY 2026</i>
<i>Canterra Plunge</i>	<i>Bathroom Refurb</i>	<i>Planned for FY 2026</i>
<i>Town Plunge</i>	<i>Bathroom Refurb</i>	<i>Planned for FY 2026</i>
<i>Creighton Plunge</i>	<i>Bathroom Refurb</i>	<i>Planned for FY 2026</i>
<i>General Common Areas</i>	<i>BBQ Replace</i>	<i>In Serviceable Condition</i>
<i>Oso Grande Park</i>	<i>Bike Rack Replace</i>	<i>In Serviceable Condition</i>
<i>Avendale</i>	<i>Clubhouse Major Remodel</i>	<i>Planned for FY 2026</i>
<i>Covenant Hills Club</i>	<i>Clubhouse Minor Remodel</i>	<i>Planned for FY 2026</i>
<i>Oso Grande Park</i>	<i>Coated Metal Picnic Furn Replace</i>	<i>Planned for FY 2028</i>

<i>Terramor Club</i>	<i>Concrete Block Surfaces Anti Graffiti Seal</i>	<i>Planned for FY 2026</i>
<i>Terramor Club</i>	<i>Countertops Replace</i>	<i>Planned for FY 2026</i>
<i>Flintridge Club</i>	<i>Deck/Stairs Seal</i>	<i>Planned for FY 2026</i>
<i>Oak Knoll Club</i>	<i>Deck/Stairs Seal</i>	<i>Planned for FY 2026</i>
<i>Cherry Plunge</i>	<i>Drinking Fountain Replace</i>	<i>Planned for FY 2026</i>
<i>Town Plunge</i>	<i>Drinking Fountain Replace</i>	<i>Planned for FY 2026</i>
<i>Terramor Club</i>	<i>Epoxy Floor Resurface</i>	<i>Planned for FY 2026</i>
<i>Oso Grande Park</i>	<i>Chain Link Fence Replace</i>	<i>Planned for FY 2026</i>
<i>Sienna Botanica</i>	<i>Iron Fence Repair</i>	<i>Planned for FY 2026</i>
<i>Brittlestar Park</i>	<i>Iron Fence Repair</i>	<i>Planned for FY 2026</i>
<i>Cox Sports Park</i>	<i>Soccer B Fence Replace</i>	<i>Warranty repairs made – no replacement needed - Defer</i>
<i>Cox Sports Park</i>	<i>Split Rail Fence</i>	<i>In Serviceable Condition</i>
<i>Oak Knoll Club</i>	<i>Fire Alarm System Replace</i>	<i>In Serviceable Condition</i>
<i>Paseo</i>	<i>Fountain Refurbish</i>	<i>In Serviceable Condition</i>
<i>Oak Knoll Club</i>	<i>Admin Furniture Replace</i>	<i>Planned for FY 2026</i>
<i>Avendale Club</i>	<i>Clubhouse Furniture Replace</i>	<i>Planned for FY 2026</i>
<i>Flintridge Club</i>	<i>Clubhouse Furniture Replace</i>	<i>Planned for FY 2026</i>
<i>Oak Knoll Club</i>	<i>Clubhouse Furniture Replace</i>	<i>Planned for FY 2026</i>
<i>Flintridge Club</i>	<i>Patio Furniture Replace</i>	<i>Planned for FY 2026</i>
<i>Oak Knoll Garden</i>	<i>Bench Replace</i>	<i>Planned for FY 2026</i>
<i>Founders Park</i>	<i>Benches Replace</i>	<i>Maintenance Performed - In Serviceable Condition</i>
<i>Flintridge Club</i>	<i>HVAC Replace</i>	<i>In Serviceable Condition</i>
<i>Chaparral Park</i>	<i>Landscape Refurb</i>	<i>Planned for FY 2026</i>
<i>Flintridge Club</i>	<i>Landscape Refurb</i>	<i>Planned for FY 2026</i>
<i>General Common Areas</i>	<i>CBU Mailbox Replace</i>	<i>Planned for FY 2026</i>
<i>General Common Areas</i>	<i>Mailbox Kiosk Refurb</i>	<i>Planned for FY 2026</i>

Cox Sports Park	Metal Handrail Replace	<i>In Serviceable Condition</i>
Oso Grande Park	Metal Railings Replace	<i>In Serviceable Condition</i>
Cox Sports Park	Office Furniture Replace	<i>In Serviceable Condition</i>
Oso Grande Park	Paint Chain Link Posts	<i>Planned for FY 2026</i>
Growing Garden	Paint Metal Fence	<i>Planned for FY 2026</i>
Oak Knoll Club	Paint Interior Surfaces	<i>Planned for FY 2026</i>
Cherry Plunge	Paint Interior Surfaces	<i>Planned for FY 2026</i>
Creighton Plunge	Paint Interior Surfaces	<i>Planned for FY 2026</i>
Canterra Plunge	Paint Interior Surfaces	<i>Planned for FY 2026</i>
Town Plunge	Paint Interior Surfaces	<i>Planned for FY 2026</i>
Celestial Plunge	Paint Interior Surfaces	<i>Planned for FY 2026</i>
Town Plunge	Paint Metal Fence	<i>Planned for FY 2026</i>
Heritage Garden	Paint Metal Fence	<i>Planned for FY 2026</i>
General Common Areas	Rhino Gates Paint	<i>Planned for FY 2026</i>
Chalk Trail Park	Paint Solar System Planets	<i>In Serviceable Condition</i>
Celestial Plunge	Paint Wood Surfaces	<i>Planned for FY 2026</i>
Flintridge Club	Paint Wood Surfaces	<i>Planned for FY 2026</i>
Oak Knoll Club	Paint Wood Surfaces	<i>Planned for FY 2026</i>
Canterra Plunge	Paint Wood Surfaces	<i>Planned for FY 2026</i>
Town Plunge	Paint Wood Surfaces	<i>Planned for FY 2026</i>
Creighton Plunge	Paint Wood Surfaces	<i>Planned for FY 2026</i>
Oak Knoll Club	Paint Pole Lights	<i>Planned for FY 2026</i>
General Common Areas	Paint Wood Surfaces	<i>In-House Maintenance Performed - In Serviceable Condition</i>
Cherry Plunge	Paint Wood Trellis	<i>In-House Maintenance Performed - In Serviceable Condition</i>
Canterra Plunge	Paint Wood Trellis	<i>In-House Maintenance Performed - In Serviceable Condition</i>
Town Plunge	Paint Wood Trellis	<i>In-House Maintenance Performed - In Serviceable Condition</i>
Creighton Plunge	Paint Wood Trellis	<i>In-House Maintenance Performed - In Serviceable Condition</i>

Town Plunge	Pool Filter Replace	<i>In Serviceable Condition</i>
Cherry Plunge	Pool Heater Replace	<i>In Serviceable Condition</i>
Town Plunge	Pool LED Lights Replace	<i>In Serviceable Condition</i>
Creighton Plunge	Pool LED Lights Replace	<i>In Serviceable Condition</i>
Avendale Club	Mastic Replace	<i>Planned for FY 2026</i>
General Common Areas	Playground Sand Replenish	<i>Planned for FY 2026</i>
Creighton Plunge	Shower Refurb	<i>Planned for FY 2026</i>
Town Plunge	Shower Refurb	<i>Planned for FY 2026</i>
Celestial Plunge	Shower Refurb	<i>Planned for FY 2026</i>
Cherry Plunge	Shower Refurb	<i>Planned for FY 2026</i>
Canterra Plunge	Shower Refurb	<i>Planned for FY 2026</i>
Cox Sports Park	Snack Bar Fridge/Freezer Replace	<i>In Serviceable Condition</i>
Sienna Botanica	South Seinna Botanica Refurb	<i>Planned for FY 2026</i>
Oso Grande Park	Baseball Field Recondition	<i>Planned for FY 2026</i>
Cox Sports Park	Baseball Field 1 Recondition	<i>In Serviceable Condition</i>
Cox Sports Park	Baseball Field 4 Recondition	<i>In Serviceable Condition</i>
General Common Areas	Trellis Replace	<i>In Serviceable Condition</i>
Terramor Club	Water Park Lights Replace	<i>In Serviceable Condition</i>
General Common Areas	Weather Station Replace	<i>Planned for FY 2026</i>
Oak Knoll Club	Wood Overhang Refurb	<i>Planned for FY 2026</i>
Oso Grande Park	Wood Trellis Refurb	<i>In Serviceable Condition</i>

For the Cost Center/SBA:

- 1) In the upcoming year, the association will fund reserves using the following sources:

	<i>Type of Funding</i>
<input checked="" type="checkbox"/>	Regular Assessments

<input type="checkbox"/>	Special Assessments
<input type="checkbox"/>	Borrowing
<input type="checkbox"/>	Use of Other Assets
<input type="checkbox"/>	Deferral of Repairs
<input type="checkbox"/>	Alternate Mechanisms

- 2) **The association has a total of \$2,667,347 in actual accumulated reserve funds as of February 28, 2025. The Board anticipates that the amount will increase to \$2,718,197 by the end of the current fiscal year. According to the reserve analyst, the total replacement cost for all major components is \$9,747,683. The current reserve fund amount represents 27.9% of the projected total replacement cost.** Although this number usually seems low, the legislature requires the Board to disclose (in boldface type) how much it would cost the association to rebuild all of its major common area components if they were replaced all at once.
- 3) According to the reserve analyst, at the start of the upcoming fiscal year the association is anticipated to be 63% funded to the “ideal funding level”. That number represents the amount the association is anticipated to have on hand to repair or replace major components when they are scheduled to be repaired or replaced.
- 4) The Board of Directors has determined to defer or not undertake repairs or replacement of the following major components with a remaining life of 30 years or less (as identified in the reserve study as having zero estimated remaining life):

<i>Item Location</i>	<i>Item Description</i>	<i>Reason for Deferral or Decision to Not Undertake Repairs/Replacement</i>
Arborage	Metal Bollard Lights	In Serviceable Condition
Astoria	Metal Park Benches	In Serviceable Condition
Paved Surfaces	Brick Pavers	In Serviceable Condition
Claiborne	Wood Trellis Refurb	In Serviceable Condition
Front Street	Benches Replace/Refurb	In Serviceable Condition
Savanah	Iron Fence/Rail Replace	In Serviceable Condition
Surrey Farm	Metal Railing	In Serviceable Condition
Surrey Farm	Wood Benches	In Serviceable Condition
Tarleton	Metal Railing	In Serviceable Condition
Common Area Parks	Wood/Concrete Benches	In Serviceable Condition

Insurance Information

The association carries General Liability insurance in the amount of \$7,000,000 which meets the minimum amount specified in California law to ensure that owners are only individually liable for their proportionate share of special or regular assessments levied to pay any judgments against the association which exceed the limits of the association's insurance.

Additional disclosures about the association's insurance policies can be found within this packet, including the name(s) of the insurer(s), the types of insurance, the policy limits, and the deductible amounts (if any).

Other Disclosures

The Board of Directors does not anticipate that any special assessment will be required during the upcoming fiscal year to repair, replace and/or restore any major components or to provide adequate reserves.

Please contact our management team should you have any questions or if you would like to have a copy of the complete pro forma operating budget provided to you at the association's expense or a copy of the complete reserve study plan. These documents are also available for review at *1 Daisy Street, Ladera Ranch* by appointment.

ANNUAL POLICY STATEMENT – LADERA RANCH MAINTENANCE CORPORATION

The board is required to distribute an annual policy statement that provides the association members with information about its policies.

- 1) The name and address of the person designated to receive official communications to the association is the Manager on behalf of Ladera Ranch Maintenance Corporation, c/o FirstService Residential Management, 1 Daisy Street, Ladera Ranch, CA 92694.
- 2) Members may submit a request to the address noted above to have notices sent to up to two different specified addresses.
- 3) Civil Code permits the association to provide General Notices to the membership via newsletter, billing statement messages, association website, or posting in a prominent location. If the association chooses to post notices, they will be located on the community website, <https://LaderaLife.com>.
- 4) If you would like all notices, including general notices, to be sent to you by individual delivery, please log in to the community website at <https://laderaranch.connectresident.com/> and update your communication preferences within the "My Account" settings of your profile.
- 5) Copies of minutes for board meetings that are open to the membership are available upon written request throughout the year. Minutes can be released to you 30 days following the meeting date, and any copying and posting charges for those minutes are the requestor's responsibility. If the minutes are not approved by the Board within the 30-day period of the request, draft minutes will be provided to you.

* The association's board of directors has relied on information, opinions, reports and statements presented to it by vendors, contractors, reserve study specialists, CPAs and/or other professionals and is relying upon this information, financial data and reports pursuant to the California Corporations Code in providing the association membership with the information contained in this Assessment Reserve Funding Disclosure Summary. The

information contained within the reserve study includes assumptions regarding future events based on information supplied to the association's board of directors from said professionals. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from the reserve study and the variation may be significant. Additionally, inflation and other economic events may impact the reserve study, particularly over a 30-year period of time which could impact the accuracy of the reserve study and the funds available to meet the association's obligation for repair and/or replacement of major components during the next 30 years. Furthermore, severe weather conditions, earthquakes, floods or other acts of God, the occurrence of vandalism and other events that are difficult to anticipate cannot be accounted for and are excluded when assessing life expectancy of the components. The reserve study only includes items that the Association has a clear and express responsibility to maintain pursuant to the association's CC&Rs.

Questions about the budget packet?

Contact General Manager, Ken Gibson at ken.gibson@fsresidential.com or

Assistant General Manager, Stephanie Jebbia at stephanie.jebbia@fsresidential.com

LADERA RANCH MAINTENANCE CORPORATION (LARMAC)
MASTER
JUNE 1, 2025 - MAY 31, 2026

Number of Units: 7236

	<u>Per Unit</u>	<u>Per Month (rounded)</u>	<u>Per Year (rounded)</u>
INCOME			
ASSESSMENTS	\$ 231.00	\$ 1,671,500	\$ 20,057,995
OTHER INCOME	\$ 20.91	\$ 151,305	\$ 1,815,656
TOTAL INCOME	\$ 251.91	\$ 1,822,804	\$ 21,873,651
RESERVE CONTRIBUTION			
RESERVE CONTRIBUTION	\$ 7,022.72	\$ 252,818	\$ 3,033,816
RESERVE INTEREST	\$ 972.22	\$ 35,000	\$ 420,000
TOTAL RESERVE CONTRIBUTION	\$ 39.78	\$ 287,818	\$ 3,453,816
OPERATING EXPENSES			
UTILITIES	\$ 14.39	\$ 104,125	\$ 1,249,500
LAND MAINTENANCE	\$ 65.42	\$ 473,378	\$ 5,680,537
SWIMMING POOL/SPA	\$ 7.12	\$ 51,490	\$ 617,880
COMMON AREA MAINTENANCE	\$ 26.84	\$ 194,238	\$ 2,330,850
PARKS AND PLUNGES	\$ 7.40	\$ 53,537	\$ 642,449
AVENDALE VILLAGE CLUB	\$ 1.86	\$ 13,450	\$ 161,400
FLINTRIDGE VILLAGE CLUB	\$ 1.49	\$ 10,808	\$ 129,700
OAK KNOLL VILLAGE CLUB	\$ 2.09	\$ 15,150	\$ 181,800
COVENANT HILLS VILLAGE CLUB	\$ 1.39	\$ 10,092	\$ 121,100
TERRAMOR VILLAGE CLUB	\$ 0.97	\$ 7,019	\$ 84,225
SPORTS PARK	\$ 8.08	\$ 58,493	\$ 701,921
CUSD PLAYING FIELDS	\$ 0.79	\$ 5,695	\$ 68,344
CORPORATE TERRACE RETAIL	\$ 1.34	\$ 9,701	\$ 116,412
MERCANTILE EAST RETAIL	\$ 1.78	\$ 12,850	\$ 154,200
BRIDGEPARK PLAZA RETAIL	\$ 0.29	\$ 2,096	\$ 25,152
MERCANTILE WEST RETAIL	\$ 0.29	\$ 2,089	\$ 25,068
ADMIN - CONTRACT SERVICES	\$ 8.92	\$ 64,558	\$ 774,695
ADMIN - OTHER EXPENSES	\$ 42.82	\$ 309,836	\$ 3,718,032
GOV'T & REGULATION EXPENSES	\$ 3.32	\$ 24,013	\$ 288,153
TECHNOLOGY	\$ 17.81	\$ 128,860	\$ 1,546,322
TOTAL OPERATING EXPENSES	\$ 214.41	\$ 1,551,478	\$ 18,617,740
TOTAL RESERVE CONTRIBUTION	\$ 39.78	\$ 287,818	\$ 3,453,816
TOTAL OPERATING & RESERVES	\$ 254.19	\$ 1,839,296	\$ 22,071,556

The complete pro forma operating budget is available at the business office of the association. Copies will be provided to you upon request at the expense of the association.

**WHAT DOES MY MASTER
LARMAC ASSESSMENT PAY
FOR?**

\$231.00

Administration & Consultants, \$55.06

Mailings
Insurance
Contract Management
Legal Expenses
Facility Staff

Landscape & Tree Maintenance, \$74.71

Landscape Service
Tree Maintenance
Irrigation Repairs
Mulch
Plant Replacement
Irrigation Controllers

Cox High Speed Internet Service, \$18.90

Common Area Maintenance & Services, \$27.35

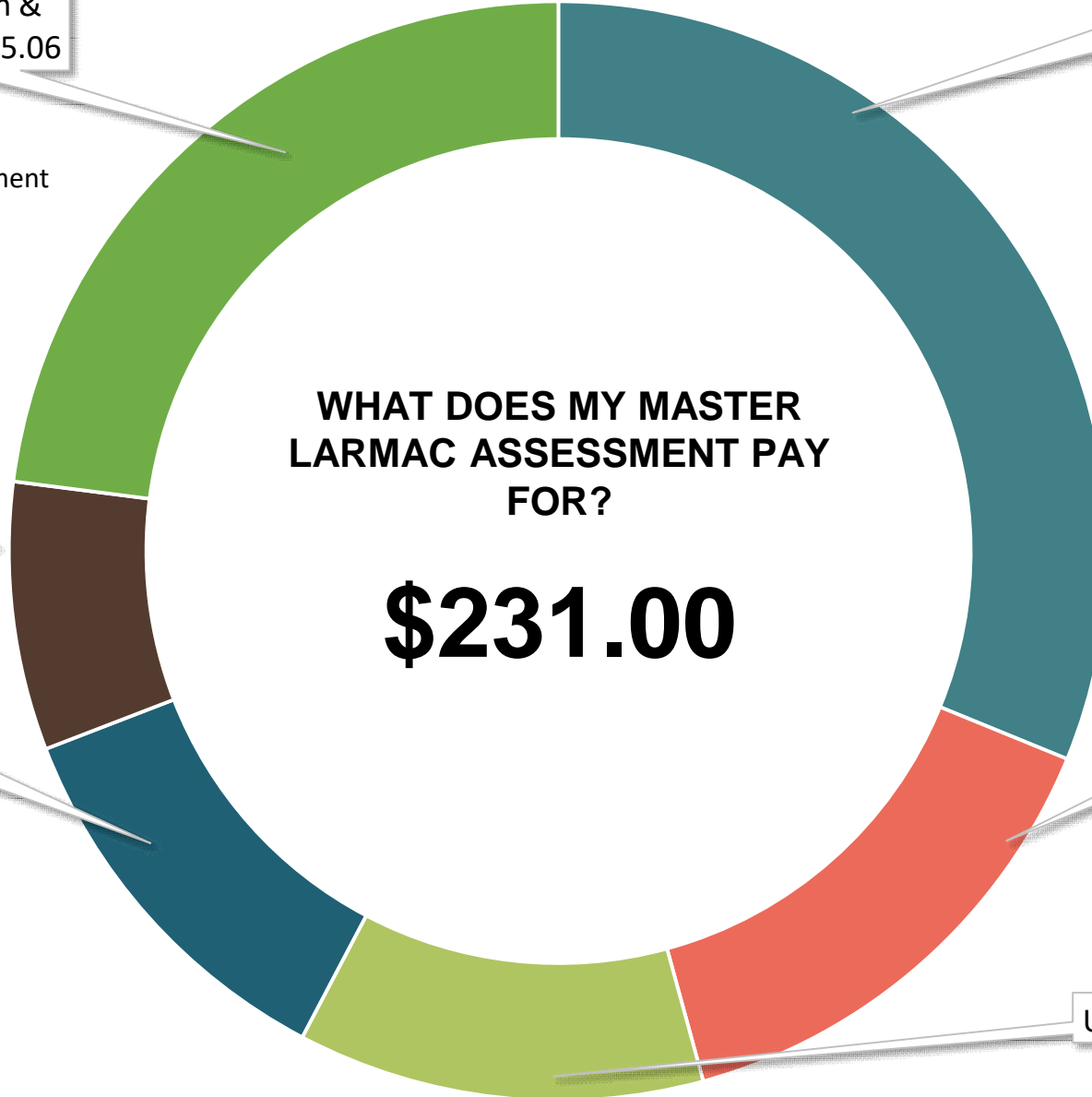
Patrol Service
Pest Control
Facility Operating Expenses
Pool Service
Access Control Service
Lighting Repairs and Maintenance
Janitorial and Maintenance Supplies

Reserve Contribution, \$34.94

Long term savings for replacement of all LARMAC assets. See Reserve Study for a complete list of assets.

Utilities, \$28.67

Water
Electricity
Gas (Pool Heating)
Trash



(a) Assessment and Reserve Funding Disclosure Summary for the Fiscal Year Ending 05/31/2026

1. The current average regular Assessment per ownership interest is: **\$231.00 per month.**

Note: If Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages, to be provided by Board or Management.

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

Date Assessment is Due	Average Amount Per Unit	Purpose Of Assessment
-	-	-

Note: If Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages, to be provided by Board or Management.

3. Based on 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 No

4. If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years?

Approximate date assessment will be due	Amount of Assessment	Amount Per Unit
-	-	-

Note: Indicates the first year of a deficit based on the Adopted Funding Plan. The additional assessment amount indicates what will be required in that year to assure the reserve balance for the remaining years of the report will be above zero. Actual assessments may vary from year to year.

5. All major components are included in the reserve study and are included in its calculations (Note below the status of components with a 30+ yr. remaining life).

Component Name	Status
-	-

6. Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$15,800,522, based in whole or in part on the last reserve study or update prepared by Ken Gibson as of 2025-04-29. The projected reserve fund cash Balance at the beginning of the current fiscal year is \$9,775,487, resulting in reserves being 62% at this date.

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 5 budget years found in column E, and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, found in column D, leaving the reserve at percent funding found in column F. Please see the projected five-year funding plan below that has been implemented and approved by the association.

Year	Annual Reserve Contributions	Monthly Reserve Contributions (Avg. Per Unit)	Anticipated Expenditures	Ending Reserve Balance	Fully Funded Reserve Balance	Percent Funded
	A	B	C	D	E	F
2025-2026	\$3,033,816	\$34.94	\$5,515,084	\$7,592,939	\$14,251,338	53%
2026-2027	\$3,261,352	\$37.56	\$3,369,391	\$7,748,762	\$14,976,277	52%
2027-2028	\$3,505,954	\$40.38	\$3,931,516	\$7,586,959	\$15,082,781	50%
2028-2029	\$3,768,900	\$43.40	\$1,791,035	\$9,864,981	\$17,509,255	56%
2029-2030	\$3,957,345	\$45.57	\$4,217,276	\$9,945,775	\$17,624,975	56%

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 interest rate earned on reserve funds was 3.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.00% per year.

(b) For the purposes of preparing a summary pursuant to this section:

- (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.
- (2) "Major component" has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.
- (3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.
- (4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the board to fund reserves in accordance with this calculation.

The preparer of this form will be indemnified and held harmless against all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which has been relied upon by others, or which may result from any improper use or reliance on the disclosure by you or a third party.

The reserve study report completed and reviewed for the purposes of completing the enclosed summary was finalized based on approval from the Board of Directors. Therefore, the final decisions for implementation, updating or revising the information obtained in this report, for any changes in assumptions, is the sole right and responsibility of the Board of Directors. This report and the numbers generated herein are for use only for the year it was developed. The preparer of this form is not responsible for the use of the Assessment and Reserve Disclosure Summary in any subsequent year, or in updating the summary in any subsequent year, or in updating the summary for events and circumstances occurring after the date of this report.

Summary of Association Reserves

Property Description		Financial Summary	
Property Name:	LARMAC - Master	Starting Reserve Balance:	\$9,775,487
Location:	Ladera Ranch, CA	Fully Funded Reserve Balance:	\$15,800,522
Project Type:	Master Association	Percent Funded:	62%
Number of Units:	7236	Current Replacement Cost:	\$28,101,012
Age of Project:	26 Year(s)	Deficit/Surplus vs. Fully Funded Reserve:	(\$6,025,035) or (\$832.65) Per Unit Avg

Reserve Study Completed for Fiscal Year 2023-24: On-Site Inspection

Adopted Funding Plan

Year	Annual Reserve Contributions	Monthly Reserve Contributions (Avg. Per Unit)	Anticipated Expenditures	Ending Reserve Balance	Fully Funded Reserve Balance	Percent Funded
2025-2026	\$3,033,816	\$34.94	\$5,515,084	\$7,592,939	\$14,251,338	53%
2026-2027	\$3,261,352	\$37.56	\$3,369,391	\$7,748,762	\$14,976,277	52%
2027-2028	\$3,505,954	\$40.38	\$3,931,516	\$7,586,959	\$15,082,781	50%
2028-2029	\$3,768,900	\$43.40	\$1,791,035	\$9,864,981	\$17,509,255	56%
2029-2030	\$3,957,345	\$45.57	\$4,217,276	\$9,945,775	\$17,624,975	56%
2030-2031	\$4,155,212	\$47.85	\$3,580,187	\$10,878,966	\$18,391,574	59%
2031-2032	\$4,362,973	\$50.25	\$2,515,744	\$13,139,286	\$20,396,269	64%
2032-2033	\$4,581,122	\$52.76	\$4,052,196	\$14,137,342	\$20,942,050	68%
2033-2034	\$4,810,178	\$55.40	\$5,704,101	\$13,722,582	\$19,925,511	69%
2034-2035	\$4,882,330	\$56.23	\$5,223,482	\$13,855,751	\$19,501,391	71%
2035-2036	\$4,955,565	\$57.07	\$5,008,957	\$14,286,376	\$19,417,416	74%
2036-2037	\$5,029,899	\$57.93	\$4,689,396	\$15,132,861	\$19,794,591	76%
2037-2038	\$5,105,347	\$58.80	\$3,371,522	\$17,426,678	\$21,680,132	80%
2038-2039	\$5,181,928	\$59.68	\$3,398,937	\$19,850,805	\$23,738,240	84%
2039-2040	\$5,259,656	\$60.57	\$4,944,925	\$20,865,822	\$24,412,772	85%
2040-2041	\$5,338,551	\$61.48	\$3,958,518	\$23,000,309	\$26,276,619	88%
2041-2042	\$5,418,630	\$62.40	\$6,039,615	\$23,173,467	\$26,210,588	88%
2042-2043	\$5,499,909	\$63.34	\$5,764,757	\$23,715,056	\$26,585,837	89%
2043-2044	\$5,582,408	\$64.29	\$4,188,383	\$25,963,502	\$28,762,901	90%
2044-2045	\$5,666,144	\$65.25	\$5,358,548	\$27,185,204	\$29,972,247	91%
2045-2046	\$5,751,136	\$66.23	\$9,626,625	\$24,193,376	\$26,997,459	90%
2046-2047	\$5,837,403	\$67.23	\$4,732,807	\$26,164,071	\$29,157,087	90%
2047-2048	\$5,924,964	\$68.23	\$5,538,713	\$27,472,823	\$30,739,554	89%
2048-2049	\$6,013,838	\$69.26	\$5,329,313	\$29,130,877	\$32,777,257	89%
2049-2050	\$6,104,046	\$70.30	\$10,287,009	\$25,894,293	\$29,969,745	86%
2050-2051	\$6,195,607	\$71.35	\$7,638,136	\$25,332,820	\$30,012,585	84%
2051-2052	\$6,288,541	\$72.42	\$7,925,092	\$24,554,278	\$29,971,147	82%
2052-2053	\$6,382,869	\$73.51	\$3,457,776	\$28,389,960	\$34,747,797	82%
2053-2054	\$6,478,612	\$74.61	\$7,803,083	\$28,035,959	\$35,416,956	79%
2054-2055	\$6,575,791	\$75.73	\$8,556,037	\$27,002,317	\$35,559,861	76%

Component Summary by Category

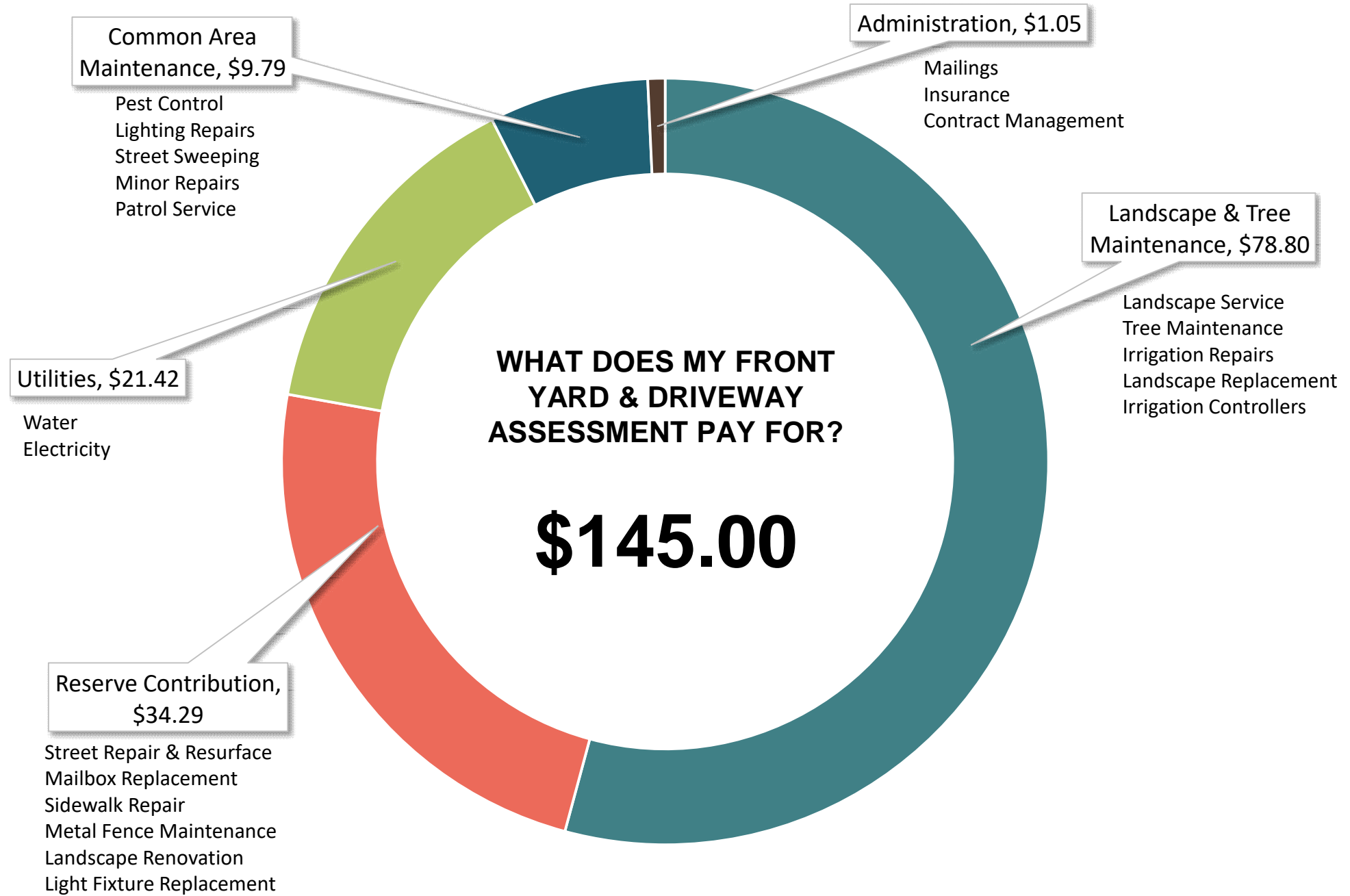
	UL	RUL	Current Replacement Cost	Accumulated Reserve Balance	Annual Fully Funded Requirement	Fully Funded Reserve Balance	Annual Reserve Contribution
Arroyo Park	5-35	0-23	\$363,308	\$94,316	\$27,252	\$152,447	\$23,290
Avaldale Club	3-30	0-17	\$1,556,752	\$575,525	\$155,111	\$930,244	\$132,559
Bluff Top Park/Trail	10-25	0-6	\$32,670	\$17,741	\$1,706	\$28,676	\$1,458
Boreal Plunge	3-35	0-19	\$746,098	\$189,782	\$69,708	\$306,753	\$59,573
Bridgepark Plaza	5-5	2-2	\$15,914	\$5,907	\$3,183	\$9,548	\$2,720
Brittlestar Park	3-35	0-18	\$355,202	\$88,173	\$26,089	\$142,518	\$22,296
Canterra Park	3-30	0-18	\$464,967	\$170,280	\$46,502	\$275,231	\$39,741
Celestial Plunge	3-35	0-19	\$625,350	\$247,508	\$50,050	\$400,057	\$42,773
Chalk Trail Park	6-25	0-18	\$58,656	\$20,302	\$5,228	\$32,815	\$4,468
Chaparral Park	3-30	0-18	\$279,024	\$129,001	\$29,861	\$208,509	\$25,520
Cherry Plunge	3-30	0-18	\$497,019	\$174,309	\$49,465	\$281,743	\$42,273
Covenant Hills Club	3-30	0-17	\$1,467,525	\$590,607	\$139,614	\$954,623	\$119,315
Cox Sports Park	3-30	0-24	\$3,144,882	\$1,193,176	\$274,941	\$1,928,580	\$234,968
Creighton Plunge	3-30	0-19	\$436,811	\$180,344	\$45,384	\$291,498	\$38,785
Eton Park	6-35	0-18	\$236,759	\$108,785	\$22,075	\$175,834	\$18,866
Exploration Park	6-25	0-20	\$325,146	\$50,654	\$29,643	\$81,874	\$25,333
Flintridge Club	3-35	0-18	\$1,394,934	\$548,435	\$154,662	\$886,458	\$132,176
Founders Park	3-35	0-23	\$1,435,997	\$399,523	\$150,720	\$645,765	\$128,807
General Common Areas	1-30	0-23	\$4,613,683	\$1,796,207	\$1,364,390	\$2,903,283	\$1,166,022
Hilltop Park	5-30	0-13	\$430,567	\$180,173	\$37,812	\$291,221	\$32,314
Linear Park	6-35	0-18	\$280,857	\$77,643	\$31,239	\$125,498	\$26,698
Mercantile East/Retail	5-5	2-2	\$21,218	\$7,876	\$4,244	\$12,731	\$3,627
Mercantile West/Retail	5-5	2-2	\$15,914	\$5,907	\$3,183	\$9,548	\$2,720
Mission Hills Park	3-30	2-17	\$736,438	\$65,997	\$73,097	\$106,674	\$62,469
Oak Knoll Club	3-30	0-17	\$2,031,926	\$893,832	\$196,938	\$1,444,738	\$168,306
Oak Knoll Garden	3-25	0-0	\$134,870	\$83,442	\$10,290	\$134,870	\$8,794
Oso Grande	3-35	0-17	\$993,943	\$330,875	\$84,956	\$534,807	\$72,605
Paseo	3-30	0-11	\$545,010	\$260,420	\$41,408	\$420,927	\$35,388
Poets Park	5-35	0-19	\$199,751	\$69,349	\$19,450	\$112,091	\$16,623
Sienna Botanica	3-30	0-20	\$300,848	\$153,921	\$31,746	\$248,788	\$27,131
Terramor Club	3-30	0-29	\$2,979,556	\$585,824	\$225,614	\$946,892	\$192,812
Terramor Garden	3-25	0-6	\$31,450	\$16,503	\$3,603	\$26,674	\$3,079
Town Green	3-35	0-10	\$143,767	\$53,100	\$15,156	\$85,828	\$12,953
Town Plunge	3-30	0-19	\$531,143	\$173,181	\$50,186	\$279,920	\$42,890
UAC Corporate Terrace Commercial	5-5	0-0	\$15,914	\$9,845	\$3,183	\$15,914	\$2,720
Wagsdale Park	3-30	0-17	\$454,521	\$143,262	\$52,367	\$231,560	\$44,753
Weatherwood Park	6-35	0-18	\$202,621	\$83,760	\$19,883	\$135,385	\$16,992
		Totals	\$28,101,012	\$9,775,487	\$3,549,940	\$15,800,522	\$3,033,816

LADERA RANCH MAINTENANCE CORPORATION (LARMAC)
FRONT YARD & DRIVEWAY SBA
JUNE 1, 2025 - MAY 31, 2026

Number of Units: 1167

	<u>Per Unit</u>	<u>Per Month (rounded)</u>	<u>Per Year (rounded)</u>
INCOME			
ASSESSMENTS	\$ 145.00	\$ 169,215	\$ 2,030,580
OTHER INCOME	<u>\$ 0.36</u>	<u>\$ 417</u>	<u>\$ 5,004</u>
TOTAL INCOME	\$ 145.36	\$ 169,632	\$ 2,035,584
RESERVE CONTRIBUTION			
GENERAL RESERVES	\$ 34.29	\$ 40,014	\$ 480,168
RESERVE INTEREST	<u>\$ 6.00</u>	<u>\$ 7,000</u>	<u>\$ 84,000</u>
TOTAL RESERVE CONTRIBUTION	\$ 40.29	\$ 47,014	\$ 564,168
OPERATING EXPENSES			
UTILITIES	\$ 21.42	\$ 25,000	\$ 300,000
LAND MAINTENANCE	\$ 78.80	\$ 91,965	\$ 1,103,580
COMMON AREA MAINTENANCE	\$ 9.79	\$ 11,426	\$ 137,112
ADMINISTRATIONS	<u>\$ 1.05</u>	<u>\$ 1,227</u>	<u>\$ 14,724</u>
TOTAL OPERATING EXPENSES	\$ 111.07	\$ 129,618	\$ 1,555,416
TOTAL RESERVE CONTRIBUTION	\$ 40.29	\$ 47,014	\$ 564,168
TOTAL OPERATING & RESERVES	\$ 151.36	\$ 176,632	\$ 2,119,584

The complete pro forma operating budget is available at the business office of the association.
Copies will be provided to you upon request at the expense of the association.



(a) Assessment and Reserve Funding Disclosure Summary for the Fiscal Year Ending 05/31/2026

1. The current average regular Assessment per ownership interest is: **\$145.00 per month.**

Note: If Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages, to be provided by Board or Management.

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

Date Assessment is Due	Average Amount Per Unit	Purpose Of Assessment
-	-	-

Note: If Assessments vary by the size or type of unit, the assessment applicable to this unit may be found on attached pages, to be provided by Board or Management.

3. Based on 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 No

4. If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years?

Approximate date assessment will be due	Amount of Assessment	Amount Per Unit
-	-	-

Note: Indicates the first year of a deficit based on the Adopted Funding Plan. The additional assessment amount indicates what will be required in that year to assure the reserve balance for the remaining years of the report will be above zero. Actual assessments may vary from year to year.

5. All major components are included in the reserve study and are included in its calculations (Note below the status of components with a 30+ yr. remaining life).

Component Name	Status
-	-

6. Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$4,302,061, based in whole or in part on the last reserve study or update prepared by Ken Gibson as of 2025-04-23. The projected reserve fund cash Balance at the beginning of the current fiscal year is \$2,718,197, resulting in reserves being 63% at this date.

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 5 budget years found in column E, and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, found in column D, leaving the reserve at percent funding found in column F. Please see the projected five-year funding plan below that has been implemented and approved by the association.

Year	Annual Reserve Contributions	Monthly Reserve Contributions (Avg. Per Unit)	Anticipated Expenditures	Ending Reserve Balance	Fully Funded Reserve Balance	Percent Funded
	A	B	C	D	E	F
2025-2026	\$480,168	\$34.29	\$550,594	\$2,741,675	\$5,745,119	48%
2026-2027	\$600,210	\$42.86	\$352,550	\$3,089,628	\$6,022,091	51%
2027-2028	\$648,227	\$46.29	\$147,470	\$3,707,286	\$6,804,943	54%
2028-2029	\$700,085	\$49.99	\$169,484	\$4,376,927	\$7,456,836	59%
2029-2030	\$756,092	\$53.99	\$1,281,482	\$3,995,535	\$7,316,006	55%

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 interest rate earned on reserve funds was 3.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.00% per year.

(b) For the purposes of preparing a summary pursuant to this section:

(1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement.

(2) "Major component" has the meaning used in Section 5550. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.

(3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided.

(4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the board to fund reserves in accordance with this calculation.

The preparer of this form will be indemnified and held harmless against all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which has been relied upon by others, or which may result from any improper use or reliance on the disclosure by you or a third party.

The reserve study report completed and reviewed for the purposes of completing the enclosed summary was finalized based on approval from the Board of Directors. Therefore, the final decisions for implementation, updating or revising the information obtained in this report, for any changes in assumptions, is the sole right and responsibility of the Board of Directors. This report and the numbers generated herein are for use only for the year it was developed. The preparer of this form is not responsible for the use of the Assessment and Reserve Disclosure Summary in any subsequent year, or in updating the summary in any subsequent year, or in updating the summary for events and circumstances occurring after the date of this report.

Summary of Association Reserves

CA Civil Code §5565

LARMAC - Front Yard and Driveway SBA

Units: 1,167 | Start Date: 6/1/2025

Property Description		Financial Summary	
Property Name:	LARMAC - Front Yard and Driveway SBA	Starting Reserve Balance:	\$2,718,197
Location:	Ladera Ranch, CA	Fully Funded Reserve Balance:	\$4,302,061
Project Type:	Cost Center	Percent Funded:	63%
Number of Units:	1167	Current Replacement Cost:	\$9,747,683
Age of Project:	26 Year(s)	Deficit/Surplus vs. Fully Funded Reserve:	(\$1,583,864) or (\$1,357.21) Per Unit Avg

Adopted Funding Plan

Year	Annual Reserve Contributions	Monthly Reserve Contributions (Avg. Per Unit)	Anticipated Expenditures	Ending Reserve Balance	Fully Funded Reserve Balance	Percent Funded
2025-2026	\$480,168	\$34.29	\$550,594	\$2,741,675	\$5,745,119	48%
2026-2027	\$600,210	\$42.86	\$352,550	\$3,089,628	\$6,022,091	51%
2027-2028	\$648,227	\$46.29	\$147,470	\$3,707,286	\$6,804,943	54%
2028-2029	\$700,085	\$49.99	\$169,484	\$4,376,927	\$7,456,836	59%
2029-2030	\$756,092	\$53.99	\$1,281,482	\$3,995,535	\$7,316,006	55%
2030-2031	\$816,579	\$58.31	\$1,679,919	\$3,256,931	\$6,276,488	52%
2031-2032	\$881,905	\$62.98	\$1,585,265	\$2,655,255	\$5,195,795	51%
2032-2033	\$952,458	\$68.01	\$882,244	\$2,819,632	\$5,352,300	53%
2033-2034	\$1,028,654	\$73.45	\$1,545,736	\$2,392,189	\$4,857,384	49%
2034-2035	\$1,110,947	\$79.33	\$1,216,473	\$2,368,543	\$4,714,860	50%
2035-2036	\$1,199,823	\$85.68	\$2,090,925	\$1,544,745	\$3,696,317	42%
2036-2037	\$1,211,821	\$86.53	\$795,611	\$2,022,304	\$4,011,199	50%
2037-2038	\$1,223,939	\$87.40	\$754,956	\$2,570,275	\$4,408,108	58%
2038-2039	\$1,236,178	\$88.27	\$750,721	\$3,154,188	\$4,852,911	65%
2039-2040	\$1,248,540	\$89.16	\$433,241	\$4,094,151	\$5,670,637	72%
2040-2041	\$1,261,026	\$90.05	\$754,383	\$4,752,955	\$6,215,670	76%
2041-2042	\$1,273,636	\$90.95	\$1,367,049	\$4,824,261	\$6,180,566	78%
2042-2043	\$1,286,372	\$91.86	\$1,002,524	\$5,281,926	\$6,555,463	81%
2043-2044	\$1,299,236	\$92.78	\$1,045,793	\$5,724,672	\$6,933,703	83%
2044-2045	\$1,312,228	\$93.70	\$922,799	\$6,321,280	\$7,487,737	84%
2045-2046	\$1,325,351	\$94.64	\$912,913	\$6,962,180	\$8,107,469	86%
2046-2047	\$1,338,604	\$95.59	\$767,090	\$7,787,371	\$8,936,052	87%
2047-2048	\$1,351,990	\$96.54	\$599,906	\$8,825,175	\$10,002,956	88%
2048-2049	\$1,365,510	\$97.51	\$1,492,743	\$9,004,596	\$10,224,748	88%
2049-2050	\$1,379,165	\$98.48	\$1,468,156	\$9,229,209	\$10,522,294	88%
2050-2051	\$1,392,957	\$99.47	\$1,182,213	\$9,766,663	\$11,168,378	87%
2051-2052	\$1,406,886	\$100.46	\$759,459	\$10,767,254	\$12,315,725	87%
2052-2053	\$1,420,955	\$101.47	\$791,279	\$11,784,803	\$13,512,553	87%
2053-2054	\$1,435,165	\$102.48	\$1,490,939	\$12,140,521	\$14,073,908	86%
2054-2055	\$1,449,516	\$103.51	\$1,420,909	\$12,594,547	\$14,774,983	85%

Component Summary by Category

	UL	RUL	Current Replacement Cost	Accumulated Reserve Balance	Annual Fully Funded Requirement	Fully Funded Reserve Balance	Annual Reserve Contribution
Arborage	18-20	0-4	\$60,896	\$34,033	\$3,308	\$53,864	\$2,213
Astoria	10-25	4-14	\$60,493	\$20,062	\$5,192	\$31,751	\$3,473
Claiborne	10-20	0-9	\$99,725	\$53,055	\$6,737	\$83,970	\$4,506
Front Street	18-35	0-19	\$51,113	\$22,485	\$2,099	\$35,587	\$1,404
Grounds	1-12	0-4	\$340,160	\$160,667	\$116,958	\$254,286	\$78,234
Lighting Projects	30-30	5-14	\$629,853	\$266,031	\$20,995	\$421,044	\$14,044
Painting Projects	4-5	0-0	\$178,444	\$112,747	\$40,581	\$178,444	\$27,145
Park Furnishings	20-25	1-3	\$73,202	\$42,391	\$3,246	\$67,091	\$2,171
Paved Surfaces	5-35	1-18	\$7,546,714	\$1,758,803	\$463,776	\$2,783,638	\$310,221
Potters Bend	10-18	5-15	\$59,803	\$12,688	\$4,671	\$20,081	\$3,124
Savannah/Baywood	12-20	0-18	\$55,220	\$9,032	\$3,090	\$14,296	\$2,067
Surrey Farm	4-23	0-18	\$157,862	\$64,919	\$13,211	\$102,746	\$8,837
Tarleton	18-20	0-16	\$72,141	\$15,194	\$3,908	\$24,047	\$2,614
The Gables	15-35	0-9	\$46,150	\$23,826	\$2,297	\$37,709	\$1,536
The Trails	23-23	0-0	\$51,984	\$32,845	\$2,260	\$51,984	\$1,512
Walden Park	4-23	0-19	\$131,446	\$53,779	\$7,836	\$85,116	\$5,241
Westcott	4-35	0-15	\$132,479	\$35,640	\$17,680	\$56,407	\$11,826
		Totals	\$9,747,683	\$2,718,197	\$717,843	\$4,302,061	\$480,168

LADERA RANCH MAINT CORP (LARMAC)

DELINQUENT ASSESSMENT COLLECTION POLICY

Effective: JUNE 2025

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

- Regular monthly assessments are due and payable on the 1st day of each month. A courtesy billing statement is sent each month to the billing address on record with the Association. However, it is the owner of record's responsibility to pay each assessment in full each month regardless of whether a statement is received.
- All other assessments, including, but not limited to, Special Assessments, Reimbursement Assessments, Reconstruction Assessments, and Capital Improvement Assessments are due and payable on the date specified by the Board in the notice of assessment.
- Regular monthly assessments and all other assessments (as defined in Paragraph 2) are collectively referred to herein as "Assessments".
- Assessments, late charges, interest and collection costs, including any attorneys' fees, are the personal obligation of the owner of the property at the time the Assessment or other sums are levied.
- Unpaid Assessments are delinquent 15 days after they are due.
- A late charge of \$10.00 or 10%, whichever is greater, will be charged for any Assessment that is not received on or before the 15th day of the month, prior to the close of business.
- Interest on the balance due will accrue at a rate not to exceed 12% per annum; commencing thirty (30) days after the Assessment becomes due.
- At fifteen (15) days past due, the association may invite owner(s) to a hearing for the purpose of revoking membership privileges. Those privileges can include access to common areas or facilities, and/or services paid for by the association.
- When an Assessment becomes more than forty-five (45) days past due, the Association will send a validation notice to the billing address on record with the association. The owner will be charged a fee for the notice, as well as all costs to complete the transmittal of the notice. If an owner writes to dispute the amount owed or to request "original creditor" information within the validation period set forth in the notice, then the Association will cease collection of the debt, or any disputed portion of the debt, until the Association responds appropriately as required by law (see applicable consumer protection laws).
- When an Assessment becomes more than eighty (80) days past due, the Association will send an intent to lien/pre-lien letter to each owner, as required by the Civil Code, by certified mail to the owner's address of record. The owner will be charged a fee for the notice, as well as all costs to complete the transmittal of the letters

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- If the owner fails to pay the amounts set forth in the intent to lien/pre-lien letter within 30 days of receipt of that letter, a lien for the amount of any delinquent Assessments, late charges, interest and/or costs of collection, including attorneys' fees, may be recorded against the owner's property. The owner will be charged a fee for the lien, as well as any processing fees, recording service, and costs. A copy of the lien will be sent to each owner at his/her address of record via certified mail within ten (10) days of recordation thereof. After the expiration of thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law.
 - Prior to the recording of a Board authorized lien for delinquent Assessments, an owner that is delinquent has the right to participate in internal dispute resolution ("IDR") pursuant to the "meet and confer" program in accordance with California Civil Code. Prior to recording a lien, the Board of Directors will approve such action by a majority vote of the Board of Directors.
 - Upon receipt of payment in full, that includes any late fees, interest, collection costs and/or attorneys' fees, a Release of Lien will be recorded. Copies of the Release of Lien will be sent to all owners of record. The owner will be charged a fee for the release, as well as any processing fees, recording service, and costs. All county recording fees are charged as applicable and as counties may charge from time to time.
- If an owner is delinquent for thirty (30) additional days after the Notice of Delinquent Assessment (Lien) has been recorded, the Assessment collection matter will be referred to the Association's attorney or collection agent, and the lien may be enforced by judicial or non-judicial foreclosure sale, or by money judgment at the Association's option. An actual foreclosure sale of an owner's property will not be conducted unless or until either; (a) the delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800) or more, excluding accelerated assessments and specified late charges and/or fees; or (b) the assessments are delinquent for more than twelve (12) months. [You could lose ownership of your property if a foreclosure action is completed. You will be responsible for significant additional fees and costs, including attorneys' fees, if a foreclosure action is commenced against your property.] The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the Minutes of the next open session Meeting of the Board. The Board must maintain the confidentiality of the delinquent owner(s) by identifying the matter in the Minutes by only the parcel number of the owner's property. Prior to initiating any foreclosure sale on a recorded lien, the Association shall offer delinquent owners the option of participating in IDR or Alternative Dispute Resolution ("ADR").
- Nothing herein limits or otherwise affects the Association's right to proceed in any other lawful manner to collect any delinquent sums owed to the Association.
- The Association will charge a processing fee to the owner for a returned check.
- Any owner who is unable to pay Assessments will be entitled to submit a written request for a payment plan to be considered by the Board of Directors. The Board of Directors is not required to approve a payment plan. If a payment plan is approved, the Board of Directors may establish the terms of the payment plan. A payment plan request or approved payment plan will not impede the Board's ability to vote for and record a lien.

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- The mailing address for overnight payment of assessments is:

FirstService Residential California, LLC
15241 Laguna Canyon Rd
Irvine, CA 92618

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)

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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 to the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code).

ASSIGNMENT OF RENTS

In the event that the Association files any action against an Owner for unpaid Assessments on Owner's Unit, and said Unit is or becomes rented or leased at any time during the pendency of the action, the Association shall have the right, upon ex parte notice and application, to request that the Court order Owner to assign all rents due from the renter/lessor of said Unit to the Association until such time as all Assessment delinquencies are cured.

ALTERNATIVE DISPUTE RESOLUTION

5925. As used in this article: (a) "Alternative dispute resolution" means mediation, arbitration, conciliation, or other non-judicial procedure that involves a neutral party in the decision making

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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 title.
- (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 of a common interest development.

5930. (a) An association or an owner or a member of a common interest development may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to this article.

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

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

- (1) A brief description of the dispute between the parties.
- (2) A request for alternative dispute resolution.
- (3) A notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the request will be deemed rejected.
- (4) If the party on whom the request is served is the owner of a separate interest, a copy of this article.

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

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

5940. (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. 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. (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

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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. (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. In an enforcement action in which fees and costs may be awarded pursuant to subdivision (c) of 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. (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 the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

(b) The summary shall be provided either at the time the pro forma budget is distributed or in the manner prescribed in Section 5016 of the Corporations Code. The summary shall include a description of the association's internal dispute resolution process.

INTERNAL DISPUTE RESOLUTION

5915. Statutory Dispute Resolution Procedure

(a) This section applies in 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 may not refuse a request to meet and confer.

(3) The association's board of directors shall designate a member of the board to meet and confer.

(4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute. 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:

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- (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 of directors to its designee or the agreement is ratified by the board of directors.
- (d) A member of the association may not be charged a fee to participate in the process.

ENFORCEMENT PROCESS

1. The Covenant Committee (CC) has the power to enforce the restrictions in the LARMAC Governing Documents, including but not limited to the CC&Rs, Community Guidelines, and Aesthetic Standards. The CC will hold hearings when enforcement measures must be taken. The CC is a three-to-five-person committee that is appointed by the LARMAC Board of Directors.

2. The Board shall be the sole and final arbitrator of the interpretation and enforcement of the LARMAC Governing Documents. In the event of a conflict between any provision of the Rental Agreement and the Community Guidelines, the provisions in the Rental Agreement prevail. Users acknowledge that under the Facility Rental Agreement, there is no right of appeal to the Board of Directors for any monetary penalty imposed due to breach of the Agreement.

3. Any violation of the LARMAC Governing Documents, including but not limited to violations of the CC&RS, the code of conduct, or damage to common area, may be processed according to the enforcement procedure outlined herein. For more serious violations, LARMAC, in its sole discretion, may accelerate the following process or, when appropriate and necessary, immediately pursue legal action to remedy a violation.

	Enforcement Procedure
First Sighting	Courtesy violation letter requesting compliance within thirty (30) days.
Non-Compliance After Second Sighting	Invitation to 1st Hearing, and imposition of penalties as set forth in section 4, below.
Non-Compliance After Third Sighting	Invitation to 2nd Hearing, and imposition of penalties as set forth in section 4, below.
Non-Compliance After Fourth and Subsequent Sighting	Invitation to 3rd Hearing (or subsequent hearing), and imposition of penalties as set forth in Section 4, below.

4. Following a noticed hearing and an opportunity to be heard, Members who have:
 - a. violated the governing documents on a continuing or frequent basis;
 - b. are ninety (90) days or more delinquent in the payment of their LARMAC account, which includes and is not limited to periodic assessments, fines, reimbursements, chargebacks, interest and/or late charges;
 - c. have violated LARMAC’s code of conduct; and/or
 - d. damaged any portion of the Common Area may be subject to any combination of the following penalties until the violation is corrected, the damage corrected, and/or the delinquency is cured, as appropriate:
 - i. Imposition of monetary fines in accordance with LARMAC’s Fee and Fine Schedule;
 - ii. Entry upon the Member’s Lot to remove the violation, make the necessary repairs, and/or improve the lot so that it meets with approval of minimum ARC maintenance standards, and thereafter seek reimbursement from the Member for the expense thereof;
 - iii. Suspension of voting privileges;

- iv. Suspension of Membership privileges, including but not limited to suspension of the right to use any recreational facility,;
 - v. Suspension of all Member and guest access cards;
 - vi. Suspension of LaderaLife.com privileges; and/or
 - vii. Suspension of reservation privileges, and cancellation of current reservations for any clubhouse facility, tennis court, or picnic area.
5. Any dispute with your neighbor should be discussed directly with your neighbor. If you are unsuccessful in resolving a dispute with your neighbor, you may contact LARMAC's management company and/or your local Neighborhood Representative. If two (2) or more Members file a Notice of Complaint with LARMAC identifying an alleged violation, and only after confirmation of a violation by LARMAC, then LARMAC may, but is not required to pursue the violation in accordance with Section 3, above, and may, but is not required to impose penalties as set forth in Section 4.
6. **If a violation is cleared and it re-occurs, the offending homeowner will be invited to the next hearing rather than restarting the process.** Management has been given the right to grant verbal extensions of up to two weeks if only one violation letter has been sent to the homeowner (all verbal extensions will be documented in the homeowner's file by management).

Fine may be modified by the Covenant Committee based on specific circumstances and facts, e.g. history of the violation, cooperation by homeowner and multiple violations.

**Violations not specifically called out above may begin with the Level One (1) fine amount and may vary depending on the impact of the violation on the community.



Ladera Ranch Maintenance Corporation

FEE AND FINE SCHEDULE

Fee and Fine Schedule

Reservations Fees and Deposits

Clubhouse Facility	Weekday Rate: Monday-Thursday & Friday before 5:00 p.m.	Weekend Rate: Friday after 5:00 p.m. & Saturday-Sunday	Deposit****
Avendale Village Clubhouse	\$65.00 – 3 hours	\$175.00 – 6 hours	\$300.00
Flintridge Village Clubhouse	\$65.00 – 3 hours	\$175.00 – 6 hours	\$300.00
Oak Knoll Village Clubhouse	\$65.00 – 3 hours	\$175.00– 6 hours	\$300.00
Additional Time	\$30.00 per hour	\$60.00 per hour	N/A

Clubhouse Facility	Weekday Rate: Monday-Thursday Full Day: 8:00 a.m.-11:00 p.m.	Weekend Rate: Friday-Sunday Full Day: 8:00 a.m.-11:00 p.m.	Deposit
Covenant Hills Village Clubhouse	Option 1: Great Room & Patio \$275.00	Option 1: Great Room & Patio \$ 820.00	Option 1: \$ 750.00
	Option 2: Full Venue \$1,850.00***	Option 2: Full Venue \$2,300.00***	Option 2: \$1,000.00
Additional Time**	\$110.00 per hour	\$160.00 per hour	N/A

*Please note the terms of the rental agreements are strictly enforced. Any penalty or fine associated therewith are not appealable to the Board of Directors.

The additional time is for the day **before or **after** the clubhouse reservation only and is intended to accommodate pickup and delivery service. Additional time is based on availability and can be reserved no sooner than seven (7) prior to the clubhouse reservation.

***Option 2 includes day-of facility and event coordination services by Splendid Events. Please refer to LaderaLife.com for details.

**** LARMAC may withhold deposits until after a hearing to address any fine assessed or damage to Common Area, as described below.

Picnic Areas at Parks	Weekday Rate	Weekend Rate	Deposit
Celestial, Chaparral, Founders, Oso Grande, and Cox Sports Park (Resident)*	\$50.00	\$50.00	\$100.00
Cox Sports Park (Non-Resident)	\$100.00	\$100.00	\$100.00
Terramor Aquatic Park Picnic Shelters **	\$40.00	\$70.00	\$100.00
Terramor Aquatic Park Cabanas**	\$70.00	\$100.00	\$100.00
Vendor (Any Park)	N/A	N/A	\$300.00

*Park reservations are in four (4) hour blocks: 9:00 a.m. -1:00 p.m. and 2:00 p.m. – 6:00 p.m.

**Terramor Water Park reservations are in four (4) hour blocks: 10:00 a.m. - 2:00 p.m. and 3:00 p.m. – 7:00 p.m.

LARMAC Facility Cleaning, Damage and Other Fees

We ask that residents return the clubhouse and/or facilities to the condition it was in before the reservation. The facility should be left clean, free of damage, and all furniture returned to its original position or storage location. If any of the following items must be addressed by LARMAC following a reservation, the responsible party may incur the fees listed below, which will be deducted from the reservation deposit:

Level 1 Violations (Incidentals)	Including, but not limited to: open flames, early arrival/late departure, etc. The deduction amount will vary between \$50 - \$150 per occurrence.	This level addresses violations of the rental agreement and Community Guidelines that have no direct impact to LARMAC operations.
Level 2 Violations (Moderate/LARMAC Addressed)	Including, but not limited to: trash left behind, chairs and tables not returned to the storage closets, damage to paint/walls from décor. The deduction amount will vary between \$100 - \$250 per hour.	This level addresses violations of the rental agreement and Community Guidelines that directly impact LARMAC operations.
Level 3 Violations (Extreme/Excessive)	Including, but not limited to: use of outdoor speakers and/or music, failure to provide vendor or alcohol insurance, resident and/or guest(s) conduct. The deduction amount will be a full deposit forfeiture.	This level addresses extreme code of conduct violations as well as violations of the rental agreement and Community Guidelines that directly impact other Ladera Ranch residents and/or are deemed a liability to LARMAC.
Other Fees	Use of additional LARMAC property not included in the original rental agreement will result in the actual fee/cost to use such area	

Facility Access Cards

	<u>Cost</u>	<u>Additional</u>	<u>Replacement</u>
Access Cards	1st two per residence no charge	\$25.00	\$25.00
Swim Team Cards	\$10.00	N/A	\$16.00
Skate Park Cards	\$16.00	N/A	\$16.00
Transponders	1st two per residence no charge	\$25.00	\$25.00

Enforcement Fines

<i>First Fine:</i>	\$100.00	
<i>Second Fine:</i>	\$250.00	
<i>Third Fine:</i>	\$500.00	
<i>Fourth Fine:</i>	\$750.00	
<i>Fifth Fine:</i>	\$900.00	
<i>Sixth Fine:</i>	\$1,050.00	
<i>Any e-bike violation:</i>	\$1,500.00 per occurrence	
<i>Any Code of Conduct violation:</i>	\$500.00 per occurrence	
<i>Failure to Obtain Aesthetic Review Committee Approval Prior to Work</i>	\$1,500.00	
<i>Damage to LARMAC Property</i>	\$200.00	In addition to the cost to repair/replace the damaged property if the replacement cost is less than \$500.
<i>Damage to LARMAC Property</i>	\$400.00	In addition to the cost to repair/replace the damaged property if the replacement cost is between \$500 and \$1,000.
<i>Damage to LARMAC Property</i>	\$600.00	In addition to the cost to repair/replace if the replacement cost is more than \$1,000.
<i>Damage to LARMAC Property</i>	\$1,000.00 per tree removed/trimmed	For unauthorized removal and/or trimming of LARMAC trees removed/trimmed in addition to the actual cost incurred by LARMAC to restore the area impacted by the unauthorized removal and/or trimming.
<i><u>Damage to LARMAC Property</u></i>	\$1,500.00	For more egregious conduct (e.g. vandalism, tampering with AED units, theft, trespass, and/or use of motorized vehicles) causing damage to LARMAC Property in addition to the actual cost of repair/replacement.

Any violation resulting in damage to LARMAC property may result in fines as well as the cost of repair/replacement of the damaged property being assessed to the homeowner account.

Classification of Improvements & Aesthetic Review Fees Outside of Covenant Hills

- **Level 1:** \$125.00
- **Level 2:** \$200.00
- **Level 3:** \$330.00
- **Level 4:** \$400.00

Optional Aesthetic Review Workshop with LARMAC's Architectural consultant for Levels 2, 3, and 4 are available at the rate of \$150.00/hour.

Level 1 includes the following:

- Entry door/secondary door modifications
- Lamp posts
- Exterior lighting
- Screen doors
- Flag poles
- Shed visible above the fence line
- Garage doors, if altered from the original design
- Shutters, if altered from the original design
- Solar energy system if criteria are not met

Level 2 includes the following:

- Any hardscape modifications
- Diverters/gutters/downspouts other than pre-approved
- Original landscape modifications
- Original fence/wall modifications
- Fountains, water elements, pumps, motors, any noise-producing improvements, pet enclosures
- Window(s)/window awning(s)
- Any exterior color modification from LARMAC's pre-assembled Master Color Palette intended to be compatible with the home style.
- Fencing

Level 3 includes the following:

- Any exterior color modification that deviates from LARMAC's pre-assembled Master Color Palette (i.e. custom color combination)
- Free-standing structures (i.e. gazebo, pergolas, , custom play structure, etc.)
- Patio covers
- Pools/spas

Level 4 includes the following:

- Room additions
- Enclosed patios
- Exterior stairs
- Second-floor decks
- Detached or attached living areas (i.e. outdoor kitchens, bathrooms, loggias)
- Major architectural additions or changes to the home or home's building mass

Resubmittals

Plans requiring a third (3rd) submittal for review are subject to a re-submittal fee:

- Level 1: \$75.00
- Level 2: \$100.00
- Level 3: \$165.00
- Level 4: \$200.00

Appeals: \$100.00 per application

Classification of Improvements & Aesthetic Review Fees (Non- Custom Homes in Covenant Hills)

- **Level 1:** \$125.00
- **Level 2:** \$250.00 (includes \$50 road impact fee)
- **Level 3:** \$430.00 (includes \$100 road impact fee)
- **Level 4:** \$550.00 (includes \$150 road impact fee)

Level 1 includes the following:

- Entry door/secondary door modifications
- Lamp posts
- Exterior lighting
- Screen doors
- Flag poles
- Shed visible above the fence line
- Garage doors, if altered from the original design
- Shutters, if altered from the original design
- Solar energy system if criteria are not met

Level 2 includes the following:

- Diverters/gutters/downspouts other than pre-approved
- Landscape modifications limited to softscape, conversion of natural turf to plants, tree removal/replacement, no changes to landscape footprint, etc.
- Fountains, water elements, pumps, motors, any noise-producing improvements, pet enclosures
- Window(s)/window awning(s)
- Any exterior color modification from LARMAC's pre-assembled Master Color Palette intended to be compatible with the home style.
- Fencing color modifications

Level 3 includes the following:

- Any hardscape modifications
- Landscape modifications, including but not limited to, changes to the footprint, conversion of natural turf to artificial turf, etc.
- Any exterior color modification that deviates from LARMAC's pre-assembled Master Color Palette (i.e. custom color combination)
- Free-standing structures (i.e. gazebo, pergolas, , custom play structures, etc.)
- Patio covers

Level 4 includes the following:

- Room additions
- Enclosed patios
- Exterior stairs
- Second-floor decks
- Detached or attached living areas (i.e. outdoor kitchens, bathrooms, loggias)
- Major architectural additions or changes to the home or home's building mass
- Pools/spas

Resubmittals

Plans requiring a third (3rd) submittal for review are subject to a re-submittal fee:

- Level 1: \$75.00
- Level 2: \$100.00
- Level 3: \$165.00
- Level 4: \$200.00

Appeals: \$100.00 per application

Classification of Improvements & Aesthetic Review Fees (Custom Homes in Covenant Hills)

Level 1	\$200.00
Level 2	\$500.00 (includes \$100 road impact fee)
Level 3	\$850.00 (includes \$200 road impact fee)
Level 4	\$7,900.00 (includes \$400 road impact fee and one Design Workshop)
Optional Workshop	\$150.00/hour
Appeals	\$100.00

Level 1 includes the following: Minor exterior modifications that do not involve moving exterior wall planes or roof planes, paint color and stains/coatings on the exterior surfaces, and lighting.

Level 2 includes the following: Modifications to the existing residence that increases existing building area, replacement of windows, doors, garage doors, exterior material changes such as siding and stucco, and modifications to existing landscape (softscape only-trees, shrubs, natural turf)

Level 3 includes the following: Modifications that include enclosures, cabanas, buildings, outbuildings, pools/spas, fences/walls, hardscaping, and landscaping that includes hardscaping changes.

Level 4 includes the following: Major modifications to the existing building area that involve modifications to exterior structure with room additions or roof alterations, major landscape and hardscape modifications, and/or the services of a general contractor and multiple subcontractors.

Resubmittals:

Plans requiring a third (3rd) submittal for review are subject to a re-submittal fee.

Level 1	\$125.00
Level 2	\$250.00
Level 3	\$300.00
Level 4	\$500.00

Community Garden Fees

- Standard plot: \$100.00 annually
- Raised bed: \$40.00 annually
- Refundable deposit required for all apartment residents: \$200.00

ARCHITECTURAL APPEAL PROCESS

Pursuant to California *Civil Code* § 4765 (a) (4) and (5), you may request reconsideration of this disapproval by the Board of Directors. to be conducted during an open meeting of the Board. Pursuant to Article IV, Section 4.12.3, an appeal of a decision by the Aesthetics Review Committee to the Board of Directors must be made by 5:00 p.m. on the day that is ten (10) business days after the Committee's decision. Any request for reconsideration must be accompanied by a copy of the plans you submitted and this disapproval and must be submitted in writing to the Board of Directors, addressed as follows:

Board of Directors
Ladera. Ranch Maintenance Corporation
c/o FirstService Residential
1 Daisy Street
Ladera Ranch, CA 92694
Attn: General Manager

Requests for reconsideration shall be considered by the Board of Directors at the next board meeting following receipt of your written request, provided that your request is received at least ten (10) calendar days before the meeting. Requests for reconsideration received fewer than ten (10) days prior to a board meeting shall be considered by the Board of Directors at its next regularly scheduled meeting. The Board of Directors will issue a written decision within thirty (30) days from the board meeting at which the disapproval is reconsidered.

IV. PROCESS/SUBMITTAL REQUIREMENTS

Owners ("Applicants") are required to obtain ARC approval for front and side yard improvements and/or modifications and **must** complete improvements of front and side yards within ninety **(90) days of the approval**.

The private yard areas not visible from the street or LARMAC property require ARC review and approval for improvements that will exceed the height of perimeter walls, including trees that will grow above the wall at maturity. Examples of improvements that require approval include the following:

- Improvements that exceed the height or will grow to exceed the height of any perimeter or side yard wall or fence
- Trees
- Fireplaces
- Fire pits
- BBQ
- Pet enclosures
- Patio covers/arbors/trellises
- Sports courts
- Sheds
- Raised water features or water slides
- Raised decks or activity areas
- Improvements, which will change or alter either the grade or drainage such that it interferes with the adjoining property, whether that property is privately owned or LARMAC Property

PROCEDURES FOR SUBMITTALS

1. Complete applications shall be submitted online at contact.larmac@LaderaLife.com.
2. Submittals to, and approvals by, the ARC shall occur **prior** to installation and should be done before ordering materials and start of demolition or construction.

Please note: A minimally complete application must include items #3 - #8 below:

A plot plan is drawn to scale with specifications, including color scheme & samples, elevations of all raised elements, hardscape samples, color chips or photos accurately depicting hardscape materials and colors, detailed planting plan; include one (1) electronic copy of the plan.

3. LARMAC Property Improvement Form: one (1) electronic copy.
4. Neighbor Notification Statement: one (1) electronic copy.

It is the intent of the ARC that the applicant's neighbors be notified of any Improvements, which may impact the use and enjoyment of the neighbor's property.

Applicable Neighbors

Adjacent Neighbor: means all neighbors with adjoining property lines to the applicant.

Facing Neighbor: means the three (3) neighbors most directly across the street.

Impacted Neighbor: means all neighbors in the immediate surrounding area which would be affected by the construction of an Improvement.

Applicant shows the drawings to neighbors and requests their signatures on the Neighbor Notification Statement. **Signature of this form does not constitute neighbor approval of the improvements.** Should any neighbor decline to sign the statement or the facing, adjacent, or impacted residence be owned by the builder, such circumstances must be noted by the Owner on the Neighbor Notification Statement.

In the event a neighbor is not available to view a plan, the submitting homeowner must send a copy of the plan and a copy of the Neighbor Notification Statement to the neighbor via certified mail. The certified mail receipt must be included for ARC review as a part of the plan submittal.

5. Photographs of the front elevation of the home and areas applicable for submittal. Additional photographs may be required for proposed architectural changes and accessory structures such as room additions, decks/balconies, solid roof patio structures, etc. Photos should provide a clear depiction of the existing area of the house proposed to be changed.
6. Aesthetic review submittal fee per the Classification of Improvements and the LARMAC Fee and Fine Schedule on LaderaLife.com. *The Committee requires the submittal fee to cover the costs of hiring a consultant to review the proposed Improvements.*
7. Electronic copy of all forms and plans.
8. Approval of Improvements by the ARC is for **aesthetic purposes only**. It is the Owner's responsibility to see that all federal, state, and local ordinances and codes are followed. The County of Orange may require permits; however, it is not within the ARC or LARMAC's scope of responsibility to confirm the existence or accuracy of County permits.

PLANS / SPECIFICATION REQUIREMENTS

1. The plan shall be submitted electronically in PDF format.
2. The plan must be drawn to scale and scale indicated on the plan. Landscape and hardscape plans should be drawn at 1/8"=1' scale. Architectural elevations and floor plans should be drawn at 1/4"=1' scale.
3. Provide your name, address, phone number, and email contacts on the plan. Also, include the **architectural style** of the home as provided by the builder. This information is available on LaderaLife.com, under the 'My Profile' section on in the Home Improvements tab.
4. Indicate the location of the bottom of any slope and the top of any slope, if applicable.

5. Accurately show the footprint of your home, including lot lines, any easements, existing fences and/or walls, gates, and existing utilities.
6. Provide a dimensioned hardscape plan showing proposed new and existing; paving, walls, fences, pools, patio covers, drainage, and structures accurately described as to materials, length, height, and angles.
7. Indicate the nature, kind, shape, dimensions, materials, color, finish, and location of proposed Improvements.
8. Provide a description of the materials to be used, including the proposed color scheme. **Attach samples i.e. brochure or color chips, for hardscape, light fixtures, gate design, awning style, paint color, fountains, etc. Provide a description of the materials to be used, including the proposed color scheme. For proposed exterior color proposals, please submit a complete Exhibit A – Exterior Color Checklist, photos of all sides of the house showing all exterior areas to be repainted with callouts/notations clearly indicating where proposed colors (or materials) are to be applied.**
9. Provide grading plans, (if applicable), which show where the established drainage pattern may be altered by the proposed Improvements. Provide spot elevations and indicate locations of drainage devices and curb cores.
10. Provide a photograph of the front of your home, as well as photographs of all areas where improvements are proposed.
11. Location and name of all trees, shrubs, vines, ground cover, and turf areas must be shown on the plan.
12. Plan submittals must be legible. Submittals that are difficult to read or unclear will be returned to the submitting owner without review.

CLASSIFICATION OF IMPROVEMENTS & AESTHETIC REVIEW FEES

Please refer to the Fee and Fine Schedule for the Classification of Improvements & current Aesthetic Review Fees. The Classification of Improvements, Level 1 through Level 4, defines the scope of review by the ARC and consultants, and the aesthetic review submittal fee required. The Aesthetic Standards and Improvement Specific Criteria provide guidance for all submittals, which should also assist you in completing the Property Improvement Form.

NOTE: The classification of improvements may not be all-inclusive; however, it serves as a guideline for the Board of Directors, the Aesthetic Review Committee/consultant and the homeowner for the submittal process.

COMMITTEE REVIEW PROCESS

The ARC meets once a month to process submittals. Meetings may be postponed on occasion without notice due to unforeseen circumstances. Please visit LaderaLife.com for plan submittal deadline dates and ARC meeting dates.

Aesthetic Review Committee reviews the *Property Improvement Form*, the *Neighbor Notification Statement*, and the drawings for completeness and consistency with the Aesthetic Standards.

The committee has forty-five (45) days to approve or deny the submittal once it has been accepted and deemed complete. Approval may be given with conditions. All conditions and recommendations given in response to any plan submittal must be followed.

Incomplete applications will be returned to the submitting Owner without action.

Once an Owner receives approval from the ARC, construction may commence, and timely completion of Improvement is required. Upon completion of the approved Improvements(s), a LARMAC *Notice of Completion* must be forwarded to LARMAC.

Construction must proceed consistently with the approved plan. All deviations must be submitted for review and approved by the Committee prior to the commencement of work.

QUICK TIPS FOR A PLAN SUBMITTAL

Committee Meetings

The ARC has forty-five (45) days to review plans. The ARC meets once a month to process submittals. For meeting dates, contact LARMAC at contact.larmac@LaderaLife.com or visit LaderaLife.com.

Where to Submit Plans

Complete applications shall be submitted online at contact.larmac@LaderaLife.com.

Plan Submittals Must Include

1. One copy of the LARMAC Property Improvement Form.
2. Plot Plan drawn to scale including the footprint of the home and details of size, design, color, and materials, location of drains, name, and location of plants/trees (using common names), types of all materials, wood surfaces & color schemes must be noted. Include samples of the proposed hardscape.
All property lines and any easements are to be clearly indicated on the plan.
3. One copy of the Neighbor Notification Statement. If neighbors are unavailable, in escrow, or uncooperative in reviewing plans, a good-faith effort must be made to obtain the signatures as evidenced by providing copies to the Aesthetics Review Committee of Certified Mail receipt(s) transmitting plans and requesting review. The Neighbor Notification Statement is

intended as a notification tool only. The approval or disapproval of architectural plans by the Aesthetics Review Committee is not based solely on the Neighbor Notification Statement.

4. One set of photographs of the front elevation of the home and the area applicable for submittal.
5. Submittal fee per the Classification of Improvements and the LARMAC Fee and Fine Schedule on LaderaLife.com. *The Committee requires the submittal fee to cover the costs of hiring a consultant to review the proposed Improvements.*
6. Electronic copy of all forms and plans.
7. All forms are available on LaderaLife.com. under the Home Improvement tab.

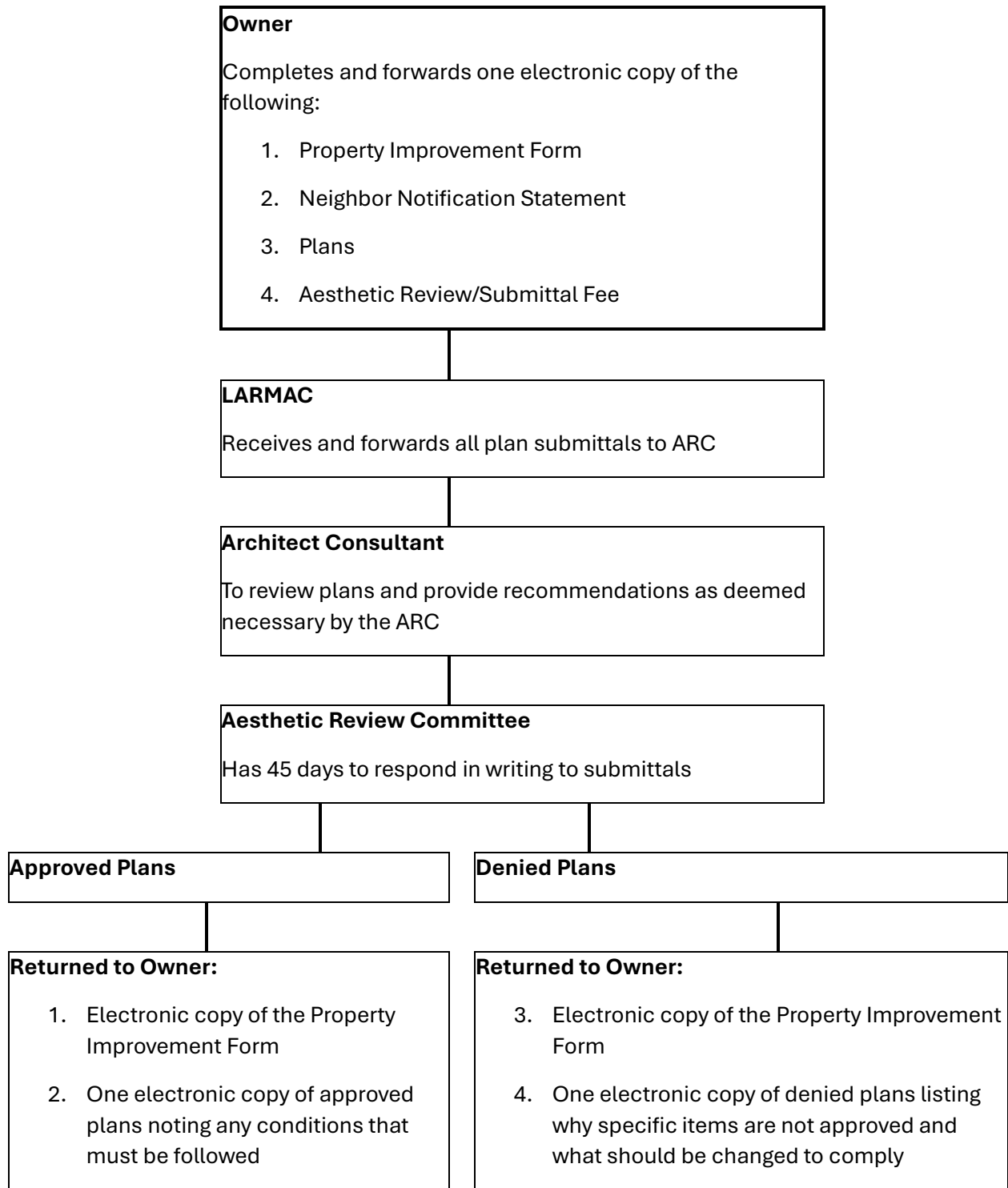
Important Notes

- ✓ Read the Aesthetic Standards carefully before submitting plans.
- ✓ The ARC may place conditions and/or limitations on your approval, which must be followed.

The following items need ARC approval even if they are in private yards:

- Improvements that exceed the height or will grow to exceed the height of any perimeter or side yard wall or fence
 - Trees
 - BBQ
 - Fireplace
 - Fire Pit
 - Pet Enclosures
 - Patio Covers/Arbors/Trellises
 - Pools/Spas
 - Raised Decks
 - Accessory Structures/Sheds
 - Raised Water Features or Water Slides
 - Raised Decks/Activity Areas
13. Improvements, which will change or alter either the grade or drainage such that it interferes with the adjoining property, whether that property is privately owned or LARMAC Property.

Plan Submittal / Review Process



LANDSCAPE INSTALLATION GUIDELINES

1. Prior to any installation, you should have an agricultural suitability test performed on your yard’s soil. This can be obtained at most nurseries and will give you basic guidelines on how to amend your soil to ensure successful growing conditions for your plants.

2. Prior to installing any walks, walls, etc., chalk or paint out the design to get a feel as to how it works in your yard. You should ask yourself the following questions:
 - Is the width of my proposed walks appropriate for their intended use?
 - Is the amount of hardscape planned in scale with the overall size of my yard?
 - Are any architectural features (such as a low pilaster with a light) in scale with the overall design?
 - Are the colors and/or materials that I have selected for my hardscape elements compatible with my home's color palette?
3. You should perform a weed abatement program prior to planting any of your plants. This can be performed as follows:
 - Blend all soil amendments into your soil based on the recommendations of your soils report.
 - Water your yard for ten (10) days to stimulate weed growth.
 - After ten (10) days, spray your yard with a general weed killer per the manufacturer's recommendations.
4. Because of the nature of soils in south Orange County, when pouring concrete, you should install steel reinforcement in your slabs. You should also provide score lines and/or expansion joints in any concrete to reduce cracking.
5. In areas where positive drainage to the street will be interrupted by hardscape or planting, drainage devices, and pipe should be installed, and an outlet provided to the street through a curb core.
6. A permanent irrigation automated system must be installed.
7. Grade or rake out your yard to ensure positive drainage to the street or drainage devices.
8. Prior to installation, layout your plant material while they are still in the containers to get a feel for the spacing and overall look. Recommended spacing for shrubs is 75% of their ultimate growth width.
9. Installing a mow strip will help in keeping a clean edge along your lawn areas. Concrete is the most durable. Wood, masonry or plastic products are easy to install. In all cases, these should be installed so that no more than 1" is exposed above the topsoil level.
10. Lawn areas should not be planted on a slope any steeper than 20% (5:1). This will allow for ease in mowing and minimize irrigation run-off.
11. Lawn areas can be planted in four (4) different ways for the style of your home:

- Sod – easy and most successful way to install.
 - Hand seed – can be done by the homeowner but often requires multiple applications due to run-off, lack of water, or birds eating seeds.
 - Hydro-seeding – must be applied by a contractor and sometimes requires multiple applications.
 - Artificial turf when installed in accordance with the Aesthetic Standards (See Section V, B, 2)
12. When installing trees, shrubs, vines or espaliers, the diameter of the hole you dig should be twice that of the container it comes in. After setting it in the hole, backfill should consist of a combination of your existing soil blended with the amendments that were recommended in the soils test results you should obtain. A water basin consisting of a compacted mound of soil following the shape of the planting pit should be constructed around each plant, and then removed once the plant is established.
 13. If you are planting any trees that may potentially create root problems for your hardscape, you should install a linear root barrier to help provide protection. This should be installed along the edge of your hardscape as per the manufacturer’s recommendations.
 14. Small, single-trunk trees should be staked to protect them from possible damage. One or two stakes with two or more tree ties will help provide this protection. Ties may need adjustment over time, and stakes should eventually be removed.
 15. Vine and/or espaliers should be removed from their nursery stakes or trellises and attached to the adjacent surface with plastic epoxy ties, wire or through some other means of attachment.
 16. Ground cover should be installed at a spacing that will ensure full coverage when plants mature. Shredded mulch beneath and around shrubs and ground cover helps retain the moisture in the soil and impedes weed growth.
 17. After planting, apply water in sufficient quantities and as often as seasonal conditions require to keep the ground wet at all times, well below the root system of grass and plantings.
 18. Thirty (30) days after installation, all landscape areas should be fertilized with a general fertilizer such as 16-6-8 at the rate recommended by the manufacturer.
 19. Drought-tolerant landscape designs are responsive to the climate and are encouraged by water providers to reduce water use and associated costs. LARMAC also encourages the responsible use of water in landscape designs. The architectural styles of some homes are more compatible with drought-tolerant plant materials, including natural grasses and succulents. The use of plant material that requires less water should be designed so that it

is harmonious with the style of the house in areas that are visible from the street and/or common areas.

Caution: Fertilizers with iron will stain your concrete when water is applied. Make sure that you sweep off all fertilizer prior to watering.



Ladera Ranch Maintenance Corporation 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 per occurrence; \$2,000,000 aggregate
C. Amount of Deductible (if any):	\$0
D. Umbrella coverage, if applicable:	\$5,000,000
E. Umbrella carrier:	Philadelphia Indemnity Insurance Company
F. Policy dates:	12/1/20224- 12/1/2025

II. PROPERTY INSURANCE

A. Name of Insurer:	Philadelphia Indemnity Insurance Company
B. Policy Limits:	\$23,042,000 (Guaranteed Replacement Cost)
C. Amount of Deductible:	\$10,000
D. Policy dates	12/1/2024 - 12/1/2025

II. EARTHQUAKE INSURANCE

A. Name of Insurer:	QBE Specialty Insurance Company
B. Policy Limits:	\$6,279,407
C. Amount of Deductible:	5%
D. Policy dates	12/1/2024 - 12/1/2025

III. FLOOD INSURANCE

A. Name of Insurer:	None
B. Policy Limits:	
C. Amount of Deductible:	
D. Policy dates	

IV. FIDELITY BOND INSURANCE

A. Name of Insurer:	Nova Casualty Company & Travelers Casualty
B. Policy Limits:	\$20,000,000
C. Amount of Deductible:	\$10,000
D. Policy dates	12/1/2024 - 12/1/2025

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.

Federal Housing Administration Certification Disclosure

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest. This common interest development [is / **is not**] a condominium project. The association of this common interest development [is / **is not**] certified by the Federal Housing Administration.

For current information, please visit the Federal Housing Administration website at: <https://entp.hud.gov/idapp/html/condlook.cfm>

Veterans Affairs Certification Disclosure

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest. This common interest development [is ~~is not~~] a condominium project. The association of this common interest development [is ~~is not~~] certified by the federal Department of Veterans Affairs.

For current information, please visit the U.S. Department of Veterans Affairs website at:

<https://vip.vba.va.gov/portal/VBAH/VBAHome/condopudsearch>



FirstService Residential California
 15421 Laguna Canyon Road
 Irvine, CA 92618
 (800) 428-5588

Billing Disclosure Form - *Provided as required by Section 4525**

Effective 1/1/2025

THIS IS NOT AN INVOICE: This form is being provided as required by California Civil Code §4530 and is not intended to be utilized as a total amount due on any specific resale transaction.

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.

Account Information:

Association:
 Property Address:

Owner of Property:
 Owner's Mailing Address:

Provider of §4525 Items:

Print Name:
 Position/Title:
 Date Completed:

Not Available (N/A), Not Applicable N/App), OR Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)

		Fee For Document	
Articles of incorporation or statement that not incorporation	Section 4525(a)(1)	\$57.00	
CC&Rs	Section 4525(a)(1)	\$65.00	
Bylaws	Section 4525 (a)(1)	\$57.00	
Operating Rules	Section 4525 (a)(1)	\$41.00	
Age restrictions, if any	Section 4525 (a)(2)	\$0.00	(Included in CC&Rs)
Rental restrictions, if any	Section 4525 (a)(9)	\$0.00	(Included in CC&Rs)
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	\$57.00	
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	\$0.00	(Included in Budget)
Financial statement review	Sections 5305 and 4525(a)(3)	\$57.00	
Assessment enforcement policy	Sections 5310 and 4525(a)(4)	\$0.00	(Included in Budget)
Insurance summary	Sections 5300 and 4525(a)(3)	\$0.00	(Included in Budget)
Regular assessment	Section 4525(a)(4)	\$0.00	(Included in Statement)
Special assessment	Section 4525(a)(4)	\$0.00	(Included in Statement)
Emergency assessment	Section 4525(a)(4)	\$0.00	(Included in Statement)
Other unpaid obligations of the seller	Sections 5675 and 4525(a)(4)	\$0.00	(Included in Statement)
Approved changes to assessments	Sections 5300 & 4525(a)(4), (8)	\$0.00	(Included in Budget)
Settlement notice regarding common area defects	Sections 4525(a)(6), (7) & 6100		See disclosure if applicable
Preliminary list of defects	Section 4525(a)(6), 6000 and 6100		See disclosure if applicable
Notice(s) of violation	Sections 5855 and 4525(a)(5)	\$0.00	(Included in Statement)
Required statement of fees	Section 4525	\$0.00	(Included in Statement)



FirstService Residential California
15421 Laguna Canyon Road
Irvine, CA 92618
(800) 428-5588

Billing Disclosure Form - *Provided as required by Section 4525**

Effective 1/1/2025

Minutes of regular meetings of the board of directors conducted over the previous 12 months, if requested	Section 4525(a)(10)	\$115.00
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TOTAL FEES for these documents: \$449.00 DO NOT PAY

*The Information provided in this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 may be charged separately. The documents listed on this form are the property of the Association, and not FirstService Residential. Please visit www.fsresidential.com/california, click Order Documents & Certifications in the upper left-hand corner, and follow the instructions to download a full list of fees and services.

Dispute Resolution Procedures: Alternative Dispute Resolution and Internal Dispute Resolution

ALTERNATIVE DISPUTE RESOLUTION

5925. As used in this article: (a) "Alternative dispute resolution" means mediation, arbitration, conciliation, or other non-judicial procedure that involves a neutral party in the decision-making process. The form of alternative dispute resolution chosen pursuant to this 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 title.

(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 of a common interest development.

5930. (a) An association or an owner or a member of a common interest development may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to this article.

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

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

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

(2) A request for alternative dispute resolution.

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

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

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

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

5940. (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. 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. (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. (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. In an enforcement action in which fees and costs may be awarded pursuant to subdivision (c) of 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. (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 the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

(b) The summary shall be provided either at the time the pro forma budget is distributed or in the manner prescribed in Section 5016 of the Corporations Code. The summary shall include a description of the association's internal dispute resolution process.

INTERNAL DISPUTE RESOLUTION

5915. Statutory Dispute Resolution Procedure

(a) This section applies in 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 may not refuse a request to meet and confer.

(3) The association's board of directors shall designate a member of the board to meet and confer.

(4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute. 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 of directors to its designee or the agreement is ratified by the board of directors.

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

ANNUAL POLICY STATEMENT – LADERA RANCH MAINTENANCE CORPORATION

The board is required to distribute an annual policy statement that provides the association members with information about its policies.

- 1) The name and address of the person designated to receive official communications to the association is the Manager on behalf of Ladera Ranch Maintenance Corporation, c/o FirstService Residential Management, 1 Daisy Street, Ladera Ranch, CA 92694.
- 2) Members may submit a request to the address noted above to have notices sent to up to two different specified addresses.
- 3) Civil Code permits the association to provide General Notices to the membership via newsletter, billing statement messages, association website, or posting in a prominent location. If the association chooses to post notices, they will be located on the community website, <https://LaderaLife.com>.
- 4) If you would like all notices, including general notices, to be sent to you by individual delivery, please log in to the community website at <https://laderaranch.connectresident.com/> and update your communication preferences within the “My Account” settings of your profile.
- 5) Copies of minutes for board meetings that are open to the membership are available upon written request throughout the year. Minutes can be released to you 30 days following the meeting date, and any copying and posting charges for those minutes are the requestor’s responsibility. If the minutes are not approved by the Board within the 30-day period of the request, draft minutes will be provided to you.



Annual Homeowner Disclosure

Civil Code §4041 requires owners, on an annual basis, to provide notice to their association of four pieces of information:

- 1) Mailing address to receive notices from the Association (if different than Property Address)
- 2) Secondary address (if any) to receive notices from the Association
- 3) Name and address of Legal Representative (if any), including any person with power of attorney or other person who can be contacted in the event of the owner's extended absence
- 4) Status of Property (Owner-Occupied, Rented, Vacant or Undeveloped Land)

Please provide the information listed above by visiting the Connect Resident Portal at <https://LaderaRanch.connectresident.com> under the "My Account" section.

Your responses to the questions above will dictate your proper receipt of important Association information. Please note that if the information above is not provided, the last address provided in writing by the owner, or if none, the property address shall be deemed the address to which notices are to be delivered. The Association thanks you for your cooperation as they seek to comply with this legislation.

Registering for the Connect Resident Portal

If you have not registered for the Connect Resident Portal, please complete the following steps:

- Navigate to <https://LaderaRanch.connectresident.com>
- Click CREATE ACCOUNT on the landing page of the webpage or "Create Account" via the Connect Resident app



- A verification code will be sent via email, which will expire within **10 minutes**; this 2-factor authentication method ensures the highest levels in security!
- After verifying your email, create a secure password
- Login using these newly created credentials
- Read the Terms and Conditions and select the check box if you agree
- Complete the registration by either entering the Property Address or Account Number (listed as "Customer ID" on the Assessment Statement)
- Once you are registered, the **Connect Resident Portal** will allow you to opt-in to receive association documents electronically and opt-out of the association membership list, if preferred.

Need Assistance? Contact the Customer Care Center for fast, live support 24/7 at 1-800-428-5588.

Connect Resident Portal Registration



Access your community's Connect Resident Portal to view your account balance, important forms and documents, view community event information, submit service requests and more! Please complete the following to register:

- 1) Visit your Connect Resident Portal address <https://LaderaRanch.connectresident.com> or complete the registration through the Connect Resident app (just search "Connect Resident" in your smart phone's Google Play or Apple App Store)

2) a) Portal Registration

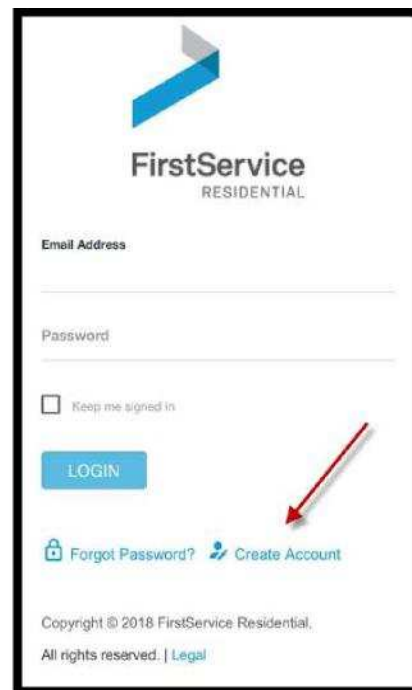
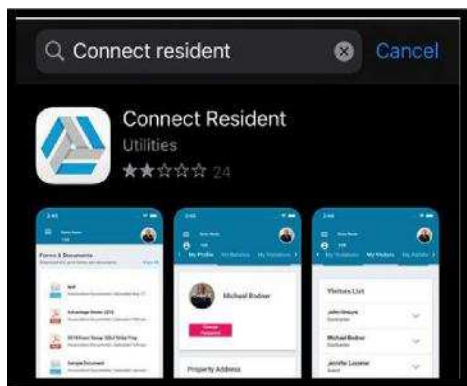
Note: Aside from the initial "Create Account" screen, the registration steps are the same for the website and app.

- Scroll to the bottom of the page to the Resident Access section and select "Create Account"



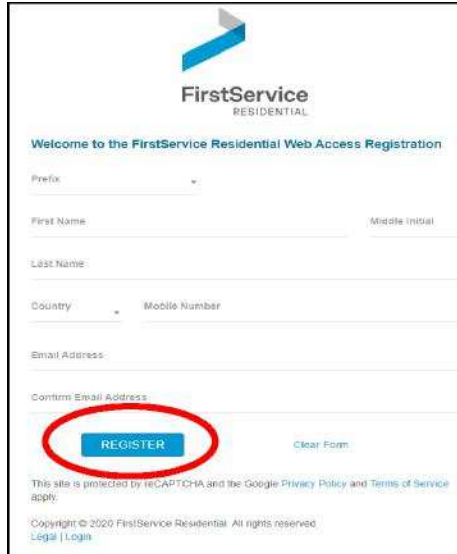
b) App Registration

- Click "Create Account" at the bottom of the screen



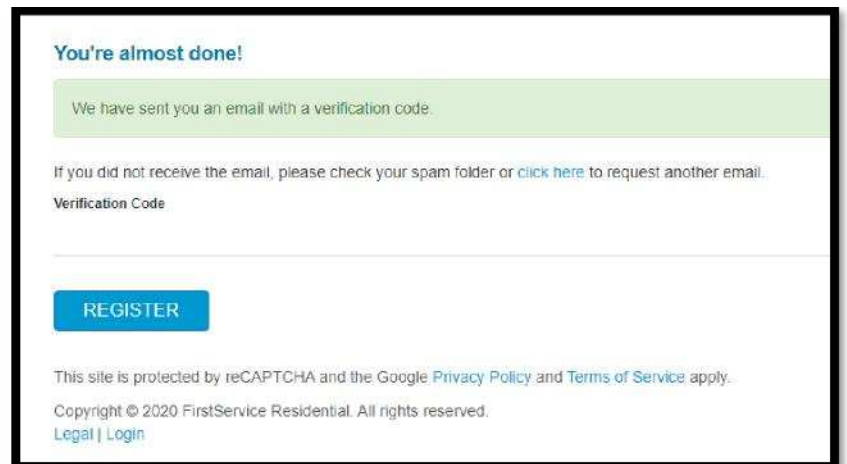
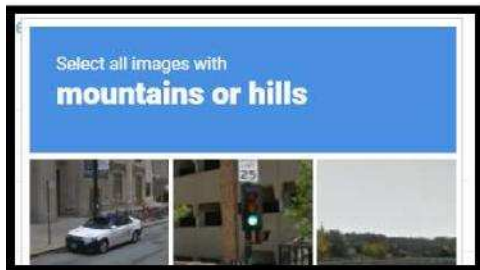
Connect Resident Portal Registration

- 3) Fill in your First Name, Last Name and Email Address. (*Prefix, Middle Initial, Country and Mobile Phone are optional as long as your email address is registered with the Association.*) Click REGISTER.



The screenshot shows the registration form for FirstService Residential. The form includes fields for Prefix, First Name, Middle Initial, Last Name, Country, Mobile Number, and Email Address. A Confirm Email Address field is also present. A red circle highlights the REGISTER button. Below the form, there is a disclaimer: "This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply." and a copyright notice: "Copyright © 2020 FirstService Residential. All rights reserved. Legal | Login".

- 4) For security purposes, a Captcha verification process is presented. Click the relevant pictures until there are no more required and click the VERIFY button, which will prompt a verification code to be sent to you. The following screen will be presented:



The screenshot shows the verification screen with the heading "You're almost done!". A green banner states "We have sent you an email with a verification code." Below this, there is a link to request another email: "If you did not receive the email, please check your spam folder or [click here](#) to request another email." A field for the Verification Code is provided, followed by a REGISTER button. At the bottom, there is a disclaimer: "This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply." and a copyright notice: "Copyright © 2020 FirstService Residential. All rights reserved. Legal | Login".

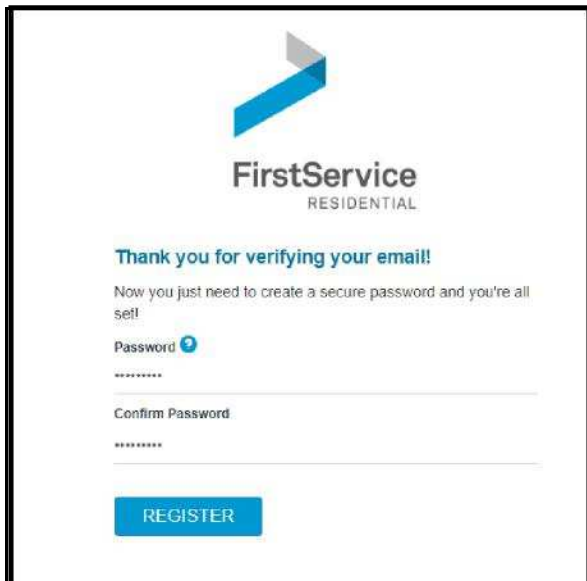
Connect Resident Portal Registration

- 5) Minimize the registration screen and sign onto your email account. A VERIFICATION CODE will be sent to your email from residentportal@rp.connectresident.com (*The verification code will expire in 10 minutes*).
- 6) Enter the verification code into the registration screen presented. (*It can be copied and pasted into the screen from the email as well.*) Click REGISTER.



Example of the code within your email received from Connect Resident Portal with the subject "Complete your registration"

- 7) Once the email address is verified, a screen will be prompting for creation of a PASSWORD

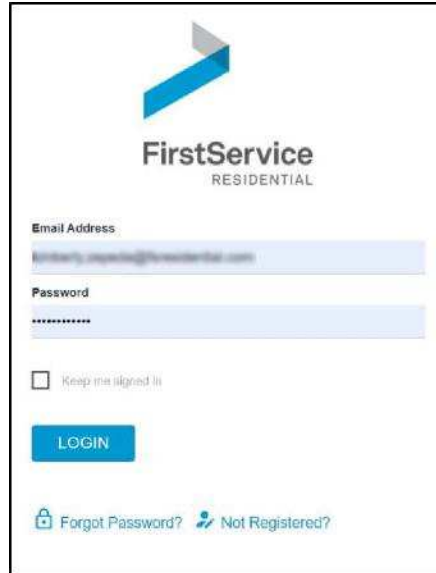


Password Criteria:

- Minimum of 8 characters in length
- 25 characters maximum
- Password must have at least one uppercase letter, at least one lowercase letter, at least one number, at least one special character (! @ # \$ % ^ & *)

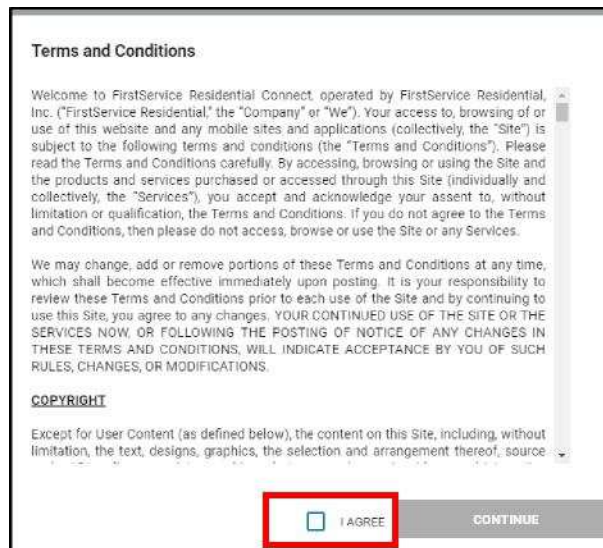
Connect Resident Portal Registration

- 8) After the password is created successfully, the **Login Page** to the portal will be presented. Enter in your email and password. Click LOGIN.



The image shows the login page for FirstService Residential. At the top is the FirstService Residential logo. Below it are two input fields: "Email Address" with the placeholder "firstservice.residential@firstservice.com" and "Password" with a masked password "*****". There is a checkbox labeled "Keep me signed in" which is currently unchecked. A blue "LOGIN" button is positioned below the password field. At the bottom, there are two links: "Forgot Password?" with a lock icon and "Not Registered?" with a person icon.

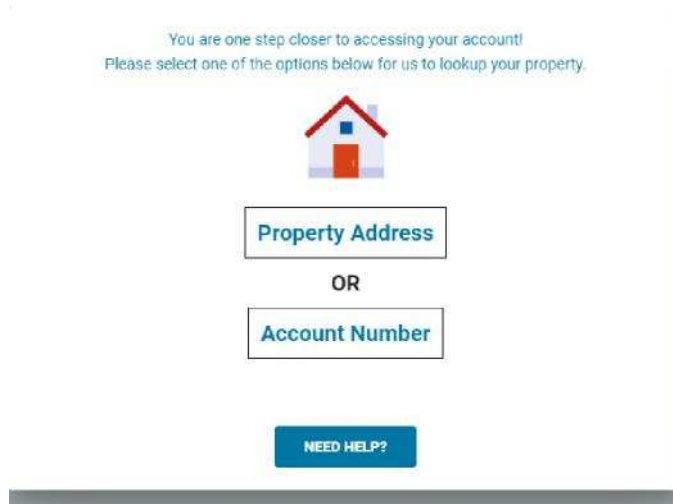
- 9) Accept the “Terms & Conditions” by clicking the box “I AGREE” and click the pink box “CONTINUE”




The image shows a "Terms and Conditions" page. The title "Terms and Conditions" is at the top left. The main text describes the user's access to the site and the services provided, and states that the user agrees to the terms and conditions by using the site. Below the main text is a "COPYRIGHT" section. At the bottom of the page, there is a checkbox labeled "I AGREE" which is currently unchecked and highlighted with a red box. To the right of the checkbox is a grey button labeled "CONTINUE".

Connect Resident Portal Registration

- 10) Final step is to link your unit to your login profile by either the PROPERTY ADDRESS or your 12-digit ACCOUNT NUMBER (Customer ID) – **Important!** This number is listed as the “Customer ID” on your assessment statement).
- If you experience issues with the Property Address entry, ***please use the Account Number/Customer ID instead, and vice versa.***



You are one step closer to accessing your account!
Please select one of the options below for us to lookup your property.



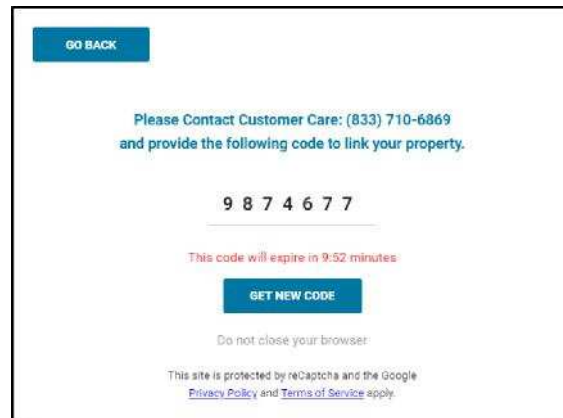
Property Address

OR

Account Number

NEED HELP?

- 11) During this process, if help is needed, click the button “Need Help?” The following item will be presented, call the Customer Care number and someone will be ready to assist; the team is available for you 24/7!



GO BACK

Please Contact Customer Care: (833) 710-6869
and provide the following code to link your property.

9 8 7 4 6 7 7

This code will expire in 9:52 minutes

GET NEW CODE

Do not close your browser

This site is protected by reCaptcha and the Google
Privacy Policy and Terms of Service apply.

Connect Resident Portal FAQs

Q: Which web browsers can I use to access my community portal? Is there an app?

A: To navigate the portal, the most commonly used browsers are compatible: Chrome, Edge, Firefox, Internet Explorer, or Safari.

Yes, the app version of the portal is also available by searching “Connect Resident” in your smart phone’s app store.



Connect Resident Portal Registration

Q: What devices or equipment can I use to access my community portal?

A: The community portal can be accessed on a desktop, laptop, tablet or mobile device. The Community Portal features a responsive design which will match your device's screen size.

Q: Can I share a profile with another resident in my unit?

A: Each resident needs one unique email address on file. Residents are unable to share an email address or an account with other residents.