

**TALEGA GALLERY COMMUNITY ASSOCIATION
SEAGARDEN COST CENTER
Annual Budget Report: Cover Letter
Fiscal Year: APRIL 1, 2023 – MARCH 31, 2024**

February 21, 2023

RE: Annual Budget Report and Annual Policy Statement

Dear Talega Gallery Community Association Member:

Enclosed are copies of the Annual Budget Report and Annual Policy Statement for the fiscal year of **April 1, 2023, through March 31, 2024**. This information is required to be distributed to each association member in accordance with California Civil Code §§ 5300 and 5310.

Effective April 1, 2023, the monthly assessment will increase from \$125.00 to \$150.00 per unit, per month.

- *If you are set up for automated recurring payments via Seabreeze Management Company's free Direct Debit (ACH) program, your payment will automatically be adjusted to reflect the increase.*
- *If you set up an auto-payment schedule through your own bank, credit card, or any other automatic deduction system, please be sure to advise the appropriate banking institution of the rate increase that is to take place effective **April 1, 2023**.*
- *This includes any setup of recurring automatic payments via Seabreeze's 3rd party payment provider (Zego, formerly branded as Paylease.) Those amounts must be adjusted by logging into your account via MySeabreeze.com before **April 1, 2023**, to change the recurring payment amount to the new amount as your login information is confidential and Seabreeze team members cannot make those adjustments for you.*

The Association must provide for reserve funds to maintain, repair or replace major components identified in a reserve study, which is mandated by California law. The current assessment program in the budget does provide funding for reserves. A reserve study has been completed and is available for review upon request; however, a summary of the study is enclosed.

Last year, the Association's reserve study reflected the following items for repair and/or replacement this year, but these items have not been completed yet for the reasons noted below:



BAY AREA
COACHELLA VALLEY
INLAND EMPIRE
LAS VEGAS
LOS ANGELES
ORANGE COUNTY
SAN DIEGO

<i>Reserve Component</i>	<i>Reason for Deferral</i>
Garage Door Painting	As needed – Reviewed during building inspection
Wood Trim Painting	Painting bids will be reviewed by May 2023
Roof Maintenance	As needed – Reviewed Annually
Utility Doors	Repair as needed
Gutters & Downspout	Repair as needed

The Association does not currently have any outstanding loans and did not borrow from reserves.

As of the last board meeting, the Board of Directors may need to levy a special assessment to repair, replace or restore any major component or provide adequate reserves during the next fiscal year.

At the end of the fiscal year: (a) the estimate of cash reserves necessary is \$81,895. (b) the amount of actual accumulated reserves is estimated to be \$70,245. which equaled 85.77% of actual cash reserves set aside in relation to the estimate of reserves necessary to repair, replace, restore, or maintain the major components.

The following annual policy statement is provided to you in accordance with the requirements of California Civil Code Section 5310.

1. The name and address of the person designated to receive official communications to the Association: General Manager Jennifer Parker – Talega Gallery Community Association, c/o Seabreeze Management, 26840 Aliso Viejo Parkway, Suite #100, Aliso Viejo, CA 92656.

The Association’s mailing address for overnight payment of assessment is:

**Talega Gallery Community Association
 c/o Seabreeze Management
 26840 Aliso Viejo Parkway, Suite #100
 Aliso Viejo, CA 92656**

Continued to next page.

2. Association members may submit a request to the Association to have the Association's annual budget report, review of the Association's financial statement, the Association's annual policy statement, requests for assessment payments made by the member, pre-lien notices (as described in Civil Code Section 5660), copy of a recorded notice of delinquent assessment, and notice of default, sent to up to two (2) different specified addresses. Such request must be delivered to the Association by e-mail at customer-care@seabreezemgmt.com or fax at (949) 855-6678.
3. General notices from the Association to the members will be posted at the following location(s) in the community: **Clubhouse Community Board and Talega Gallery Website www.talegagallery.org.**
4. Association members can arrange to have all general notice items provided to them by individual delivery by submitting a written request to the association by e-mail at customer-care@seabreezemgmt.com or fax at (949) 855-6678.
5. Association members may receive copies of minutes, proposed minutes, or summary minutes of meetings of the Association's board of directors (other than meetings held in executive session) by submitting a written request to the person identified in Item 1 above at the address specified in Item 1, or by e-mail at customer-care@seabreezemgmt.com or fax at (949) 855-6678. Such minutes, proposed minutes, or summary minutes will be available no later than thirty (30) days after the meeting.
6. The Association's policies and practices in enforcing lien rights or other legal remedies for default in payment of assessments are attached hereto.
7. The Association's discipline policy and schedule of penalties for violations of the Association's governing documents are attached hereto.
8. A summary of dispute resolution procedures is attached hereto.
9. A summary of the Association's requirements for approval of physical changes to property is attached hereto.

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

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

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

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

PAYMENTS

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

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

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

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

MEETINGS AND PAYMENT PLANS

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

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

Budget Summary Report
Seagarden (Talega Gallery Cost Center)
Budget 2023-2024 - Final - 41 units

	2023 Budget	2024 Budget	2024 Monthly Budget
Income			
5010 - Regular Assessments	61,500.00	73,800.00	6,150.00
5031 - Interest Income-Reserve	100.00	300.00	25.00
Total Income	61,600.00	74,100.00	6,175.00
Total Sea Garden (Talega Gallery) Income	61,600.00	74,100.00	6,175.00
Administration Expenses			
6010 - Audit & Tax Preparation	750.00	750.00	62.50
6015 - Reserve Study	750.00	750.00	62.50
Total Administration Expenses	1,500.00	1,500.00	125.00
Repairs & Maintenance			
7520 - General Maintenance	6,340.00	5,040.00	420.00
Total Repairs & Maintenance	6,340.00	5,040.00	420.00
Utilities Expenses			
6700 - Water - Sprinkler System	6,400.00	6,400.00	533.33
6705 - Electric - Sprinkler System	1,400.00	1,400.00	116.67
Total Utilities Expenses	7,800.00	7,800.00	650.00
Insurance Expenses			
6800 - Insurance Master Policy	12,660.00	11,940.00	995.00
Total Insurance Expenses	12,660.00	11,940.00	995.00
Reserves Contribution			
9010 - General Reserves	33,200.00	47,520.00	3,960.00
9495 - Reserve Interest	100.00	300.00	25.00
Total Reserves Contribution	33,300.00	47,820.00	3,985.00
Total Sea Garden (Talega Gallery) Expense	61,600.00	74,100.00	6,175.00
Total Association Net Income / (Loss)	0.00	0.00	0.00

Talega Gallery Community Assn - Seagarden CC

Executive Summary

Directed Cash Flow Calculation Method

Client Information:

Account Number	12326
Version Number	2
Analysis Date	01/24/2023
Fiscal Year	4/1/2023 to 3/31/2024
Number of Units	41
Phasing	4 of 4

Global Parameters:

Inflation Rate	2.50 %
Annual Contribution Increase	0.60 %
Investment Rate	1.00 %
Taxes on Investments	34.00 %
Contingency	0.00 %

Community Profile:

The funding plan contained in this reserve analysis was developed based on the association's direction and data (costs, lives, condition, etc.) of many of the reserve components contained herein. The funding level calculated by our firm is significantly dependant on this data/input, therefore this analysis was prepared to accommodate the association's objective and does not necessarily represent the recommendation of Advanced Reserve Solutions, Inc.

For budgeting purposes, unless otherwise indicated, we have used April 2002 as the average placed-in-service date for aging the original components included in this analysis.

At the request of the association, we have not provided for a contingency in this analysis.

ARS site visits conducted: November 29, 2021, December 6, 2018, October 2, 2015, September 24, 2012, September 29, 2009, October 11, 2006 & November 18, 2003

Adequacy of Reserves as of April 1, 2023:

Anticipated Reserve Balance	\$70,245.00
Fully Funded Reserve Balance	\$81,895.40
Percent Funded	85.77%

Recommended Funding for the 2023-2024 Fiscal Year:	Annual	Monthly	Per Unit Per Month
Member Contribution	\$47,250	\$3,937.50	\$96.04
Interest Contribution	\$380	\$31.65	\$0.77
Total Contribution	\$47,630	\$3,969.15	\$96.81

Talega Gallery Community Assn - Seagarden CC

Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
020 Roofs	\$17,000	\$17,000	0	1-2
030 Painting	\$69,000	\$43,245	0-3	2-13
080 Buildings	\$11,277	\$8,000	0-4	1-5
100 Termite	\$2,000	\$2,000	0	1
Contingency	n.a.	\$0	n.a.	n.a.
Total	\$99,277	\$70,245	0-4	1-13

Talega Gallery Community Assn - Seagarden CC

Projections

Directed Cash Flow Calculation Method

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2023-2024	\$70,245	\$47,250	\$380	\$34,500	\$83,375	\$83,550	100%
2024-2025	\$83,375	\$47,250	\$525	\$25,625	\$105,525	\$95,218	111%
2025-2026	\$105,525	\$47,250	\$647	\$29,418	\$124,005	\$104,186	119%
2026-2027	\$124,005	\$47,250	\$312	\$98,535	\$73,031	\$43,241	169%
2027-2028	\$73,031	\$47,250	\$387	\$36,180	\$84,489	\$45,624	185%
2028-2029	\$84,489	\$48,685	\$520	\$28,285	\$105,408	\$57,119	185%
2029-2030	\$105,408	\$48,977	\$593	\$38,270	\$116,707	\$59,649	196%
2030-2031	\$116,707	\$49,271	\$725	\$29,717	\$136,986	\$72,018	190%
2031-2032	\$136,986	\$49,566	\$819	\$35,943	\$151,428	\$79,349	191%
2032-2033	\$151,428	\$49,864	\$878	\$41,558	\$160,612	\$82,165	195%
2033-2034	\$160,612	\$50,163	\$978	\$35,842	\$175,910	\$91,997	191%
2034-2035	\$175,910	\$50,464	\$1,100	\$32,802	\$194,672	\$106,304	183%
2035-2036	\$194,672	\$50,767	\$1,135	\$46,399	\$200,176	\$108,173	185%
2036-2037	\$200,176	\$51,071	\$1,252	\$34,463	\$218,036	\$123,492	177%
2037-2038	\$218,036	\$51,378	\$1,307	\$44,194	\$226,526	\$130,419	174%
2038-2039	\$226,526	\$51,686	\$1,369	\$43,449	\$236,132	\$139,510	169%
2039-2040	\$236,132	\$51,996	\$826	\$135,090	\$153,864	\$56,156	274%
2040-2041	\$153,864	\$52,308	\$925	\$38,040	\$169,057	\$71,484	236%
2041-2042	\$169,057	\$52,622	\$938	\$51,469	\$171,148	\$74,754	229%
2042-2043	\$171,148	\$52,938	\$994	\$45,205	\$179,875	\$85,883	209%
2043-2044	\$179,875	\$53,255	\$1,032	\$48,339	\$185,823	\$95,467	195%
2044-2045	\$185,823	\$53,575	\$1,059	\$50,387	\$190,069	\$104,616	182%
2045-2046	\$190,069	\$53,896	\$1,102	\$48,204	\$196,863	\$117,691	167%
2046-2047	\$196,863	\$54,219	\$1,176	\$44,115	\$208,143	\$136,782	152%
2047-2048	\$208,143	\$54,545	\$1,091	\$68,328	\$195,451	\$133,065	147%
2048-2049	\$195,451	\$54,872	\$1,153	\$46,349	\$205,127	\$153,357	134%
2049-2050	\$205,127	\$55,201	\$1,173	\$53,208	\$208,294	\$168,737	123%
2050-2051	\$208,294	\$55,533	\$1,160	\$58,434	\$206,552	\$180,798	114%
2051-2052	\$206,552	\$55,866	\$1,147	\$58,897	\$204,668	\$194,379	105%
2052-2053	\$204,668	\$56,201	\$309	\$183,720	\$77,458	\$82,091	94%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

Talega Gallery Community Assn – Seagarden CC
Assessment and Reserve Funding Disclosure Summary
For the fiscal year ending 3/31/24
 (“Disclosure Summary”)

The notes at the end of this Disclosure Summary should be read in conjunction with the information provided.

(1) The regular assessment for the 2023-24 fiscal year per ownership interest is **\$150.00** per month.

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached report.

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the association’s Board of Directors (the “Board”) and/or members:

Date assessment will be due:	Amount per ownership interest per month or year (If assessments are variable, see note immediately below):	Purpose of the assessment:
N.A.		

Total: _____

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached report.

(3) Based upon the most recent reserve study, dated 1/24/23, 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 X* No _____

*Undetermined at this time.

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

Approximate date assessment will be due:	Amount per ownership interest per month or year:
N.A.	

Talega Gallery Community Assn – Seagarden CC
Assessment and Reserve Funding Disclosure Summary
For the fiscal year ending 3/31/24
 (“Disclosure Summary”)

(5) All major components are included in the reserve study and are included in its calculations. However, the following major assets are excluded from the reserve study calculations for the following reasons:

Major asset:	Reason this major asset was not included:
Wood Trim Replacement	Indeterminate Life and Cost
Lighting – Units	Responsibility of homeowner
Utility Doors	Requested by association
Gutters & Downspouts	Requested by association

(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 **\$81,895**, based in whole or in part on the last reserve study or update prepared by Advanced Reserve Solutions, Inc. as of **4/1/23**. The projected reserve fund cash balance at the end of the current fiscal year is **\$70,245**, resulting in reserves being **85.77%** funded at this date. The current deficiency in the reserve fund represents **\$284** per ownership interest.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, a reserve funding plan has been developed – see the attached projections. The assumed long-term before-tax interest rate earned on reserve funds is **1%** per year and the assumed long-term inflation rate applied to major component repair and replacement costs is **2.5%** per year. Full reserve study available upon request.

NOTES:

(A) The financial representations set forth in this summary are based on the best estimates of the preparer and the Board at that time. The estimates are subject to change. (B) For the purposes of understanding this Disclosure Summary: (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 the 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. (5) Based on reserve studies or the occurrence of one or more unanticipated events, the Board could increase regular assessments and/or levy special assessments, consistent with the provisions of the CC&Rs and applicable law, to fund additional reserves as it deems necessary. For example, the information contained in this Disclosure Summary includes (i) estimates of replacement value and life expectancies of the components and (ii) assumptions regarding future events. Estimates are projections of a future event based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur subsequent to the preparation of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from this report and summary and the variation may be significant. Additionally, inflation and other economic events may impact this report and summary, particularly over an extended period of time (such as thirty (30) years) and those events could have a significant and negative impact on the accuracy of this Disclosure Summary and, further, the funds available to meet the association's obligation for repair and/or replacement of major components during their estimated useful life.

TALEGA GALLERY COMMUNITY ASSOCIATION COLLECTION PROCEDURES

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. Regular monthly assessments are due and payable 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 of ten dollars (\$10.00).
5. Interest charge at the rate of 12% per annum will be assessed against any outstanding balance including delinquent assessments, late charges, and cost 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. The remaining balance shall be subject to a late charge and interest as provided above.
7. If an assessment is not received within forty-five (45) 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.

TALEGA GALLERY COMMUNITY ASSOCIATION COLLECTION PROCEDURES

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. You could lose ownership of your property if a foreclosure action is completed. You 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.

TALEGA GALLERY COMMUNITY ASSOCIATION COLLECTION PROCEDURES

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 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:

**TALEGA GALLERY COMMUNITY ASSOCIATION
C/O SEABREEZE MANAGEMENT COMPANY, INC.
ATTN: COLLECTION DEPARTMENT
26840 ALISO VIEJO PARKWAY, SUITE 100, ALISO VIEJO, CA 92656**

ALTERNATIVE DISPUTE RESOLUTION

Summary of Civil Code 5925-5965

Sections 5925 to 5965 of the Civil Code require that before owners and associations file lawsuits against each other for declaratory relief or injunctive relief in connection with a claim for money damages under \$5,000 or for enforcing the Association's governing documents, the filing party shall endeavor to submit the dispute to alternative dispute resolution (ADR). Forms of ADR include mediation, negotiation, and binding or non-binding arbitration. This provision does not apply to the filing of cross-complaints.

The ADR process is initiated by one party serving a request for resolution upon the other parties to the dispute. The request must include (i) a brief description of the dispute, (ii) a request for ADR, (iii) a notice that a response must be received within thirty (30) days or it will be deemed rejected, and (iv) a copy of Civil Code Sections 5925 to 5965.

If the individual receiving the request agrees to ADR, the process must be completed within ninety (90) days unless otherwise extended by agreement. The cost of ADR is to be paid by the participating parties. If a civil suit is filed, the filing party must submit to the court a certificate of compliance indicating the party has complied with the requirements of Sections 5925 to 5965. Failing to do so would be grounds for challenging the lawsuit.

Although the prevailing party is entitled to reasonable attorney's fees and costs, the court may consider a party's refusal to participate in ADR when making the award.

A description of the Association's internal dispute resolution process, as required by Civil Code Section 5920, is attached.

NOTE: Failure by any member of the Association to comply with the alternative dispute resolution requirements of Civil Code 5930 may result in the loss of your rights to sue the Association or another member of the Association regarding enforcement of the governing documents or the applicable law.

Updated 8/30/2013

**Standard Internal Dispute Resolution (IDR) Process
for California Nonprofit Mutual Benefit Corporations
As Identified in California Civil Code §5915**

California Civil Code § 5915 (a) This section applies to an association that does not otherwise provide a fair, reasonable, and expeditious dispute resolution procedure. The procedure provided in this section is fair, reasonable, and expeditious within the meaning of this article.

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

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

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

(3) The board shall designate a director to meet and confer.

(4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute. The parties may be assisted by an attorney or another person at their own cost when conferring.

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

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

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

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

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

PLAN SUBMITTAL CHECKLIST

ALL APPLICATIONS AND REVIEW FEES ARE TO BE MAILED OR DELIVERED TO:

**TMC DESIGN REVIEW COMMITTEE
C/O FIRSTSERVICE RESIDENTIAL
15241 LAGUNA CANYON ROAD
IRVINE, CA 92618**

DIGITAL PLANS – EMAIL TO ARC@TALEGATODAY.COM WITH PROPERTY ADDRESS IN SUBJECT LINE.

1. MINOR MODIFICATIONS – NO FEE REQUIRED

- Home Improvement Form
- Neighbor Awareness Form – If there is a hill, slope, or Common Area next to your home, please write that in the space provided on the form.
- Color photographs of the front and rear of the home. Color photograph(s) of neighboring home(s) on each side. Clearly identify property addresses.
- Color photographs of existing item to be replaced or removed.
- Plan specification that clearly outlines the work that is being proposed. If it regards minor tree or plant removal/replacement, please include what is to be placed following removal. If another tree or plants, indicate gallon size.
- Type of projects under Minor Modifications would include: garage door replacement, front door replacement, light fixtures, tree replacement and other minor modifications. **Please note, an accumulative of 3 or more may require a fee as they would be considered a Moderate Modification.**
- Minor Modification applications may be emailed to arc@talegatoday.com with the property address in the subject line. If plans are mailed or dropped off to the address listed above, 3 copies of the application and plans are to be provided.

2. PAINT APPLICATIONS – NO FEE REQUIRED

- Home Improvement Form
- Neighbor Awareness Form – If there is a hill, slope, or Common Area next to your home, please write that in the space provided on the form.
- Exterior Paint Submittal Form. Clearly outline which colors will be used on which portions of the home. Fill in color name and circle elements on the home that will be painted for the correlating color written in the highlighted portion.
- Color photographs of the front and rear of the home. Color photograph(s) of neighboring home(s) on each side. Clearly identify property addresses.
- Paint applications may be emailed to arc@talegatoday.com with the property address in the subject line. If plans are mailed or dropped off to the address listed above, 3 copies of the application and plans are to be provided.

3. AC REPLACEMENT (SAME LOCATION) – NO FEE REQUIRED

- Home Improvement Form
- Neighbor Awareness Form – If there is a hill, slope, or Common Area next to your home, please write that in the space provided on the form.
- Color photographs of the existing unit showing the location.
- Provide brochure or specifications of new unit to be installed.
- AC replacement that will be installed in the same location may be emailed to arc@talegatoday.com with the property address in the subject line. If plans are mailed or dropped off to the address listed above, 3 copies of the application and plans are to be provided.
- If the new AC will be installed in a new location, a fee may be required for review and will require formal review by the Design Review Committee.

4. SOLAR INSTALLATION – NO FEE REQUIRED AT THIS TIME

- Home Improvement Form
- Neighbor Awareness Form – If there is a hill, slope, or Common Area next to your home, please write that in the space provided on the form.
- Color photograph(s) of the front and rear of the home including the roof.
- An aerial photograph(s) or drawings of the lot indicating location of panels on roof.
- Brochure or specifications of solar installation.
- Solar Panel Agreement signed by the homeowner on title and contractor.
- Solar applications may be emailed to arc@talegatoday.com with the property address in the subject line. If plans are mailed or dropped off to the address listed above, 3 copies of the application and plans are to be provided.

5. LIKE FOR LIKE WINDOW REPLACEMENT – NO FEE REQUIRED

- Home Improvement Form
- Neighbor Awareness Form – If there is a hill, slope, or Common Area next to your home, please write that in the space provided on the form.
- Color photograph(s) of the front and rear of the home showing all windows to be replaced.
- Brochure or specifications for window replacement. If a brochure, please clearly outline which window style is being proposed.
- Like for Like Window Replacement Agreement signed by the homeowner on title and contractor.
- Like for Like Window Replacement projects may be emailed to arc@talegatoday.com with the property address in the subject line. If plans are mailed or dropped off to the address listed above, 3 copies of the application and plans are to be provided.

6. ALL OTHER PROJECTS NOT LISTED ABOVE – PLEASE REFER TO THE ARCHITECTURAL REVIEW FEES LIST FOR APPLICABLE FEE.

- Home Improvement Form
- Neighbor Awareness Form – If there is a hill, slope, or Common Area next to your home, please write that in the space provided on the form.
- Review Fee based on type of project being proposed. Please refer to the Fee Schedule to provide correct payment based on the proposed project. Payment is to be made payable to Talega Maintenance Corporation. Although the fee is payable to Talega Maintenance Corporation, payment goes towards the architectural firm for their review.
- Color photographs of the front and rear of the home. Color photograph(s) of neighboring home(s) on each side. Clearly identify property addresses.
- Color photographs or physical samples of any proposed materials to be used on the home. This would include items such as stains, pavers, hardscape or other material changes that would need to be reviewed by the DRC to understand what is being proposed.
- If applicable:** Detailed drawing/elevation with dimensions, setbacks, measurements, colors and materials for all raised elements. This would include items such as patio covers, firepit, water feature, wall(s), pilaster, BBQ counter, etc. Plans must be legible.
- If applicable:** Detailed drawing with dimensions, setbacks, measurements, colors and materials for projects such as pool, spas, and other rear or front yard improvements. Plans must be legible.
- If applicable:** Detailed landscape plan including plant ledger to show proposed plants, shrubs, trees, grass/artificial turf areas, etc. Plant material is to be compatible with the style of the community per the approved plant list. If artificial turf is being proposed, provide specification sheet that outlines brand, weight, height, etc. Drainage plan required. Plans must be legible.
- If applicable:** Room additions – Provide an accurately scaled and dimensioned floor and roof plan(s) and exterior elevations of the proposed and existing structures. Plans must be legible.
- Proposed plans must be mailed to the address listed above. **3 complete sets of the application and proposed plans are to be provided. If you are submitting large scale plans, they must also be emailed to arc@talegatoday.com with the property address in the subject line.** Plans must be legible. **Physical copies must be provided to management** unless outlined otherwise above.

Submit to:

TMC DESIGN REVIEW COMMITTEE

C/O FirstService RESIDENTIAL

15241 Laguna Canyon Road

Irvine, CA 92618

949-448-6000



PROPERTY IMPROVEMENT APPLICATION

Name: _____ Cell Phone: _____ E-mail: _____

Property Address: _____ Lot Number: _____ Tract / Neighborhood: _____

Mailing Address: _____ x _____
Signature of Owners(s)

PLEASE CHECK ALL PROPOSED IMPROVEMENT(S): (Items not checked will not be reviewed or approved)

ARCHITECTURAL

- Awning
- Gazebo
- Lighting
- Paint Modification
- Patio Cover
- Room Addition
- 2nd Story Deck

EQUIPMENT

- Built in Barbeque
- Doors
- Fountain
- Fireplace
- Fire pit
- Garage Door
- Playground Equipment
- Pool & Equipment
- Spa & Equipment
- Solar Panels
- Windows

LANDSCAPE / HARDSCAPE

- Drains
- Fence(s) / Walls(s) / Gates (s)
- Construction on shared property line
- Hardscape
- Landscape

IF NOT LISTED ABOVE, PLEASE DESCRIBE: _____

FEES:

Major Architectural / Landscape - \$400.00

(i.e. room additions, extensive exterior elevation renovations or cumulative application of Moderate Architectural items, etc.)

Major Landscape - \$275.00

(i.e. front and rear hardscape/landscape or cumulative application of Moderate Landscape items, etc.)

Moderate Architectural - \$275.00

(i.e. attached patio cover, deck enclosures, new door or window installation or cumulative application of Minor Modification items, etc.)

Moderate Landscape - \$225.00

(i.e. individual applications for driveways, pool/spas, fountains, gazebos, arbors, garden walls, etc.)

Minor Modifications - no fee

(i.e. like for like windows, paint modifications, tree replacement / removal, gates, windows, solar, doors or garage door replacements, etc.).

*Pursuant to Civil Code Section 4765, a proposed architectural change may not violate any governing provision of law, including, but not limited to, the Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the Government Code), or a building code or other applicable law governing land use or public safety (collectively, "Laws and Codes"). Neither the Association's managing agent(s), the Board, nor the Design Review Committee ("DRC"), reviewing the property improvement(s) is responsible for becoming knowledgeable of, interpreting or enforcing the Laws and Codes that may be applicable to the subject improvement(s), and therefore, neither the DRC nor the Board shall confirm compliance or noncompliance with the Laws and Codes, and any approval by the DRC or Board shall not be deemed a statement, representation, or warranty that your plans are in compliance with the Laws and Codes.

DESIGN AND REVIEW COMMITTEE ONLY

- APPROVED
- APPROVED WITH CONDITIONS
- DISAPPROVED AS SUBMITTED
- RESUBMITTAL REQUIRED ADDRESSING DRC CONDITIONS
- MEMBERS OF A SUBASSOCIATION

COMMENTS: _____

*Any approval is conditioned upon the proposed improvements complying with all applicable Laws and Codes, as defined above. Thus, to the extent any of the proposed improvements violates any of the applicable Laws and Codes, this approval shall be void and of no effect as to the improvement(s) that violate any of the Laws and Codes.

TALEGA MAINTENANCE CORPORATION DESIGN REVIEW COMMITTEE:

COMMITTEE MEETING DATE: _____ INITIAL: _____

**TALEGA MAINTENANCE CORPORATION
NEIGHBOR STATEMENT**

The attached plans were made available to the following neighbors for review:

Impacted Neighbor	
Name	
Address	
Signature	Date

Impacted Neighbor	
Name	
Address	
Signature	Date

Common Area or Back Yard - Rear of Home

Adjacent Neighbor		Adjacent Neighbor	
Name	Name	Name	
Address	Address	Address	
Signature	Date	Signature	Date

Your Street - Front of Home

Facing Neighbor	Facing Neighbor
Name	Name
Address	Address
Signature	Date

IMPORTANT NOTE: If a residence objects to any improvement(s) on the plan, he or she must submit a written letter stating the specific reasons for the objections to the improvement(s) to the DRC, C/o FirstService Residential, within 5 business days of reviewing the plan. Neighbor approval or disapproval of a particular Improvement shall only be advisory and shall not be binding in any way on the DRC's decision.

My neighbors have seen the plans I am submitting for the Design Review Committee review (see above verification). I as the Owner certify that I have requested that my neighbors sign this statement confirming notification. I understand neighbor objections do not in themselves cause denial of the plans. If the home is not yet sold or occupied, I have had a builder representative sign in the appropriate box to confirm that the home is not occupied.

SUBMITTED BY: Name: _____ Date: _____
Address: _____

Enforcement of Rules and Regulations

Enforcement of the Association's governing documents, which include all Rules & Regulations and all related codes and laws will be conducted in accordance with CC&R's Article XII and the following procedures as approved by the Board of Directors.

Violations Identified by the Association: Owners will be provided with a Notice of Violation Identifying the violation and the amount of time the Owner has to remedy the violation. A violation is defined as an act in conflict with the CC&R's or Bylaws or Rules of the Association. If said violation is not remedied within the defined amount of time, the owner will receive a Notice of Hearing at which time the Board, in Executive Session, will discuss the violation with the Owner and provide the Owner with an opportunity to explain the Owner's position, and determine what, if any, fines, legal proceedings, or other remedies will be required to resolve the issue.

Violations Identified by Residents: Any Resident alleging that another Resident is in violation of the Rules must submit said allegations to the Board; in writing, to allow the violation process to be enacted.

Any complaint that is an alleged violation of the TGCA's governing documents will be processed according to the procedure outlined herein:

1. The first step in this process shall be to discuss with your neighbors the issues and concerns which are bothering you.
2. If you find it difficult speaking with your neighbor regarding the problem, the second step is for you to contact Management to initiate a violation report. The violation report requires the signature of the involved Residents
3. In the event two or more Residents of the Association file a "Rules Violation Report", the Board will take the following steps:
 - A violation letter will be sent to the offending Owner stating the alleged violation and the date by which such violation must be corrected.
 - If the violation is not corrected by the specified date, TCGA, through Management, will send a second violation letter requiring a response with 15 days.
 - If the violation is not resolved within 15 days after the second violation letter, a notice of hearing date with the Board of Directors will be sent.
 - A hearing will be set not less than fifteen (15) days from date of written notice of the hearing. The Owner is to be present in person or submit a written response to the alleged violation(s) at a hearing with the Board of Directors.
 - The Owner will be notified within 10 days by writing as to the decision rendered by the Board as a result of the hearing.

Notwithstanding the above-referenced timeline, the Board of Directors retains the right to accelerate the violation process, from the second violation to the hearing for repeat violations of the same subject matter and/or for life or safety issues.

If the Resident is found to be in violation of TGCA's governing documents, the Board can take any combination of the following steps:

- First seek remedy by use of an alternative dispute resolution such as mediation or arbitration with the Owner, as required by Civil Code Section 5975.
- Levy a fine, after Notice has been sent and an opportunity to be heard has occurred
- Suspend or condition the Resident's rights to use any Recreation Facility of the Association
- Suspend the Owner's voting privileges as a member
- Enter into a residence to make the necessary repairs or perform maintenance which is the responsibility of the Owner
- Record a notice of noncompliance encumbering the Owner's residence, if allowed pursuant to California State statute.

FINE STRUCTURE

The Board is required to provide Owners with a Notice of Violation, and a Notice of Hearing and to hold said Hearing prior to the levying of fines or other remedies to gain compliance of the Association's Governing Documents. Once action has been taken by the Board to levy violation fines and billing for Association costs to an Owner's assessment account, additional violations may be fined in the following manner:

1.10.1

\$100 fine per violation occurrence. Fines may be increased in \$100 increments by the Board for multiple violations of the same subject matter within a period of six (6) months. Flagrant violation of Rules, which include, among other things, repeat or reoccurring violations, may incur a fine up to \$10,000 and suspension of Membership and Resident privileges.

1.10.2

Fines from \$500 to \$10,000 and suspension of Membership and Resident privileges may be levied for violations of the Standards of Conduct or the Code of Ethics.



Talega Gallery Community Association

Insurance Disclosure Summary (as required by California Civil Code Section 5300)

The California Civil Code Section 5300 require that the Association send insurance disclosure statements to each of its members. Accordingly, we are providing you the following information in compliance with the Civil Code.

The following is a summary of the association’s insurance coverage:

Coverage for Items 1, 2, 6, 7 & 8 below are provided by:

Michele Brandmeier

State Farm Insurance

940 Calle Negocio, Suite 230, San Clemente, CA 92673

Phone – 949-243-0792 Email- Service@brandmeierinsurance.com

1. Property Insurance		
Policy #		
(A)	Insurance carrier:	State Farm
(B)	The type of insurance:	Property
(C)	The policy limits of the insurance:	18,735,100
(D)	The amount of deductible, if any	\$20,000
(E)	The policy term	10/01/2022-10/01/2023

2. Liability Insurance:		
Policy #		
(A)	Insurance carrier:	State Farm
(B)	The type of insurance:	Commercial General Liability
(C)	The policy limits of the insurance:	\$1,000,000
(D)	The amount of deductible, if any	none
(E)	The policy term	10/01/2022-10/01/2023

3. Earthquake Insurance:		
Policy #		
(A)	Insurance carrier:	None
(B)	The type of insurance:	Earthquake Coverage
(C)	The policy limits of the insurance:	
(D)	The amount of deductible, if any	
(E)	The policy term	

4. Flood Insurance		
Policy #		
(A)	Insurance carrier:	None
(B)	The type of insurance:	Flood Coverage
(C)	The policy limits of the insurance:	
(D)	The amount of deductible, if any	
(E)	The policy term	



Talega Gallery Community Association
Insurance Disclosure Summary (as required by California Civil Code Section 5300)

5. Fidelity Insurance (Fidelity Bond/Employee Dishonesty) Coverage:		
Policy #		
(A)	Insurance carrier:	None
(B)	The type of insurance:	Fidelity Bond/Crime
(C)	The policy limits of the insurance:	
(D)	The amount of deductible, if any	
(E)	The policy term	

6. Directors & Officers Liability Insurance Coverage:		
Policy #		
(A)	Insurance carrier:	State Farm – Specialty Products
(B)	The type of insurance:	D&O Liability
(C)	The policy limits of the insurance:	\$1,000,000
(D)	The amount of deductible, if any	\$2,500
(E)	The policy term	10/19/2022-10/19/2023

7. Umbrella Liability Insurance Coverage:		
Policy #		
(A)	Insurance carrier:	State Farm
(B)	The type of insurance:	Umbrella Policy
(C)	The policy limits of the insurance:	\$5,000,000
(D)	The amount of deductible, if any	none
(E)	The policy term	10/01/2022-10/01/2023

8. Worker’ Compensation Insurance Coverage:		
Policy #		
(A)	Insurance carrier:	State Farm
(B)	The type of insurance:	Workers’ Compensation Insurance
(C)	The policy limits of the insurance:	\$1,000,000
(D)	The amount of deductible, if any	none
(E)	The policy term	10/01/2022-11/01/2023

This summary of the Association’s policies of insurance provides only certain information, as required by subdivision (b) (9) of 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 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.

Edward Jacobs & Company
Insurance Brokers, Inc.
CA License #0597989

	Earthquake (Clubhouse Only)	
A	Carrier	Insurance Company of the West
B	Type of Insurance	Earthquake for Clubhouse Only
C	Policy Limits	\$3,886,811 Blanket (Real & Personal)
D	Deductible (if any)	15% of the insurable value, per unit of exposure, at the time of loss or damage at the locations where the physical damage occurred. Minimum deductible of \$50,000 per occurrence
E	Policy Term	10/1/2022 - 10/1/2023

	Directors & Officers Liability	
A	Carrier	Continental Casualty Company
B	Type of Insurance	Directors & Officers Liability
C	Policy Limits	\$1,000,000 Each Loss Each Policy Year
D	Deductible (if any)	\$10,000 per claim
E	Policy Term	10/1/2022 - 10/1/2023

	Fidelity/Crime Coverage	
A	Carrier	Continental Casualty Company
B	Type of Insurance	Fidelity/Crime Coverage
C	Policy Limits	\$ 1,500,000 Employee Theft & Dishonesty \$ 1,500,000 Computer Fraud/Wire Transfer \$ 25,000 Forgery & Alteration
D	Deductible (if any)	\$10,000 - Employee Theft & Dishonesty \$10,000 - Computer Fraud/Wire Transfer \$ 250 - Forgery & Alteration
E	Policy Term	10/1/2022 - 10/1/2023

Talega Gallery Community Association Charges for Documents Provided

This disclosure is provided to you in accordance with the requirements of California Civil Code Section 4528.

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

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

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

Property Address:

Owner of Property:

Owner's Mailing Address (If known or different from property address.):

Provider of the Section 4525 Items:

Print Name _____ Position or Title _____ Association or Agent

Date Form Completed:

Check or Complete Applicable Column or Columns Below

Document	Civil Code Section	Fee	Not Available (N/A), Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	25.00	
CC&Rs	Section 4525(a)(1)	50.00	
Bylaws	Section 4525(a)(1)	40.00	
Operating Rules	Section 4525(a)(1)	40.00	
Age restrictions, if any	Section 4525(a)(2)	No Cost	
Rental restrictions, if any	Section 4525(a)(9)	No Cost	
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	50.00	
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	50.00	
Financial statement review	Sections 5305 and 4525(a)(3)	45.00	
Assessment enforcement policy	Sections 5310 and 4525(a)(4)	In Budget	
Insurance summary	Sections 5300 and 4525(a)(3)	40.00	
Regular assessment	Section 4525(a)(4)	No Cost	
Special assessment	Section 4525(a)(4)	No Cost	
Emergency assessment	Section 4525(a)(4)	No Cost	
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)	No Cost	
Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)	No Cost	
Settlement notice regarding common area defects	Sections 4525(a)(6), (7), and 6100	No Cost	

Charges for Documents Provided

Page 2 of 2

Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100	No Cost	
Notice(s) of violation	Sections 5855 and 4525(a)(5)	No Cost	
Required statement of fees	Section 4525	165.00	
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)	75.00	
Total fees for these documents			

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

*All fees are subject to change. Seabreeze Management Company offers "Bundle & Save" packages which could reduce the cost of the transaction.

*All escrow documents must be ordered and purchased through www.homewisedocs.com

TALEGA GALLERY COMMUNITY ASSOCIATION
Federal Housing Administration (FHA) 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 not** a condominium project. The association of this common interest development **is not** certified by the Federal Housing Administration.

Notice: The foregoing reflects the status of this association's certification as of the date of this disclosure. The status of that certification can change during a fiscal year. Members may wish to verify the association's status during the fiscal year at <https://entp.hud.gov/idapp/html/condlook.cfm>, or by consulting with a local Realtor.

The State of California requires that this notice be submitted to you annually on a separate sheet of paper.

TALEGA GALLERY COMMUNITY ASSOCIATION
Department of Veterans Affairs (VA) 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 not** a condominium project. The association of this common interest development **is not** certified by the Federal Department of Veterans Affairs.

Notice: The foregoing reflects the status of this association's certification as of the date of this disclosure. The status of that certification can change during a fiscal year. Members may wish to verify the association's status during the fiscal year at <https://lgy.va.gov/lgyhub/condo-report>, or by consulting with a local Realtor.

The State of California requires that this notice be submitted to you annually on a separate sheet of paper.