

# Sunstream Homeowners Association

C/o CURTIS MANAGEMENT COMPANY, INC.  
5050 Avenida Encinas, Suite 160  
Carlsbad, California 92008

(858) 587-9844

November 29, 2019

Dear Homeowner,

This letter is written on behalf of the Sunstream Homeowners Association Board of Directors. Enclosed is the following information pertinent to the 2020 fiscal year:

Civil Code §	Title
5300(b)-(b)(1)	Pro Forma Operating Budget for fiscal year 2020 prepared on a modified accrual basis.
5300(b)(2) & 5565	Summary of the Association's Reserves prepared in 2019
5300(b)(3) & 5550(b)(5)	Summary of the Board-adopted Reserve Funding Plan for 2020
5300(b)(6)	Statement of Mechanism for Funding Reserves to Repair or Replace Major Components
5300(b)(7)	Statement Addressing Procedures Used to Calculate and Establish Reserves
5570	Assessment and Reserve Funding Disclosure Summary
5300(b)(9)	Summary of the Association's Insurance Information
5655 & 5730	Statement of Assessment Collection Policies and Address for Overnight Payment of Assessments
5600-5730	Statement of Association's Policies and Practices in Enforcing Lien Rights
5850	Statement of Association's Discipline Policy and Schedule of Penalties - N/A
5900 - 5965	Summary of Association's Dispute Resolution Procedures (ADR and IDR)
4765	Summary of Procedures for Architectural Review
5300(b)(4)	Statement of Deferral/Decision to Not Undertake Repair or Replacement of Major Component(s)
5300(b)(5)	Statement of Anticipated Special Assessment(s)
5300(b)(8)	Statement of Association(s) Outstanding Loans
4035	Statement of Name and Address of Person Designated to Receive Official Communications to Association
4040	Statement of Members' Ability to Have Notices Sent to up to Two Different Addresses
4045	Statement of the Posting Location for General Notices
4045	Notice of Members' Right to Receive General Notices by Individual Delivery
4950	Notice of Members' Right to Minutes
4530	Statement of Charges For Escrow Documents through <a href="http://www.homewisedocs.com">www.homewisedocs.com</a>
4041	Annual Request For Owners Address

With the new fiscal year for your Association, your Board of Directors has reviewed the operating budget with the goal of providing efficient operations and funding adequate reserves to meet long-term requirements. Based on this review, the Board has determined that, in order to maintain the financial integrity of your Association and to meet the ongoing maintenance costs which increase with the aging process, an increase to the assessment of \$10.00 per unit per month is required. The assessment will be \$400.00 per unit per month effective January 1, 2020.

Sunstream HOA  
November 29, 2019  
2020 Annual Budget  
Page 2

No special assessments are anticipated at this time for the upcoming 2020 fiscal year.

If you pay your assessment automatically through your bank, please remember to change the payment to the new amount of **\$400.00** per month starting with the **January 1, 2020** payment. If you have automatic draft through our company, the amount will automatically be updated.

The enclosed items are being provided to you in compliance with State Law. You may wish to keep these items available in the event you elect to sell or refinance your home. Most lenders are now requiring that these items be submitted to them as part of the mortgage approval process.

A complete copy of the reserve study is available. Should you wish to obtain a copy, please feel free to contact our office by calling (858) 587-9844. Owners may also request copies of meeting minutes at a reasonable rate for the copying, and handling charge.

Respectfully,



Joanne Diaz, CMCA  
Community Association Manager

Enclosures

**Sunstream Homeowners Association**  
**Approved Budget**  
**January 1, 2020 thru December 31, 2020**

Account	Income	Per Unit	Monthly	Annual
4110	Homeowners Dues (\$400.00 x 259 units)	\$ 400.00	\$ 103,600.00	\$ 1,243,200.00
4245	Late Fees	\$ 0.39	\$ 100.00	\$ 1,200.00
4285	Sundry Income	\$ 0.19	\$ 50.00	\$ 600.00
	<b>Total Income</b>	<b>\$ 400.58</b>	<b>\$ 103,750.00</b>	<b>\$ 1,245,000.00</b>
<b>General &amp; Administrative</b>				
5115	Audit Expense & 1099's	\$ 0.62	\$ 160.00	\$ 1,920.00
5120	Reserve Study	\$ 0.19	\$ 50.00	\$ 600.00
5150	Insurance	\$ 27.03	\$ 7,000.00	\$ 84,000.00
5155	Legal	\$ 3.86	\$ 1,000.00	\$ 12,000.00
5159	Bank Charges	\$ 0.16	\$ 42.00	\$ 504.00
5160	Office Expense	\$ 3.73	\$ 966.00	\$ 11,592.00
5165	Professional Management	\$ 15.02	\$ 3,889.00	\$ 46,668.00
5171	Bad Debt (Collections)	\$ 0.19	\$ 50.00	\$ 600.00
5175	Steno	\$ 0.58	\$ 150.00	\$ 1,800.00
5180	Taxes - Federal	\$ 3.47	\$ 900.00	\$ 10,800.00
5190	Permits and Licenses	\$ 0.27	\$ 70.00	\$ 840.00
5195	Taxes - State	\$ 1.35	\$ 350.00	\$ 4,200.00
	<b>Total General &amp; Admin.</b>	<b>\$ 56.47</b>	<b>\$ 14,627.00</b>	<b>\$ 175,524.00</b>
<b>Common Area Expenses</b>				
5215	Janitorial Supplies	\$ 0.39	\$ 100.00	\$ 1,200.00
5216	Janitorial	\$ 2.29	\$ 593.00	\$ 7,116.00
5225	Fire Prevention	\$ 0.17	\$ 45.00	\$ 540.00
5226	Tree Trimming	\$ 5.79	\$ 1,500.00	\$ 18,000.00
5227	Landscape Additions	\$ 1.93	\$ 500.00	\$ 6,000.00
5228	Landscape Maintenance	\$ 38.97	\$ 10,094.00	\$ 121,128.00
5230	Landscape Irrigation	\$ 1.93	\$ 500.00	\$ 6,000.00
5244	Pest Control- Termites & Termite Damage	\$ 1.35	\$ 350.00	\$ 4,200.00
5245	Pest Control	\$ 1.61	\$ 416.00	\$ 4,992.00
5248	Electrical - Repairs	\$ 2.61	\$ 675.00	\$ 8,100.00
5250	Plumbing - Repairs	\$ 1.16	\$ 300.00	\$ 3,600.00
5256	Repair/Maintenance Common Area	\$ 2.90	\$ 750.00	\$ 9,000.00
5285	Utilities - Gas	\$ 8.11	\$ 2,100.00	\$ 25,200.00
5290	Utilities - Electric	\$ 12.36	\$ 3,200.00	\$ 38,400.00
5295	Utilities - Water & Sewer	\$ 77.22	\$ 20,000.00	\$ 240,000.00
5430	Refuse Removal	\$ 19.31	\$ 5,000.00	\$ 60,000.00
5460	Key Fob System Service	\$ 1.93	\$ 500.00	\$ 6,000.00
5520	Pool Maintenance	\$ 5.79	\$ 1,500.00	\$ 18,000.00
5530	Pool Supplies	\$ 1.93	\$ 500.00	\$ 6,000.00
5550	Pool Repairs	\$ 1.93	\$ 500.00	\$ 6,000.00
	<b>Total Common Area</b>	<b>\$ 189.66</b>	<b>\$ 49,123.00</b>	<b>\$ 589,476.00</b>
	<b>Total Operating Expenses</b>	<b>\$ 246.14</b>	<b>\$ 63,750.00</b>	<b>\$ 765,000.00</b>
<b>Reserve Allocations</b>				
8117	Fences & Pool Gates	\$ 6.88	\$ 1,782.45	\$ 21,389.40
8120	Landscape & Irrigation	\$ 3.30	\$ 854.04	\$ 10,248.48
8125	Lighting-Electrical	\$ 1.60	\$ 413.21	\$ 4,958.52
8126	Miscellaneous/Backflows & Contingency	\$ 8.29	\$ 2,147.92	\$ 25,775.04
8137	Garage Doors/Front Doors & Utility Doors	\$ 7.48	\$ 1,937.74	\$ 23,252.88
8140	Painting	\$ 28.55	\$ 7,395.53	\$ 88,746.36
8145	Pool & Spa Equipment & Cabanas	\$ 11.85	\$ 3,068.48	\$ 36,821.76
8160	Roofing	\$ 69.91	\$ 18,107.97	\$ 217,295.64
8162	Tennis Courts	\$ 1.81	\$ 468.58	\$ 5,622.96
8171	Mailboxes & Signage	\$ 0.89	\$ 231.08	\$ 2,772.96
8175	Streets, Parking & Walkways	\$ 13.87	\$ 3,593.00	\$ 43,116.00
	<b>Total Reserve Allocations</b>	<b>\$ 154.44</b>	<b>\$ 40,000.00</b>	<b>\$ 480,000.00</b>
	<b>Total Operating &amp; Reserve</b>	<b>\$ 400.58</b>	<b>\$ 103,750.00</b>	<b>\$ 1,245,000.00</b>

**Assessment and Reserve Funding Disclosure Summary**  
Sunstream HOA

(1) The current regular assessment per ownership interest per month is:

\$ 400.00 per month for the year ending 12/31/20

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members: As of 8/29/2018

Date Assessment is Due	Amount per unit	Purpose of Assessment
NA		
Total:		

(3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes ☒

No ☐

**Note:** This calculation assumes the association will raise their current reserve contribution 3% per year over the next 30 years.

(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?

Not Applicable

**Note:** This calculation assumes the association will raise their current reserve contribution 3% per year over the next 30 years.

(5) All major components appropriate for reserve funding are included in the reserve study and are included in its calculations.

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the civil code the estimated amount required in the reserve fund at the end of the current fiscal year is:

\$ 3,115,653

based in whole or in part on the last reserve study or update prepared by McCaffery Reserve Consulting as of 12/31/2019 the projected reserve fund cash balance at the end of the current fiscal year is: \$ 1,405,744 resulting in the reserves being 45% funded at this date.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the civil code the projected required amount in reserves, projected reserve fund cash balance and projected percent funded for each of the next 5 years is:

Year	Amt Required	Proj. Balance	% Funded
2020	\$ 2,755,487	\$ 1,208,842	44%
2021	\$ 2,220,504	\$ 863,378	39%
2022	\$ 1,740,192	\$ 584,348	34%
2023	\$ 1,987,315	\$ 993,485	50%
2024	\$ 2,374,296	\$ 1,537,826	65%

For more detail see attached theoretical 30 year funding plans.

**Note:** This calculation assumes the association will raise their reserve contribution 3% per year over the next 30 years.

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate was : per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was: 3.00% per year

1.50%

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

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

(2) "Major component" has the meaning used in Section 5530. Components with an estimated remaining useful life of more than 30 years may be included in a study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary.

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

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

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

12/31/2019

## Component Significance

This table makes it easy to see what components are the most significant

Category Component	Fully Funded Balance				Depreciation This Year			Monthly Contribution
	\$ Amount	%	Quick Glance Graph		\$ Amount	%	Quick Glance Graph	
Roofing								
Tile Underlayment & Repair	\$ 25,771	0.83%	<div><div></div></div>	\$	\$ 12,886	4.41%	<div><div></div></div>	\$ 1,762.36
Tile Underlayment & Repair	\$ 15,697	0.50%	<div><div></div></div>	\$	\$ 15,697	5.37%	<div><div></div></div>	\$ 2,146.88
Tile Underlayment & Repair	\$ 369,000	11.84%	<div><div></div></div>	\$	\$ 10,543	3.60%	<div><div></div></div>	\$ 1,441.93
Tile Underlayment & Repair	\$ 366,423	11.76%	<div><div></div></div>	\$	\$ 10,777	3.68%	<div><div></div></div>	\$ 1,473.97
Tile Underlayment & Repair	\$ 371,109	11.91%	<div><div></div></div>	\$	\$ 11,246	3.85%	<div><div></div></div>	\$ 1,538.06
Built Up to TPO	\$ 27,500	0.88%	<div><div></div></div>	\$	\$ 13,750	4.70%	<div><div></div></div>	\$ 1,880.57
Built Up to TPO	\$ (234,500)	-7.53%	<div><div></div></div>	\$	\$ 16,750	5.73%	<div><div></div></div>	\$ 2,290.87
Built Up to TPO	\$ 225,000	7.22%	<div><div></div></div>	\$	\$ 11,250	3.85%	<div><div></div></div>	\$ 1,538.65
Built Up to TPO	\$ 218,500	7.01%	<div><div></div></div>	\$	\$ 11,500	3.93%	<div><div></div></div>	\$ 1,572.84
Built Up to TPO	\$ 216,000	6.93%	<div><div></div></div>	\$	\$ 12,000	4.10%	<div><div></div></div>	\$ 1,641.22
Gutters & Downspouts	\$ 16,000	0.51%	<div><div></div></div>	\$	\$ 4,000	1.37%	<div><div></div></div>	\$ 547.07
Chimney Caps	\$ 8,000	0.26%	<div><div></div></div>	\$	\$ 2,000	0.68%	<div><div></div></div>	\$ 273.54
	\$ 1,624,500	52.14%			\$ 132,399	45.27%		\$18,107.97
Painting								
Stucco	\$ 93,240	2.99%	<div><div></div></div>	\$	\$ 23,310	7.97%	<div><div></div></div>	\$ 3,188.08
Wood Trim	\$ 72,520	2.33%	<div><div></div></div>	\$	\$ 18,130	6.20%	<div><div></div></div>	\$ 2,479.61
Wood Repairs	\$ 40,000	1.28%	<div><div></div></div>	\$	\$ 4,000	1.37%	<div><div></div></div>	\$ 547.07
Wood Fencing	\$ 27,200	0.87%	<div><div></div></div>	\$	\$ 6,800	2.33%	<div><div></div></div>	\$ 930.03
Tennis Chain Link & Lights	\$ 5,000	0.16%	<div><div></div></div>	\$	\$ 833	0.28%	<div><div></div></div>	\$ 113.97
Metal Pool Fencing	\$ 4,000	0.13%	<div><div></div></div>	\$	\$ 1,000	0.34%	<div><div></div></div>	\$ 136.77
	\$ 241,960	7.77%			\$ 54,073	18.49%		\$ 7,395.53
Fencing/Rails								
Chain Link Tennis	\$ 10,134	0.33%	<div><div></div></div>	\$	\$ 441	0.15%	<div><div></div></div>	\$ 60.26
Pool Fence	\$ 11,520	0.37%	<div><div></div></div>	\$	\$ 768	0.26%	<div><div></div></div>	\$ 105.04
Wood Patio	\$ 167,832	5.39%	<div><div></div></div>	\$	\$ 9,324	3.19%	<div><div></div></div>	\$ 1,275.23
Split Rail Fencing	\$ 17,500	0.56%	<div><div></div></div>	\$	\$ 2,500	0.85%	<div><div></div></div>	\$ 341.92
	\$ 206,986	6.64%			\$ 13,033	4.46%		\$ 1,782.45
Asphalt								
Slurry Seal & Repair	\$ 14,008	0.45%	<div><div></div></div>	\$	\$ 7,004	2.39%	<div><div></div></div>	\$ 957.93
Overlay & Replace	\$ 380,800	12.22%	<div><div></div></div>	\$	\$ 15,867	5.43%	<div><div></div></div>	\$ 2,170.06
Curb Painting	\$ 4,500	0.14%	<div><div></div></div>	\$	\$ 900	0.31%	<div><div></div></div>	\$ 123.09
Concrete Repairs	\$ 12,500	0.40%	<div><div></div></div>	\$	\$ 2,500	0.85%	<div><div></div></div>	\$ 341.92
	\$ 411,808	13.22%			\$ 26,271	8.98%		\$ 3,593.00
Pool & Spa Area								
Pool Replaster/Tile Lower	\$ 1,250	0.04%	<div><div></div></div>	\$	\$ 1,250	0.43%	<div><div></div></div>	\$ 170.96
Pool Replaster/Tile Upper	\$ 2,417	0.08%	<div><div></div></div>	\$	\$ 1,208	0.41%	<div><div></div></div>	\$ 165.26
Spa Replaster/Tile Lower	\$ 500	0.02%	<div><div></div></div>	\$	\$ 500	0.17%	<div><div></div></div>	\$ 68.38
Spa Replaster/Tile Upper	\$ 2,000	0.06%	<div><div></div></div>	\$	\$ 1,000	0.34%	<div><div></div></div>	\$ 136.77
Heaters	\$ 5,280	0.17%	<div><div></div></div>	\$	\$ 1,320	0.45%	<div><div></div></div>	\$ 180.53
Filters	\$ 3,672	0.12%	<div><div></div></div>	\$	\$ 459	0.16%	<div><div></div></div>	\$ 62.77
Chemical Controller	\$ 8,400	0.27%	<div><div></div></div>	\$	\$ 2,800	0.96%	<div><div></div></div>	\$ 382.95
Furniture	\$ 10,000	0.32%	<div><div></div></div>	\$	\$ 2,500	0.85%	<div><div></div></div>	\$ 341.92
	\$ 33,518	1.08%			\$ 11,037	3.77%		\$ 1,509.55
Cabanas								
Restroom Refurbish	\$ 13,824	0.44%	<div><div></div></div>	\$	\$ 576	0.20%	<div><div></div></div>	\$ 78.78
Grills	\$ 1,800	0.06%	<div><div></div></div>	\$	\$ 900	0.31%	<div><div></div></div>	\$ 123.09
Cardio Equipment	\$ 14,400	0.46%	<div><div></div></div>	\$	\$ 2,400	0.82%	<div><div></div></div>	\$ 328.24
Weight Station Equipment	\$ 12,000	0.39%	<div><div></div></div>	\$	\$ 1,000	0.34%	<div><div></div></div>	\$ 136.77
Sauna Heaters	\$ 12,588	0.40%	<div><div></div></div>	\$	\$ 1,049	0.36%	<div><div></div></div>	\$ 143.47
Sauna Refurbish	\$ 12,588	0.40%	<div><div></div></div>	\$	\$ 1,049	0.36%	<div><div></div></div>	\$ 143.47
Wood Trellis Upper	\$ 9,360	0.30%	<div><div></div></div>	\$	\$ 720	0.25%	<div><div></div></div>	\$ 98.47
Wood Trellis Lower	\$ 12,480	0.40%	<div><div></div></div>	\$	\$ 960	0.33%	<div><div></div></div>	\$ 131.30
HID Entry System	\$ 16,522	0.53%	<div><div></div></div>	\$	\$ 2,360	0.81%	<div><div></div></div>	\$ 322.81
Kitchenette Remodel	\$ 8,064	0.26%	<div><div></div></div>	\$	\$ 384	0.13%	<div><div></div></div>	\$ 52.52
	\$ 113,626	3.65%			\$ 11,398	3.90%		\$ 1,558.93
Landscaping								
Irrigation Upgrade	\$ 12,000	0.39%	<div><div></div></div>	\$	\$ 1,000	0.34%	<div><div></div></div>	\$ 136.77
Backflows	\$ 89	0.00%	<div><div></div></div>	\$	\$ 89	0.03%	<div><div></div></div>	\$ 12.16
Backflows	\$ 10,578	0.34%	<div><div></div></div>	\$	\$ 622	0.21%	<div><div></div></div>	\$ 85.10
Tree Remove/Replace	\$ 9,600	0.31%	<div><div></div></div>	\$	\$ 1,200	0.41%	<div><div></div></div>	\$ 164.12
Landscape Upgrade	\$ 40,000	1.28%	<div><div></div></div>	\$	\$ 3,333	1.14%	<div><div></div></div>	\$ 455.90
	\$ 72,267	2.32%			\$ 6,244	2.14%		\$ 854.04

Category Component	Fully Funded Balance				Depreciation This Year			Monthly Contribution
	\$ Amount	%	Quick Glance Graph	\$ Amount	%	Quick Glance Graph		
Lighting								
Pool Bollard	\$ 7,219	0.23%	<div><div></div></div>	\$ 481	0.16%	<div><div></div></div>	\$ 65.82	
Street Lights	\$ 13,500	0.43%	<div><div></div></div>	\$ 500	0.17%	<div><div></div></div>	\$ 68.38	
Tennis Lights	\$ 14,720	0.47%	<div><div></div></div>	\$ 640	0.22%	<div><div></div></div>	\$ 87.53	
Wall Mounted	\$ 32,200	1.03%	<div><div></div></div>	\$ 1,400	0.48%	<div><div></div></div>	\$ 191.48	
	\$ 67,639	2.17%		\$ 3,021	1.03%		\$ 413.21	
Miscellaneous								
Main Line Water Leaks								
Garage Doors	\$ 116,032	3.72%	<div><div></div></div>	\$ 8,288	2.83%	<div><div></div></div>	\$ 1,133.54	
Tennis Resurface	\$ 11,667	0.37%	<div><div></div></div>	\$ 2,333	0.80%	<div><div></div></div>	\$ 319.13	
Tennis Windscreen	\$ 5,464	0.18%	<div><div></div></div>	\$ 1,093	0.37%	<div><div></div></div>	\$ 149.45	
Directory Signs	\$ 600	0.02%	<div><div></div></div>	\$ 300	0.10%	<div><div></div></div>	\$ 41.03	
Front Door Replacement	\$ 41,440	1.33%	<div><div></div></div>	\$ 5,180	1.77%	<div><div></div></div>	\$ 708.46	
Utility Doors	\$ 3,500	0.11%	<div><div></div></div>	\$ 700	0.24%	<div><div></div></div>	\$ 95.74	
Parking Signage	\$ 4,750	0.15%	<div><div></div></div>	\$ 250	0.09%	<div><div></div></div>	\$ 34.19	
Mailboxes	\$ 7,977	0.26%	<div><div></div></div>	\$ 1,140	0.39%	<div><div></div></div>	\$ 155.86	
Backflows Residential	\$ 3,556	0.11%	<div><div></div></div>	\$ 1,778	0.61%	<div><div></div></div>	\$ 243.14	
	\$ 194,985	6.26%		\$ 21,061	7.20%		\$ 2,880.54	
Contingency								
5%	\$ 148,364	4.76%	<div><div></div></div>	\$ 13,927	4.76%	<div><div></div></div>	\$ 1,904.76	
	\$ 3,115,653	100.00%	100%	\$ 292,465	100%	100%	\$ 40,000	

## Executive Summary

### Sunstream HOA

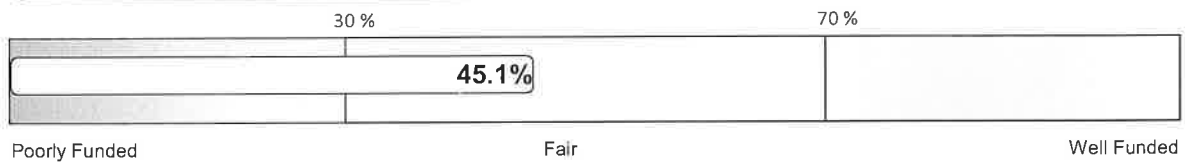
This is Homeowners Association with 259 Condominium Units.

The common area components include: asphalt, pools, and building exterior.

This is a level III annual update, the last site inspection was performed in 2018

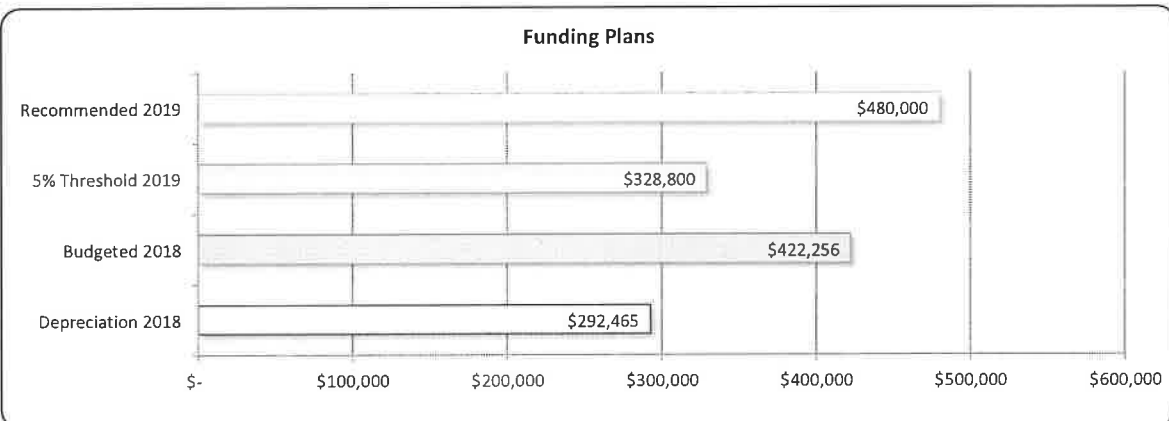
### Reserve Fund Balance at Fiscal Year End

Fully Funded Reserve Balance	\$ 3,115,653
Projected Balance December 31, 2019	\$ 1,405,744
Under Funded (Deficiency in Reserve Funding)	\$ 1,709,909
Deficiency in Reserve Funding Per Unit	\$ 6,601.97
<b>Percent Funded</b>	<b>45.1%</b>



5 Year Percent Funded	2020	2021	2022	2023	2024
Projection	44%	39%	34%	50%	65%

Funding Plans	Annually	Monthly	Per Unit Monthly
Depreciation of Components in 2019	\$ 292,465	\$ 24,372	\$ 94.10
Budgeted Reserve Contribution 2019	\$ 422,256	\$ 35,188	\$ 135.86
5% Threshold Reserve Contribution for 2020	\$ 328,800	\$ 27,400	\$ 105.79
<b>Recommended Reserve Contribution for 2020</b>	<b>\$ 480,000</b>	<b>\$ 40,000</b>	<b>\$ 154.44</b>





Sunstream HOA

Above 70% = Well Funded    Between 30% and 70% = Fairly Funded    Below 30% = Poorly Funded

Below 30% = Poorly Funded

(Higher Risk of Special Assessment)

Before Tax Interest Rate	1.5%
Annual Inflation Rate	3.0%
Annual Funding Increase	3.0%

Year End	Annual Expenses	Fully Funded Balance	Current Funding Plan			Recommended Funding Plan			5% Threshold Funding Plan		
			Contribution	Balance	% Funded	Contribution	Balance	% Funded	Contribution	Balance	% Funded
2019	\$ -	\$ 3,115,653	\$ 422,256	\$ 1,405,744	45%	\$ -	\$ 1,405,744	45%	\$ -	\$ 1,405,744	45%
2020	\$ 697,988	\$ 2,755,487	\$ 480,000	\$ 1,208,842	44%	\$ 480,000	\$ 1,208,842	44%	\$ 328,800	\$ 1,057,642	38%
2021	\$ 857,997	\$ 2,220,504	\$ 494,400	\$ 863,378	39%	\$ 494,400	\$ 863,378	39%	\$ 338,664	\$ 554,174	25%
2022	\$ 801,213	\$ 1,740,192	\$ 509,232	\$ 584,348	34%	\$ 509,232	\$ 584,348	34%	\$ 348,824	\$ 110,098	6%
2023	\$ 124,137	\$ 1,987,315	\$ 524,509	\$ 993,485	50%	\$ 524,509	\$ 993,485	50%	\$ 359,289	\$ 346,901	17%
2024	\$ 10,805	\$ 2,374,296	\$ 540,244	\$ 1,537,826	65%	\$ 540,244	\$ 1,537,826	65%	\$ 370,067	\$ 711,367	30%
2025	\$ 35,242	\$ 2,756,629	\$ 556,452	\$ 2,082,103	76%	\$ 556,452	\$ 2,082,103	76%	\$ 381,169	\$ 1,067,964	39%
2026	#####	\$ 1,979,241	\$ 573,145	\$ 1,558,619	79%	\$ 573,145	\$ 1,558,619	79%	\$ 392,604	\$ 348,727	18%
2027	\$ 376,657	\$ 2,001,749	\$ 590,339	\$ 1,795,681	90%	\$ 590,339	\$ 1,795,681	90%	\$ 404,383	\$ 381,684	19%
2028	\$ 45,579	\$ 2,394,109	\$ 608,050	\$ 2,385,087	100%	\$ 608,050	\$ 2,385,087	100%	\$ 416,514	\$ 758,344	32%
2029	\$ 15,070	\$ 2,842,682	\$ 626,291	\$ 3,032,084	107%	\$ 626,291	\$ 3,032,084	107%	\$ 429,009	\$ 1,183,659	42%
2030	\$ 147,449	\$ 3,173,336	\$ 645,080	\$ 3,575,196	113%	\$ 404,840	\$ 3,334,956	105%	\$ 441,880	\$ 1,495,844	47%
2031	\$ 528,570	\$ 3,113,872	\$ 664,432	\$ 3,764,687	121%	\$ 416,985	\$ 3,273,396	105%	\$ 455,136	\$ 1,444,848	46%
2032	\$ 103,478	\$ 3,524,871	\$ 684,365	\$ 4,402,044	125%	\$ 429,494	\$ 3,648,513	104%	\$ 468,790	\$ 1,831,833	52%
2033	\$ 156,486	\$ 3,903,757	\$ 704,896	\$ 5,016,485	129%	\$ 442,379	\$ 3,989,134	102%	\$ 482,854	\$ 2,185,678	56%
2034	\$ 594,774	\$ 4,381,287	\$ 726,043	\$ 5,223,001	119%	\$ 455,651	\$ 3,909,847	89%	\$ 497,340	\$ 2,121,028	48%
2035	\$ 18,696	\$ 4,961,826	\$ 747,824	\$ 6,030,475	122%	\$ 469,320	\$ 4,419,119	89%	\$ 512,260	\$ 2,646,408	53%
2036	\$ 702,781	\$ 4,834,023	\$ 770,259	\$ 6,188,410	128%	\$ 483,400	\$ 4,266,024	88%	\$ 527,627	\$ 2,510,950	52%
2037	\$ 216,688	\$ 5,242,597	\$ 793,367	\$ 6,857,914	131%	\$ 497,902	\$ 4,611,228	88%	\$ 543,456	\$ 2,875,383	55%
2038	\$ 692,730	\$ 5,163,526	\$ 817,168	\$ 7,085,221	137%	\$ 512,839	\$ 4,500,505	87%	\$ 559,760	\$ 2,785,543	54%
2039	\$ 81,988	\$ 5,757,986	\$ 841,683	\$ 7,951,194	138%	\$ 528,224	\$ 5,014,249	87%	\$ 576,553	\$ 3,321,891	58%
2040	\$ 520,160	\$ 5,912,243	\$ 866,933	\$ 8,417,236	142%	\$ 544,071	\$ 5,113,373	86%	\$ 593,849	\$ 3,445,409	58%
2041	\$ 775,836	\$ 5,810,937	\$ 892,941	\$ 8,660,600	149%	\$ 560,393	\$ 4,974,631	86%	\$ 611,665	\$ 3,332,919	57%
2042	\$ 602,242	\$ 5,911,145	\$ 919,730	\$ 9,107,996	154%	\$ 577,205	\$ 5,024,213	85%	\$ 630,015	\$ 3,410,686	58%
2043	\$ 133,420	\$ 6,538,706	\$ 947,322	\$ 10,058,518	154%	\$ 594,521	\$ 5,560,677	85%	\$ 648,915	\$ 3,977,342	61%
2044	\$ 113,813	\$ 7,224,135	\$ 975,741	\$ 11,071,324	153%	\$ 612,356	\$ 6,142,631	85%	\$ 668,383	\$ 4,591,572	64%
2045	\$ 91,197	\$ 7,972,956	\$ 1,005,013	\$ 12,151,210	152%	\$ 630,727	\$ 6,774,300	85%	\$ 688,434	\$ 5,257,682	66%
2046	\$ 99,291	\$ 7,781,061	\$ 1,035,164	\$ 12,369,351	159%	\$ 649,649	\$ 6,526,272	84%	\$ 709,087	\$ 5,046,344	65%
2047	\$ 212,388	\$ 8,453,933	\$ 1,066,219	\$ 13,408,722	159%	\$ 669,138	\$ 7,080,917	84%	\$ 730,360	\$ 5,640,011	67%
2048	\$ 48,002	\$ 9,344,850	\$ 1,098,205	\$ 14,660,057	157%	\$ 689,212	\$ 7,828,341	84%	\$ 752,271	\$ 6,428,880	69%
2049	\$ 75,410	#####	\$ 1,131,151	\$ 15,935,699	155%	\$ 709,889	\$ 8,580,245	84%	\$ 774,839	\$ 7,224,742	70%

Note: All future projections are theoretical. The estimated lives and costs of components will likely change over time depending on factors such as inflation rates and levels of maintenance. Reserve analysis should be performed annually to account for these factors.

12/31/2019

Component Summary  
Sunstream HOA

Category Component	Approx. Quantity	Unit of Measure	Useful Life	Remaining Life	Unit Cost	Total Cost	Cost Source
<b>Roofing</b>							
Tile Underlayment & Repair	55	Units	35	33	\$ 8,200	\$ 451,000	1
Tile Underlayment & Repair	67	Units	35	34	\$ 8,200	\$ 549,400	1
Tile Underlayment & Repair	45	Units	35	0	\$ 8,200	\$ 369,000	1
Tile Underlayment & Repair	46	Units	35	1	\$ 8,200	\$ 377,200	1
Tile Underlayment & Repair	48	Units	35	2	\$ 8,200	\$ 393,600	1
Built Up to TPO	55	Units	20	18	\$ 5,000	\$ 275,000	1
Built Up to TPO	67	Units	20	34	\$ 5,000	\$ 335,000	1
Built Up to TPO	45	Units	20	0	\$ 5,000	\$ 225,000	1
Built Up to TPO	46	Units	20	1	\$ 5,000	\$ 230,000	1
Built Up to TPO	48	Units	20	2	\$ 5,000	\$ 240,000	1
Gutters & Downspouts	1	Allowance	5	1	\$ 20,000	\$ 20,000	1
Chimney Caps	1	Allowance	5	1	\$ 10,000	\$ 10,000	1
						\$ 3,475,200	
<b>Painting</b>							
Stucco	259	Each	10	6	\$ 900	\$ 233,100	1
Wood Trim	259	Each	5	1	\$ 350	\$ 90,650	1
Wood Repairs	1	Allowance	10	0	\$ 40,000	\$ 40,000	1
Wood Fencing	1	Allowance	5	1	\$ 34,000	\$ 34,000	1
Tennis Chain Link & Lights	1	Allowance	6	0	\$ 5,000	\$ 5,000	1
Metal Pool Fencing	1	Allowance	5	1	\$ 5,000	\$ 5,000	1
						\$ 407,750	
<b>Fencing/Rails</b>							
Chain Link Tennis	480	LF	25	2	\$ 22.95	\$ 11,015	1
Pool Fence	400	LF	25	10	\$ 48.00	\$ 19,200	1
Wood Patio	259	Each	25	7	\$ 900	\$ 233,100	1
Split Rail Fencing	1	Allowance	10	3	\$ 25,000	\$ 25,000	1
						\$ 288,315	
<b>Asphalt</b>							
Slurry Seal & Repair	170000	SF	4	2	\$ 0.16	\$ 28,016	1
Overlay & Replace	170000	SF	30	6	\$ 2.80	\$ 476,000	1
Curb Painting	1	Allowance	5	0	\$ 4,500	\$ 4,500	1
Concrete Repairs	1	Allowance	6	1	\$ 15,000	\$ 15,000	1
						\$ 523,516	
<b>Pool &amp; Spa Area</b>							
Pool Replaster/Tile Lower	1	Each	12	11	\$ 15,000	\$ 15,000	1
Pool Replaster/Tile Upper	1	Each	12	10	\$ 14,500	\$ 14,500	1
Spa Replaster/Tile Lower	1	Each	8	7	\$ 4,000	\$ 4,000	1
Spa Replaster/Tile Upper	1	Each	8	6	\$ 8,000	\$ 8,000	1
Heaters	4	Each	10	6	\$ 3,300	\$ 13,200	1
Filters	4	Each	10	2	\$ 1,147	\$ 4,589	1
Chemical Controller	4	Each	8	5	\$ 5,600	\$ 22,400	6
Furniture	1	Allowance	6	2	\$ 15,000	\$ 15,000	1
						\$ 96,689	
<b>Cabanas</b>							
Restroom Refurbish	4	Each	25	1	\$ 3,600	\$ 14,400	1
Grills	4	Each	8	6	\$ 1,800	\$ 7,200	1
Cardio Equipment	1	Allowance	6	0	\$ 14,400	\$ 14,400	1
Weight Station Equipment	4	Allowance	12	0	\$ 3,000	\$ 12,000	1
Sauna Heaters	2	Each	12	0	\$ 6,294	\$ 12,588	1
Sauna Refurbish	2	Each	20	8	\$ 10,490	\$ 20,980	1
Wood Trellis Upper	1	Allowance	20	7	\$ 14,400	\$ 14,400	1
Wood Trellis Lower	1	Allowance	20	7	\$ 19,200	\$ 19,200	1
HID Entry System	1	Allowance	10	3	\$ 23,603	\$ 23,603	1
Kitchenette Remodel	1	Allowance	25	4	\$ 9,600	\$ 9,600	1
						\$ 148,371	
<b>Landscaping</b>							
Irrigation Upgrade	1	Allowance	12	0	\$ 12,000	\$ 12,000	1
Backflows	1	Each	18	17	\$ 1,600	\$ 1,600	1
Backflows	7	Each	18	1	\$ 1,600	\$ 11,200	1
Tree Remove/Replace	1	Allowance	10	2	\$ 12,000	\$ 12,000	1
Landscape Upgrade	1	Allowance	15	3	\$ 50,000	\$ 50,000	1
						\$ 86,800	

Category Component	Approx. Quantity	Unit of Measure	Useful Life	Remaining Life	Unit Cost	Total Cost	Cost Source
<b>Lighting</b>							
Pool Bollard	21	Each	24	9	\$ 550	\$ 11,550	1
Street Lights	12	Each	30	3	\$ 1,250	\$ 15,000	1
Tennis Lights	20	Each	25	2	\$ 800	\$ 16,000	1
Wall Mounted	1	Allowance	25	2	\$ 35,000	\$ 35,000	1
						\$ 77,550	
<b>Miscellaneous</b>							
Main Line Water Leaks		Funded Through Operating Budget					1
Garage Doors	259	Each	25	11	\$ 800	\$ 207,200	1
Tennis Resurface	1	Allowance	6	1	\$ 14,000	\$ 14,000	1
Tennis Windscreen	1	Allowance	6	1	\$ 6,556	\$ 6,556	1
Directory Signs	2	Each	20	18	\$ 3,000	\$ 6,000	1
Front Door Replacement	259	Each	25	17	\$ 500	\$ 129,500	3
Utility Doors	1	Allowance	5	0	\$ 3,500	\$ 3,500	1
Parking Signage	1	Allowance	20	1	\$ 5,000	\$ 5,000	1
Mailboxes	259	Each	25	18	\$ 110	\$ 28,490	1
Backflows Residential	20	Each	18	16	\$ 1,600	\$ 32,000	1
						\$ 432,246	
<b>Contingency</b>							
5%							1

**TOTALS** \$ 5,536,438

Notes: Any other items not listed are included in operating budget.

# SUNSTREAM HOMEOWNERS ASSOCIATION

## INSURANCE INFORMATION FOR OWNERS

The Association's General Liability coverage is carried by: **FARMERS INSURANCE EXCHANGE**  
The Directors & Officers coverage is carried by: **FARMERS INSURANCE EXCHANGE**  
The Fidelity Bond coverage is carried by: **FARMERS INSURANCE EXCHANGE**  
The Earthquake coverage is carried by: **INSURANCE CO OF THE WEST**

The Agent who services this policy, and whose advice is used by the Association on insurance matters, is:

**AGENT: CHRIS DININO-LICENSE#0E41640**  
**925 SOUTH ORANGE STREET**  
**ESCONDIDO, CA 92025**  
**(760) 746-3200**  
**chris@dinoinurance.com**

The Sunstream Homeowners Association does carry a Master Policy of Property coverage on the buildings, which is under the property coverage part of the policy. The property coverage limit is \$59,561,073.00 for all Common Area buildings with a **\$25,000.00** deductible. The limits of coverage under the liability policies meet the requirements of California Civil Code §5805.

Liability coverage for the Association is carried in the amount of \$5,000,000.00 per occurrence, and \$7,000,000.00 aggregate with no deductible. The Directors & Officers coverage for the Association is carried in the amount of \$1,000,000.00 with no deductible. Fidelity Bond coverage for the Association is carried in the amount of \$2,000,000.00 with no deductible. Earthquake coverage for the Association is carried in the amount of \$30,000,000.00 with a 5% deductible. The association is not responsible for the deductible. The Association does not carry Flood Insurance.

**The deductible for filing a claim on the Association's policy is \$25,000.00. The association is not responsible for the deductible.** When a loss occurs we recommend that you contact your professional Community Association Manager to assist in answering any questions that you may have. This will ensure that the Association is keeping the necessary information on file, and will help to expedite the matter on the owner's behalf. You can reach your professional Community Association Manager by calling (858) 587-9844.

**IT IS THE RESPONSIBILITY OF EACH OWNER TO INDIVIDUALLY OBTAIN ADEQUATE COVERAGE FOR HIS/HER OWN PERSON OR PROPERTY. OWNERS ARE STRONGLY ENCOURAGED TO REVIEW THEIR INDIVIDUAL POLICIES WITH THEIR OWN INSURANCE PROVIDERS RELATIVE TO THE ASSOCIATION'S POLICY TO AVOID DEFICIENT OR DUPLICATIVE COVERAGE.**

This summary of the Association's policies of insurance provides only certain information, as required by Section §5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, 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.

<b>ACORD™ CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YY)
<b>PRODUCER</b> Chris DiNino - License #0E41640 235 W. 5th Ave, Suite 110 ESCONDIDO, CA 92025 (760)746-3200	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
<b>INSURERS AFFORDING COVERAGE</b>		
<b>INSURED</b> SUNSTREAM HOA C/O CURTIS MGMT CO 5050 AVENIDA ENCINAS, SUITE 160 CARLSBAD, CA 92008	INSURER A: FARMERS INSURANCE EXCHANGE INSURER B: MID-CENTURY INSURANCE INSURER C: FEDERAL INSURANCE COMPANY INSURER D: INSURER E:	

### COVERAGES

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

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
<b>A</b>	<b>GENERAL LIABILITY</b>	60248-47-65	02/14/19	02/14/20	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$ 75,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					PRODUCTS - COMP/OP AGG \$ 1,000,000
<b>A</b>	<b>AUTOMOBILE LIABILITY</b>	60248-47-65	02/14/19	02/14/20	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS				
<input checked="" type="checkbox"/> NON-OWNED AUTOS					
<b>A</b>	<b>GARAGE LIABILITY</b>				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
<b>C</b>	<b>EXCESS LIABILITY</b>	G71348842	02/14/19	02/14/20	EACH OCCURRENCE \$ 5,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 5,000,000
	<input type="checkbox"/> DEDUCTIBLE				\$
	<input type="checkbox"/> RETENTION \$				\$
					\$
<b>B</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>	A9047 00 13	02/14/19	02/14/20	WC STATU-TORY LIMITS OTH-ER
					E.L. EACH ACCIDENT \$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
					E.L. DISEASE - POLICY LIMIT \$ 1,000,000
<b>A</b>	<b>OTHER</b>	60248-47-65	02/14/19	02/14/20	\$59,561,073 (\$25,000 Deductible) 259 UNITS WALLS-IN E-3418 E6326
<b>BUILDING COVERAGE</b> <b>GUARANTEED REPLACEMENT COST</b>					

### DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

A- EMPLOYEE DISHONESTY/FIDELITY - \$2,000,000 (Management Co is additional insured)  
 A- DIRECTORS & OFFICERS LIABILITY - \$1,000,000 (Management Co is additional insured)  
 D- EARTHQUAKE \$30,000,000 5% Deductible 9/7/19 TO 9/7/20 Ins of the West / Underwriters Lloyds  
 G.L. INCLUDES SEPARATION OF INSURED, BUILDING ORDINANCE and MECHANICAL BREAKDOWN; BETTERMENTS AND IMPROVMENTS subject to HOA CC&R's

<b>CERTIFICATE HOLDER</b>	<b>ADDITIONAL INSURED; INSURER LETTER:</b> <b>A</b>	<b>CANCELLATION</b>
		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <b>30</b> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
		AUTHORIZED REPRESENTATIVE

**SUNSTREAM HOMEOWNERS ASSOCIATION**  
**ANNUAL CIVIL CODE §5300 FHA AND VA STATEMENT**

---

**FEDERAL HOUSING ADMINISTRATION – FHA**

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

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

**DEPARTMENT OF VETERANS AFFAIRS – VA**

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

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

## **SUNSTREAM HOMEOWNERS ASSOCIATION COLLECTION POLICY**

1. Assessments are due on the first day of the month. In compliance with Civil Code §5655 all payments are applied first to the oldest assessments owed, then when those are paid in full, payments shall be applied to the fees and costs of collection, then attorney's fees, then late charges or interest. The billing statement is a courtesy provided to homeowners: assessments are due whether you receive a bill or not. Neither the Board of Directors nor Management can be responsible for lost or slow movement of mail.
2. Any assessment not paid within thirty (30) days after the due date shall be delinquent and a late fee of \$10.00 and shall bear interest at the rate of ten percent (10%) per annum from the due date until paid in full. In addition, the Association shall be entitled to recover its reasonable costs incurred in collecting delinquent assessments, including reasonable attorney's fees and interest at the rate of ten percent (10%) per annum on all such unpaid delinquent assessments, costs and fees commencing thirty (30) days after the assessment becomes due.
3. There is a \$20.00 charge for all returned checks.
4. Not less than sixty (60) days after the due date, the Board of Directors may forward the delinquent account to the Association's Attorney or lien service for collection. A Fair Debt Collection letter will be sent to the delinquent owner. If payment is not received within thirty (30) days after the Fair Debt Collection letter has been sent, a Pre-Lien letter will be sent to the delinquent owner. The delinquent owner shall bear all costs and attorney's fees associated with collecting the delinquent sum.
5. The attorney or lien service shall be authorized to use their discretion in the manner of collecting the delinquent assessments, including, but not limited to correspondence with the owner and the recording of the assessment lien. With Board approval, such lien may be foreclosed, by judicial or non-judicial procedures not less than 30 days after recordation, and for liens recorded after January 1, 2006, in compliance with civil code section §5705 and §5720. With Board approval, the Board reserves the right to seek collection of delinquent assessments, late charges, interest, fees and costs in Small Claims Court.
6. After filing of a lien, a delinquent owner who disputes the assessment may choose to pay under protest the entire disputed assessment, late charges, interest, fees and costs within 30 days. This must be done in writing, and sent by certified mail with the payment. The Association will then provide notice to the owner that the dispute may be resolved through alternative dispute resolution, civil action, or other procedures. This option is available up to two times per year or up to three times in five years.

### **IMPORTANT NOTICE: If your separate interest is placed in foreclosure because you are behind in your assessments, it may be sold without court action.**

7. Upon payment in full of all sums owing to the Association, including costs and attorney fees, the Association shall cause a "release" to be filed with respect to any lien that may have been recorded.
8. Upon 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 Civil Code Section §4040 to the secondary address provided. The owner's request shall be in writing and shall be mailed to the association in a manner that shall include 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.

**Please be advised, debtors have certain rights under the Federal Fair Debt Collection Practices Act. The Association may use an agent for the purposes of collection of debts. Any information provided to the Association or its agents will be used for the purpose of collection of debt. Debtors have thirty (30) days from the date of the Intent to Lien Notice to contest and seek verification of the debt. The act does not prohibit the Association from continuing its efforts to collect the debt during the thirty (30) days. Thus, the Association will proceed with the lien as stated in this policy, unless the debtor seeks verification of the debt within thirty (30) days of the notice. If the debtor seeks verification of the debt within thirty (30) days of the notice, the Association will stay collection efforts during that period of time it is providing the required information.**

**Payment on delinquent assessments may be sent overnight to:  
Sunstream Homeowners Association  
c/o Curtis Management Company  
5050 Avenida Encinas, Suite 160 Carlsbad, CA 92008**

**SUNSTREAM HOMEOWNERS ASSOCIATION**  
**STATEMENT OF ASSOCIATION'S POLICIES AND PRACTICES IN ENFORCING LIEN RIGHTS**

---

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 §5730 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. (§5600-§5730 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. (§5610 and §5650 of the Civil Code)

The association must comply with the requirements of §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. (§5650 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide to 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. (§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. (§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. (§5650 of the Civil Code) An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by 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 Civil Code §5658. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Civil Code §5670, 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 collections, if it is established that the assessment was paid properly on time. (§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. (§5665 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. (§5665 of the Civil Code)

## Sunstream Homeowners Association

### Violation Disciplinary Procedure and Monetary Penalty (Fine) Schedule

This document sets forth Sunstream Homeowner Association's procedure for imposing disciplinary actions (including Schedule of Fines) for violations of the Association's governing documents, in accordance with the Davis-Stirling Common Interest Development Act and the Association's Governing Documents.

This **Violation Disciplinary Procedure and Monetary Penalty (Fine) Schedule** will supersede and replace the all previously adopted policies and schedules concerning the same subject matter.

1. Authority of the Association's Board of Directors. The Board of Directors (Board), pursuant to Bylaws sections 5.2 and 9.11, and CC&Rs section 5.6, has the authority to adopt and establish rules, regulations and procedures (collectively, "Rules") governing the use of Common Area and facilities within Sunstream, the personal conduct of Members, tenants, licensees and guests, and to take steps as it deems necessary for the enforcement of such Rules and the Association's Governing Documents.
2. Member Responsibility. Each Unit Owner is a Member of the Association and is responsible for complying with the Governing Documents (CC&Rs sections 3.1, 10.14, 11.9). Owners are required to give their tenants, if any, copies of the Governing Documents and any amendments thereto. Owners are also responsible for ensuring that their tenants, invitees, guests, and Unit occupants comply with the Governing Documents. In the case of violations by tenants, invitees, guests and Unit occupants who are not Members of the Association, the Association will notify the Unit Owner of violations. Any fines, or other discipline imposed, for non-compliance, including reimbursement charges, will be imposed against the Owner of the Unit. Discipline in the form of suspension of the use of recreational facilities will be against the tenant(s).
3. Warning Notice. When a violation is noted or reported, the Association shall give written notice to the Owner of the violation. The notice will contain a description of the violation, instructions regarding response to the notice and a deadline to correct the violation, which deadline shall be reasonably determined in the sole discretion of the Association.
4. Notice of Hearing. If the violation is not corrected or continues or is repeated, the Association shall give the Owner a second notice of the violation, which is a notice of hearing. The notice of hearing shall be given at least fifteen (15) days before the meeting at which the Board will determine whether to impose a monetary fine or other discipline, such as temporarily suspending any rights or privileges, including voting rights, or levying a reimbursement charge, and the discipline imposed, if any, will be effective 5 days after the Board's decision. The notice of hearing shall:
  - a. Identify the Governing Document provision that has been violated;
  - b. Describe the nature of the violation;
  - c. Identify the date, time and place of the meeting;
  - d. Describe the corrective action to be taken by the Member and the time within which it must be done (if applicable);

---

Adopted 02-06-2018

- e. Describe intended or possible sanctions(s); and
- f. Inform the Member that he or she has the opportunity to attend the meeting and to address the Board regarding the alleged violation. (Civil Code § 5855.)

The hearing may be in open or executive session, at the discretion of the Board, unless the Member requests the meeting to be held in executive session. If the Member's failure to correct a violation results in the expenditure of funds by the Association to correct the violation, the notice shall also state that the Board may vote to levy a reimbursement charge if the Board finds that a violation has occurred and the Association has incurred an expense to bring the Owner into compliance with the Governing Documents.

The notice shall either be given personally to such Member or sent by first-class or certified mail, at the Board's discretion, to the last address for the Member shown on the Association's records.

- 5. Hearing. The Board shall conduct the hearing. The accused Member is entitled to attend the hearing and to address the Board. The President or acting Chair of the Board ("Chair") shall read the alleged violations against the Member. The accused Member may present evidence and testimony on his or her behalf, examine and refute all evidence presented and question any accusers or witnesses. The Board is entitled to question all parties and witnesses. The Board shall have the exclusive power and authority to impose disciplinary action.
- 6. Imposing Disciplinary Action. The Board may impose one or more disciplinary actions if it determines that a Member or his tenant, invitee, guest or Unit occupant, or a tenant's guest, has committed a violation of a particular Governing Document provision. This action may be imposed even if the Member does not appear at the scheduled hearing or does not submit a written explanation to the Board or management at or before the time scheduled for the hearing. As provided in the CC&Rs at section 2.2.b and Bylaws section 5.2, disciplinary action may include suspension of voting and recreational facility use rights, and/or monetary penalties (i.e. fines) as follows:
  - a. Suspension of Rights. A Member's membership rights and privileges may be suspended during any period of time that the Member is delinquent in the payment of assessments. In addition, a Member's membership rights and privileges may be temporarily suspended for a period not to exceed thirty (30) days, at the discretion of the Board, for any violation of the Association's Governing Documents.
  - b. Monetary Penalties i.e. Fines. Imposition of fines in accordance with the Association's current Schedule of Fines.

In the case of continuing violations, such as uninterrupted architectural violations, the Board may impose additional disciplinary action once every thirty (30) days until the violation is remedied, provided that procedural requirements are followed (i.e., notice and hearing is provided before discipline is imposed). Repeated or habitual violations within a thirty (30) day period, such as parking violations, shall not constitute a continuing violation but shall be a separate violation for each occurrence, and disciplinary action may be imposed for each and every separate violation, after notice and hearing.

- 7. Notice of Board's Decision; Effective Date of Sanction. The Association shall notify the Member of the Board's decision, in writing, within fifteen (15) days after making its decision. Failure to notify the Member within such 15-day period shall invalidate the Board's action. A suspension, fine or reimbursement charge shall become effective no sooner than five (5) days after the date of the Board's decision.

8. Payment of Fines. Fines (also known as “monetary penalties”) are due when imposed and are deemed delinquent if not paid within fifteen (15) days after they are due. The Association may commence a lawsuit to compel payment of delinquent fines and to recover attorney’s fees and costs of enforcement.
9. Schedule of Fines. The Schedule of Fines adopted by the Board is attached to this Procedure.
10. Additional Corrective Measures; Reimbursement Charges. The imposition of fines and the temporary suspension of voting and use rights are in addition to the requirement that Members comply with the Governing Documents. Compliance may include, but is not limited to, correcting, repairing or replacing non-complying conditions, all at the Member’s expense by, for example, levy of a reimbursement charge against such Member and his or her Unit (see CC&Rs, section 4.4 and 10.14).
11. Other Remedies. The Association reserves the right to avail itself of any other remedy permitted by law and the Governing Documents to enforce the provisions of the Association’s Governing Documents (including Rules). These remedies include, but are not limited to, requesting internal dispute resolution, requesting that the matter be submitted to some form of alternative dispute resolution such as mediation or arbitration, right of entry to correct a violation after notice and hearing under CC&Rs, section 5.5, or bringing an action in court. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy.
12. CC&R and Bylaw Provisions Applying to Hearings and Fines. The CC&Rs, sections 5.6 and 10.14 and the Bylaws, section 5.2, address and apply to the holding of hearings and imposition of fines and other sanctions against Members.
13. Association Duty of Enforcement. Failure by the Association to enforce any provision of the Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.
14. Amendment of Procedure. As provided in Civil Code §4355(b)(4) and (5), the Association change this policy without a prior membership review period (1) where a rule change is required by law, if the Board has no discretion as to the substantive effect of the rule change, and (2) if the change merely repeats existing law or the governing documents.

## MONETARY PENALTY (FINE) SCHEDULE

1. If the Board finds a violation of the governing documents, a monetary penalty (fine) of up to \$200.00 may be imposed for each separate violation of the governing documents. In addition:
  - (a) For violations which are not continuous:
    - a. If a Member violates the same provision of the governing documents on two separate occasions within any 12-month period, the Member will be subject to a monetary penalty (fine) of up to \$400.00 for the second offense.
    - b. If the Member violates the same provision three or more times within any 12-month period, the member will be subject to monetary penalties (fines) for the third and subsequent violations of up to \$600.00 each.
  - (b) For continuous violations, whether architectural, or constituting a nuisance, or otherwise:
    - a. Continuous violations will be considered a violation every day from the first day of the violation until remedied in full.
    - b. Continuous violations are subject to a monetary penalty (fine) of up to \$100.00 per day for every day of the violation, whether consecutive or not, until the violation is remedied, subject to a maximum monetary penalty (fine) of \$3,000.00 per calendar month.
  - (c) Multiple violations, whether non-continuous or continuous, may be addressed in one or more Notice(s) of Intent to Impose Discipline to the owner and may be the subject of and heard at one or more executive session hearing(s).
2. Unless prohibited by other governing documents, and if allowed by law, the Board take legal action or correct, remedy or cure a violation, and seek a reimbursement assessment against the Member, or file a memorandum of costs or motion for attorneys' fees, to recover costs, expenses and attorneys' fees incurred by the Association.
3. If a violation is found which causes the Association to incur a financial obligation or expense, then the Member responsible for the violation will be subject to a reimbursement assessment in the amount of the obligation or expense incurred by the Association after proper notice and a hearing to the extent allowed by law.
4. A monetary penalty (fine) imposed by the Association as a disciplinary measure for failure of a Member to comply with the governing documents, may be treated as and is hereby an assessment that may become a lien against the Member's separate interest, but such lien may not be enforced by the sale of the interest under Sections 2924, 2924b, and 2924c (non-judicial foreclosure).

**SUNSTREAM HOMEOWNERS ASSOCIATION**  
**INFORMATION FOR OWNERS REGARDING THE LAW ON DISPUTES BETWEEN**  
**HOMEOWNER ASSOCIATIONS AND ASSOCIATION MEMBERS**

---

Dear Homeowner:

Amended in January 2005, California Civil Code §5900 through §5965 requires certain types of disputes between homeowner associations and their members, or between members themselves, to be submitted to arbitration or mediation (collectively called “Alternative Dispute Resolution”). This law first went into effect January 1, 1994, and prohibits the filing of a lawsuit until after certain conditions have been met. This law will affect you if you have a dispute with the Association or with another homeowner.

The law applies only to disputes regarding the Association’s “governing documents”, which include the CC&R’s, By-Laws, Articles of Incorporation, and Rules and Regulations. Further, it applies only to two types of cases. The first type of case is “declaratory relief.” In this type of case a party is asking the court to declare or interpret the parties’ rights or obligations under one or more of the governing documents. The second type of case is “injunctive relief”. Here, a party is asking the court to order the other party to do something, or to stop doing something. Either type of case may also include a claim for money damages as long as it does not exceed \$5,000.00. The new law does not apply to cases, which seek only monetary damages, or to cases involving assessments.

The Alternative Dispute Resolution procedure is commenced by serving upon the other party an offer to submit the dispute to arbitration or mediation. The offer is called a “Request for Resolution”. The law requires that this document contain certain mandatory language.

The party receiving a Request for Resolution has thirty (30) days to respond. If the party accepts it, the arbitration or mediation must be completed within ninety days. If the offer is refused, the other party may then file its lawsuit. Refusing arbitration or mediation does carry a risk. If the court awards attorneys’ fees and costs, it may consider the party’s refusal to participate in arbitration or mediation when considering the amount of the award.

The law contains a number of other technical provisions and requirements, and it should be read in its entirety and discussed with your own legal counsel. It does, however, require the Association to quote the following language in this letter:

**“Failure by any member of the Association to comply with the alternative dispute 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.”**

Sincerely,

*Sunstream Homeowners Association*

*Board of Directors*

## **SUNSTREAM HOMEOWNERS ASSOCIATION INTERNAL DISPUTE RESOLUTION PROCEDURES**

---

Sunstream Homeowners Association ("the Association") will continue to provide a fair, reasonable, and expeditious procedure for resolving disputes between an Association and any Member of the Association involving the Member's rights, duties, or liabilities under the Davis-Stirling Act, the Nonprofit Mutual Benefit Corporation Law, or under the governing documents of the Common Interest Development or Association. The procedures for dispute resolution, as now set forth in *California Civil Code §5900 through §5965*, are as follows:

1. Either party to the dispute may deliver a written request to the other party seeking to meet and confer in an effort to resolve the dispute. A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
2. The Association's Board of Directors shall designate up to two Members of the Board of Directors to meet and confer.
3. 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.
4. 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.
5. A written agreement reached using these procedures will bind the parties and is judicially enforceable if it is signed by both parties and both of the following conditions are satisfied:
  - (a) The agreement is not in conflict with law or the governing documents of the common interest development or Association.
  - (b) The agreement is either consistent with the authority granted by the Board of Directors to its designee or the agreement is ratified by the Board of Directors.
6. A Member of the Association shall not be charged a fee to participate in this process.

# ARCHITECTURAL REVIEW PROCESS FOR THE SUNSTREAM HOMEOWNERS ASSOCIATION

---

Please consider this to be your notice regarding the Architectural Process for the Sunstream Homeowners Association. This notice is generated in compliance with California Civil Code §4765. The Association's Architectural Process is listed on page 17 of the Declaration of Covenants, Conditions & Restrictions. This page covers the Architectural Process under Article VI, which is entitled "ARCHITECTURAL CONTROL" and the appeal process covered under California Civil Code Section §4765.

This section states, "No building, fence, wall, patio, other structure or improvement, shall be commenced, erected, placed or altered upon the Recreation Area or Common Area (including the Patio Exclusive Use Area) until the location and the complete plans and specifications showing the nature, kind, shape, height and materials, including the color scheme, have been submitted to and approved in writing as to harmony of external design and location to surrounding structures and topography by the Board, or by an architectural committee appointed by the Board and composed of three (3) or more, but not to exceed five (5), representatives. In the event the Board or its designated committee fails to approve or disapprove such location, plans, and specifications or other request made of it within thirty (30) days after the submission thereof to it, then such approval will not be required, provided that any structure or improvement so to be erected or altered conforms to all other conditions and restrictions herein contained, and is in harmony with similar structures erected within the Project. The grade, level or drainage characteristics of the Condominium Property or any portion thereof, shall not be altered without prior written consent of the Board or its designated committee. The provisions of this Article shall not apply to the initial construction by Declarant of Condominiums or other improvements to the Condominium Property or Recreation Area, and neither the Board nor any committee appointed by the Board shall have any authority or right to approve or disapprove the initial construction by Declarant of Condominium Property or Recreation Area."

Appeal Process – California Civil Code,

"If a proposed change is disapproved, the applicant is entitled to reconsideration by the board of directors of the association that made the decision, at an open meeting of the board. This paragraph does not require reconsideration of a decision that is made by the board of directors or a body that has the same membership as the board of directors, at a meeting that satisfies the requirements of Civil Code. Reconsideration by the board does not constitute dispute resolution within the meaning of Civil Code.

Should you require an additional Architectural Application please feel free to contact Curtis Management Company by calling (858) 587-9844, and an Architectural Application can be provided to you. As always, should you have any questions relating to the Architectural Process for the Sunstream Homeowners Association please feel free to contact your Property Manager for further clarification.



**SUNSTREAM HOMEOWNERS ASSOCIATION**  
**ANNUAL POLICY STATEMENT CIVIL CODE §5310 ADDITIONAL DISCLOSURES**

---

**STATEMENT OF ASSOCIATION OUTSTANDING LOANS [CIV. CODE SECTION §5300(B)(8)]**

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

**DESIGNATED AGENT FOR RECEIPT OF ASSOCIATION MAIL [CIV. CODE SECTION §4035]**

*The name and address of the person designated to receive official communications on behalf of the Association is as follows:*

*Patrick Campbell, Managing Agent  
Curtis Management Company  
5050 Avenida Encinas, Suite 160  
Carlsbad, CA 92008  
(858) 587-9844*

**SECONDARY ADDRESSES FOR OWNERS [CIV. CODE §4040]**

*As provided in Civil Code §4040(b) owners have a right to receive (1) annual reports the Association is required to provide to owners and for (2) mailings and notices related to assessment payments, delinquencies and foreclosures at an additional address if they submit a secondary address to the Association. The owner's request must be in writing and must be sent to the Association in the manner provided in Civil Code §4035 and §5260.*

**POSTING LOCATION OF GENERAL NOTICES [CIV. CODE §4045]**

*The location designated for posting of a General Notice may be found at the bulletin board at the lower pool clubhouse and at postal box locations.*

**INDIVIDUAL DELIVERY NOTICE [CIV. CODE §4045(b)]**

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

**AVAILABILITY OF MINUTES [CIV. CODE §4950]**

*The minutes or a summary of minutes of a Board meeting, other than an executive session are available to members within 30 days of the meeting. Minutes, proposed minutes, or summary of minutes will be distributed to any member upon written request and upon reimbursement of the Association's costs for making that distribution.*

*In order to make a request for a copy of minutes, members should contact the property manager via e-mail, fax and/or in writing.*

**ITEMS DEFERRED FOR MAINTENANCE, REPAIR OR REPLACEMENT [CIV. CODE §5300(B)(4)]**

*In accordance with Civil Code §5300(b)(4) and as of the date of this letter, the Board has chosen not to defer and will undertake replacement of any major component with a remaining life of 30 years or less.*

**ANNUAL REQUEST FOR OWNER'S ADDRESS  
FOR ASSOCIATION COMMUNICATIONS**

**SUNSTREAM**

c/o Curtis Management Company  
5050 Avenida Encinas, Suite 160  
Carlsbad, CA 92008

Account #: NJ-

Dear Homeowner,

Please note that Civil Code §4041 requires owners to provide the below information to the Association annually. Please complete this form and return it to the Association no later than March 15, 2020. You may return this form with your assessment payment or mail it to the address noted above.

**Please PRINT Legibly**

- (1) Names of Owner(s) \_\_\_\_\_
- (2) Address of property (Lot/Unit) within Association \_\_\_\_\_
- (3) The address or addresses to which notices from the Association are to be delivered. **Please understand that your billing statement and all notices will be mailed to this address.** \_\_\_\_\_
- (4) An alternate or secondary address to which notices from the Association are to be delivered. ***You are not required to designate a secondary address. If you designate a secondary address, this address will only be used to send assessment collection notices and the annual budget report/ annual policy statement.*** \_\_\_\_\_
- (5) The name and address of the owner's legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of the owner's extended absence from the separate interest.  
Attorney: \_\_\_\_\_  
Person with Power of Attorney \_\_\_\_\_  
(A copy of the power of attorney must be provided.)  
Other Contact in the Event of Prolonged Absence \_\_\_\_\_
- (6) Please mark answers to the questions below:  
Owner-occupied?      ☐ Yes    ☐ No  
Rented or Leased?    ☐ Yes    ☐ No  
Vacant?                ☐ Yes    ☐ No  
Undeveloped Land?   ☐ Yes    ☐ No

Please note that pursuant to Civil Code §4041, if you fail to provide the information for notices as set forth in paragraphs (3) and (4), the last address provided in writing by the owner or, if none, the property address will be used for delivery of all Association communications.

Sunstream Board of Directors

## Sunstream Homeowners Association

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

### CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525\*

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

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

Property Address: \_\_\_\_\_

Owner of Property: \_\_\_\_\_

Owner's Mailing Address: \_\_\_\_\_  
(if known or different from property address)

Provider of the **Section 4525** Items:

Cathleen Wetherby	Operations Manager	Curtis Management Company	1-15-2019
Print Name	Position or Title	Association or Agent	Date Form Completed

Check or Complete Applicable Column or Columns Below:

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Articles of Incorporation (or statement that not incorporated)	Section 4525(a)(1)	\$10.00	
CC&Rs	Section 4525(a)(1)	\$25.00	
Bylaws	Section 4525(a)(1)	\$10.00	
Operating Rules	Section 4525(a)(1)	\$5.00	
Age Restrictions, if any	Section 4525(a)(2)		Refer to the Demand
Rental Restrictions, if any	Section 4525(a)(9)	\$0.00	Refer to CC&Rs
Annual Budget Report (or summary, including Reserve Study)	Sections 5300 and 4525 (a)(3)	\$10.00	
Assessment and Reserve Funding Disclosure Summary	Sections 5300 and 4525 (a)(4)	\$0.00	Included in Budget
Financial Statement Review	Sections 5305 and 4525(a)(3)	\$25.00	
Assessment Enforcement Policy	Sections 5310 and 4525(a)(4)		Included in Budget
Insurance Summary	Sections 5300 and 4525 (a)(3)		Included in Budget
Regular Assessment	Section 4525(a)(4)		Refer to the Demand
Special Assessment	Section 4525(a)(4)	\$0.00	Refer to the Demand
Emergency Assessment	Section 4525(a)(4)		Refer to the Demand

## Sunstream Homeowners Association

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Other Unpaid Obligations of Seller	Sections <b>5675</b> and <b>4525(a)(4)</b>		Refer to the Demand
Approved Changes to Assessments	Sections <b>5300</b> and <b>4525(a)(4), (8)</b>		Included in Budget
Settlement Notice Regarding Common Area Defects	Sections <b>4525(a)(6), (7)</b> and <b>6100</b>		Refer to the Demand
Preliminary List of Defects	Sections <b>4525(a)(6), 6000</b> and <b>6100</b>		Refer to the Demand
Notice(s) of Violations	Sections <b>5855</b> and <b>4525(a)(5)</b>		Refer to the Demand
Required Statement of Fees	Section <b>4525</b>	<b>\$165.00</b>	aka Demand
Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested)	Section <b>4525(a)(10)</b>	<b>\$45.00</b>	
<b>Total fees for these documents:</b>		<b>\$ \$295.00</b>	

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

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

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

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

Please note: The fees listed are an estimate and the actual fees charged for the documents may be different than this amount. Other fees including, but not limited to, Transfer Fees, Capital Contributions, Collection fees, etc. may be assessed to each property and will be disclosed on the Statement of Fees (Demand), and are not included within estimated charges outlined within this form.