



Spring Valley Lake Association
13325 Spring Valley Parkway
7001 SVL Box
Victorville, CA 92395-5107

September 1, 2018

Dear SVLA Homeowner:

The SVLA Board of Directors is pleased to announce the adoption of the new 2018-2019 annual budget, as well as reserve and personal property replacement schedules with their respective funding plans. The annual assessment will be \$1,085.00 per unit. The assessment will be due quarterly at a rate of \$271.25 on the following due dates: November 1, 2018, February 1, 2019, May 1, 2019, and August 1, 2019. You may pay in full with one payment on November 1, 2018. For your convenience, payments may be paid by automatic electronic funds transfer or on-line at www.Cidcllc.us

Included with this mailing is the required annual disclosure packet which contains the following:

- Fiscal Year Budget 2018-2019
- Executive Summary Reserve Study
- Assessment and Reserve Funding Disclosure Summary
- 30 Year Reserve Funding Plan
- Insurance Disclosure
- Annual Policy Statement
- Delinquent Assessment Collection Policy
- Assessment and Foreclosure Notice
- Enforcement Fine Policy
- Alternative Dispute Resolution
- Internal Dispute Resolution
- Architectural Review Process/Application
- Security and Emergency/Disaster Preparedness Disclaimer

The association's governing documents are available on the website at www.svla.com.

We will continue to look for ways to increase efficiency, improve services and reduce our operating cost throughout the coming years. Additionally, SVLA will continue to strive for success in improving our reserve funding, collection of delinquent accounts, and improving the overall look of our community. Everything we do has one purpose – to make Spring Valley Lake the community of choice and the “Jewel of the High Desert”.

Respectfully,

Amy Stanton, President
SVLA Board of Directors

Association Office – 760.245.9756
Public Safety – 760.245.6400
Fax – 760.245.3076
Website – www.svla.com

Spring Valley Lake Association
Fiscal Year End October 31, 2019
Approved Budget for the period: 11/01/2018 - 10/31/2019

Income	Annual	Quarterly	Per Lot / Per Quarter
Assessments	\$ 4,573,275	\$ 1,143,319	\$ 271.25
Community Service Fees	55,700	13,925	3.30
Marina Fees	187,500	46,875	11.12
Equestrian Fees	58,900	14,725	3.49
Owner Fees	100,000	25,000	5.93
Investments Income	23,000	5,750	1.36
Owner Late Fees	46,000	11,500	2.73
Other Revenue	40,000	10,000	2.37
Total Income	\$ 5,084,375	\$ 1,271,094	\$ 301.56
Expenses			
Compensation	\$ 2,517,500	\$ 629,375	\$ 149.32
Reserve Contribution	403,200	100,800	23.91
Lake, Marina & Equestrian	713,002	178,251	42.29
Professional Services	364,100	91,025	21.60
Administrative Support	149,000	37,250	8.84
Vehicles, Equip & Tech	138,140	34,535	8.19
Insurance-Umbrella/Auto/D&O	185,253	46,313	10.99
Utilities	212,530	53,133	12.61
Grounds & Building	156,000	39,000	9.25
Association Sponsored Events	62,800	15,700	3.72
Capital Improvements	122,850	30,713	7.29
Late Fee - Owner late fee charge	25,000	6,250	1.48
Bad Debt Expense Uncollectible	35,000	8,750	2.08
Total Expenses	\$ 5,084,375	\$ 1,271,094	\$ 301.56

Schedules are available on the Association website as well as at the Association office.

Spring Valley Lake Association
13325 Spring Valley Parkway (onsite office)
SVLA Box 7001 (mailing address)
Victorville, CA 92395
Phone: (760) 245-9756

3- Minute Executive Summary

Association: Spring Valley Lake Association Assoc. #: 759-8
Location: Spring Valley Lake, CA # of Units:4215
Report Period: November 1, 2018 through October 31, 2019

Findings/Recommendations as-of: November 1, 2018

Projected Starting Reserve Balance	\$1,807,166
Fully Funded Balance	\$3,366,024
Average Reserve Deficit (Surplus) Per Unit	\$324
Percent Funded	53.7 %
2018 Threshold Monthly Reserve Contributions	\$33,600

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves 1.00 %
Annual Inflation Rate 3.00 %

This is an Update "With-Site-Visit" Reserve Study, based on a prior Report prepared by Association Reserves for your 2017 Fiscal Year. We performed the site inspection on 3/21/2018

This Reserve Study was prepared by a credentialed Reserve Specialist (RS #294).

Because your Reserve Fund is between the 30%-70% range at 53.7 % Funded, this means you have a Medium exposure to the risk of special assessments or deferred maintenance. In perspective, associations below 30% funded are at a high risk of special assessments or other cash flow problems. Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions. Although our recommendation is to set your funding goal at 100% funded, the client has requested a funding plan between a 60% and 70% threshold.

Executive Summary

759-8

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Admin & Maintenance Bldgs				
303	HVAC System - Replace (Front)	20	0	\$7,400
303	HVAC System - Replace (Rear)	20	0	\$7,400
304	Parking Lot Lights - Replace	25	10	\$5,900
305	Handheld Radios - Replace (Maint.)	4	1	\$9,300
310	Security System - Modernize	7	2	\$6,500
350	Flag Pole - Replace	40	4	\$6,250
601	Carpet - Replace	6	0	\$8,150
702	Overhead Doors - Replace	20	11	\$18,200
909	Restroom - Refurbish (Maint)	25	0	\$3,500
909	Restrooms - Refurbish (Admin)	25	23	\$6,600
909	Restrooms - Refurbish (Public)	25	0	\$6,600
911	Furniture - Partial Replacement	4	0	\$7,000
912	Computer/Printers - Replace	5	0	\$12,750
1304	Tile Roof - Replace Underlay -Admin	30	0	\$18,150
1304	Tile Roof - Replace Underlay -Maint	30	18	\$18,600
1402	Entrance Sign - Replace	25	8	\$18,000
1900	Building Exteriors - Repair	30	1	\$25,000
1901	Building Interior - Remodel	30	0	\$143,000
Community Center				
303	HVAC Systems - Replace	20	17	\$64,000
304	Defibrillators - Replace	5	0	\$2,700
304	Interior Lighting - Replace	25	1	\$15,000
305	Dig. Mobile Radios - Replace (PSD)	7	4	\$8,100
305	Handheld Radios - Replace (PSD)	4	1	\$13,950
310	Security System - Modernize	7	2	\$6,500
320	Parking Lot Lights - Replace	25	2	\$12,600
350	Flag Pole - Replace	40	4	\$4,500
404	Patio - Refurbish	10	6	\$9,250
602	Vinyl Floor - Replace	15	11	\$39,000
603	Tile - Replace	25	8	\$23,800
702	Metal Doors - Replace	40	24	\$45,000
901	Refrigerator/Freezer - Replace	15	2	\$6,250
901	Stoves - Replace	20	16	\$3,000
903	Folding Furniture - Replace	10	0	\$12,250
903	Furniture - Replace (Boardroom)	10	0	\$7,750
908	Window Coverings - Replace	10	8	\$9,900
909	Kitchen - Refurbish	20	12	\$17,500
909	Restrooms - Refurbish	25	1	\$37,500
909	Security Offices - Refurbish	15	10	\$12,150
915	Stage - Replace	15	0	\$9,200
1301	Cap Sheet Roof - Replace	12	8	\$12,950
1303	Flat Roof - Replace	20	2	\$50,400
1304	Tile Roof - Replace Underlayment	30	2	\$14,300
1802	Antenna Tower - Replace	15	9	\$22,500

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1803	Fire Alarm System - Replace	20	0	\$12,500
1804	Fire Suppression System - Replace	20	8	\$11,500
1805	Sound System - Replace	15	2	\$7,700
Equestrian Center				
303	HVAC Unit - Replace (Apartment)	15	1	\$5,625
303	HVAC Unit - Replace (Clubroom)	15	1	\$9,375
350	Flag Poles - Replace	40	4	\$4,400
408	Judges Gazebo - Replace	30	29	\$8,510
409	Bridges - Replace	30	29	\$46,200
409	Sand - Replace (Arena)	4	0	\$9,300
425	Metal Hay Barns - Replace	35	24	\$11,000
503	Heavy Pipe Rail - Replace (Arenas)	25	21	\$40,000
503	Pipe Rail - Replace (Stalls/Pens)	30	5	\$64,900
505	Wood Fence - Replace	15	0	\$13,000
506	Vinyl Fence - Replace	30	18	\$68,000
702	Metal Doors - Replace	25	6	\$23,700
909	Restrooms (Barn) - Refurbish	25	0	\$3,000
909	Restrooms (Clubhouse) - Refurbish	25	2	\$3,000
1304	Tile Roof - Replace Underlayment	30	17	\$23,400
1304	Tile Roof - Replace Underlayment	30	17	\$44,000
1904	Walkway Poles - Replace	30	6	\$11,000
1908	Propane Tank - Replace	40	2	\$5,000
1910	Windows (apartment) - Replace	25	22	\$2,875
1911	Tile Floor (apartment) - Replace	20	17	\$5,900
1913	Sliding Doors (apartment) - Replace	25	22	\$5,800
Asphalt				
201	Asphalt - Overlay (Admin)	40	36	\$54,700
201	Asphalt - Overlay (Beach)	40	36	\$84,750
201	Asphalt - Overlay (CB MP)	40	36	\$96,300
201	Asphalt - Overlay (EQ)	40	36	\$48,700
201	Asphalt - Remove & Replace (Admin)	40	11	\$119,200
201	Asphalt - Remove & Replace (Beach)	40	11	\$185,000
201	Asphalt - Remove & Replace (CB MP)	40	11	\$210,000
201	Asphalt - Remove & Replace (EQ)	40	11	\$106,250
202	Asphalt - Seal/Repair (All)	5	0	\$36,250
Lake & Marina				
103	Boat Ramp - Replace	25	8	\$8,750
111	Gangways - Replace	50	5	\$17,000
314	Fuel Dispenser - Replace	20	4	\$17,500
314	Fuel Station POS - Replace	8	4	\$13,500
315	Fuel Storage Tank - Replace	40	4	\$45,700
501	Sea Wall - Partial Replace	15	0	\$13,800
503	Iron Fence/Rail - Replace	20	0	\$6,000
510	Shade Structure - Replace	20	15	\$8,600
511	Shade Fabric - Replace	5	2	\$2,600
1901	Docks - Replace (Phase 1)	50	5	\$229,500
1901	Docks - Replace (Phase 2)	50	11	\$255,500
1902	Dock Bumpers - Partial Replace	5	4	\$5,150

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1904	Fish Cleaning Station - Replace	25	10	\$5,300
1910	Lake Liner - Partial Repair	2	0	\$166,000
1912	Dam - Refurbish	45	10	\$52,600
1914	Aerators - Replace	15	7	\$25,500
1914	Lake Water Flow Meters - Replace	15	6	\$17,550
1914	Outflow Monitor Devices - Replace	20	1	\$17,500
1915	Wells - Replace (#1,2,10,15)	25	19	\$310,000
1915	Wells - Replace (#3,5,14)	25	16	\$233,000
1915	Wells - Replace (#6,11,13)	25	20	\$233,000
1915	Wells - Replace (#7,9,16)	25	17	\$233,000
1916	Well Pumps - Replace (#1,2,10,15)	10	4	\$66,000
1916	Well Pumps - Replace (#3,5,14)	10	1	\$49,500
1916	Well Pumps - Replace (#6,11,13)	10	5	\$49,500
1916	Well Pumps - Replace (#7,9,16)	10	3	\$49,500
Parks				
320	Pole Lights - Partial Replace	1	0	\$3,500
404	Picnic Tables - Partial Replace	2	0	\$7,700
405	Metal Play Equip. - Replace (MLP)	15	13	\$11,000
405	Play Equipment - Replace (Beach)	15	9	\$33,000
405	Play Equipment - Replace (MLP)	15	14	\$46,000
405	Play Equipment - Replace (Playfair)	15	0	\$46,000
405	Splash Equipment - Replace	10	5	\$12,000
406	Bark - Replace (MLP)	15	12	\$16,000
407	Shade Structure - Replace (Beach)	20	17	\$4,000
407	Shade Structure - Replace (PF)	20	15	\$8,600
407	Shade Structures - Replace (MLP)	20	17	\$28,000
408	Shade Fabric - Replace (Beach)	5	2	\$2,000
408	Shade Fabric - Replace (MLP)	5	2	\$6,000
408	Shade Fabric - Replace (PF)	5	2	\$2,600
410	Bleachers - Replace	25	0	\$13,000
502	Backstop/Dugout - Replace (1)	25	0	\$39,000
502	Backstop/Dugout - Replace (2)	25	1	\$39,000
502	Backstop/Dugout - Replace (3)	25	2	\$39,000
503	Metal Fence/Rail - Replace (BP)	25	8	\$79,500
909	Restrooms - Refurbish (Beach Park)	25	19	\$22,000
909	Restrooms - Refurbish (MP)	25	22	\$17,000
1010	Irrigation System - Repair/Replace	40	39	\$200,000
1304	Metal Roof - Replace (MP)	35	34	\$5,450
1308	Metal Roof - Replace (Beach)	35	25	\$13,200
1607	Basketball Court - Resurface (BP)	10	0	\$12,000
1607	Basketball Court - Resurface (LP)	10	0	\$12,000
1607	Basketball Court - Resurface (MP)	10	0	\$12,000
1610	Lifeguard Towers - Replace	10	6	\$18,000
1901	Bocce Ball Courts - Resurface (MP)	15	0	\$30,000
1910	Elevated Deck - Replace	30	0	\$12,000
1911	Elevated Deck Railing - Replace	20	0	\$6,000
Vehicles & Equipment				
1	Security Car - Replace	4	3	\$26,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
2	Security Car - Replace	4	3	\$26,000
3	Security Car - Replace	4	3	\$26,000
4	Security Car - Replace	4	3	\$26,000
5	Community Services Car - Replace	12	11	\$26,000
6	Community Services Car - Replace	12	11	\$26,000
7	Security Truck - Replace	6	5	\$33,000
8	Security Golf Cart - Replace	10	0	\$7,600
11	Security Boat - Replace	12	1	\$12,000
12	Security Boat - Replace	12	0	\$12,000
13	Security Boat - Replace	25	1	\$26,000
14	Security Boat - Replace	25	24	\$70,000
20	Maint. Truck - Replace	20	2	\$32,000
21	Maint. Truck - Replace	20	5	\$29,000
22	Maint. Truck - Replace	20	0	\$37,000
23	Maint. Truck - Replace	20	5	\$29,000
24	Maint. Truck - Replace	20	0	\$35,000
25	Maint. Truck - Replace	20	15	\$30,000
26	Maint. Truck - Replace	20	15	\$36,000
27	Maint. Truck - Replace	20	15	\$30,000
28	Maint. Truck - Replace	20	16	\$32,000
29	Maint. Truck - Replace	20	17	\$30,000
30	Maint. Truck - Replace	20	15	\$30,000
31	Maint. Truck - Replace	20	1	\$32,000
32	Maint. Boat - Replace	30	16	\$48,000
33	Maint. Boat - Replace	25	1	\$26,000
34	Maint. Trailer - Replace	20	18	\$7,000
35	Maint. Trailer - Replace	20	8	\$7,900
36	Maint. Trailer - Replace	20	16	\$8,900
37	Maint. Trailer - Replace	20	16	\$8,900
38	Maint. Trailer - Replace	20	11	\$700
39	Maint. Trailer - Replace	20	11	\$2,100
40	Maint. Trailer - Replace	20	8	\$3,800
41	Maint. Trailer - Replace	20	8	\$3,800
42	Security Trailer - Replace	20	15	\$2,100
43	Equestrian Tractor - Replace	30	25	\$27,000
44	Maint. Tractor - Replace	30	20	\$37,000
45	Equestrian Tractor - Replace	30	0	\$47,000
47	Maint. Wood Chipper - Replace	20	2	\$6,100
48	Maint. Mower - Replace	15	0	\$9,000
49	Maint. Mower - Replace	15	10	\$18,000
1900	Outboard Motor - Replace	6	0	\$15,000
1900	Outboard Motor - Replace	6	1	\$9,250
1900	Outboard Motor - Replace	6	1	\$11,000
1900	Outboard Motor - Replace	6	1	\$11,000
178 Total Funded Components				

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

Assessment and Reserve Funding Disclosure Summary

Spring Valley Lake Association

For Fiscal Year Beginning: 11/1/2018

of Units: 4215

1) Budgeted Amounts:	Total	Average Per unit*
Reserve Contributions:	\$403,200.00	\$95.66
Total Assessment Income:	\$4,573,275.00	\$1,085.00

per: Year

- 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 Due	Total Amount Per Unit*	Purpose
N/A		
N/A		
Total:		\$0.00

- 3) Based on the most recent Reserve Study and other information available to the Board of Directors, at this point in time does it appear that 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**

- 4) If the answer to #3 is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
N/A	
N/A	
N/A	
N/A	
Total:	
	\$0

- 5) All major components appropriate for Reserve Funding (components that are a common area maintenance responsibility with a limited life expectancy and predictable remaining useful life, above a minimum threshold cost of significance) are included in this Reserve Funding Plan: **YES**

6) All computations/disclosures are based on the fiscal year start date of:	11/1/2018
Fully Funded Balance (based on formula defined in 5570(b)4):	\$3,366,024.00
Projected Reserve Fund Balance:	\$1,807,166.00
Percent Funded:	53.7%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$324

From the 4/23/2018 Reserve Study by Association Reserves, Inc. and any minor changes since that date.

* If assessments vary by the size or type of unit, allocate per unit per the attached.

- 7) See attached 30-yr Summary Table, showing the projected Reserve Funding Plan, Reserve Balance, Percent Funded, and assumptions for interest and inflation.

The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.

30-Year Reserve Plan Summary

759-8
WSV

Fiscal Year Start: 2018					Interest:	1.00 %	Inflation:	3.00 %
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2018	\$1,807,166	\$3,366,024	53.7 %	Medium	\$403,200	\$0	\$15,853	\$861,500
2019	\$1,364,719	\$2,981,810	45.8 %	Medium	\$419,328	\$0	\$13,992	\$363,075
2020	\$1,434,964	\$3,111,512	46.1 %	Medium	\$436,101	\$0	\$14,582	\$402,877
2021	\$1,482,771	\$3,216,535	46.1 %	Medium	\$453,545	\$0	\$16,312	\$171,558
2022	\$1,781,071	\$3,575,767	49.8 %	Medium	\$471,687	\$0	\$18,201	\$410,361
2023	\$1,860,598	\$3,712,992	50.1 %	Medium	\$490,554	\$0	\$17,997	\$628,732
2024	\$1,740,417	\$3,642,990	47.8 %	Medium	\$510,177	\$0	\$18,368	\$334,156
2025	\$1,934,807	\$3,888,288	49.8 %	Medium	\$530,584	\$0	\$21,006	\$218,241
2026	\$2,268,155	\$4,274,743	53.1 %	Medium	\$551,807	\$0	\$23,182	\$473,012
2027	\$2,370,132	\$4,425,215	53.6 %	Medium	\$573,879	\$0	\$26,035	\$130,999
2028	\$2,839,047	\$4,947,757	57.4 %	Medium	\$596,834	\$0	\$28,910	\$519,356
2029	\$2,945,435	\$5,101,709	57.7 %	Medium	\$620,708	\$0	\$24,461	\$1,641,771
2030	\$1,948,833	\$4,120,407	47.3 %	Medium	\$645,536	\$0	\$20,752	\$411,831
2031	\$2,203,290	\$4,393,203	50.2 %	Medium	\$671,358	\$0	\$24,544	\$191,644
2032	\$2,707,548	\$4,918,178	55.1 %	Medium	\$698,212	\$0	\$28,471	\$445,231
2033	\$2,988,999	\$5,215,424	57.3 %	Medium	\$726,140	\$0	\$29,864	\$758,730
2034	\$2,986,273	\$5,216,932	57.2 %	Medium	\$744,294	\$0	\$29,043	\$934,822
2035	\$2,824,789	\$5,055,907	55.9 %	Medium	\$762,901	\$0	\$27,899	\$858,158
2036	\$2,757,431	\$4,988,374	55.3 %	Medium	\$781,974	\$0	\$28,961	\$531,074
2037	\$3,037,292	\$5,275,653	57.6 %	Medium	\$801,523	\$0	\$30,347	\$834,494
2038	\$3,034,668	\$5,279,567	57.5 %	Medium	\$821,561	\$0	\$28,112	\$1,294,169
2039	\$2,590,173	\$4,831,288	53.6 %	Medium	\$842,100	\$0	\$28,538	\$340,992
2040	\$3,119,819	\$5,373,123	58.1 %	Medium	\$863,153	\$0	\$32,500	\$632,458
2041	\$3,383,014	\$5,653,447	59.8 %	Medium	\$884,732	\$0	\$35,836	\$516,290
2042	\$3,787,292	\$6,084,950	62.2 %	Medium	\$906,850	\$0	\$37,509	\$1,013,958
2043	\$3,717,693	\$6,040,611	61.5 %	Medium	\$929,521	\$0	\$37,970	\$805,581
2044	\$3,879,603	\$6,234,094	62.2 %	Medium	\$952,759	\$0	\$39,568	\$834,493
2045	\$4,037,438	\$6,428,863	62.8 %	Medium	\$976,578	\$0	\$43,331	\$424,933
2046	\$4,632,414	\$7,077,341	65.5 %	Medium	\$1,000,993	\$0	\$48,636	\$583,193
2047	\$5,098,850	\$7,609,063	67.0 %	Medium	\$1,026,017	\$0	\$54,416	\$390,271

Spring Valley Lake Association

- (1) **OFFICIAL COMMUNICATIONS.** All official communications to the Association shall be directed to:

Spring Valley Lake Association
13325 Spring Valley Parkway
7001 SVL Box
Victorville, CA 92395-5107

- (2) **SECONDARY ADDRESSES.** Owners have the right to submit secondary addresses to the Association for the purposes of collection notices. Upon the receipt of a written request by an owner identifying a secondary address for purposes of collection notices, the Association shall send additional copies of any notices required by California Civil Code to the secondary address. The owner's request shall be in writing and shall be mailed to the Association in a manner that shall indicate the Association has received it. The owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

- (3) **GENERAL NOTICES.** Pursuant to paragraph (3) of subdivision (a) of Section 4045, the location designated for posting of the official notice is the Association office bulletin board and additional boards in the community.

- (4) **GENERAL NOTICES OPTION.** Members may request to receive general notices by individual delivery. In order to activate this option, you must notify the Association's management company via mail or fax to:

Spring Valley Lake Association
13325 Spring Valley Parkway
7001 SVL Box
Victorville, CA 92395-5107
Fax (760) 245-3076

Spring Valley Lake Association

- (5) **RIGHT TO MINUTES.** The minutes, proposed minutes, or summary minutes shall be distributed to any member upon request and upon reimbursement of the association's costs for making that distribution. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any board meeting, other than an executive session, shall be available to members within 30 days of the meeting. These minutes will be distributed to any member upon request and upon reimbursement for the costs in making that distribution.
- (6) **ASSESSMENT COLLECTION POLICIES.** (Section 5730) A Statement of assessment collection policies is included with this mailing.
- (7) **LIEN ENFORCING POLICIES AND PRACTICES.** A statement describing the association's policies and practices in enforcing lien rights and other legal remedies for default in the payment of assessments is included with this mailing.
- (8) **GOVERNING DOCUMENT VIOLATIONS.** A statement describing the association's discipline policy including a schedule of penalties for violations of the governing documents is included with this mailing and is also available on the Association website at www.svla.com as the Fine Schedule.
- (9) **DISPUTE RESOLUTION PROCEDURES.** (Sections 5920 and 5965 of the Civil Code) A summary of dispute resolution procedures is included with this mailing.
- (10) **PHYSICAL CHANGES TO PROPERTY.** Any modifications or an improvement to an Owner's property visible from the exterior requires submittal of an Architectural Application which must be approved by the Board of Directors prior to undertaking the project.
- (11) **OVERNIGHT ASSESSMENT PAYMENTS.** The mailing address for overnight payment of assessments, pursuant to Section 5655 is:

Spring Valley Lake Association
c/o CID Consortium, LLC
919 Reserve Dr Ste 101
Roseville, CA 95678

**SPRING VALLEY LAKE ASSOCIATION
INSURANCE DISCLOSURE STATEMENT**

California Civil Code 5300 (a) (9) requires homeowner associations to disclose a summary of certain insurance policies maintained by the association. For your information, Spring Valley Lake Association is pleased to summarize the insurance coverage as follows:

	CARRIER	EXPIRATION DATE	POLICY LIMIT	DEDUCTIBLE
WORKERS COMPENSATION	State Fund	1/1/2019	\$1,000,000	N/A
LIABILITY COVERAGE	Philadelphia Insurance	1/1/2019	\$11,000,000	\$1,000
DIRECTORS & OFFICERS COVERAGE	Philadelphia Indemnity Insurance Co.	7/1/2019	\$1,000,000	\$35,000
BUILDING COVERAGE	Philadelphia Insurance	1/1/2019	\$3,000,000	\$1,000
FIDELITY BOND COVERAGE	CNA Surety	5/6/2021	\$25,000	N/A
EARTHQUAKE COVERAGE	N/A			
FLOOD COVERAGE	N/A			

This disclosure statement is a general description of coverage. All coverage is subject to the exclusions and conditions of the insurance contracts. Statements here cannot alter, reduce, or expand any coverage in the policies. The information provided is deemed accurate at the time of issue. Owners with questions are encouraged to contact the association's insurance agent at the following address:

ISU Insurance Services- ARMAC Agency
Agent: Molly Schouten
17177 Yuma St, Victorville, CA 92395
Office 760-269-3315 FAX 760-241-1467

This summary of the association's policies of insurance provides only certain information, as required by subdivision (9) of Section 5300 (a) of the Civil Code, and should not be considered a substitute for the completed 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.

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Individual Liability Policies and Loss Assessment Coverage:

It is very important that you explore your own risks with a knowledgeable insurance agent, and purchase coverage to protect you from any liability from an accident occurring in your own unit, the common area, and/or any exclusive use common area (such as patios, garages, carports, balconies), and to protect you from any liability or insurance gaps in coverage between the association's coverage and your own. It is also strongly recommended that you inquire about Loss Assessment Coverage. An endorsement for loss assessment provides protection to individual unit owners for extraordinary special assessments, such as excess liability over the association's insurance proceeds or an extraordinary expense incurred by the association, allocated to the owners, through a special assessment (such as a special assessment to pay for rebuilding costs which exceed insurance proceeds from an earthquake or fire loss). Please contact your personal insurance agent for further details.

SPRING VALLEY LAKE ASSOCIATION DELINQUENT ASSESSMENT COLLECTION POLICY

Prompt payment of Assessments by all owners is critical to the financial health of the Association and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation under the Declaration of Covenants, Conditions and Restrictions (CC&Rs) and the California Civil Code to enforce the members' obligation to pay assessments. The policies and practices outlined shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors. Therefore, pursuant to the CC&Rs and Civil Code Section 5310(a), the following are the Association's assessment practices and policies:

1. 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 (Civil Code Section 5650(a)).

2. Annual Assessments shall be paid quarterly in four (4) equal installments. Each installment is due on the first 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 special assessments, are due and payable on the date specified by the Board on the Notice of Assessment, which date will not be less than thirty (30) days after the date of notice of the special assessment.

3. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full shall such payments be applied to late charges, interest, and collection expenses, including attorneys' fees, unless the owner and the Association enter into an agreement providing for payments to be applied in a different manner.

4. Assessments not received within fifteen (15) days of the stated due date are late and shall be subject to a late charge not to exceed ten percent (10%) of the delinquent assessment or ten dollars (\$10), whichever is greater.

5. Interest charge at the rate of 12% per annum will be assessed against any outstanding balance including delinquent assessments, late charges, and costs of collection, which may include attorneys' fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current.

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

7. If an assessment is not received within thirty (30) days after the assessment becomes due, the Association or its designee, will send a pre-lien letter to the owner as required by Civil Code Section 5660 by certified and first class mail, to the owner's mailing address of record advising of the delinquent status of the account, impending collection action and the owner's right to request that the Association participate in some form of internal dispute resolution process ("IDR"). The owner will be charged a fee for the pre-lien letter. Notwithstanding the provisions of this paragraph, the Association may (i) send a pre-lien letter to a delinquent owner at any time when there is an open escrow involving the Owner's Unit/Lot, and/or (ii) issue a pre-lien letter immediately if any special assessment becomes delinquent.

Effective May 27, 2014

SPRING VALLEY LAKE ASSOCIATION DELINQUENT ASSESSMENT COLLECTION POLICY

8. If an owner fails to pay the amounts set forth in the pre-lien letter and fails to request IDR within thirty (30) days of the date of the pre-lien letter, the Board shall decide, by majority vote in an open meeting, whether to authorize the Management Company or the collection attorney to record a lien for the amount of any delinquent assessments, late charges, interest and /or costs of collection, including attorneys' fees, against the owner's property. The owner will be charged for the fees and costs of preparing and recording the lien. The lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure (Civil Code Section 5700(a)).
9. Once the matter has been transferred to the collection attorney, the collection attorney may be authorized to commence a non-judicial foreclosure action to enforce the lien if and/or when thirty (30) days has passed since the lien was recorded and either (a) the delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800) or more, excluding accelerated assessments and specified late charges and fees or (b) the assessments are delinquent for more than twelve (12) months. An owner could lose ownership of the property if a foreclosure action is completed. Owners will be responsible for significant additional fees and costs if a foreclosure action is commenced against your property.
10. 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 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 the recorded lien, the Association shall offer delinquent homeowners the option to participate in IDR or Alternative Dispute Resolution ("ADR").
11. An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed pursuant to Corporations Code Section 8333.
12. In the event it is determined that the owner has paid the assessments on time, the owner will not be liable to pay the charges, interest, and costs of collection associated with collection of those assessments.
13. An owner has the right to dispute the assessment debt by submitting a written request for dispute resolution to the collection attorney for delivery to the association pursuant to Article 2 (commencing with Section 5900) of Chapter 10 of the Civil Code.
14. An owner has the right to request alternative dispute resolution with a neutral third party pursuant to Article 3 (commencing with Section 5925) of Chapter 10 of the Civil Code before the Association may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.
15. Any owner who is unable to pay assessments will be entitled to make a written request for a payment plan to the collection attorney to be considered by the Board of Directors. An owner may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the pre-lien letter. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on an owner's separate interest to secure payment for the

SPRING VALLEY LAKE ASSOCIATION DELINQUENT ASSESSMENT COLLECTION POLICY

owner's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved, additional late fees from the homeowner will not accrue while the owner remains current under the terms of the payment plan. If the owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved.

16. Nothing herein limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent sums owed to the Association.

17. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association.

18. The Association shall charge the owner a Twenty-Five Dollar (\$25.00) fee for the first check tendered to the Association that is returned unpaid by the owner's bank and Thirty-Five Dollars (\$35.00) for each subsequent check passed on insufficient funds. If the check cannot be negotiated, the Association may also seek to recover damages of at least One Hundred Dollars (\$100.00), or, if higher, three (3) times the amount of the check up to One Thousand, Five Hundred Dollars (\$1,500.00) pursuant to Civil Code Section 1719.

19. Owners have the right to provide a secondary address for mailing for purposes of collection to the Association. The owner's request shall be in writing and shall be mailed to the Association in a way that shall indicate that the Association has received it. An owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

20. All charges listed herein are subject to change upon thirty (30) days' prior written notice.

21. Until the owner has paid all amounts due, including delinquent assessments, late charges, interest and costs of collection, including attorneys' fees, the Board of Directors may suspend the owner's right to vote, and suspend the owner's right to use the Association's recreational facilities after providing the owner with a duly noticed hearing pursuant to Civil Code Section 5855. However, any suspension imposed shall not prevent the delinquent owner from the use, benefit and pleasure of the owner's lot.

22. The mailing address for overnight payment of assessments is:

**SPRING VALLEY LAKE ASSOCIATION
C/O CID CONSORTIUM, LLC
919 RESERVE DR STE 101
ROSEVILLE, CA 95678**

23. The mailing address if your account is in collections:

**ALTERRA ASSESSMENT RECOVERY, LLC
ATTENTION: COLLECTIONS DEPARTMENT
27101 PUERTA REAL #250
MISSION VIEJO, VA 92691**

Effective May 27, 2014

SPRING VALLEY LAKE ASSOCIATION DELINQUENT ASSESSMENT COLLECTION POLICY

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)

SPRING VALLEY LAKE ASSOCIATION DELINQUENT ASSESSMENT COLLECTION POLICY

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

PAYMENTS

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

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

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

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

MEETINGS AND PAYMENT PLANS

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

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code) (b) An association distributing the notice required by this section to an owner of an interest that is described in Section 11212 of the Business and Professions Code that is not otherwise exempt from this section pursuant to subdivision (a) of Section 11211.7 of the Business and Professions Code may delete from the notice described in subdivision (a) the portion regarding meetings and payment plans.

SPRING VALLEY LAKE ASSOCIATION

ASSESSMENTS AND FORECLOSURE NOTICE

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 California 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 Section 5705 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 5600, 5650 and 5705 of the Civil Code)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 5605 and 5650 of the Civil Code)

The association must comply with the requirements of Section 5650 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 5650 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 5650 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 5650 of the Civil Code)

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

PAYMENTS

When an owner makes a payment, he or she may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who

received it. The association must inform owners of a mailing address for overnight payments. (Section 5650 of the Civil Code).

An owner may, but is not obligated to, pay under protest any dispute 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 going, 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 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 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 5650 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a timeshare may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 5650 of the Civil Code)

The board of directors must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5650 of the Civil Code)

(c) A member of an association may provide written notice by facsimile transmission or United States mail to the association of a secondary address. If a secondary address is provided, the association shall send any and all correspondence and legal notices required pursuant to this article both the primary and secondary address. (Section 4040(b) of the Civil Code)



Spring Valley Lake Association
7001 SVL Box
13325 Spring Valley Parkway
Spring Valley Lake, CA 92395-5107

Spring Valley Lake Association Fine Schedule

Citation Review Committee fine recommendations are based upon consideration of each case as an individual set of circumstances. Exacerbating circumstances as well as matters of extenuation or mitigation are considered by the Committee in making its recommendation. This fine schedule was approved by the Board of Directors as amended on March 3, 1999.

PART I

Boating Violations, Including:

Code #	Recommended Fine
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1 Reckless, negligent or unsafe operation	\$250.00
2 Intoxicated Operator	\$500.00
3 No qualified water skier observer	\$250.00
4 Not using orange flag	\$100.00
5 Overload vessel	\$100.00
6 Failure to obey patrol direction	\$100.00
7 Wrong direction of travel	\$250.00
8 Excessive speed	
8.1 1 to 10 mph over speed limit; plus \$5.00 per mph over 35 mph.	\$100.00
8.2 11 to 15 mph over speed limit; plus \$5.00 per mph over 35 mph.	\$175.00
8.3 16 to 20 mph over speed limit; plus \$5.00 per mph over 35 mph.	\$200.00
8.4 Over 21 mph over speed limit; plus \$5.00 per mph over 35 mph.	\$250.00
9 Failure to maintain required insurance	\$100.00
10 Hit and run accident	\$500.00
11 High speed operation or water skiing in lake fingers	\$250
11.2 Exceeding "No Wake" in designated areas	\$50.00
11.3 PWC jumping wake of another vessel	\$100.00

Other Boating Violations, including but not

Limited to:

12 Tampering with buoys	\$100.00
13 Unsafe Equipment	\$100.00
14 Excessive noise	\$100.00
15 Operating without SVL's boat operators card	\$50.00
16 Prohibited hours of operation	\$100.00

17 Unregistered Vessels	\$200.00
18 Tampering with or unauthorized use of SVLA boat registration sticker	\$200.00
19 Illegal Launch	\$100.00
20 Unauthorized mooring at dock, shore or buoy	\$50.00
21 Water Skiing before 7:00 AM or after sunset	\$100.00
22 Operating a personal watercraft without SVL's watercraft license endorsement	\$50.00
23 Underage operator of vessel on Spring Valley Lake	\$100.00
24 Miscellaneous boat violations	\$50.00

Fishing Violations, including, but not limited to:

31 Taking of fish exceeding limit	\$100.00
32 Fishing at prohibited times	\$50.00
33 Use of more than or lines	\$50.00

Equestrian Estates and Trail Violations, including, but not limited to:

41 Unsafe act	\$250.00
43 Failure to respond to eviction notice	\$100.00
44 Failure to comply with boarding agreement	\$50.00
45 Failure to comply with EQ rules	\$50.00
46 Unauthorized motor vehicles on trail	\$100.00
47 Dumping debris on trails	\$100.00
48 Failure to properly clear and dispose of manure	\$100.00
49 Failure to wear protective headgear	\$50.00

Miscellaneous, including, but not limited to:

42 Abuse of animals	\$250.00
50 Swimming rules 7.0, all rules	\$50.00
51 Threatening actions whether abusive language or physical action directed toward any SVLA employee, Board member, Committee member	\$250.00
52 Illegal or improper parking on Association property	\$50.00
53 Littering on Association property	\$100.00
54 Use of bicycles or	\$50.00

Association Office – 760.245.9756
Fax – 760.245.3076
Website – www.svla.com

skateboards at Meadowlark park	
55 Use of facilities during prohibited hours	\$100.00
56 Use of glass containers on beaches & playgrounds	\$100.00
57 Improper operation of motorcycles or all-terrain vehicles	\$100.00
58 Misuse of Association ID cards or guest passes	\$100.00
58.1 No Identification cards	\$50.00
59 Nuisance to neighborhood	\$250.00
60.1 Vandalism/damage to Association property	\$250.00
60.2 Trespassing or damage to SVLA properties	\$200.00
60.3 Use or possession of narcotics, controlled substances, or any unlawful activities on Spring Valley Lake Association properties	\$250.00
61 Unauthorized use of trash containers	\$100.00
62 Operating a home-based business	\$150.00
63 Using an R.V. or structures as a dwelling	\$100.00
64 Keeping an excess number of animals according to County Code and Apple Valley Code	\$150.00
65 Keeping of animals other than dogs, cats, horses on property	\$250.00
66 Noisy animal/annoyance to neighborhood	\$250.00
67 Uncontrolled and/or unleashed dog	\$100.00
68 Improper parking on residential lots	\$150.00
69 Failure to erect a 2 or 3 sided structure w/a roof (shade) in a corral	\$100.00

Architectural Violations: Max. Fine \$1600.00. Min fines as listed. To encourage compliance, the Citation Review Committee may reduce the fine to the minimum amount if compliance occurs within 30 days of decision notification.

70 Starting construction on a Sea Wall without the Community Architectural Liaison Present	\$200.00
71 Starting construction, renovations or modifications, without Architectural Committee approval (each violation)	\$1000.00
71A Walls/ Fences	\$200.00
71B Sheds	\$200.00
71C Patio	\$200.00
71D Painting	\$100.00
71E Flag Pole	\$100.00
71F Basketball hoop	\$100.00

71G Room Additions/Garages	\$510.00
71H House/Multiple Units	\$1600.00
71I Docks/Decks	\$510.00
71J Sea Wall	\$200.00
71K Antenna visible to the public	\$150.00
71L All other types of construction improvements	\$150.00
72 Non-conformance with approved plans (to include slow construction)	\$500.00

Failure to Obtain Required Architectural Department Inspections and Approvals.

72.1A SETBACK: Prior to pouring concrete foundation slab, a setback inspection is required to verify correct location of approved construction in relation to established setback lines	\$200.00
72.1B CONTINUITY: Prior to stuccoing to insure exterior compliance with approved plans.	\$200.00
72.1FINAL: Upon completion of building and landscaping to verify compliance with approved design. Architectural Policies and construction time limits.	\$200.00

Other Architectural Violations. Max fine \$500.00.

Minimum fines as listed. To encourage compliance, the Citation Review Committee may reduce the fine to the minimum amount if compliance occurs within 30 days of decision notification.

70 Starting Construction on the Sea Wall	\$200.00
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Rental Rules Requirements: Fines approved June 26, 2018.

1.21: SVLA Crime-Free Lease (Addendum) shall be executed within thirty (30) days of any status changes to the rental property. Failure to submit.	\$150.00
1.22: Failure to file valid San Bernardino County Rental Dwelling Unit License with SVLA for any rental property in the unincorporated portion of SVLA.	\$150.00
1.23: Failure to file valid Property Maintenance Inspection (PMI) certificate with SVLA for any rental property in the Town of Apple Valley Equestrian Estates.	\$150.00
1.24: Residency Requirement- No owner may rent/lease his property unless the owner has owned and resided in a property within SVLA for at least one (1) year. Failure to comply.	\$500.00

78.1 Failure to remove outside seasonal, festive or holiday decorations or lights by the 30 th calendar day after the event date	\$150.00
78.2 Trash can(s) left in view 24 hours after pickup.	\$50.00
79 Failure to maintain and or/paint residence, fences, gates, outbuilding, etc.	\$150.00
80 Failure to comply with model home policies	\$150.00
80.1 Model home open w/o Committee approval	\$25.00
81 Failure to post house numbers	\$150.00
82 Failure to maintain docks and similar waterfront structures	\$150.00
83 Failure to comply with Board of Directors determination or directions	\$150.00
84 Placement of trailer or construction shack without Architectural Committee approval	\$150.00
85 Failure to maintain plants on unimproved lots	\$150.00
86 Unauthorized cultivation on or use of the greenbelt or equestrian trails	\$150.00
87 Unauthorized use of or modification to any Association property, shrubs, plants, or trees (fine plus cost of repair)	\$150.00
88 Other Architectural Violations	\$150.00

PART II

Repeated or uncorrected violations by a property owner or a member of his/her immediate family will normally result in the fine being doubled each time that a case is considered.

PART III

After issuing a compliance request or notice for the same violation twice the third violation will result in a citation, if the same violation has occurred in a one year period from the date of the first violation.

PART IV

In accordance with Article III, Section 5.2 of the Spring Valley Lake Association Bylaws, any fine that is not satisfied within ninety (90) days after it becomes due and payable can result in the loss of the rights of use and enjoyment of the recreational common areas and common facilities of the Spring Valley Lake Association.

SPRING VALLEY LAKE ASSOCIATION ALTERNATIVE DISPUTE RESOLUTION SUMMARY

California *Civil Code* Sections 5925 through 5965 require community associations and their homeowners to offer to participate in some form of Alternative Dispute Resolution ("ADR") prior to initiating certain types of lawsuits in superior court. ADR means mediation, arbitration, conciliation, or other non-judicial procedure that involves a neutral party in the decision making process. ADR may either be binding or non-binding, as may be agreed to by the parties. This Summary of the ADR statutes is being distributed as required by California *Civil Code* Section 5960.

I. When ADR Must be Offered Prior to Initiating Enforcement Action:

An association or an owner may not file certain lawsuits in superior court unless an effort has been made to submit the dispute to ADR as required by law. Generally, ADR must be offered before filing a civil action or proceeding that seeks:

- A. A judicial declaration of the rights and responsibilities of the parties, only; or
- B. A writ of mandate or a writ of prohibition, only; or
- C. Permanent injunctive relief only; or
- D. Declaratory relief, writ relief, or injunctive relief, combined with a claim for monetary damages of five thousand dollars or less

It is not necessary to offer ADR prior to filing any other type of superior court action, or prior to filing any type of small claims action. Except as otherwise provided by law, the ADR requirement does **not** apply to an assessment dispute.

II. Compliance Procedures:

The ADR process is initiated by one party serving all other parties with a "Request for Resolution," which shall include:

- A. A brief description of the dispute between the parties;
- B. A request for ADR;
- C. When directed to an owner, the request must be accompanied by a copy of the ADR statutes;
- D. Service of the Request must be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the intended recipient actual notice of the Request;
- E. A notice to all parties that they are required to respond within 30 days of receipt, or else the offer of ADR is deemed rejected; and
- F. If the Request is accepted, ADR must be completed within 90 days of the receipt of the acceptance, unless the parties sign a written agreement extending the completion date.

The cost of ADR is to be borne by the parties. Unless the parties agree, no oral or written evidence or statements made in an ADR proceeding, other than arbitration, are admissible as evidence in a later lawsuit. Each homeowner should consult with his or her own attorney regarding appropriate compliance with the ADR statutes.

III. Failure to Participate in Some Form of ADR Prior to Enforcement Action:

Should a party unreasonably refuse to participate in ADR before the lawsuit is filed, the court may, in its discretion, take this refusal into consideration in determining the amount of attorneys' fees and costs ultimately awarded at trial. In accordance with the disclosure requirement of California *Civil Code* Section 5965, please be advised that:

"Failure of a member of the Association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law"

IV. Association's Policy of Early Dispute Resolution:

In accordance with the California *Civil Code*, a fair, reasonable, and expeditious procedure exists for resolving disputes between the Association and an owner involving their rights, duties or liabilities under the Davis-Stirling Common Interest Development Act, the Nonprofit Mutual Benefit Corporation Law, or the Association's governing documents. The procedure supplements, but does not replace the ADR process summarized above. The procedure follows:

- A. Either party may request the other, in writing, to meet and confer. While a homeowner may refuse a request to meet and confer, the Association may not.
- B. The Board shall designate a member of the Board to meet and confer with the owner.
- C. The parties shall meet promptly at a mutually convenient time and place to explain their positions and confer in good faith in an effort to resolve the dispute.
- D. A resolution of the dispute shall be memorialized in writing and signed by the parties.
- E. An agreement reached using this procedure binds the parties and is judicially enforceable if it is not in conflict with law or the governing documents and the agreement is either consistent with the authority granted by the Board of Directors to the Board member who met with the owner, or if the agreement is ratified by the Board.
- F. An owner may not be charged a fee to participate in the process.



Spring Valley Lake Association
13325 Spring Valley Parkway
7001 SVL Box
Spring Valley Lake, CA 92395-5107

	Date	Emp. Initials
Date Received		
1 st . AC Mtng. Date		
2 nd AC Mtng. Date		
Resubmit Date		

ARCHITECTURAL PROJECT APPLICATION

Do not start any work without prior Architectural Committee approval.

BE ADVISED - FAILURE TO COMPLETE A PROJECT WITHIN THE TIME LIMIT INDICATED ON YOUR APPROVAL LETTER MAY RESULT IN AN IMMEDIATE CITATION

Tract/Lot _____ Project Address _____

Property Owner's Name _____

Property Owner's Mailing Address _____

Home Phone (____) _____ Work Phone (____) _____

Contractor's Name _____ Phone (____) _____

Variance Requested¹: ☐ Yes ☐ No

Number of Variance Form(s) attached: ☐

Please Check Type of Project:

☐ New House ☐ Addition ☐ Landscape ☐ Other _____

Have you attached all required items?

Describe Project: _____

Fee: Check # _____ Amount \$ _____ Recv'd. By _____

¹ Each Variance request requires a separate application and fee.

Section 2.9 - Local Governmental Agency Approval: Any approval by the Architectural Committee shall not relieve the owner from obtaining the prior consent and approval, when necessary, of the appropriate department or commission of the County of San Bernardino - Town of Apple Valley.

The undersigned acknowledges the conditions on the attached form. (AC101)

Property Owner's Signature _____ Date _____

ACCOUNT NUMBER _____ SAMPLE(S) REC. _____ REQ FOR REFUND _____

Comments, Conditions and/or Corrections:

_____/_____
Architectural Committee Chairperson's Signature Date

Arch. Committee Chairperson's Signature _____ / _____ Arch. Committee Member Signature

[illegible][illegible][illegible]



ARCHITECTURAL PLAN SUBMITTAL Check off List

The individual submitting a project is responsible for ensuring the items listed below are indicated with the corresponding number circled in red on all plans. The preferred scale for plans is 1" = 10'. When in doubt, please contact the Architectural Department.

- Project approval by the Architectural Committee does not relieve the property owner of any responsibility to obtain consent and/or approval from San Bernardino County or the Town of Apple Valley, where applicable. (Architectural Policy Section 2.9)
- Upon review by the Architectural Committee, results of project reviews will be mailed to property owners or made available in the Association office for pick up, if requested. Telephone/verbal results will not be given.
- All approved projects are assigned a time limit for completion which will be indicated on the project approval letter. It is the property owner's responsibility to notify the Association when projects are completed.
- All projects must include a detailed drawing that illustrates the project in relation to the house.

HOUSE

1. (2) complete sets of plans. North Point
2. Lot and Tract Numbers on house plans
3. Setbacks (4 sides)
4. Grading plan (if required)
5. Landscaping plan (include rear landscaping for lake And golf course lots) must be 30% greenery
- * 6. Driveways (must be stamped or textured)
7. Square footage of house
8. Location of FAU and A/C (outside slab)
9. Elevations
- * 10. Exterior materials and colors (Garage door color must be specified and consistent with structure)
- * 11. Roof material
12. Roof height (maximum 29.6")
13. Roof eaves/overhangs (maximum 24")
14. Location of exterior lighting
15. Solar system (if any)
16. Pools, walls, gazebos, etc.
17. Dock/Sea wall specifications
18. Plot plan, including all overhangs and projections (Footprint)
19. Equestrian fence (if required)
20. Any changes to blueprints must be initialed by PO or contractor

SWIMMING POOL

1. Plot plan (drawn to scale)
2. Setbacks
3. Lot dimensions
4. Pool equipment location

* = Must include the color name and/or design sample

DEADLINE

The Architectural Committee meets twice per month. The deadline for project submittal is the Friday before the scheduled meeting.

DEPOSIT

If a deposit is provided, the property owner must notify the Association once the project is complete to begin the Deposit returns process. Once notification of completion is received, a final inspection will be scheduled and if all requirements of the original project approval are met, a refund for the appropriate amount will be furnished within 15-20 business days.

WALL, FENCE

1. Plot plan drawn to scale in relation to house
2. Fence height and length
3. Fence material
4. Gate height and length
5. Gate material and screening
- * 6. Color scheme
7. Setbacks
8. Lot dimensions

LANDSCAPING, OTHER IMPROVEMENTS

1. Plot plan drawn to scale in relation to the house and street
2. Show all materials existing and new
3. Include lot dimensions and setbacks
- * 4. Any color changes
- * 5. Rock samples, including name of rock, name of plants, trees etc. must be 30 % greenery.

PATIO, SHED, ROOM ADDITION, GARAGE

1. Plot plan (include concrete slab and projections)
2. Setbacks
3. Square footage of enclosure
4. Elevations
- * 5. Exterior materials and colors
6. Roof materials and colors
7. Roof height



ARCHITECTURAL DEPOSITS, FEES & COMPLETION TIME LIMITS

DEPOSITS	Deposit	Refund	Time Limit	Net Cost	Cancellation Fee
Residential Projects					
New Houses	\$1,300.00	\$1,000.00	12 Months	\$300.00	\$195.00
Room Additions, Garages	500.00	410.00	9 Months	90.00	75.00
Docks, Decks, Pools, In-ground spas	500.00	420.00	6 Months	80.00	75.00
Improvements: Fences, Sheds, Patios, Gazebos, Horse Corrals & Shelters, Reroofing, Portable Spas	100.00	70.00	6 Months	30.00	30.00
Temp. Const. Fence (sec. 7.2, 7.5.1)	100.00	100.00	NA	0.00	0.00
Vessel Lift	100.00	60.00	6 Months	40.00	0.00
Commercial Projects					
Commercial Properties	.25/Sq. ft.	70%	12 Months	Variable	N/A
Multiple Units (Per Unit)	1000.00	700.00	12 Months	300.00	150.00
Model Homes (Permits)	500.00	350.00	24 Months	150.00	75.00

FEES

Variance	\$50.00	0.00	NA	0.00	0.00
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Project Extension Fees

Mutiple Units, New Houses	50.00 for 30 Days - 3 Ext. Maximum* (Form #AC103)
All Other Improvements	25.00 for 30 Days - 2 Ext. Maximum* (Form #AC103)

*After the maximum number of extensions have been granted and expired without project completion, the refund shall be forfeited and a citation issued. Such forfeitures do not excuse further delays in project completion.

Dumpsters

Failure to comply with Section 3.3.8	100.00 per hour plus any equipment cost and dumping fees. This fee is in addition to any citation fees.
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NO DEPOSITS

The following types of architectural projects do not require deposits:

Landscaping, Painting, Rain Gutters, Flagpoles, Concrete Flatwork, Tree Planting & Removal, Lampposts, Decorative Fixtures, Small Planters.

Modifications or Deviations to Approval Plans

Form #AC102

Deposit Refunds

All applicable deposit refunds are paid to the owner of the property at the time of the project's final satisfactory inspection and approval. All refunds will be processed and mailed within 1 calendar month from the date of that final inspection. Fines incurred during construction will be deducted from the refund (per Section 2.6).

Cancellation Fee

A cancellation fee of 15% of the deposit or \$30.00, whichever is greater, shall be retained by the Association when approved projects are cancelled. Property owners must complete the SVLA Architectural Cancellation Request form.

SPRING VALLEY LAKE ASSOCIATION ARCHITECTURAL CONDITIONS

Memorandum of Understanding Please read carefully prior to construction

1. All exterior improvements require prior written approval from the Architectural Committee.
2. No architectural approval may be granted nor may any work begin on the property until legal ownership of lot is secured and the SVLA is notified of the change by the escrow agent.
3. Two sets of plans are required from owner along with the deposit established in the current fee schedule before the Architectural Committee will consider the project. The owner is responsible for identifying items on the plans to coincide with the Architectural Plan Checklist (Form #AC200). Plans must be of professional quality, preferably by a licensed architect. They must include names and addresses of owner. All handwritten notes prior to the submittal of plans are to be initialed by owner. The Architectural Committee has the final voice in any decision regarding adequacy of plans.
4. After final inspection, a separate application and fee must be submitted for any additional exterior improvements.
5. Project approvals and deposits are transferable upon change of property ownership. Refundable portions of the deposit will be returned upon satisfactory final inspection of the project to the owner of record at that time. Deposits are to be transferred in escrow, and will run with the land.
6. Any deviation, addition or deletion to the original plans approved by the Architectural Committee must be re-submitted for approval prior to implementation. The request is subject to a fee established by the current fee schedule (Form #AC300) and approval must be in written form.
7. No accessory building except portable restrooms shall be placed on lot unless such building is used only as a temporary construction shelter, and has been approved in writing by the Architectural Committee. No such temporary shelter shall be used at any time as a dwelling place.
8. Prior to commencement of construction of a home, the property owner agrees to install and maintain a trash enclosure and portable restroom facility on the job site. The owner agrees that Spring Valley Lake Association personnel may enter the job site for the purpose of cleaning up debris that is not contained and charge a reasonable fee for the clean up (Section 3.3.6 and Form #AC300). Clean up charges, as well as any fines levied by the SVLA Board of Directors for infractions relating to construction, will be deducted from the deposit.
9. "For Sale" signs are to be removed within fourteen (14) days after close of escrow. Construction signs are to be removed within fourteen (14) days of final inspection, except homes which are for sale.
10. All construction must be diligently pursued. Approved projects must be completed within the timetables established in the current fee and deadline schedule (Form #AC300). Failure to complete the project within the specified timeframe and call for appropriate inspections will result in the forfeiture of the deposit refund and/or a fine unless an extension is requested in writing and approved prior to the expiration date. Failure to commence any project within its respective timeframe will void the approval. Only the refundable portion of the deposit will then be returned. To cancel project, complete the SVLA Architectural Cancellation Request form and return approved stamped plan for refund, less the cancellation fee established in the current fee schedule (Form #AC300).
11. Owner is responsible for requesting phase inspections on houses, docks, walls and additions in accordance with current inspection requirements (Section 2.7).
12. Approved plans not picked up within thirty (30) days after approval will be discarded.
13. No approval by the Spring Valley Lake Architectural Committee and/or the Spring Valley Lake Association regarding the placement and use of any dock hereunder shall be deemed either specifically or by implication, a determination that such placement and/or use is safe and free from danger to the said dock or to any person or persons. All docks placed or used on Spring Valley Lake are so placed and used at the sole risk of the owner thereof.
14. Applicant(s) agree to hold Spring Valley Lake Association and/or the Architectural Committee harmless from and to indemnify same against any and all claims made as a result of an industrial, construction or other accident or injury occurring from or incidental to said work. Should it become necessary for purposes of defending any claims or demands arising out of the subject matter with respect to enforcing this agreement, or should Spring Valley Lake Association incur any expenses or become obligated to pay any attorney's fee or court costs, the undersigned agrees to reimburse Spring Valley Lake Association for said expenses.
15. All of SVLA's Architectural Policies must be complied with. A copy of the Architectural Policies booklet will be provided by the Architectural staff upon request for the appropriate fee.
16. The setbacks established by the CC&R's as indicated on the maps available in the Association Office are believed to be accurate but are not final until validated by the Architectural Committee. The SVLA bears no responsibility for property boundaries.

Spring Valley Lake Association

13325 Spring Valley Parkway
7001 SVL Box
Spring Valley Lake, CA 92395-5107

SECURITY DISCLAIMER: We hope that our security systems and Public Safety Department provide some deterrence to crime. However, no matter what steps we take, the Association can never be completely safe and secure. For example, it is possible for someone to enter the property under false pretenses to commit crimes, for residents to commit crimes against their own neighbors, and for guests of residents to commit crimes. As a result, the Association is not and can never be free of crime and we cannot guarantee your safety or security. Accordingly, you should NOT rely on the Association to protect you from loss or harm. Instead, you should provide for your own security by taking common sense precautions such as carrying insurance against loss; keeping your doors locked; refusing to open your door to strangers; asking workmen for identification; installing a security system; locking your car; etc. Additionally, the duties of the Public Safety Department personnel are ONLY to patrol and secure the various Association properties and amenities and to observe and report on service calls, suspicious activities or violations of the Association's Rules and Regulations, where applicable.

EMERGENCY/DISASTER PREPAREDNESS DISCLAIMER: In the event of an emergency or disaster, residents should be self-prepared. The Association does not maintain emergency food, water, fuel, medical professionals or medical supplies. Accordingly, you should NOT rely on Spring Valley Lake Association to provide for your personal needs during or following an emergency event or disaster scenario. Instead, you should take common sense precautions such as maintaining a stock of food and water for your family and pets, storing emergency medical supplies, storing a supply of any prescriptions or medications required, etc. You can find more information about emergency preparedness by visiting www.ready.gov. There are also other helpful links on the Association website. Additionally, the duties of the Association Staff are ONLY to assist in making and maintaining contact with official entities, and to assist in obtaining services for the community as quickly as possible in the event of a disaster.

Owner Contact Information

Allow us to update your contact information by completing the following information, sign, and return this form. Civil code requires us to notify you of your obligation to provide the association with items 1, 2, 3, and 5 annually. We will use the last address provided, or, if none, the property address if you fail to respond to this request. You may return it with your next payment or by email to cservice@cidcllc.us.

Additionally, our online portal <https://hoaonline.pro> is available for you to update your contact information, make payments, and access community information at any time.

CIDC Account #: _____ Lot Address: _____

Owner(s)

Name

Primary Phone

Secondary Phone

Email(s)

1. The address to which notices from the Association are to be delivered

Primary Address

Street Address

Unit #

City

State

ZIP Code

2. An alternate or secondary address to which notices from the Association are to be delivered (if any)

Alternate Address

Street Address

Unit #

City

State

ZIP Code

3. The name and address of your legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of your extended absence (if any)

Representative

Name

Phone #

Street Address

Unit #

City

State

ZIP Code

4. In the event of an emergency the Association may contact (if any)

Emergency

Name

Relationship

Primary Phone

Secondary Phone

Email

5. Is the separate interest that you own (Check only one)

☐ Owner Occupied

☐ Rented Out

☐ Developed, but vacant

☐ Undeveloped

Signature

Signature

Date