

THE BOULDERS CONDOMINIUM ASSOCIATION

c/o Associa Sierra North  
10509 Professional Circle Suite 200  
Reno, NV 89521

November 28, 2023

Dear Member of The Boulders Condominium Association,

In the following pages you will find documents pertaining to your Association’s budget, policies, and disclosure requirements. Please take a moment to read these documents carefully as each is important to the operation of your association and may impact you or your home.

Annual Budget Report

The most important document enclosed is your 2024 Operating Budget. The Board of Directors and Associa Sierra North are tasked with ensuring a secure financial future of the Association’s assets and your home value. The budget for 2024 was approved by the Board of Directors with the intent of providing this security as well as maintaining and enhancing the community’s facilities, appearance, and resident’s quality of life.

After review of previous years’ expenses and anticipated future expenses, the Board of Directors has approved an increase in the Annual Budget for 2024 of 9.5%. The 2024 Monthly Assessment becomes effective January 1, 2024. Statements and/or coupon books will be mailed to you prior to this date. Assessments will be as follows:

<u>Unit Type</u>	<u>Monthly Assessment</u>
Condo	\$ 490.00
Single Family Residence	\$ 613.00
Developer Lot	\$ 247.00

Also enclosed, please find the 2024 Reserve Study Summary and Funding Disclosure Summary. These documents review the Association’s reserve fund. The reserve fund and the funding plan are established to provide for the maintenance and replacement of the Association’s capital assets and major components. The Board of Directors does not anticipate a Special Assessment to provide adequate reserve funds to repair, replace, or restore any major association component.

Annual Policy Statement

The Rules and Policies included in this package are important documents in the governance of your Association. Please read these documents carefully as they are guidelines for the Association, homeowners, and residents.

The Disclosure Documents are included to keep all owners aware of all owner’s rights and responsibilities and applicable laws. While these disclosures are required by California Civil Code, we do feel it is important for all association members to be fully informed.

Thank you for your time in reviewing these important documents. We recommend you keep these documents with other important information about your home. This information can be helpful for working with the Association or in the sale or refinance of your home. If you should have any questions or concerns, please do not hesitate to contact our office.

Sincerely,

Associa Sierra North on behalf of The Boulders Board of Directors

# THE BOULDERS CONDOMINIUM ASSOCIATION

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The Boulders Condominiums  
Budget 2024 - Approved

Unit Revenue per Month	2022	2023	2024
Increase		10%	9.50%
Condo	\$406.84	\$447.52	\$490.00
SFR	\$508.55	\$559.41	\$613.00
Developer Lot	\$217.30	\$225.12	\$247.00

The Boulders Condominiums  
Budget 2024 - Approved

Operating Fund

Revenue

		2023	2023	2023	2023	2024
		Approved	Actual	***Estimated***	***Forecasted**	***Approved***
		Budget	thru Sept 2023	Oct-Dec 2023	full year 2023	Budget
40100-00-01	Assessment Income Common	1,121,410	818,651	278,141	1,096,792	1,246,620
40150-00-01	Special Assessment Income Common	0	402,882	0	402,882	0
40200-00-01	Penalty and Interest Fees Common	0	1,121	0	1,121	0
40350-00-01	Insurance Claim Proceeds	0	2,865	0	2,865	0
40600-00-01	Other Income Common	0	570	0	570	0
40700-00-01	Reserve Allocation Common	(381,199)	(285,899)	(95,298)	(381,197)	(450,000)
41250-00-01	Capital Contribution Common	0	0	0	0	0
Total Revenue		740,211	940,190	182,843	1,123,033	796,620

Expense

		2023	2023	2023	2023	2024
		Approved	Actual	***Estimated***	***Forecasted**	***Approved***
		Budget	thru Sept 2023	Oct-Dec 2023	full year 2023	Budget
<b>Administration</b>						
50050-00-01	Accounting & Tax Services	2,750	495	2,405	2,900	2,750
50100-00-01	Insurance	113,775	85,089	31,443	116,532	138,000
50150-00-01	Management Fee	81,178	65,933	30,000	95,933	88,000
50200-00-01	Office/Meeting Expense	5,000	2,645	2,000	4,645	5,000
50300-00-01	Legal Fees	6,000	12,900	1,000	13,900	6,000
50450-00-01	Collections	0	0	0	0	0
	Depreciation	0	0	0	0	0
	Contingency	88,296	0	0	0	14,970
Administration Sub Total		296,999	167,062	66,848	233,910	254,720

Common Area Maintenance

52020-00-01	Building Maintenance	52,000	27,756	3,000	30,756	12,000
52025-00-01	Grounds Maintenance-Landscaping Contract/Other	70,000	85,138	5,000	90,138	70,000
52035-00-01	Grounds Maintenance - Maintenance & Supplies	23,000	0	5,000	5,000	12,000
	Buildings and Grounds Contract Labor pass-thru		0	12,000	12,000	83,000
52050-00-01	Signage	10,100	0	0	0	1,000
52060-00-01	Pest Control	1,000	0	0	0	1,000
52065-00-01	Bird Abatement	0	0	0	0	0
52070-00-01	Elevator Service/Maintenance	5,000	2,858	2,000	4,858	10,000
52080-00-01	Alarm/Fire Systems	20,000	1,797	15,000	16,797	20,000
	Insurance claims/repairs		0	0	0	0
52100-00-01	Snow Removal-Roads/Driveway	87,000	72,760	32,000	104,760	96,000
52105-00-01	Snow Removal-Roof	8,000	374,350	0	374,350	50,000
52115-00-01	Snow Removal-Other	0	20,042	4,000	24,042	20,000
Common Area Maintenance Sub Total		276,100	584,701	78,000	662,701	375,000

Pool, Spa & Rec Facility

53010-00-01	Pool/Spa Service Contract	21,000	14,500	7,000	21,500	12,000
53030-00-01	Spa Repair	3,000	4,328	1,500	5,828	5,000
53040-00-01	Pool/Spa Supplies	6,200	11,722	2,000	13,722	8,000
53050-00-01	Pool/Spa Permits/Fees	990	0	1,000	1,000	1,000
53060-00-01	Pool/Spa Water Utilities	4,152	3,688	1,000	4,688	4,800
53070-00-01	Pool/Spa Electricity	6,500	5,843	1,500	7,343	7,500
53080-00-01	Pool/Spa Natural Gas	15,000	10,645	4,000	14,645	18,000
53090-00-01	Pool/Spa Security/Alarms/DSL	720	1,662	500	2,162	1,800
53100-00-01	Pool/Spa/Rec Bldg/Gate Maintenance	1,800	4,254	0	4,254	2,400
53110-00-01	Rec Center Janitorial Contract	7,000	4,282	3,248	7,530	7,600
53120-00-01	Rec Center Equipment	4,750	916	5,000	5,916	1,800
Pool, Spa & Rec Facility Sub Total		71,112	61,840	26,748	88,588	69,900

Utilities

55010-00-01	Electricity	85,000	74,372	3,200	77,572	85,000
55020-00-01	Water & Sewer	11,000	9,596	1,600	11,196	12,000
Utilities Sub Total		96,000	83,968	4,800	88,768	97,000

Other Expenses

56010-00-01	Income Taxes	0	0		0	0
Other Expenses Sub Total		0	0		0	0
Excess of Revenue Over/(Under) Expenses		0	42,619	6,447	49,066	0

Transfers

Fund Balance Carry Over-Estimate Beg of Year	0					76,028
Fund Balance Carry Over-Estimate End of Year	0	n/a	n/a	26,962		76,028
		n/a	n/a	76,028		76,028

The Boulders Condominiums  
Budget 2024 - Approved

Replacement Fund

Revenue

	2023	2023	2023	2023	2024
	Approved	Actual	***Estimated***	***Forecasted**	***Draft***
	Budget	thru Sept 2023	Oct-Dec 2023	full year 2023	Budget
41100-00-02 Reserve Income Common	381,199	285,899	95,298	381,197	450,000
41200-00-02 Interest Income Reserve Common	0	34,831	16,000	50,831	50,000
41350-00-02 Unrealized Gains/Loss Income-Reserve	10,000	(4,736)	0	(4,736)	0
<b>Total Revenue</b>	<b>391,199</b>	<b>315,994</b>	<b>111,298</b>	<b>427,292</b>	<b>500,000</b>

Expense

61000-00-02 Paving-Reserve	51,616	35,138	0	35,138	8,000
61250-00-02 Concrete-Reserve	2,443	0	2,200	2,200	15,000
61500-00-02 Painting-Exterior-Reserve	141,403	90,100	5,000	95,100	108,000
61750-00-02 Painting-Interior-Reserve	1,925	0	0	0	0
62000-00-02 Structural Repairs-Reserve (including stucco)	0	0	0	0	15,000
62250-00-02 Decking/Balconies-Reserve	14,350	0	0	0	110,000
62500-00-02 Roofing/Heat Tape/Gutter-Reserve	119,550	67,047	20,000	87,047	250,000
Roofing Major Repair Projects (2024 split out)	0	0	0	0	50,000
Fire Alarm System	0	0	0	0	0
Gutters/Heat Tape (2024 split out)	0	0	0	0	40,000
63250-00-02 Pool-Reserve	68,751	2,828	0	2,828	50,000
63500-00-02 Spa-Reserve	13,269	0	2,850	2,850	0
63750-00-02 Recreation-Reserve	4,794	5,460	0	5,460	0
64750-00-02 Landscaping-Reserve	40,939	0	4,000	4,000	40,000
65250-00-02 Fencing-Reserve	0	0	1,500	1,500	0
65750-00-02 Lighting-Reserve	2,473	0	0	0	0
66750-00-02 Elevator-Reserve	0	0	0	0	0
66000-00-02 Signage-Reserve	0	2,940	0	2,940	0
66500-00-02 Mechanical Equipment-Reserve	0	0	0	0	11,000
67500-00-02 Safety/Access-Reserve (incl Firewise in 2024)	170,949	10,827	42,000	52,827	10,000
67750-00-02 Flooring-Reserve	0	0	0	0	0
68250-00-02 Outdoor Equipment-Reserve	3,603	0	0	0	0
69500-00-02 Reserve Study-Reserve	0	0	0	0	0
60005-02 Bank Fees - Reserves	0	18	6	24	0
69750-00-02 Miscellaneous-Reserve/Income Taxes	4,194	0	0	0	6,000
SB - 326 Deck Inspection / Roof Inspection	0	13,800	20,000	33,800	0
<b>Total Expense</b>	<b>640,259</b>	<b>228,158</b>	<b>97,556</b>	<b>325,714</b>	<b>713,000</b>
	<b>(249,060)</b>	<b>87,836</b>	<b>13,742</b>	<b>101,578</b>	<b>(213,000)</b>

Beginning Reserve Cash + Investments		n/a	n/a	1,824,618	1,926,196
Ending Reserve Cash + Investments	1,791,693			1,926,196	1,713,196

November 12, 2023

This is a summary of the Reserve Study that has been performed for The Boulders Condominium Association, (the "Association") which is a Condominium with a total of 201 Units. This study was conducted in compliance with California *Civil Code Sections 5300, 5550 and 5560* and is being provided to you, as a member of the Association, as required under these statutes. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group, LLC prepared this Update w/o Site Visit Review for the January 1, 2024 - December 31, 2024 fiscal year. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 2.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

### **Funding Assessment**

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

California statute imposes no reserve funding level requirements nor does it address funding level adequacy, and although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

Reserve Component	Current Replacement Cost	Useful Life	Remaining Life	2023 Fully Funded Balance	2024 Fully Funded Balance	2024 Line Item Contribution based on Cash Flow Method
<b>01000 - Paving</b>	<b>542,553</b>	<b>1-20</b>	<b>0-14</b>	<b>328,576</b>	<b>332,608</b>	<b>27,759</b>
<b>02000 - Concrete</b>	<b>151,576</b>	<b>2-40</b>	<b>0-23</b>	<b>89,143</b>	<b>98,881</b>	<b>8,458</b>
<b>03000 - Painting: Exterior</b>	<b>436,361</b>	<b>1-7</b>	<b>0-3</b>	<b>244,687</b>	<b>239,866</b>	<b>69,076</b>
<b>03500 - Painting: Interior</b>	<b>1,981</b>	<b>8-8</b>	<b>2-2</b>	<b>1,486</b>	<b>1,777</b>	<b>168</b>
<b>04000 - Structural Repairs</b>	<b>107,596</b>	<b>1-25</b>	<b>7-10</b>	<b>17,058</b>	<b>19,626</b>	<b>9,862</b>
<b>04500 - Decking/Balconies</b>	<b>1,657,776</b>	<b>1-22</b>	<b>0-6</b>	<b>867,621</b>	<b>1,006,570</b>	<b>99,064</b>
<b>05000 - Roofing</b>	<b>3,851,472</b>	<b>2-25</b>	<b>0-20</b>	<b>2,319,333</b>	<b>2,490,516</b>	<b>169,911</b>
<b>08000 - Rehab</b>	<b>11,521</b>	<b>20-20</b>	<b>2-2</b>	<b>10,369</b>	<b>11,218</b>	<b>391</b>
<b>11000 - Gate Equipment</b>	<b>1,192</b>	<b>5-5</b>	<b>2-2</b>	<b>715</b>	<b>978</b>	<b>162</b>
<b>12000 - Pool</b>	<b>83,657</b>	<b>1-8</b>	<b>0-3</b>	<b>67,180</b>	<b>77,529</b>	<b>7,569</b>
<b>13000 - Spa</b>	<b>132,791</b>	<b>1-10</b>	<b>0-10</b>	<b>43,930</b>	<b>18,043</b>	<b>23,936</b>
<b>14000 - Recreation</b>	<b>38,719</b>	<b>10-25</b>	<b>0-10</b>	<b>23,861</b>	<b>22,127</b>	<b>2,319</b>
<b>18000 - Landscaping</b>	<b>43,088</b>	<b>5-10</b>	<b>0-1</b>	<b>39,179</b>	<b>40,885</b>	<b>3,109</b>
<b>19000 - Fencing</b>	<b>57,653</b>	<b>2-25</b>	<b>0-14</b>	<b>23,414</b>	<b>25,727</b>	<b>2,846</b>
<b>20000 - Lighting</b>	<b>2,545</b>	<b>1-1</b>	<b>1-1</b>	<b>1,273</b>	<b>2,609</b>	<b>844</b>
<b>21000 - Signage</b>	<b>19,134</b>	<b>1-20</b>	<b>0-19</b>	<b>3,750</b>	<b>1,660</b>	<b>837</b>
<b>23000 - Mechanical Equipment</b>	<b>17,541</b>	<b>15-15</b>	<b>1-14</b>	<b>10,703</b>	<b>12,169</b>	<b>885</b>
<b>23500 - Elevator</b>	<b>111,728</b>	<b>5-25</b>	<b>2-17</b>	<b>41,464</b>	<b>48,608</b>	<b>5,219</b>
<b>24600 - Safety / Access</b>	<b>151,621</b>	<b>1-15</b>	<b>0-11</b>	<b>119,598</b>	<b>77,783</b>	<b>7,098</b>
<b>25000 - Flooring</b>	<b>17,091</b>	<b>8-20</b>	<b>2-2</b>	<b>14,969</b>	<b>16,430</b>	<b>721</b>
<b>26000 - Outdoor Equipment</b>	<b>201,190</b>	<b>4-25</b>	<b>3-10</b>	<b>121,371</b>	<b>133,309</b>	<b>7,060</b>
<b>30000 - Miscellaneous</b>	<b>31,650</b>	<b>25-25</b>	<b>10-10</b>	<b>18,990</b>	<b>20,762</b>	<b>1,048</b>
<b>31000 - Reserve Study</b>	<b>3,000</b>	<b>3-3</b>	<b>2-2</b>	<b>1,000</b>	<b>2,050</b>	<b>680</b>
<b>32000 - Undesignated</b>	<b>4,317</b>	<b>1-1</b>	<b>2-2</b>	<b>1,439</b>	<b>2,213</b>	<b>978</b>
Totals	<b>\$7,677,753</b>			<b>\$4,411,106</b>	<b>\$4,703,945</b>	<b>\$450,000</b>
Estimated Ending Balance				<b>\$1,926,436</b>	<b>\$1,691,740</b>	<b>\$186.57</b>
Percent Funded				<b>43.7%</b>	<b>36.0%</b>	/Unit/month @ 201

November 12, 2023

(1) The regular assessment per ownership interest per month varies by size or type of ownership interest for the fiscal year beginning January 1, 2024.

*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 summary.*

(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:

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	\$0.00	N/A
Total:	\$0.00	

*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 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

*This disclosure has been prepared by Browning Reserve Group, LLC and has been reviewed and approved by the association's board of directors based upon the best information available to the association at the time of its preparation. The accuracy of this information over the next 30 years will be dependent upon circumstances which are impossible to predict with specificity, and will require future action to adjust assessments over the period in accordance with the current projections and future developments.*

(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 yet been approved by the board or the members

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

(5) All major components are included in the reserve study and are included in its calculations. See next page §5300(b)(4), for any major component exclusions.

(6) Based on the method of calculation in paragraph (4) of the subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$4,411,106, based in whole or in part on the last reserve study or update prepared by Browning Reserve Group, LLC as of November, 2023. The projected reserve fund cash balance at the end of the current fiscal year is \$1,926,436 resulting in reserves being 43.7% percent funded at this date. Civil code section 5570 does not require the board to fund reserves in accordance with this calculation.

*An alternate and generally accepted method of calculation has been utilized to determine future reserve contribution amounts. The reserve contribution for the next fiscal year has been determined using the Cash Flow method of calculation (see section III, Reserve Fund Balance Forecast). This is a method of developing a reserve funding plan where the contributions to the reserve fund are designated to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.*



(7) Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is presented in column (b) 'Fully Funded Balance' in the table immediately below; and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is presented in column (c) 'Reserve Ending Balance'; leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

Fiscal Year (a)	Fully Funded Balance (b)	Reserve Ending Balance (c)	Percent Funded (d)
2024	\$4,703,945	\$1,691,740	36.0%
2025	\$4,585,415	\$1,525,415	33.3%
2026	\$4,626,467	\$1,550,188	33.5%
2027	\$4,756,485	\$1,619,749	34.1%
2028	\$4,916,313	\$1,551,048	31.5%

If the reserve funding plan approved by the association is implemented, the projected fund cash balance in each of those years will be the amounts presented in column (c) 'Reserve Ending Balance' in the table immediately above, leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective 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, 2.50% per year was the assumed long-term inflation rate, and 2.50% per year was the assumed long-term interest rate.

**Additional Disclosures**

**§5565(d)** The current deficiency in reserve funding as of December 31, 2024 is \$14,986 per ownership interest (average).

*This is calculated as the current estimate of the amount of cash reserves necessary as of the end of the fiscal year for which the study is prepared, less, the amount of accumulated cash reserves actually (Projected to be) set aside to repair, replace, restore, or maintain the major components.*

$$\text{Deficiency} = \frac{2024 \text{ Fully Funded Balance} - 2024 \text{ Reserve Ending Balance}}{\text{Ownership Interest Quantity}}$$

**§5300(b)(4)** The current board of directors of the association has not deferred or determined to not undertake repairs or replacements over the next 30 years, unless noted below:

Major Component:	Justification for Deferral:
N/A	N/A

**§5300(b)(5)** The board of directors as of the date of the study does not anticipate the levy of a special assessment for the repair, replacement, or restoration of the major components.

**30 Year Reserve Funding Plan Cash Flow Method**

2023 Update- 3

Prepared for the 2024 Fiscal Year

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Beginning Balance</b>	1,824,618	1,926,436	1,691,740	1,525,415	1,550,188	1,619,749	1,551,048	1,294,104	1,110,865	887,007
<b>Inflated Expenditures @ 2.5%</b>	325,690	729,365	686,643	526,478	517,759	693,308	917,340	880,720	961,724	687,383
<b>Reserve Contribution</b>	381,199	450,000	480,600	513,281	548,184	585,461	625,272	667,790	713,200	761,698
<i>Units/month @ 201</i>	158.04	186.57	199.25	212.80	227.27	242.73	259.23	276.86	295.69	315.80
<i>Percentage Increase</i>		18.0%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%
<b>Adjustments</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest Pre Tax @ 2.50%</b>	46,309	44,669	39,718	37,970	39,135	39,146	35,125	29,691	24,665	23,104
<b>Ending Balance</b>	1,926,436	1,691,740	1,525,415	1,550,188	1,619,749	1,551,048	1,294,104	1,110,865	887,007	984,426

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
<b>Beginning Balance</b>	984,426	757,380	961,826	1,240,382	1,597,670	1,710,138	1,692,572	1,934,159	1,904,490	2,138,493
<b>Inflated Expenditures @ 2.5%</b>	1,062,043	662,812	628,506	592,819	880,041	1,049,314	832,516	1,147,562	929,232	826,762
<b>Reserve Contribution</b>	813,493	846,033	879,874	915,069	951,672	989,739	1,029,329	1,070,502	1,113,322	1,157,855
<i>Units/month @ 201</i>	337.27	350.76	364.79	379.38	394.56	410.34	426.75	443.82	461.58	480.04
<i>Percentage Increase</i>	6.8%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
<b>Adjustments</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest Pre Tax @ 2.50%</b>	21,504	21,225	27,188	35,038	40,837	42,009	44,774	47,391	49,913	57,601
<b>Ending Balance</b>	757,380	961,826	1,240,382	1,597,670	1,710,138	1,692,572	1,934,159	1,904,490	2,138,493	2,527,187

	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
<b>Beginning Balance</b>	2,527,187	2,596,966	3,355,488	4,122,461	4,876,076	5,865,610	6,637,987	6,805,405	7,329,461	7,683,247
<b>Inflated Expenditures @ 2.5%</b>	1,197,651	567,301	627,776	712,004	551,787	847,043	1,522,207	1,235,051	1,479,543	1,662,947
<b>Reserve Contribution</b>	1,204,169	1,252,336	1,302,429	1,354,526	1,408,707	1,465,055	1,523,657	1,584,603	1,647,987	1,713,906
<i>Units/month @ 201</i>	499.24	519.21	539.98	561.58	584.04	607.40	631.70	656.97	683.25	710.57
<i>Percentage Increase</i>	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
<b>Adjustments</b>	0	0	0	0	0	0	0	0	0	0
<b>Interest Pre Tax @ 2.50%</b>	63,261	73,487	92,320	111,093	132,613	154,365	165,968	174,505	185,342	192,718
<b>Ending Balance</b>	2,596,966	3,355,488	4,122,461	4,876,076	5,865,610	6,637,987	6,805,405	7,329,461	7,683,247	7,926,924

# Annual Insurance Disclosure 2023-24

In accordance with the requirements set forth under California Civil Code 5300 (b)(9), associations must provide the following insurance summary annually. This disclosure will list the insurance your association carries through our agency.

## **The Boulders Condominium Association**

*Effective: December 01, 2023 to 2024*

- **Building/Property Insurance Coverage**

Insurer: Farmers Insurance Group of Companies

Policy Limits: \$90,048,000. / Deductible: \$10,000.

- **General Liability Insurance Coverage**

Insurer: Farmers Insurance Group of Companies

Policy Limits: \$1,000,000. Occurrence / Aggregate: \$2,000,000.

- **Crime/Employee Dishonesty/Fidelity Bond Coverage**

Insurer: Farmers Insurance Group of Companies

Policy Limits: \$2,000,000. / Deductible: \$500.

- **Directors and Officers Coverage: \$1,000,000. / Deductible: \$1,000.**

- **Excess Liability Coverage: \$10,000,000. / SIR: \$0.**

- **Workers Compensation Coverage: \$1,000,000. / \$1,000,000. / \$1,000,000.**

- **Flood Insurance Coverage: Clubhouse: N/A Residential: N/A**

- **Earthquake/DIC Insurance Coverage: N/A**



This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.



## Important notice regarding Insurance for: The Boulders Condominium Association

The purpose of this document is to:

1. Inform you regarding California law affecting insurance coverage for The Boulders Condominium Association as well as you as an Owner.
2. **Notify you that should a covered loss occur to your home you may be personally responsible for the first \$10,000. This amount is in relationship to the deductible on the Association's Master policy.**
3. Provide you with information that will assist you in securing personal insurance. Doing so can lessen the financial impact you will face for damage to your home [See Exhibit 1].
4. Address basic coverage and exclusion provisions common in most insurance contracts.
5. Address loss prevention practices.
6. Provide information to assist you in ordering evidence of insurance for personal or mortgage company use.
7. Provide instructions on claim procedures and protocol.

### 1. Application Limits of Association's Insurance Coverage

- 1.1. Applies to Association and unit owner policies and supersedes anything to the contrary written in the CC&Rs (Covenants Conditions and Restrictions).
- 1.2. The Association's policy includes coverage for: "any fixtures, improvements, or betterments installed by a unit owner, or floor coverings, cabinets, heating and plumbing fixtures, paint, wall coverings, windows, and any item permanently attached to a unit."
- 1.3. When a covered cause of loss occurs the Association's policy of property insurance shall provide **primary coverage**. The **unit owner's insurance policy may be primary for the portion of the loss equal to the deductible amount on the Association's policy.**
- 1.4. If two or more owners suffer a loss in a single event, they may each be responsible for payment of a portion of the Association's deductible based on the percentage of loss they each suffered.
- 1.5. If an owner does not pay his/her share of the loss within 30 days after substantial completion, the Association may levy an assessment against the owner and place a lien on the unit.
- 1.6. If the unit owner has no insurance for a covered cause of loss, he/she may be personally responsible for the loss to the amount of the Association's policy deductible.

2. **The Boulders Condominium Association has a property deductible of \$10,000 for each occurrence. Payment for the deductible may become your responsibility when a covered cause of loss affecting your unit occurs. Payment of the deductible can and should be included with your insurance policy. Consult your insurance advisor regarding your coverage.**

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.

**3. Personal Insurance:**

Homeowners should maintain personal insurance coverage. We recommend a comprehensive review of your insurance with your licensed insurance advisor. **Exhibit 1** of this document provides a checklist of items that should be reviewed at that time.

**4. Basic coverage and exclusion provisions in the Association’s Master Insurance policy:**

**4.1** The Association’s policy includes “special form” property coverage for perils such as fire, lightning, windstorm, hail, explosion, riot, aircraft and vehicle damage, smoke, vandalism, falling objects, weight of ice and snow, collapse, sudden and accidental discharge of water or overflow from plumbing or appliances, and frozen pipes inside a unit.

**4.2** Common exclusions: Many insurance companies will not cover water damage resulting from a frozen pipe if adequate heating is not maintained in the unit. Therefore, it is imperative that heat is maintained or that pipes are drained when a unit is unoccupied for an extended period. If your home has fire protection provided by a residential sprinkler system the insurance policy can deny a claim if the sprinkler system is not active at the time a fire occurs. Notify the insurance company any time impairment occurs or for maintenance that lasts over 48 hours.

**4.2.1** No coverage is provided for: earthquake, earth movement, landslide, wear and tear, deterioration, or flood, (flood is often defined as water penetrating the building envelope from an outside source). This can include items such as a sprinkling system or other water lines located outside the physical building structure. Damage by insects or animals, mold/fungus, removal of asbestos, settling or cracking of foundations, walls or pipes may also be excluded. **There is no coverage for damage caused by continuous or repeated seepage or leakage of water occurring over a period, usually defined as 14 days. This includes appliances, plumbing and leaking around shower, bathtub, toilet or sink.** The insurance contract contains full details on coverage, limitations, and exclusions. Consult with your advisor regarding unique perils that may impact your property.

**5. Loss Prevention:**

To reduce the likelihood of damage to your home and possible damage to a neighbor’s home the following are a few “loss prevention” measures that should be followed:

When your home will be **unoccupied** for more than a few days:

- Turn off the water to the inside of your home and drain the lines by opening faucets.
- Turn your water heater to “vacation” setting if you have one.
- Leave the heat on to 55 degrees in the winter to avoid freezing. In Summer months leave air-conditioning on to 80 degrees to avoid melting, warping, etc.

**Routine Considerations:**

- ✓ Washing machine water supply should be turned off after each use.
- ✓ Have clothes dryer vents checked and cleaned on an annual basis. Always remove lint from the filter after each use.
- ✓ Keep smoke alarms in good working condition.
- ✓ Make certain that downspouts are moving water away from the structure rather than toward it.
- ✓ Watch for sprinkler heads or water lines in the landscape area that are broken or not functioning properly. Repair or correction should immediately be brought to the attention of a board member or the community manager.
- ✓ Consult with a professional when unable to remedy unusual persistent odor, or when events occur that seem to suggest appliances or other home equipment are near the end of their lifespan.
- ✓ Have a trusted neighbor or family member periodically check your home while you are away.

**IMPORTANT:** The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



**6. Information to assist you ordering evidence of insurance:**

6.1 Certificates of insurance may be requested by calling: 916.791.1901, emailing: [service@rickrussoinsurance.com](mailto:service@rickrussoinsurance.com) or send a fax: 916.797.3388. If you need to obtain one by end of day we recommend heading to our Partner's website and ordering it directly from them: [www.eoidirect.com](http://www.eoidirect.com).

**7. Claim protocol:**

- 7.1 **Claims** for a covered cause of loss, within the following amounts, should be handled as follows:
- 7.2. **\$0 to \$10,000 may be the unit owner's sole responsibility.** Cost of cleanup and repair would be paid out of pocket or from personal insurance coverage. Claims under \$10,000 will not be filed against the Association policy unless circumstance dictates otherwise.
- 7.3 Claims over \$10,000 should be submitted to the Association's policy.
- 7.4 When a loss Occurs:
  - 1. Take action to prevent further damage to your home. For example, it may be necessary to call an emergency restoration company to start water extraction if water damage has occurred inside your home. The next step contact:
  - 2. Contact your own insurance company and report the damage to your home.
  - 3. Contact a Board member or the Community Manager regarding the damage.
  - 4. If individuals above are not available contact a member of our staff 916.791.1901. Please note that we will only submit claims to the insurance company after approval from the Board or the Community Manager has been received. Only in rare situations will we do otherwise.

**A loss that involves your personal property, extra living expenses, personal liability, loss assessment, etc. should be submitted to your insurance carrier. Neither the Association nor the Association's insurer is responsible for these items.**

Payment for claims made on the Association's Insurance policy will be payable to the Association not to an individual homeowner.

Please note that the coverage and procedures outlined in this letter apply to your current insurance program, prepared by Russo Insurance Agency. If the association changes agents we recommended that these procedures be reevaluated.

We recommend that you take time to review this information and audit your insurance coverage for compliance. We **strongly** suggest reviewing these documents with your insurance representative to facilitate securing the appropriate insurance coverage for your specific situation.

If you feel your current insurance coverage needs to be reviewed, you may contact our office and ask for a member of our personal insurance team to assist you.

When corresponding with us, please reference **The Boulders Condominium Association** as the community you live in.

Personal Regards,

A handwritten signature in black ink, appearing to read 'Rick Russo', is written over a faint horizontal line.

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



Exhibit 1. – Personal insurance checklist

1.	<b>Policy type - HO-6 form</b> (commonly referred to as a condominium owners policy). Not an HO-3 homeowner policy or an HO-4 renter's policy.
2.	<b>Coverage A (Dwelling coverage) We recommend a limit of *\$10,000</b> to account for claims that are less than the Association's deductible.
3.	<b>Personal Property Coverage</b> - Consult with your insurance advisor.
4.	<b>Personal Liability</b> - Consult with your personal insurance advisor. You may want to inquire regarding umbrella liability coverage.
5.	<b>Loss of Use Coverage &amp; Additional Living Expenses</b> (In the event your unit is uninhabitable due to a covered loss).
6.	<b>Loss Assessment</b> – Consider a minimum of \$25,000 or higher.
7.	<b>Loss of Rents</b> – Is your unit a rental? If so, this coverage should be purchased. Note that form numbers will change, i.e., DP-6 rather than HO-6. Form # and name varies by company.
8.	Any other riders such as <b>Valuable Articles</b> , i.e., jewelry, art, collectibles, etc. Consult your insurance advisor.
9.	<b>Other Endorsements</b> your insurance advisor may recommend.
10.	<b>Earthquake</b> coverage for your dwelling & contents, earthquake loss assessment, etc. <b>NO EARTHQUAKE INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION.</b> Consult your insurance advisor. <a href="http://CommunityQuake.com">CommunityQuake.com</a> is a resource that we provide for those who may have difficulty securing EQ coverage on their home.
11.	<b>Flood Insurance</b> to cover against outside water penetrating the building envelope. <b>NO FLOOD INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION.</b> Consult your insurance advisor.
12.	<b>Inventory</b> – When a loss occurs you are responsible for proving your loss. For example, if you have a television destroyed in a fire you will need to show documentation proving the kind and quality. You won't get a 60" inch big screen unless you have evidence the TV was 60" not 26". The same applies with the types of finishes in your home. You won't be given granite if the home was originally built with laminate countertops and you have no proof of an upgrade. Consult with your personal insurance advisor for recommendations on handling this based on your personal situation.

**Please note that we strongly advise the deductible amount on your personal policy be low enough that you can comfortably pay this should a covered loss occur. Deductible amounts for an HO6 policy can be as low as \$250, the most common being \$500 to \$1,000. A higher deductible will lower your insurance cost but it also increases your out-of-pocket expense when a claim occurs. Take time now and on an annual basis to review your personal insurance with a trusted insurance advisor. He/she will be able to provide counsel concerning what insurance coverage and deductible amounts are right for you.**

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



***WHERE DOES THE ASSOCIATION'S RESPONSIBILITY END  
AND THE HOMEOWNER'S BEGIN?***

**Dear Boulders Condominium Association Unit Owner:**

There is always confusion surrounding the homeowner association's insurance coverage and unit owner's personal insurance coverage. To help clarify what the Association's Insurance coverage provides I have compiled a brief explanation so that you are better equipped to purchase your own personal insurance, referred to as an HO-6 Policy.

**Step One – Give us a call at 800-281-7873.** The best way to clear up the confusion is to get the HOA's policy information straight from us, the Insurance Agent for The Boulders Condominium Association as we can explain the following information in greater detail. Let us help you tailor your individual coverage to complement the Association's coverage.

The HOA's policy can be summarized in three (3) basic parts:

**What your Association Covers:**

**1. PROPERTY:** Your HOA's insurance policy provides coverage for all residential building components, including any of the following types of property contained within the residential units and Clubhouse: All permanently install fixtures, appliances, improvements and alterations that are a part of the structure.

**There is a \$10,000 deductible that applies to all property damage claims.**

**2. LIABILITY:** With respect to the "common area" the association may become legally obligated to pay for bodily injury or property damage for slip and fall or trip and fall accidents on the association's common grounds. The association also has a policy for Directors and Officers Liability including coverage for board appointed committee members to cover "wrongful acts" alleged against board members and committee members.

**3. FIDELITY BOND:** This insures the association dues and reserves from fraudulent acts committed by board members and management personnel.

**The Second Step** - Now that you have this information, below are a few recommendations that you need to consider for your personal insurance. The proper relationship between the insurance for the association and your personal insurance is critical to avoid any gaps or possible duplication in coverage.

*It will save you money as well.*

**Which policy type should you have? *An HO-6 Policy!***

• **Coverage A (Dwelling Coverage):** Covers damage to the interior of your unit when the claim does not exceed the associations Deductible.

We recommend a maximum limit of \$10,000.

• **Personal Property:** Replacement cost coverage for your personal property such as furniture and clothing.

The association has **no obligation** to cover your personal property under any circumstances.

• **Loss of Use:** Will pay for your living expense when your unit is unlivable due to an insured loss.

The association has **no obligation** to cover your extra living expense for any insurance claim.

• **Personal Liability:** Pays for bodily injuries to other people or damage to their property if you are liable resulting from unintentional acts committed by you or qualified family members including acts of your pets.

• **Loss Assessment: Recommendation:** This coverage would provide protection to you in the event that you are assessed by the association to cover the deductible from an insurance claim.

We recommend a maximum limit of \$25,000.

We strongly encourage you to seek an insurance professional who specializes in community association insurance. A knowledgeable agent will have a better understanding of commercial insurance and be better able to assist in complementary coverage that will save you money.



# The Boulders Condominium Association

## INVESTMENT POLICY

February 19, 2023

Rev 3v2

### I. INVESTMENT POLICY

The Boulder's board of directors recognizes their fiduciary responsibility to manage the reserve assets in a prudent manner. Accordingly, the directors have set forth an investment strategy, security selection criteria, and control and review procedures to pursue the stated objectives and goals.

The policy is based on the guidance mandated by Civil Code 5380 and the clarification from our legal team.

### II. GOALS & OBJECTIVES

The Boulders Condominium Association capital replacement reserve assets shall be invested to achieve the following prioritized objectives:

1. Promote and assure the preservation of the reserve fund's principal.
2. Structure maturities to assure availability of assets for that time when reserve analyses anticipate needs.
3. Mitigate the effects of interest rate volatility upon reserve assets.
4. Achieve long-term investment performance that exceeds inflation by 1-3% on a net after-tax basis.

### III. INVESTMENT STRATEGY

Utilize the most recent reserve funding study to match the effective maturities of reserve investments to the forecasted dates of reserve expenses. It is understood that *effective maturity* may be sooner than *stated maturity*.

If there is no reliable reserve funding study available or there is high uncertainty regarding the timing of expenditures, utilize laddering of maturities strategy. Structure these maturities so that an approximately equal proportion come due each period, and with new or matured funds consistently purchase securities at the long end of the maturity range. Variations may alter the longest maturity, and the number and length of periods.

The expectation of this "laddering" strategy is that the reserve assets shall benefit from longer term rates, which are commonly higher than short-term rates, while maintaining ready availability of funds and cash flow. Funds must be invested in a federally insured offerings and balanced so all funds are insured and covered.

As part of the transition from the exiting Financial Advisor to the new Advisor the holding of corporate bonds will be transitioned and allowed to vest at full maturity. Then the cash will be added to the new insured investments.

IV. **SELECTION CRITERIA**

Securities will be selected with an emphasis upon these characteristics: preservation of capital, quality, effective maturity, and net after-tax return.

Allowable Investments

U.S. Treasury or agency securities; and equivalent quality securities with maturities of 10 years or less. All funds must be in federally insured investments.

Utilize taxable income securities for that portion of association income that may be taxable within the lower brackets. Invest in tax exempt securities above that level if the after-tax return is favorable.

The taxable portion may consist of U.S. Treasury and government agency securities, and insured bank certificates of deposit and bonds.

Beyond quality considerations, selection criteria will emphasize securities' maturities before yields. This is recognized as essential to the governing investment strategy.

V. **MONTHLY MONEY MANAGEMENT**

The Boulders money management is handled in the following manner.

1. Dues are collected into the First Citizen Bank Operating account on a monthly basis
  - a. All bills are paid out of the account, including reserve expenditures.
  - b. The reserve investment accounts are also funded monthly. Funds are transferred to the long-term reserve account in an amount equal to one-twelfth of the annual budgeted allocation of dues to the replacement reserve fund.
2. Also, at First Citizen Bank there is a reserve money market account in which a minimum of 3 months of reserve dollars are maintained for reserve expenditures.
  - a. Each month, there is a transfer of funds from this reserve money market account back to the First Citizen Bank Operating account, in an amount equal to that month's reserve expenditures.
  - b. When this account falls below the 3 months the next monthly reserve funding will be used to replenish that account before sending any money to the money market account.
  - c. The goal is to keep, as close as possible, the balances in the First Citizen Bank reserve money market account combined with the balance in the account equal to the fund balance in the replacement reserve fund on the Association's financial statements.
  - d. The Association's Finance Committee will monitor the amounts due to/from between the funds on the Association's financial statements and

make recommendations for cash transfers to minimize the amounts due between the funds.

3. If a large expenditure of reserve money is needed it will be transferred from the money market account to the operating account at First Citizen Bank.

## VI. **REVIEW AND CONTROL**

The Association's Finance Committee will meet monthly to review the finance reports and the Association's directors will meet at least quarterly, or more often if deemed necessary to review the reserves' investment portfolio and performance. Policy considerations concerning changes of investment strategy or security selection criteria will also require a meeting to gain a consensus.

The review will compare performance to the goals and objectives of the reserve fund. The directors recognize the price volatility of fixed income investments and note the primary strategy (though not requirement) to hold such securities to their fixed value at maturity. Monthly statements of the reserve account investments will be delivered to Finance Committee and Property Management. They will provide detailed accounting of current values, income, and transactions. Additional, customized, analytical reports may be available upon request.

Specific investment actions may be proposed to the Finance Committee and/or the directors by banking and investment professionals. Execution of investment transactions by such professionals will be made only after verbal or written approval by an individual designated by corporate resolution.

As required, the Finance Committee will arrange meetings with the Investment Advisor. The Association's Finance Committee will meet monthly to review the finance reports and the Association's directors will meet at least quarterly, or more often if deemed necessary to review the reserves' investment portfolio and performance.

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**THE BOULDERS CONDOMINIUM ASSOCIATION  
RULES & REGULATIONS**

**Adopted, August 16, 2023**

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These Rules & Regulations (hereinafter “Rules”) are intended as a guide to the conduct and activities of all Members, Tenants and Residents of The Boulders Condominium Association (“Association”) and their guests, to the end that everyone living in and using the facilities will enjoy the maximum pleasure without annoyance or interference from others. Observance of these Rules by Residents and their guests will foster a pleasant living environment and will help to maintain the property values of the homes in the Community.

Pursuant to Sections 1.6, 1.21, 3.22, 4.5 & 4.6(E) of the First Amended and Restated Declaration of Covenants, Conditions & Restrictions of The Boulders Condominium Association, Document # 20220024950, recorded in the Official Records of Nevada County, December 21, 2022 (“CC&Rs”), the Board of Directors (“Board”) has adopted the following Rules and Regulations (hereinafter “Rules”). The Rules are part of the Governing Documents of the Association, *see, CC&Rs, §§ 1.21 & 4.6(E)*, and are binding upon the Association, Members, Owners of separate interests within the Association and their families, grantees, Tenants, occupants, guests, and successors, heirs and assigns. These Rules shall supersede any previous policy or rule covering the same subject matters. Capitalized terms shall be as defined herein or as defined in the CC&Rs.

Each Owner has received a copy of the CC&Rs, as well as the Bylaws, and these Rules (together, the “Governing Documents” for the Association), as they are amended from time to time and distributed by the Board. Failure to comply with the Rules can result in disciplinary action (including monetary fines) against the Member or other responsible party.

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**Section A. DEFINITIONS**

These definitions are reproduced, as needed, from the CC&Rs, including clarification. Certain terms are not defined in the CC&Rs.

- 1) "Articles" means the Articles of Incorporation of The Boulders Condominium Association, which are filed in the Office of the Secretary of State of the State of California, as such Articles may be amended from time to time. See, CC&Rs, section 1.1.
- 2) "Assessment" means any Regular, Special or Special Individual Assessment made or assessed by the Association against an Owner and his or her Condominium in accordance with the CC&Rs. See, CC&Rs, section 1.2.
- 3) "Association" means The Boulders Condominium Association, a California nonprofit mutual benefit corporation, its successors and assigns. See, CC&Rs, section 1.3.
- 4) "Association Manager" means the person or entity, if any, retained by the Association to manage its affairs, as authorized in the Bylaws. See, CC&Rs, section 1.4.
- 5) "Association Property" means real or personal property owned by the Association. Any references in this Declaration to Association Property are references to the Association Property as a whole and to portions thereof. The Association Property will be as shown on the Condominium Plan. Association Property also includes the following regardless of where located: the portions of all gas, water and waste pipes, all sewers, all ducts, chutes, conduits, wires, and other utility installations (except the electrical outlets in the Units) that extend into the Units. Association Property does not include the windows, sliding glass doors, surrounding structure and the heating systems serving the Units (including the Kitec pipes). See, CC&Rs, section 1.5.
- 6) "Association Rules" means the rules, regulations and policies adopted by the Board of Directors of the Association, as the same may be in effect from time to time. See, CC&Rs, section 1.6.
- 7) "Board of Directors" or "Board" means the Board of Directors or the governing

- body of the Association. See, CC&Rs, section 1.7.
- 8) "Building" means a structure located in the Project that contains Units. See, CC&Rs, section 1.8.
  - 9) "Bylaws" means the Bylaws of the Association, as such Bylaws may be amended from time to time. See, CC&Rs, section 1.9.
  - 10) "Common Area" means those certain volumes of airspace described in the Condominium Plan which shall be owned by Owners in each Phase as tenants-in-common. Common Area means all real property and improvements within the Community, excluding the Units, including landscaping, streets, driveways, and recreation facilities, which are for the exclusive use and enjoyment of Residents and their Guests. See, CC&Rs, section 1.10.
  - 11) "Common Expense" means the actual, estimated, or expected costs, charges, or other financial liabilities of the Association, including, without limitation: (a) all costs or charges incurred by or on behalf of the Association for the management, maintenance, administration, operation, repairs, additions, alterations or reconstruction of Common Area, Common Facilities, or any portion of the Units for which the Association has maintenance or repair obligations; (b) all costs or charges reasonably incurred to procure for the protection of the Association and its Board; (c) any amounts reasonably necessary for reserves to maintain, repair or replace the Common Area or Common Facilities, any portion of the Units for which the Association has maintenance or repair responsibility or to cover unpaid (delinquent) assessments; and (d) any other costs or charges necessary for the Board to perform its functions and fulfill its responsibilities under the Governing Documents. See, CC&Rs, section 1.11.
  - 12) "Common Facilities" means all improvements located within, under, above or upon the Common Area except utility, plumbing and/or drainage lines belonging to a public utility or other party having a valid easement. The Common Facilities include but are not limited to swimming pool, pool apron area, pool storage and pump house; clubhouse/recreational building; trees, hedges, plants, lawns, shrubs, and landscaping; fences located on the Common Area; perimeter fence; utilities, berms, pipes and lines; lighting fixtures; parking areas; solar energy system at the clubhouse/recreational building; and other sports facilities (i.e. bocce ball court(s), horseshoe pit(s), and/or volleyball court). See, CC&Rs, section 1.12.
  - 13) "Condominium" means an estate in real property as defined in California Civil Code Sections 783 and 4125(b) and which consists of an undivided interest in common in a portion of real property coupled with a separate interest in space called a Unit together with any easements or other interests in the Project or any portion thereof as described in this Declaration and/or in the Owner's deed. See, CC&Rs, section 1.13.
  - 14) "Condominium Plan" means the plans of Condominium that was recorded pursuant to California Civil Code Section 4285 et seq. with respect to the Project. See, CC&Rs, section 1.14.
  - 15) "Declaration" means the First Amended & Restated Declaration of Covenants, Conditions and Restrictions (CC&Rs) of The Boulders Condominium Association,

recorded in the Office of the County Recorder of Nevada County, California as it may be amended from time to time. See, CC&Rs, section 1.15.

- 16) "Declarant" means Deerfield Truckee Associates LLC, a Nevada limited liability company, its successors, and any Person to which it shall have assigned any of its rights under this Declaration by an express written assignment. As used in this Section, "successor" means a Person who acquires Declarant or substantially all of Declarant's assets by sale, merger, reverse merger, consolidation, sale of stock or assets, operation of law or otherwise. Unless otherwise expressly provided in the Declaration, all actions that may be taken by Declarant may be chosen by Declarant in its sole discretion. See, CC&Rs, section 1.16.
- 17) "Director" means a member of the Association's Board of Directors. See, CC&Rs, section 1.17.
- 18) "Exclusive Use Common Area" means any portion of the Common Area that is set aside, allocated, assigned and restricted for the exclusive use of the residents/Owners of a particular Unit. The Exclusive Use Common Area also shall include the following portions of Common Area designated to serve the Owner's Unit exclusively: any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, exterior doors, door frames, and hardware incident thereto, screens and windows or other fixtures designed to serve a single separate interest but located outside the boundaries of the separate interest. See, CC&Rs, section 1.18.
- 19) "Family" means two (2) or more persons who live together and maintain a common household in a Unit whether or not they are all related to each other by birth, marriage, or legal adoption. See, CC&Rs, section 1.19.
- 20) "General Common Area" means all of the Common Area except for Exclusive Use Common Area. See, CC&Rs, section 1.20.
- 21) "Governing Documents" is a collective term that means and refers to the CC&Rs and to the Association's Articles, Bylaws, Association Rules and the policies and resolutions adopted by the Board and distributed to the Members. See, CC&Rs, section 1.21.
- 22) "Improvement" means an addition to or alteration of the real property comprising the Project or any portion thereof and includes, but is not restricted to, any Building, outbuilding, structure, shed, storage area, driveway, parking area, carport, garage, paving, walk, fence, wall, stair, deck, balcony, patio, pole, sign, tank, ditch, landscaping (including trees, hedges, plantings, lawns, shrubs), landscape structures, berms, fencing, antennas, utilities, utility lines, gates, statues, markers, pipes, lines, lighting fixtures, and anything deemed to be a "work of improvement" as defined in Section 3106 of California Civil Code or any structure of any kind. In no event shall the term "Improvement" be interpreted to include projects that are restricted to the interior of a Unit, so long as such projects do not involve modifications to load bearing walls or the structural framing of a Building, and do not interfere with other Members' use and enjoyment of their property. See, CC&Rs, section 1.22.
- 23) "Map" means the subdivision maps recorded in the office of the Nevada County



- recorder for the Association. See, CC&Rs, section 1.23.
- 24) "Member" means each person (or entity) who is named as an Owner on the recorded grant deed (or other valid title document) for any Unit within the Project. However, persons (or entities) who hold an interest in a Unit merely as security for the performance of an obligation (e.g., banks and other types of mortgage lenders) are not Owners or Members. When more than one person is an Owner of a Unit, all such persons shall be Members. Although in no event shall more than one (1) vote be cast with respect to any Unit. See, CC&Rs, section 1.24.
  - 25) "Mortgage" means any security device encumbering all or any portion of the Project, including any deed of trust. The terms mortgage and deed of trust may be used interchangeably. "Mortgagee" shall refer to a beneficiary under a deed of trust as well as to a mortgagee in the conventional sense. "Mortgagor" shall refer to the trustor under a deed of trust, as well as a mortgage. See, CC&Rs, section 1.25.
  - 26) "First Mortgage" means a Mortgage that has priority over all other Mortgages. "First Mortgagee" means any person or entity, including, but not limited to, banks, savings and loan associations, insurance companies and other financial institutions, holding a recorded mortgage that constitutes an encumbrance upon one or more Condominiums first in priority of lien over all other encumbrances upon said Condominium(s) securing payment of money other than this Declaration and liens for real estate taxes and assessments. "Eligible First Mortgagee" means a First Mortgagee who has sent a written request for notice to the Association, stating its name and address and the Unit number or address of the Unit on which it has the Mortgage. The Association shall maintain such information in the Association's records. See, CC&Rs, section 1.25.
  - 27) "Lessee" is a person or persons who lease a Unit from the owner for a period of time of 30 consecutive days or more. Such use is under the terms of a lease agreement between the Owner and the Lessee. A Lessee is a subcategory of a Tenant. See, CC&Rs, section 1.31.
  - 28) "Owner" means any person, firm, corporation, or other entity in which title to a Condominium is vested as shown by the official records of the Office of the Nevada County Recorder. If a Condominium is transferred or conveyed to a trust, the Owner is the trustee or co-trustees of such trust. However, the term Owner shall not include persons (or entities) who hold an interest in a Condominium merely as security for the performance of an obligation (e.g., banks and other types of mortgage lenders). See, CC&Rs, section 1.26.
  - 29) "Project" means all real property and the improvements located thereon that comprises The Boulders condominium as described in California Civil Code Section 4125. See, CC&Rs, section 1.27.
  - 30) "Regular Assessment" means an Assessment levied on an Owner and his or her Condominium in accordance with Section 5.2 of the CC&Rs. See, CC&Rs, section 1.28.
  - 31) "Renter" means a person or persons who rent a Unit from the Owner for less than 30 consecutive days. A Renter is a subcategory of a Tenant. See, CC&Rs, section 1.31.

- 32) "Resident" means a person residing in a Unit, including Owners, family members, Tenants (including Renters and Lessees of Owners).
- 33) "Special Assessment" means an Assessment levied on an Owner and his or her Condominium in accordance with Section 5.3 of the CC&Rs. See, CC&Rs, section 1.29.
- 34) "Special Individual Assessment" means an Assessment made against an Owner and/or his or her Condominium in accordance with Section 5.4 of the CC&Rs. See, CC&Rs, section 1.30.
- 35) "Tenant" means any person that resides in or uses a Unit that is not the Unit's Owner and who is paying the Owner as a Renter or Lessee. This includes Lessees, who lease the Unit from the Owner. See, CC&Rs, section 1.31.
- 36) "Unit" means a separate interest in space as defined in California Civil Code Section 4185. Each Unit is a separate freehold estate, as separately shown, numbered and designated in the Condominium Plan which includes a living element and a garage element. In interpreting deeds, declarations and plans, those existing physical boundaries of the portion of the Unit that are encompassed by an Improvement constructed or reconstructed in substantial accordance with the Condominium Plan and the original plans thereof, if such plans are available, shall be conclusively presumed to be the boundaries of such portion, rather than the description expressed in the deed, Condominium Plan or Declaration, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries, as shown on the Condominium Plan or defined in the deed and Declaration, and the boundaries of a building as constructed or reconstructed. The windows and sliding glass doors are portions of the Unit. See, CC&Rs, section 1.32.

## **Section B. REGISTRATION**

- 1) All Owners and Lessees) must be registered with the Association Manager ("Manager"). See, CC&Rs, § 1.4 ("Association Manager"); see also, Bylaws, § 2.9.11 ("Manager").
- 2) All Owners must notify the Association in writing of the address to which all Association notices shall be sent, the names of the Persons who will be occupying the Residence and a phone number for emergencies. See also, CC&Rs, § 3.1(e).

## **Section C. GUESTS**

- 1) Guests and invitees of any Owner or Resident must be accompanied at all times by an Owner or Resident when using the Common Areas of the Association.

- 2) Owners, Tenants and Residents are encouraged to report any apparent trespassers or suspicious activity. However, if there is an apparent threat of immediate danger, local law enforcement or “911” should be contacted.
- 3) All guests must, at all times, comply with all rules, regulations, policies, and restrictions of the Association.
- 4) Each Owner, Tenant and Resident is responsible for informing their guests of the Association’s rules and restrictions and shall be fully responsible for any violation of the provisions of the Governing Documents by their guests and invitees.
- 5) Each Owner is responsible for the conduct and activities of the Owner’s pets and the pets of Owner’s Family, Tenants, guests, and invitees. *See, CC&Rs, § 2.7(g)*

#### **Section D. COMMON AREAS AND RECREATION FACILITIES**

Use of the Pool, Sand Volleyball Court, Picnic Area, Pedestrian Exercise Course, Horseshoe Pits, and any other Association equipment and furnishings (collectively "Recreation Facilities'), as well as the other Common Areas, including the Greenbelts, is the exclusive privilege of Residents and their guests. The Recreation Facilities and Common Areas are not to be used for any purpose in violation of applicable City, County or State statutes or Association rules and regulations or policies. Residents are responsible for their own conduct and the conduct of their guests at all times while utilizing the Recreation Facilities and Common Areas. The Board has adopted these policies, rules and regulations for the Recreation Facilities and Common Areas to foster pleasurable and equitable use by all Residents and promote the best possible facilities management.

- 1) See Also: Pool, Spa and Fitness Facility Rules: Exhibit B
- 2) Any person within the Recreation Facilities or Common Areas may be required at any time to demonstrate to any other Resident or the Association Manager that they have rightful access to that area. Any person who cannot demonstrate that they have rightful access to that area will be asked to leave the area. If any person fails to leave, such person will be regarded as a trespasser and the local police will be summoned.
- 3) Excessively loud noise is prohibited in the Recreation Facilities or Common Areas, or in a Unit where it would disturb neighboring Residents. Such noise must be kept to a minimum at all times and is prohibited between the hours of 10:00 p.m. and 7:00 a.m.
- 4) Recreation Facilities and Common Areas shall be used only for the purposes intended. Any other activity is prohibited.

- 5) Individuals or groups that engage in hazardous/ destructive or potentially hazardous/destructive activities, and individuals who, in the opinion of the Board or the Association Manager, are incapable of reasonable control of their actions (due to alcoholic beverages, etc.), will be requested to leave the Recreation Facilities or Common Areas immediately. If such persons fail to leave, they will be regarded as trespassers and the local police will be summoned.
- 6) All injuries and/or accidents involving the Recreation Facilities or Common Areas must be reported to the Board or the Association Manager immediately. The Association will not be held responsible for any accident or injury in connection with the use of the Recreation Facilities or Common Areas by Residents or their guests.
- 7) Pets are not permitted in the Pool Area, Volleyball Court or Horseshoe Pits at any time.
- 8) Health regulations will be strictly enforced at all times.
- 9) The Boulders pool, spa and fitness facility is an alcohol free amenity. Smoking and drinking of alcoholic beverages by minors is prohibited in all Common Areas.
- 10) Littering is prohibited in the Recreation Facilities and Common Areas. Trash that cannot be contained in provided bear-proof trash containers must be hauled off and disposed of by the individual owners.
- 11) No Association property is to be removed from the Recreation Facilities or Common Areas.
- 12) Use of profanity or obscene language is prohibited.
- 13) Lost and found items turned in to the Association Manager will be held for a maximum of thirty (30) days. Articles deemed as "valuable" (e.g., watches, rings, wallets, car keys, etc.) will be held for a maximum of six (6) months by the Association Manager. Any items not claimed for over 6 months shall be sold or donated to charity. In no event shall the Association be responsible for the loss of any personal property in the Recreation Facilities or Common Areas.
- 14) Any vandalism should be reported immediately to the Association Manager. Any Resident witnessing damage or vandalism to the Recreation Facilities or Common Areas should inform the Association Manager, and, if safely possible, obtain the violating person's name and license. All vandalism will be reported to the Truckee Police Department and vandals will be prosecuted.
- 15) Bicycles, roller skates, in-line skates, mopeds, skateboards, children's cars, etc., are strictly prohibited from the Recreation Facilities.

- 16) A schedule of fines for violations of the Rules and Regulations governing the Common Area and Recreation Facilities is attached as Exhibit "A" and incorporated herein by reference.

#### **Section E. COMMON AREA DAMAGE**

- 1) Owners, Tenants and Residents are responsible for payment of all cost of repairs for all damage to the Association's property caused by themselves, members of their families or their guests. *See, CC&Rs, § 5.4(a)(1).*
- 2) A Special Individual Assessment may be levied against an Owner's Unit to reimburse the Association for costs incurred in repairing damage caused by an Owner, Tenant, Resident, members of their families or their guests. *See, CC&Rs, § 5.4(a)(1).*
- 3) The Association may maintain an eviction action if a Tenant's or Resident's conduct involves repeated or continuing damage to or destruction of Common Areas or Common Facilities, or constitutes a continuing nuisance or unreasonable interference with safety and/or the quiet enjoyment of other Residents. *See, CC&Rs, § 3.2(g).*

#### **Section F. RENTAL OF UNITS**

The following rules apply to any and all agreements, including, but not limited to leases, subleases and/or rental agreements, written or verbal, whether for monetary consideration or not, for the occupancy of any Unit. *See, CC&Rs, § 3.2 ("Rental of Units").*

- 1) Occupancy of a Unit is limited to two (2) persons per bedroom, plus one additional person, not including temporary guests. In no event shall a Unit be occupied by more individuals than permitted by applicable zoning laws or governmental regulations. *See, CC&Rs, § 3.1(a).*
- 2) All leases for a Unit within the Project shall be in writing. *CC&Rs, § 3.2(b).* All leases shall be at least for thirty (30) days. *Civil Code § 4741(c).*
- 3) No Owner, contract purchaser, or Tenant shall be permitted to lease, sublease, or rent a Unit for any purpose other than for residential purposes. *See, CC&Rs, § 3.1(b) ("Restriction on Businesses").* No other use is allowed except as specifically permitted by law or local ordinance.
- 4) Each Owner-lessor must provide any Tenant with a current copy of all Governing Documents and all subsequent Amendments. *See, CC&Rs, § 3.2(d).*
- 5) A copy of the lease agreement and the information listed below shall be provided to the

Association within five (5) business of entering into the lease agreement:

- a. The names of the Tenant and all other persons expected to occupy the Unit during the term of the lease;
- b. The term of the lease (which shall be at least thirty (30) days;
- c. The mailing address of each lessee/tenant;
- d. An emergency telephone number for each Tenant;
- e. The Owner's mailing address and contact information;

*See, CC&Rs, § 3.2(e).*

- 6) Owners shall give the Manager or Board prompt notification within five (5) business days of any change or termination of the tenancy or any change in the information provided pursuant to the preceding section, above.
- 7) No Owner, contract purchaser, or Tenant shall be permitted to lease or sublease a Unit for transient or hotel purposes (*i.e.*, a rental that includes providing the occupants with customary hotel service such as room service for food and beverage, maid service, laundry and linen service, or bellboy service). Owners must comply with all local ordinances of the Town of Truckee regarding the rental or lease of Units. *See, CC&Rs, § 3.2(c).*
- 8) Subleasing of a portion of a Unit is not permitted except when there is a code-compliant accessory dwelling unit or junior accessory dwelling unit on the property. *See, Gov't Code §§ 65852.2 and 65852.22.*
- 9) Each Owner shall be responsible for compliance by such Owner's Tenant(s) with all of the provisions of the Governing Documents during the Tenant's occupancy and use of the Unit. *See, CC&Rs, §§ 3.2(d) & (f).*
- 10) The failure of any Tenant to comply with the terms of the Governing Documents shall be a default under the lease/rental agreement and a failure to perform a condition and covenant of the lease/rental agreement. The Association has the right to bring an eviction action against the tenant or lessee. *See, CC&Rs, § 3.2(g).*
- 11) Owners are responsible for any and all damage to the Common Area and Common Facilities caused by the Owners' Tenant(s) – whether known or unknown – and such Tenant(s)'s family, guests, or Invitees. Financial responsibility for damage will include all costs associated with Common Area repair or replacement, as well as insurance deductible paid by the Association, if applicable. *See, CC&Rs, § 5.4(a)(1).*
- 12) Every Owner of a Unit that is rented or leased agrees to and shall indemnify and defend the Association, its officers, directors, and agents and shall hold them harmless from any cost, loss, claim, or damages of any kind, including but not limited to attorneys' fees arising out

of the conduct or presence of the occupants of the Unit within the Project, including any such arising or alleged to have arisen out of the enforcement or nonenforcement by the Association of the Governing Documents against such occupants. Without limiting the generality of the foregoing, all costs, including attorneys' fees incurred by the Association to enforce the Governing Documents against such occupants, including eviction as provided in the *CC&Rs*, § 3.2(f), shall be reimbursed to the Association by the Owner and may be assessed by the Association as a Special Individual Assessment. *See, CC&Rs*, § 3.2(h).

### **Section G. FIRES**

No exterior fires are permitted, except barbecue fires within propane gas barbecues on the patios or decks. Barbeques with coals are prohibited. No resident may tap into the existing gas fireplace line to hook up a barbeque. No propane fire pit appliances are allowed.

### **Section H. DECKS**

Decks and patios may only be furnished with patio furniture (table, chairs, umbrella), a propane gas barbecue and storage bin. Storage bins must not exceed 2' deep x 3' high x 4' long.

### **Section I. SPRINKLER SYSTEMS**

Tampering with or adjusting sprinkler heads or timing devices is strictly prohibited. Owners will be held liable for any damages to the sprinkler system caused by such Owners. Any sprinkler problems should be promptly reported to the Association Manager.

### **Section J. NEIGHBORLY CONDUCT**

- 1) No Owner may permit or cause anything to be done or kept upon, in or about their Unit which might obstruct or interfere with the rights of other Owners to quiet enjoyment of their property, free from noxious, harmful or unreasonably offensive conduct and/or activity. *See, CC&Rs*, § 3.3.
- 2) All activities, whether individual or group, shall be conducted at a noise level that is reasonable and not disturbing to other Association Residents. *See, CC&Rs*, § 3.3 (“... no Owner or resident shall permit noise, sound(s) or sight(s) that unreasonably disturb another Owner’s or resident’s enjoyment of his or her unit . . .”). Each Owner and Resident is responsible for the conduct and behavior of their family members, Tenants, guests, and invitees. *See, id.*, § 3.2(d).
- 3) Vehicles, toys, bicycles and other personal items shall not block or interfere with pedestrian or vehicular traffic. *See, CC&Rs*, § 3.7(b), 3.13 and 3.22.

- 4) Leaving toys, sports equipment and other personal items in the front yard or driveway of Units, where visible from the Common Area or other Units, overnight is prohibited. *See, CC&Rs, § 3.22.*
- 5) No Owner, Tenant or Resident shall permit noise, sound(s) or sight(s) that unreasonably disturb another Owner or Resident's enjoyment of his or her Unit and/or the Common Area, including but not limited to barking dogs, or the operation of stereos, amplifier systems, television systems, motor vehicles, recreational vehicles, motorcycles, or power tools. *See, CC&Rs, § 3.3.*
- 6) No noxious or offensive activities shall be carried on nor shall anything be done which may be or become an annoyance or nuisance to the Residents or which shall in any way interfere with the quiet enjoyment of occupants in the Residences. *See, CC&Rs, §3.3.* Such prohibited activities include but are not limited to:
  - a. Brandishing and/or discharging of firearms within the Project;
  - b. Drilling, refining, quarrying, oil/hydrocarbon/mineral exploration and extraction, or mining operations of any kind;
  - c. Use of machinery or equipment of any kind, except such machinery or equipment as is usual or customary in connection with the use, maintenance or repair of a private Residence or appurtenant structures within the Project;
  - d. Activities that will obstruct the sidewalks, streets or Common Area within the Development or interfere with the free use thereof, except such obstruction as may reasonably be required in connection with repairs;
  - e. Activities that impede, alter or otherwise interfere with the drainage patterns or facilities in, over, under, across and through the Project without the prior written consent of the Board and all public authorities with jurisdiction;
  - f. Activities or conditions that would encourage, induce, breed, or harbor infectious plant diseases, feral animals, noxious insects, rodents and/or vermin in the Project;
  - g. Any excavation, improvement or work that in any way alters any Common Area from its existing state on the date such Common Area or Common Facility was originally constructed shall not be made or done except by the Association and, then, only in strict compliance with the provisions of the Governing Documents;
  - h. The emission of unreasonable levels of exhaust fumes and/or noise and/or the parking or storage of dilapidated, unlicensed, non-operational and/or disabled vehicles;
  - i. Harassment or physical or verbal abuse of the Directors, or the Association's contractors, employees, agents, and Association Manager, or any obstruction or interference with such persons while they are performing duties for the Association; and
  - j. The cutting or removal of trees or bushes located on the Common Area without prior written approval of the Board.



- 7) Unless otherwise permitted in the Association Rules, no Owner shall serve food or beverages, cook, barbeque, or engage in similar activities, except within such Owner's Unit or Exclusive Use Common Area or any other area designated by the Board for such use. *See, CC&Rs, § 3.3(f).*

**Section K. MAINTENANCE: Owners' Obligations to Maintain and Repair**

Condominium Owners shall maintain all components within their Unit unless responsibility for maintenance, repair or replacement of a particular component is specifically delegated to the Association by the Declaration or the Association Rules, including these Rules & Regulations. Every Owner must perform promptly all maintenance and repair work within such Owner's own Unit that, if omitted, would affect the Common Area or another Unit, and shall be expressly responsible for any and all damages and liabilities that their failure to do so may cause.

1) Without limiting the foregoing, each Owner's responsibilities include the maintenance, repair, and replacement of the Owner's Unit, including:

- all windows (including glass, frame, weather stripping, and panes);
  - washing the exterior windows
  - doors (including hardware, weatherproofing, frame, and any glass and excluding painting and staining the exterior surface of the doors);
  - garage doors (except the exterior painted surface thereof) and garage door openers;
  - light fixtures with switches controlled from, or separately metered to an Owner's Unit;
  - interior surfaces of the walls, ceilings, floors, permanent fixtures, chimneys, flues, firebox, and spark arrestors in the fireplace;
  - heating system(s) (forced air or Hydro-Aire) and the water heater
  - pipes for the water delivery system
  - pipes and the hydronic wall heating system in Buildings 1-5
  - snow removal from the rear patios or upstairs decks: no owner shall allow their upstairs deck to accumulate snow that exceeds the height of the handrail
  - snow removal from a driveway blocked by a vehicle
  - clearing snow from the front entries to their Condominiums and from all of their Exclusive Use Areas as soon as reasonably possible after each snowstorm
  - exterior hose bib
  - exterior electrical outlet
  - any phone lines or electrical wires inside the walls of the building
- See, CC&Rs, section 6.2(a).

2) Maintenance of Exclusive Use Common Areas decks and patios including snow removal as specified in Section 6.6 of the Declaration, and day-to-day maintenance of the surface of the floors of the decks (including responsibility for any residual damage to Association Property and to any other Units). In addition, Owners with hot tubs on their Exclusive Use

Common Areas will be responsible for any and all damage caused to their Exclusive Use Common Area resulting from the hot tub. See, CC&Rs, section 6.2(b).

3) Maintenance, repair, and replacement of heating/air conditioning systems and equipment which service an Owner's Unit wherever located. See, CC&Rs, section 6.2(c).

With the prior written consent of the Board or Association Manager, any Owner may perform for their residence such services as might otherwise be provided by the Association under the Declaration.

Owners must keep the temperature in their Unit set to **at least 55 degrees** to prevent pipes from freezing. Any owner failing to comply with this minimum temperature requirement must accept complete and total responsibility for any damage to their unit and neighboring units caused by their freezing pipes.

#### **Section L. EXTERIOR APPEARANCE AND SIGNAGE**

- 1) Windows visible from the Common Area and/or streets shall be covered by window coverings that meet the requirements set forth in Exhibit F, and shall be maintained in good repair and condition. Windows shall not be painted or covered by foil, cardboard, blankets, sheets, towels, or similar materials. Additionally, window air-conditioning units are prohibited *See, CC&Rs, § 3.10.*
- 2) Exterior clotheslines, drying racks, or other outside clothes drying or airing apparatus shall not be visible from the Common Areas or any other Unit in the Property. No balcony, railing, awning, or any other part of a Unit or Exclusive Use Common Area shall serve as a clothesline or drying rack. *See, CC&Rs, § 3.6*
- 3) The posting or displaying of commercial signs, posters, flags, or banners on any portion of the Common Area or within a Unit so as to be visible from the Common Area shall not be permitted, except as specified in the CC&Rs. *See, CC&Rs, § 3.4.*
- 4) Non-commercial signs or posters may be made of paper, cardboard, cloth, plastic or fabric and may not be made of lights, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping or decorative component, or include the paintings of architectural surfaces. *See, CC&Rs, § 3.4(b).*
- 5) Individual Homeowner Identification signs less than 1 square foot in total size may be placed within three feet (3') of the front door, not at the exterior garage wall. *See, CC&Rs, § 3.4(c).*
- 6) A maximum of one (1) "For Sale" sign may be displayed in the two (2) garage windows of

a particular Unit that is offered for sale. One window to state "For Sale" and the other window to state the Realtor's name, company and phone number(s). Size of each garage window is 10.25" by 17.0". Color of the sign to be tan background with rust letters. *See, CC&Rs, § 3.4(c).*

- 7) A maximum of two (2) "Open House" directional signs (maximum size six (6) square feet) to provide directions to the Unit for sale, only displayed at street intersections, to direct prospective buyers to the Unit for sale, *See, CC&Rs, § 3.4(c)*, or
- 8) One "Open House" sign not to exceed six (6) square feet may be displayed at the entry of the Unit being held open. "Open House" signs may be displayed a maximum of 5 hours per day. *See, CC&Rs, § 3.4(c).*
- 9) Political signs in the window, not the common area, may be posted no more than 1 month prior to election and removed 1 week after the election. *See, CC&Rs, § 3.4(c).*
- 10) No signs are to be posted on the mailboxes for soliciting sales, rentals, lost pets, cleaning, etc. *See, CC&Rs, § 3.4(c).*
- 11) No signs may advertise overnight, weekend, monthly, seasonal or full-time rentals. *See, CC&Rs, § 3.4(c).*
- 12) No "No Parking" signs shall be on any garage window by any Residents or Tenants. *See, CC&Rs, § 3.4(c).*
- 13) The Association reserves the right to post official notification in the Common Areas including mailbox locations. *See, CC&Rs, § 3.4(c).*
- 14) No non-commercial sign, poster, flag or banner may be posted or displayed on any portion of the Common Area by an Owner or Tenant. *See, CC&Rs, § 3.4(b).*
- 15) No non-commercial sign or poster larger than nine (9) square feet in size may be posted or displayed within a Unit or Exclusive Use Common Area so as to be visible from the Common Area or from another Unit. *See, CC&Rs, § 3.4(b).*
- 16) No non-commercial flag or banner larger than fifteen (15) square feet in size may be posted or displayed on a Unit or Exclusive Use Common Area so as to be visible from the Common Area or another Unit. *See, CC&Rs, § 3.4(b).*
- 17) Displaying holiday decorations and lights on a Unit or Exclusive Use Common Area is permitted from November 1 to January 30. *See, CC&Rs, § 3.22.*
- 18) Window air-conditioning units are prohibited. *See, CC&Rs, § 3.12.* An interior portable air conditioner is allowed as long as it conforms to the specifications in Exhibit D. *See, CC&Rs,*

§ 3.22.

**Section M. PARKING AND OPERATION OF VEHICLES**

- 1) All vehicles within the Project shall be operated and parked in a safe manner, in compliance with local, state and federal laws and in a manner so as to not cause a public disturbance or nuisance. *See, CC&Rs, § 3.7(f).*
- 2) The maximum speed limit within the Project is 10 miles per hour. *See, CC&Rs, § 3.7(f).*
- 3) No unreasonably noisy, smoky, or off-road vehicles shall be operated within the Project. *See, CC&Rs, § 3.7(f).*
- 4) No commercial vehicles or boats, trailers, recreational vehicles or campers may be parked or stored anywhere in the Project in any manner visible from the Common Area or another Unit. *See, CC&Rs, § 3.7(b).*
- 5) Commercial vehicles entering the Project for service, delivery, loading or unloading purposes may temporarily park in the Common Area, subject to restrictions in the CC&Rs. *See, CC&Rs, § 3.7(b).*
- 6) No dilapidated or inoperable vehicle, including vehicles without wheel(s) or an engine, or abandoned vehicles shall be stored on the Common Area. As used in this Subsection, an “inoperable vehicle” shall include any vehicle not bearing current vehicle registration, not currently capable of driving, lacking a windshield or other windows, or lacking functioning tires or an engine. *See, CC&Rs, § 3.7(b).*
- 7) No moped, motorcycle or other vehicle may be parked on a sidewalk, grass, or other area not otherwise designated for parking of vehicles. *See, CC&Rs, § 3.7(a).*
- 8) All driveways shall be maintained in a neat and orderly condition. *See, CC&Rs, §§ 3.7(d)*
- 9) No vehicle shall be double parked at any time or occupy more than one (1) parking space. *See, CC&Rs, § 3.7(a).*
- 10) Garages shall be kept sufficiently clear so as to permit parking of the number of vehicles for which the garage was designed. *See, CC&Rs, §§ 3.7(d) & (f).*
- 11) Garage doors shall remain closed, except when the garage is in use. *See, CC&Rs, § 3.7(f).*
- 12) Garages shall be used for vehicle parking only and shall not be used for repair of vehicles or converted for living, business, or recreational activities, except as permitted under the CC&Rs. *See, CC&Rs, § 3.7(e).*
- 13) Other than the replacement of a flat tire or dead battery, no motor vehicle shall be constructed, reconstructed or repaired within the Common Area and driveways. *See, CC&Rs, § 3.7(e).*
- 14) No vehicle shall park in a red zone, fire lane or in any manner which would block access to sidewalks, private driveways, access to or from the Project, or emergency vehicle access. The Board, local fire, police, or sheriff’s departments shall have the right to immediately remove all vehicles which are parked in a red zone or fire lane. Where such removal is necessary, it shall constitute a violation of the CC&Rs and these Rules by the offending

Member. If the vehicle being removed belongs to a Tenant, Resident, guest or visitor of a Member, it shall also constitute a violation of the CC&Rs and this Policy by the Member. *See, CC&Rs, §§ 3.7(a) & (f).*

- 15) Vehicles parked in violation of the Governing Documents may be towed with prior notice to the vehicle owner and at the vehicles owner's expense, provided that the Association complies with California Vehicle Code § 22658, *et seq.* or any superseding statute. Costs incurred by the Association regarding parking, towing, and vehicle storage shall be levied against the Owner as a Special Individual Assessment, including costs incurred due to Owner's family, Tenants, lessees, guests, vendors or contractors. *See, CC&Rs, § 3.7(f).*

#### **Section N. ANTENNAS/SATELLITE DISHES (See Exhibit C)**

- 1) No owner shall construct, install and/or use and operate any radio and/or television antenna, satellite dish, other signal reception or transmission devices or related equipment within the Common Area except with the express, prior written permission of the Board. *See, CC&Rs, § 3.5.*
- 2) No satellite dish or antenna greater than one meter (39.4 inches) in diameter shall be installed at any Unit so as to be visible from any adjacent Unit or Common Area. *See, CC&Rs, § 3.5.*
- 3) Unit Owner must follow Antenna and Satellite Restrictions in Exhibit C, and sign and return a copy of that Exhibit.
- 4) Only one (1) satellite dish or antennae is permitted per Unit. *See, CC&Rs, § 3.5.*
- 5) Owners must remove any satellite dish installed for the Unit upon sale of the Unit. *See, CC&Rs, § 3.7(f).*

#### **Section O. ANIMALS/PETS**

The following restrictions regarding the care and maintenance of pets within the Project shall be observed by each Owner, Tenant, Resident and guest:

- 1) No more than two (2) dogs and up to two (2) common household animals (i.e., cats, fish, birds, reptiles, or other usual household animal) may be kept in each Unit as long as they are not kept, bred, or maintained for commercial purposes and are kept under reasonable control at all times. No other animals, livestock or poultry of any kind shall be kept, bred, or raised in any Unit. The Board may determine that a reasonable number of common

household animals in any instance may be more or less. *See, CC&Rs, § 3.8(a).*

- 2) Dogs shall not be allowed outside of a Unit within the Project unless leashed and otherwise under the supervision and restraint of their owners. *See, CC&Rs, § 3.8(c).*
- 3) No household pet shall be tied, chained or otherwise tethered in the Common Area, unless under the supervision of its owner. *See, CC&Rs, § 3.8(c).*
- 4) Pet owners shall be responsible for the prompt removal and disposal of pet waste deposited by their pets within the Project. *See, CC&Rs, § 3.8(d).*
- 5) All pets requiring a city or county license must be licensed.
- 6) Notwithstanding the foregoing, no pets may be kept within the Project which result in annoyance or nuisance (for example, excessive barking) to Owners or Residents. *See, CC&Rs, § 3.8(e).*
- 7) Each person bringing or keeping a pet within the Project shall be solely responsible and liable for the conduct of such pets. *See, CC&Rs, § 3.8(f).*
- 8) The Association, the Board, officers, employees and agents shall have no liability to any Owners, their Family, guests, invitees, Tenants, Residents, and contract purchasers for any damage or injury to persons or property damage caused by any pet. *See, CC&Rs, § 3.8(f).*
- 9) The Board shall have the power to prohibit the keeping or maintenance of any animal which, in the sole and exclusive opinion of the Board, after notice and hearing, is deemed to constitute a nuisance or threat to the safety of the Residents. *See, CC&Rs, § 3.8(e).*
- 10) Tenants are not allowed to keep animals within the Project unless such Tenant resides in a Unit for six (6) months or longer and the Unit Owner permits the keeping of animals in the Unit. *See, CC&Rs, § 3.8(b).*
- 11) Pets are not allowed in the pool area or recreation facility.

#### **Section P. BUSINESS ACTIVITIES**

- 1) No business of any kind shall be established, maintained, operated, permitted or conducted, except as specified in the CC&Rs. *See, CC&Rs, § 3.1(b).*
- 2) Each Unit shall be used exclusively for residential purposes, except as specified in the CC&Rs. *See, CC&Rs, § 3.1(b).*

- 3) Home offices and/or such professional or administrative businesses (as may be permitted by applicable statutes and/or ordinances provided) are allowed. However, there shall be no external evidence of such business/home office (i.e., no increased pedestrian and/or vehicular traffic, no signs, and no activities that are apparent or detectable by sight, sound or smell from outside of the Unit). *See, CC&Rs, § 3.1(b).*
- 4) Activities in Units that may increase the Association's insurance obligations and/or premiums and/or are inconsistent with the residential nature of the Project are prohibited. *See, CC&Rs, § 3.1(b).*

### **Section Q. TRASH CONTAINERS**

- 1) Owners are required to contract with Tahoe Truckee Sanitary Disposal (TTSD) for trash pick-up from their bear bin. Any Owner failing to do so will be fined by the Board.
- 2) There are only two trash cans provided in each bear bin – one for downstairs and one for upstairs. Each resident may only use one can and take extra trash to the public waste disposal or recycling center for proper disposal. There is additional space for recyclables (in a blue recycling bag) in the bear bin between the two trash cans.
- 3) Trash and garbage shall be placed in a covered and appropriate receptacle, which shall be enclosed within each Unit so as to not be visible from Common Area, except for a reasonable period of time (not to exceed twelve (12) hours before and after the trash collection hours). *See, CC&Rs, § 3.9(a).*
- 4) No toxic or hazardous materials shall be disposed of within the Project by dumping in the garbage containers or down the drains, or otherwise. Toxic or hazardous materials disposal must be performed outside the Project in accordance with all applicable statutes, ordinances and regulations. No hazardous or flammable materials may be stored in any vehicle on the Project. *See, CC&Rs, § 3.9(b).*
- 5) Any extraordinary accumulation of rubbish, trash, garbage, or debris shall be removed promptly from the Project to a public waste disposal facility. All weeds, rubbish, debris or unsightly materials or objects of any kind shall be regularly removed from Units and shall not be allowed to accumulate therein or thereon.
- 6) No Owner, Resident or Tenant shall permit anything or condition to exist in their Unit which induces, breeds, or harbors infectious plant diseases or noxious insects. *See, CC&Rs, § 3.9(d).*

## **Section R. SPORTS FIXTURES AND PLAY EQUIPMENT**

- 1) No basketball standards, hoops, backboards, or other fixed sports apparatus shall be erected and maintained anywhere in the Project or attached to any Building in a manner that is visible from the Common Area or other Units. *See, CC&Rs, § 3.22.*
- 2) Temporary sports equipment and apparatus shall not be left on Common Area or Exclusive Use Common Area in a manner that it is visible from the Common Area or other Units overnight. *See, CC&Rs, § 3.22.*

## **Section S. LEGAL CONSIDERATIONS**

- 1) There shall be one vote per unit.
- 2) No Board member may represent the Association position on any federal, state or local election issue or spend Association money in support of any candidate or cause without full Board approval.

## **Section T. ARCHITECTURAL CONTROL**

- 1) The **Architectural Committee** (hereinafter **ARC**, formerly the Design Review Committee) if appointed (*CC&Rs, § 8.2*) is comprised of a chairperson and no less than two additional members according to the following: a) at least two board members, and b) no more than two residents who are not board members. If no Committee is appointed, the Board shall exercise the functions of the ARC, and in such case, references to the ARC in this Article shall mean the Board.
- 2) **Duties of Committee** (see *CC&Rs, § 8.3*). It shall be the duty of the ARC to consider and make recommendations upon the proposals and plans submitted to it pursuant to these Rules, and to carry out all other duties imposed upon it pursuant to the Governing Documents. The vote or written consent of a majority of the Committee shall constitute the action of the Committee. The Committee shall keep and maintain a written record of all actions taken.
- 3) **Unit Interior Restrictions** (see *CC&Rs, § 3.14*) No Condominium Owner shall undertake any action or work that will impair the structural soundness or integrity of his/her or another Unit or impair any easement or estate, or do any act or allow any condition to exist which will adversely affect the other Condominiums or their Owners. No alteration, repair, or replacement of wall coverings in Condominiums which may diminish the effectiveness of the sound control engineering in the buildings in the Project may be made.
- 4) **All Changes to Condominiums** (see *CC&Rs, § 3.14(f)*) Any physical changes to the Condominiums must be approved in advance by the Board, must be performed pursuant to a building permit issued by the Town of Truckee (if required), and must be performed by a licensed contractor with general liability and Workers Compensation insurance.” The



Committee is acting as an agent of the BCA Board and makes recommendations to the Board.

- 5) **Work that does not need review by the Committee for approval:** Repairs to, or replacement of appliances, toilets, basins, sinks, electrical fittings provided they are not moved from their present location and that electrical systems or plumbing do not need to be modified, do not need approval of the Committee/Board.
- 6) In order to maintain the architectural character and aesthetics of the Community, it is necessary that modifications of structures and materials be compatible with the residences and overall architectural style of the Community. The Board sets the standards, and the ARC applies those standards on all exterior and interior alterations. This process assures the continuity of character, which helps preserve or improve the appearance and enhances the overall value of every home.
- 7) The ARC and the Board have developed rules/guidelines concerning exterior and interior changes to the Condominiums and individual units therein. These guidelines conform with the CC&RS (see *CC&Rs*, § 8.4). The purpose of these rules/guidelines is to provide the required information and forms regarding any exterior or interior changes and modifications of the home so that the ARC may render its decision.
- 8) **Improvements** that require the Association's prior written approval following submission of plans and specifications (*See, CC&Rs*, § 8.1):
  - a. Any work that would impair the structural integrity of any existing improvement;
  - b. Any work that structurally changes any improvement;
  - c. Any work that affects the common utility services or installations;
  - d. Any work that increases noise transmission from any Unit to other Units; or
  - e. Any work that alters the exterior appearance of an existing improvement of any Unit, landscaping, or excavation work that in any way alters the exterior appearance of any Unit.
  - f. Any work, such as the installation of a tankless water heater, that requires penetration of the outside wall or roof. Such work must be carried out by a contractor who is licensed and insured.

No construction, installation or alteration of an improvement, including landscaping, in the Community may be commenced or maintained until the plans and specifications thereof showing the nature, kind, shape, height, width, color, materials and location thereof have been submitted to and approved in writing by the ARC/Board; provided, however, that any improvement may be repainted without ARC/Board approval so long as the improvement is repainted the identical color which it was last painted. Without limiting the generality of the foregoing, the provisions of this Section apply to the construction, installation, and alteration of solar energy systems, as defined in Section 801.5 of the California Civil Code, subject to the provisions of California Civil Code Section 714, the City Building Code, applicable zoning regulations, and associated City ordinances.

- 9) **Owner-Initiated Alterations/Modifications to their Unit** are subject to these rules and to the CC&Rs.

Owners are **prohibited** from making the following changes to their Units:

- a) Converting the gas log fireplace to a wood-burning fireplace
- b) Extending the gas line from the fireplace for a barbeque grill or an additional fireplace
- c) Replacing the fiberglass master shower with a "hot mop" tile floor
- d) Replacing the steel braided washer hoses with rubber hoses
- e) Installing a window air conditioner (See Exhibit D for approved air conditioner)
- f) Installing a waterbed in an upstairs Unit
- g) Installing a hot tub near a window without changing the window to tempered glass or an equivalently safe alternative material

Owners must obtain **approval** from the ARC and/or Board to make the following changes:

- a) Moving any walls
- b) Re-wiring the electrical system
- c) Re-plumbing their water delivery system
- d) Re-plumbing the Kitec pipes serving the Hydro-Aire heating system (Buildings 1 - 5)
- e) Installing hard surface flooring in the Living/Dining Area, Bedroom or Den
- f) Replacing the wood blinds with a different window covering that does not conform to the specifications in Exhibit F
- g) Installing a hot tub on an upstairs Unit wooden deck that has not been structurally reinforced by the Declarant

#### 10) **Application for approval for owner-initiated alterations/modifications**

(a) Application for review of projects by the ARC must be submitted to the Association Manager utilizing the ARC Submittal form that is available at the Association website (<https://truckeeboulders.com/home/homeowners/>), and from the Association Manager. The Association Manager's address may be found on the Association website and also on the submittal form. The completed form and all supporting documents must be submitted either electronically or in writing to the Association Manager. Electronic submission is preferred. The Association Manager will log in the application and transmit all documents to the ARC for review.

(b) The Owner submitting the plans and specifications ("*Applicant*") shall obtain a written, dated receipt thereof from the Association Manager. Until changed by the Board, the address for submission of such plans and specifications is in the Association Manager's office.

(c) The ARC may require a fee to accompany each application for approval, or stating additional factors, which it will consider in reviewing submissions. The ARC may provide that the amount of such fee be uniform, or that it be determined in any other reasonable manner, such as by the reasonable cost of the construction, alterations or installations contemplated.

(d) In some cases the Board must approve the application. The ARC is advisory to the Board and will present its recommendation to the Board. The Board may from time to time determine that certain types of applications can be approved by the ARC without requiring Board approval. If a project is submitted for approval that is substantially the same as a previous project that was approved by ARC and the Board in the last two years, the ARC will have the authority to approve the project. This approval will be contingent upon a full review of the new project. The ARC is not required to approve such a project and/or may also add additional requirements upon which the approval is contingent (CC&Rs section 8.6).

(e) **Required documentation, and process, for application approval.**

- 1) When applying for architectural approval, please provide as much information as you can regarding the proposed improvement/alteration/modification.
  - a. Completed Architectural Application Form which is available at the Association website (<https://truckeeboulders.com/home/homeowners/>), and from the Association Manager. The Association Manager's address may be found on the Association website and also on the submittal form.
  - b. Two sets of plans and specifications (if any) drawn to scale;
  - c. Information identifying the exact location of the proposed improvement/alteration/modification (use a scale drawing if applicable);
  - d. Information regarding the color, size, composition and description of the proposed improvement/alteration/modification;
  - e. Photo, sketch, copy of an advertisement or other depiction of the proposed improvement/alteration/modification;
  - f. Name of the contractor(s) and/or manufacturer(s) involved in the proposed improvement/alteration/modification;
  - g. Written consent of affected homeowners if the improvement is visible from or would otherwise impact the use and enjoyment of neighboring Units.

*See, CC&Rs, § 8.5(a).*

- 2) If additional documentation relating to the change is requested by the ARC the time to respond shall not begin to run until such additional documentation is received by the ARC.
- 3) The ARC shall grant the requested approval only if the ARC, in its sole discretion, finds that all of the following provisions have been satisfied:
  - a. The Owner has complied with the Governing Documents pertaining to the content, and procedures for submittal, of plans and specifications;
  - b. The Owner's plans and specifications conform to the Governing Documents in effect at the time such plans are submitted to the Architectural Committee;
  - c. The Owner's proposed improvement will not interfere with the reasonable

- enjoyment of any other Owner of his or her property;
- d. The proposed improvement(s), if approved, will otherwise be consistent with the architectural and aesthetic standards prevailing within the Project, in harmony with the external structures and/or landscaping within the Project and are consistent with the overall plan and scheme of development and the purposes of the CC&Rs; and
  - e. The Owner provides evidence that any contractor or vendor proposed to perform work within the project is licensed and insured.

*See, CC&Rs, § 8.6.*

- 4) At its discretion, the Board may hire professionals to conduct the reviews of proposed remodels and/or improvements of individual units. The professionals shall report their findings and/or recommendations to the Board, and/or to the Architectural Committee at the behest of the Board.
- 5) The ARC may determine that a proposed improvement is unacceptable when proposed for a particular Unit, even if the same or a similar improvement or component has previously been approved for use at another location within the Project if factors such as drainage, topography or visibility from roads, Common Areas or other Units or prior adverse experience with the product or components used in construction of the improvement, design of the improvement or its use at other locations within the Project mitigate against erection of the improvement or use of a particular component thereof on the Unit involved in the Owner's submittal. *See, CC&Rs, § 8.6.*
- 6) The ARC shall be entitled to make subjective judgments and to consider the aesthetics of a proposal when considering an Owner's request so long as the Architectural Committee acts reasonably and in good faith. *See, CC&Rs, § 8.6.*
- 7) In approving a request for construction of an improvement, the ARC may condition approval upon the adoption of modifications in the plans and specifications or observance of restrictions as to location, noise abatement, color or materials modifications or similar mitigating conditions. *See, CC&Rs, § 8.6.*
- 8) In the event the ARC fails to approve or disapprove a complete application packet within forty-five (45) days, the written request shall be deemed disapproved and the written request may be resubmitted. *See, CC&Rs, § 8.5(d).*
- 9) If the Architectural Committee fails to approve or disapprove such resubmitted application within thirty (30) days of its resubmittal, the request shall be deemed approved. The Owner bears the burden of proof to establish that the request was, in fact, received by the Association. *See, CC&Rs, § 8.5(d).*
- 10) In the case of an application to the Architectural Committee for installation, modification or removal of a Solar Energy System (as defined in Civil Code § 801.5), if such application

is not denied in writing within forty-five (45) days of the receipt of the application, the application shall be deemed approved unless the delay resulted from a reasonable request for additional information related to the application. *See, CC&Rs, § 8.5(c).*

- 11) In the case of an application for installation, modification or removal of an Electric Vehicle Charging Station pursuant to Civil Code § 4745, if such application is not denied in writing within sixty (60) days of receipt of the application, the application shall be deemed approved unless the delay is the result of a reasonable request for additional information. *See, CC&Rs, § 8.5(c).*
- 12) Appeals of the decision of the Architectural Committee shall conform to the requirements of CC&Rs § 8.7.
- 13) Any work pursuant to an approved Architectural Application, including inspection and completion of approved work, shall proceed in accordance with CC&Rs §§ 8.9 and 8.10.
- 14) Before construction can begin the Owner must submit the following information to the Association: name of the (licensed) Contractor, a construction schedule, building permit(s) if required.
- 15) Each Owner bears sole responsibility for obtaining all necessary governmental permits/authorizations and/or complying with all governmental requirements including specifically applicable building codes. *See, CC&Rs, § 8.9.*
- 16) Storage of construction materials is not allowed in the streets. Construction debris shall be removed from the front yard of a residence on a daily basis. *See, CC&Rs, § 3.9(a).* 17) In the event that it comes to the knowledge and attention of the Association of either that a work of Improvement, or any modification, is proceeding/was completed without proper approval and/or is not in compliance with the approved plans and specifications, the Association may require the Owner to remove / undo the Improvement /alteration / modification and/or require the Owner to pay monetary fines for a continuing violation, in accordance with the Governing Documents. *See, CC&Rs, § 8.11.*

## **Section U. QUESTIONS AND COMPLAINTS FOR THE ASSOCIATION**

Any questions or complaints regarding the Association, its management, these Rules, or the governing documents shall be directed to the Association's manager, as recorded on the Association website <https://truckeeboulders.com/home/homeowners>.

## **Section V. ENFORCEMENT (see also Exhibit A)**

- 1) Fines. To ensure compliance with the Association's rules, Owners may be fined in accordance with the Governing Documents. *See, CC&Rs, §§ 12.6(a) & (b).*
- 2) First Offense. A notice of violation/non-compliance will be mailed to the Owner(s) of the non-complying Unit describing the violation or non-compliance and, if the violation/non-compliance is continuing, requesting that the violation/non-compliance be corrected within a specified time. *See, CC&Rs, § 12.6(c) ("Definition of a 'Violation'").*
- 3) Ongoing Violation. Any violation and/or non-compliance that is not corrected within the deadline set forth in the notice of violation to the Owner is an ongoing violation.
- 4) Repeat Offenses. If, within a twelve (12) month period following the Association's notice of a first offense, the same Owner(s) are determined by the Association to be in non-compliance and/or violation of the same provision of the Governing Documents, the Association has the right and ability to treat the violation/non-compliance as a continuation of the previous violation (hereinafter "repeat offense").
- 5) No discipline involving suspension of membership rights and/or a monetary penalty will be imposed against a Member, except subject to the "Meet and Confer" and notice and hearing requirements of the Governing Documents. *See, CC&Rs, §§ 12.6(d) ("Meet and Confer" Requirement), (f) (Hearings), (g)(Notices) & (h) (Rules re Disciplinary Proceedings); Bylaws, § 7.2 (Scheduling Hearings).*
- 6) If an Owner's Tenant is responsible for the ongoing violation and/or repeat offense, that Tenant shall have the following rights: (a) the right to receive copies of correspondence he previous violation (hereinafter "repeat offense") from the Association concerning the violation(s); and (b) the right to attend any hearing on the violation(s). However, the Unit Owner(s) shall remain primarily responsible for correcting any violation of the governing documents and may be disciplined for failing to do so, even if such violations resulted from the action or inaction of their Tenant(s).
- 7) If an Owner fails to correct any architectural violation(s) with the time specified by the Association, the Association may, in its discretion, correct the architectural violation and assess the Owner of the Unit with the costs of correcting the architectural violation. *See, CC&Rs, § 8.11.*
- 8) Following a hearing before the Board (or a committee appointed by the Board) pursuant to the governing documents, and as required by California law, the Board may impose the penalties for violation of the Governing Documents, as detailed in Schedule A. *See, CC&Rs, § 12.6(b) (Schedule of Fines); Bylaws, § 7.2 (Scheduling Hearings).*

## EXHIBIT "A"- SCHEDULE OF CHARGES & FINES

**The schedule of fines for late payment of Monthly Dues or Assessments is distributed in the annual disclosure package. Please refer to that document for updated delinquency policy information as required by State Civil Code. Furthermore, The Boulders is committed to resolving all violations of the CC&R's through the State required IDR and ADR process before imposing fines. The information on the IDR and ADR process is mailed to the membership annually in the annual disclosure package.**

- Dues Assessments are sent out and payable on the first of the month and late on the 30th.
- Payments received after the first of the following month will be charged a \$15 late fee.
- If the account is still unpaid on the 30th of the following month, there will be a "Notice of Delinquent Assessment" sent, stating the total amount currently due. This is a past due notice with just 30 days to bring the account current, including any and all fees, late charges, etc. Partial payment will not be accepted.
- If the account is not brought current in the 30 days stated above, then a lien will be recorded against the property, resulting in additional expense and possible reporting to the credit bureaus.
- If the account continues in a delinquent status, a "Notice of Default" will be served, which could lead to a foreclosure sale of the property.
- Checks must include Owner's account number or Building & Unit or Boulders address
- Not receiving a statement does not suspend the obligation to pay dues
- Checks returned for "Non-Sufficient Payment" ("NSF") will be charged as follows -
  - \$25.00 for the first NSF checks
  - \$50.00 for the second NSF check
  - \$75.00 for the third NSF checkAfter the third time, payment will only be accepted by Money Order or Cashier's Check

### **The schedule of fines for Violations of the CC&R's shall be as follows:**

• First Offense -	Warning Letter
• Second Offense -	<b>\$100</b>
• Third Offense -	<b>\$200</b>
• Fourth Offense -	<b>\$400</b>

- A continuing violation may involve daily fines until cured.
- These fines do NOT include any towing or impound charges that may be levied.
- These fines do not cover late fees for nonpayment of monthly assessments.
- On violations that result in damage to the Association common area or other Owners Units, the Board may elect to levy a special assessment equal to the cost of repairing the damage caused by the violating Owner or their Guest.

The Association Manager is entitled to charge a transfer fee to cover the separate costs of

- Duplicating a full set of the Association's legal documents
- Providing a dues recap statement of paid and delinquent accounts
- Providing a recap of sales and closings to any buyer's lender
- Copies of past Board meeting minutes



## **EXHIBIT "B" - Pool, Spa and Fitness Facility**

### **Hours:**

The facilities are open from 6:00 a.m. to 9:00 p.m. daily. The pool is open seasonally; all other facilities are open year-round.

### **Facility rules:**

There is no lifeguard on duty

The Boulders pool, spa and fitness facility is an alcohol free amenity

No glassware is allowed in the facility

No portable BBQ's

No pets allowed

No smoking

No organized parties without prior written consent from the Board of Directors

Gates must be kept closed at all times

Children under 14 must be accompanied by an adult to use pool and spa

Children under 18 are not permitted to use the fitness equipment

Only tight-fitting rubber pants or swim diapers are allowed, and must be worn at all times in the pool by children who are not potty trained

Owners/residents at The Boulders must accompany visitors at all times and are solely responsible for their conduct

No running on pool and spa deck

No diving

No horseplay, shoving or pushing around pool or spa

No skateboards, bikes, scooters or similar equipment allowed inside fenced areas

Proper swim attire is required

No music

Be respectful of others using the facilities at all times

Lost key replacement fee \$50

One key per condominium is issued. If a unit is split into half, third, or quarter ownership shares, one key per share is allowed at an additional fee of \$50 per key after the first key.

## **EXHIBIT "C" - Antenna and Satellite Restrictions**

These restrictions have been formulated by the Board of Directors in response to Owners not observing the association rules of securing Architectural Committee approval prior to installing a satellite dish or antenna for TV, radio, internet or other reception. The Association rules specify that Owners and their renters or lessees must secure approval prior to installation. These guidelines have been formulated to avoid future damage to the building, visual conflicts and any misunderstandings between Owners, Installers and the Association.

1. Owners must call the Association Manager listed on the Association website prior to installation.
2. The Association Manager will meet with the homeowner, renter and/or the installer to pick a dish or antenna location prior to installation.
3. The Architectural Committee Chair and the Association Manager will designate the specific route for the cable from the dish or antenna to the point of entry into the building.
4. Cable must be run on the exterior walls only along the vertical batts or the horizontal edge of the cedar lap siding to minimize the visual impact.
5. Installers must use only brown cable that matches the exterior of the stained building.
6. The homeowners are responsible to paint the dish or antenna to match the color of the building so as to diminish the visual impact as much as possible.
7. Installer must also use a brown, matching color sleeve as an insulator to avoid the weather from intruding inside the wall. If needed, silicon caulk shall be used to seal any gaps on the exterior of the building.
8. The express written approval will be granted by the Association Manager in writing to avoid any possible misunderstandings as to where any exterior penetrations will be permitted. That approval will be communicated within 72 hours of the meeting between the Association Manager and the Owner and/or Installer.
9. Tenants must also notify their landlords in writing prior to any installations being made. Owners may be held responsible to return the building to its original condition at the end of lease.
10. The Association and the management company will strongly discourage the placement of the dish or antenna above the rooflines or on the street side of the buildings. The location and wiring of the dish or antenna is at the sole discretion of the Architectural Committee and the Association Manager.
11. Any fees that may be assessed by the Association Manager will be charged directly to the homeowner or tenant who is requesting the installation.
12. Only the Architectural Committee Chair or the Association Manager can approve where the installers may drill through the exterior wall.
13. Any penetrations made through the exterior walls prior to or without the written consent of the Architectural Committee Chair will be assessed a fine of \$1,000.
14. Owner must remove the satellite dish upon sale of the Unit.

**ACCEPTED and AGREED TO:**    Building # \_\_\_\_\_ Address \_\_\_\_\_

**Signature**

**Date**

**Signature**

**Date**

## EXHIBIT “D” - Authorized Air Conditioning for Units

In some cases, owners might decide they want air conditioning for their units during the hot days in summer. To facilitate this process a unit owner needs to follow the steps and guidance below. No reviews are needed if this guidance is followed.

The following guidance must be followed:

1. The air conditioning unit must be contained within the condominium unit.
2. Only venting ducting to the outside via window or your sliding glass door, no penetrations through the walls or doors. Examples below:



3. The air conditioning unit must have a condensation water holding tank that can be manually drained.
4. The water holding tank cannot be connected to the existing drains in the unit or outside the unit.
5. The air conditioning unit must run on 110 volt outlets. No special wiring is allowed.
6. Example type of air conditioning unit and glass sliding door kit:
  - a. GE Model - APCA14YZBW, 13,500 BTUs, SKU – 6390679
  - b. Sliding Door Air Conditioner Vent Kit, Universal Balcony Sliding Door Seal for Portable A/C Compatible with Height 78 inch and 98 inch Sliding Door, Suitable for All Single Duct Portable Air Conditioner
7. No Architectural Committee review is required if these guidelines are followed.

**Exhibit E - WRITTEN COMPLAINT FORM**

The Boulders Condominium Association

A. Name and address of person filing Complaint ("**Complainant**"): .

B. Name and address of person responding to Complaint ("**Respondent**"): .

C. Complainant alleges that Respondent has engaged in the following acts or omissions: (Please provide a detailed description, including date, time, place and names and addresses of witnesses, if any; attach additional sheets if necessary.) .

D. Complainant alleges that the acts or omissions of Respondent described in Section C above is in violation of one or more of the following governing documents for \_\_\_\_\_ **Association:**

Section(s) \_\_\_\_\_ of the Declaration of Covenants, Conditions and Restrictions;

Section(s) \_\_\_\_\_ of the First Amendment to the CC&R'S

Section(s) \_\_\_\_\_ of the Bylaw;

Section(s) \_\_\_\_\_ of the Rules and Regulations

Dated: \_\_\_\_\_, \_\_\_\_\_ Signature \_\_\_\_\_

## **EXHIBIT F – Guidelines for Window Treatments**

Reference: Rules & Regulations, August 2023, SECTION T Architectural Committee Review (formerly Design Review Committee)

If the following guidelines are strictly followed, approval from the Architectural Committee (ARC) (formerly the Design Review Committee) is not required when changing out the wood blind window coverings that were supplied by the Seller when the Boulders Condominiums were first built.

If an Owner wishes to install window coverings from a different manufacturer a variance must be requested as described below.

Guidelines:

The wood blind window coverings originally supplied by the Seller were manufactured by Hunter Douglas, the Plantation Wood Blind. This model is no longer available. The current (2022) wood blind manufactured by Hunter Douglas is called Parkland.

This 2022 model expands the color limitations inherent in the Plantation Wood Blinds. Parkland Wood Blinds feature a classic spread of wood tones (e.g. Maple, Cottage Pine and Hickory) as well as some painted colors. Additionally, the Parkland Wood Blind offers interior painted colors of white, ivory and gray.

**Street Facing Window Coverings:** The street facing visible portion of the replacement wood blinds must be the classic spread of wood tones (Maple, Cottage Pine, Hickory, etc.). The ARC will not involve itself with the interior look desired by the homeowner.

**Side Window Coverings:** The above window coverings are also permitted for side windows (i.e. not street facing, potentially a back window or sliding door). An alternative permitted for side windows is the Honeycomb Shade. Hunter Douglas features two fabric collections - Duette and Applause. Both fabric collections offer neutral colors (white, ivory, beige and gray) as well as some bold colors. The exterior of all Honeycomb Shades is white in color, regardless of the fabric color selected for the interior view. This clean look adds significant insulation as well as a low-profile stack (2"-4") at the header of the window.

Patio sliding glass doors fall under either of the above categories depending on whether or not they are facing the street. Alternative window coverings may be approved following submission for a variance as described below.

Variance to Guidelines:

If the above guidelines are strictly followed approval by the ARC is not necessary. If an owner wishes to install an essentially equivalent window covering from a different manufacturer a variance must be requested by submitting an application to the ARC, via the management company, utilizing the Boulders Condominium Association submittal form and associated documentation (refer to the BCA website for the form and procedures: <https://truckeeboulders.com/home/homeowners/>).

THE BOULDERS CONDOMINIUM  
OWNERS ASSOCIATION  
DELINQUENT ASSESSMENT COLLECTION POLICY

1. The Board is charged with the responsibility to collect assessments to pay for the maintenance and replacement of common area property and other association expenses. The Association is entitled to recover assessments, reasonable collection costs, reasonable attorney's fees, late fees and interest when assessments are not paid on time. There are a number of ways to do this, including court action and foreclosure processes.

**2. IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION.** Thus, it is important to pay your assessments on time.

3. The Board will not use non-judicial foreclosure to collect fines or penalties but be advised that other remedies are available to collect these as well as any sums not suitable for collection by non-judicial foreclosure. The association intends to comply with requirements of 1367.1 of the Civil Code when collecting delinquent assessments. Note additionally:

4. Assessments are due on the **1st** day of each month, and are considered delinquent at 5:00 p.m. on the **30th** of the month, at which time a late charge of **\$15, or one and one-half percent (1-1/2%) of the first \$1,000 of the delinquent payment and one percent (1%) of any amount in excess of \$1,000, whichever is greater**, will be charged. All balances due as of 5:00 p.m. on the 30th day after the day that the assessments are due will be subject to interest of **12%** per annum.

5. On or about the **30th** day after an assessment payment is due, a 30-day Pre-Lien Notice may be sent by certified mail, to the delinquent record owner(s) at the owners' last mailing address provided to the Association. If the owner(s) have provided a written notice to the Association noting a secondary address, all notices shall be sent to that address also. The notice to owner will include an itemized statement of the total amounts delinquent, including assessments, late charges, interest and costs of collection. Owner will also be notified that he or she is entitled to ask to meet with the Board or Board representative(s) pursuant to the Association's internal dispute resolution "meet and confer" program.

6. On or after the 30th day after the Pre-Lien Notice is sent, the Association may record a lien on the property to secure the debt; however, there are limitations prohibiting foreclosure at this time. On or after any assessment or other amount due becomes delinquent the Board also has the right to file an action in small claims court to collect the sums due. All discussions related to the owner's situation shall be held in executive session. The decision to file an action in court and/or record a lien shall be made by the Board of Directors in an open meeting, by majority approval. The action shall be recorded in the minutes of the meeting referring to the property by parcel number, not name of owner.

7. If all sums secured by the lien are not paid in full within thirty (30) days after recordation of the lien, and at the point the amount of delinquent regular or special assessments reaches \$1,800.00, not including any accelerated assessments, late charges, fees and costs of collection,

attorney's fees, or interest, or has been delinquent more than 12 months, the Association may foreclose on the lien. The Board shall vote on the decision to foreclose the lien. Again, the decision shall be noted in the minutes of an open meeting (although the discussion on the action, which is disciplinary in nature, may be held in executive session to protect the owner's privacy). A Board vote to approve foreclosure of a lien may not take place less than 30 days prior to any public sale. (Note that the estimated time for foreclosure process from Notice of Default to date of sale is approximately 3-4 months and additional costs continue to accrue as the statutory procedures are followed). All resulting collection fees and costs will be added to the total delinquent amount. Prior to initiating a foreclosure, the Board shall offer the owner and, if so requested by the owner, shall participate, in dispute resolution pursuant to the association's "meet and confer" program or alternative dispute resolution with a neutral third party. The decision to pursue dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

8. If the Board votes to foreclose, the Board shall provide notice of its decision by personal service to an owner who occupies the separate interest or to the owner's legal representative. If the owner does not occupy the separate interest, said notice will be sent by first-class mail, postage prepaid, at the most current address shown on the books of the Association. In the absence of written notification by the owner to the association of an address off-site, the address of the owner's separate interest may be treated as the owner's mailing address. In addition, statutory procedures including recorded notices regarding foreclosure and sale will be accomplished.

9. If any owner's property is sold at a non-judicial foreclosure sale by the association for failure to pay assessments and related costs, an owner has a right to redeem the property up to 90 days after the sale (essentially meaning the Owner can buy it back by paying the amount of the delinquency, costs of sale, etc).

10. All charges assessed to the assessment account must be paid in full as a condition to curing and releasing a recorded Lien and other documents of foreclosure. The Association is not required to accept any partial or installment payments, except with execution of a mutually agreeable payment plan.

11. When a payment is made, the owner may request a receipt and the association will provide it. On the receipt, the association shall indicate the date of payment and person who received it. Each payment from an owner shall be applied first to the principal sum owed, then, in descending order, to interest, late fees and collection expenses. An owner may request that the Board consider a payment plan to satisfy a delinquent assessment. The Board will inform owners of the standards for payment plans, to the extent standards have been adopted by the Board. Certain timelines apply as follows: The Board will meet with the owner in executive session within 45 days of the postmark of an owner's request if the request is mailed within 15 days of the date of the postmark of the notice of delinquency (lien), unless there is no regularly scheduled BOD meeting during that period. In that case, the BOD may designate Directors to meet with the owner. Payment plans may incorporate any assessments that accrue during the payment plan period. Payment plans shall not impede an association's ability to record a lien to secure payment of delinquent assessments. Additional late fees shall not accrue during the



payment plan period if the owner is in compliance with the terms of the payment plan. In the event of a default on any payment plan, the association may resume its efforts to collect the delinquent assessments from the time prior to entering into the payment plan.

12. Any check returned by the bank for insufficient funds, stop payment or any other reasons is subject to a charge back to the unit of the amount of the check, an administrative fee, and any bank fees charged to the Association. If the account has been turned over to the Association's agent for collection and a check is returned, the account will be assessed whatever administrative fees the Agent charges.

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

The Boulders Condominium Association  
c/o Associa Sierra North  
PO Box 63515  
Phoenix, AZ 850852-3515

14. An owner of a separate interest has the right to inspect the association's financial books and records to verify the delinquency, per laws related to inspection of HOA records.

15. At any time the Board may seek legal advice related to enforcement of assessment collections, and is entitled to follow the advice of legal counsel, even if it deviates from the above processes (and so long as it is not in derogation of the statutes relating to assessment collection in HOA's). The Board may revise this policy, either generally or on a case-by-case basis, if it finds good cause to do so.

# THE BOULDERS CONDOMINIUM ASSOCIATION

## Notice Assessments and Foreclosure

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

### *Assessments and Foreclosure*

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

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

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

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5600 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.

## THE BOULDERS CONDOMINIUM ASSOCIATION

### *Payments*

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

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

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

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

### *Meetings and Payment Plans*

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

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

(b) An association distributing the notice required by this section to an owner of an interest that is described in Section 11212 of the Business and Professions Code that is not otherwise exempt from this section pursuant to subdivision (a) of Section 11211.7 of the Business and Professions Code may delete from the notice described in subdivision (a) the portion regarding meetings and payment plans.

THE BOULDERS CONDOMINIUM ASSOCIATION  
Summary of Dispute Resolution Procedures

*Internal Dispute Resolution (§5900)*

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 may 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.
  - (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) An agreement reached under this section binds the parties and is judicially enforceable if 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 may not be charged a fee to participate in the process.

## THE BOULDERS CONDOMINIUM ASSOCIATION

### *Alternate Dispute Resolution (§5930)*

Effective January 1, 1994, the law in California strongly encourages procedures alternative to litigation to resolve disputes between homeowners and HOAs and its residents/owners. There are various forms of Alternative Dispute Resolution (hereinafter referred to as "ADR") including mediation and arbitration. If the Association is considering suing a homeowner relating to enforcement of the Declaration of Covenants, Conditions, and Restrictions ("CC&Rs"), the Association must go through the preliminary steps of the procedure that are outlined below. If a homeowner is considering suing the Association for failure to enforce the governing documents or some other CC&R-based claim, the homeowner also must go through the preliminary procedure before filing a lawsuit. The steps are:

1. Either party must serve a "Request for Resolution" on the other party, either by certified mail (return receipt requested) or personal delivery. If a certified letter is sent out and no response is forthcoming, the personal delivery is required. The person who "serves" the Request for Resolution may not be a party to the action.
2. This Request for Resolution must include:
  - a. A brief description of the dispute between the parties;
  - b. A request for ADR; and,
  - c. A notice that the party receiving the Request for Resolution is required to respond within 30 days or it will be deemed rejected.
3. The party receiving a Request for Resolution has 30 days from the date he or she receives it to accept or reject ADR and if not accepted, it shall be deemed rejected.
4. If the party receiving the Request for Resolution agrees to ADR, the parties have 90 days to complete the process (more by agreement of the parties).
5. The costs of ADR shall be paid by the parties.
6. At the time either party files a civil action in court, that party must file a certificate stating that ADR has been completed in compliance with the law. Failure to file the certificate might be grounds for the other party to seek dismissal of the complaint. Conversely, the certificate should state that where the party filing the complaint served a Request for Resolution, it was either rejected or "deemed rejected" by the other party.
7. Exceptions to the process:
  - Where the time limit for bringing a legal action by a party would expire within 120 days;
  - Where temporary restraining orders or preliminary injunctions are needed immediately to stop a particular action;
  - Where either party would suffer substantial prejudice by delays caused by filing of the Request For Resolution; or,
  - Where any damage claim exceeds \$5,000.

Failure to follow the steps above would give a judge the right to decrease any attorney's fees award where either party of the lawsuit would otherwise be entitled to reimbursement of all reasonable attorney's fees under statute or contract.

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

## THE BOULDERS CONDOMINIUM ASSOCIATION

### Summary of Approval Requirements for Physical Changes to the Property

Pursuant to the governing documents of the association, all members are required to seek permission from the Association to make physical changes to the property. Approval may be required for, but is not limited to, the following:

- Changes to the exterior of the property effecting the aesthetic or structural integrity of the property
- Any modifications to common area property
- Any modifications to the property effecting the structural integrity of common elements
- Any modifications to the property effecting the peaceful enjoyment of neighboring homes and residents

Your governing documents may have additional limitations and requirements beyond what is listed above.

Members interested in making physical changes to the property should contact management and request an architectural modification form. Written request for modification must be received for request to be reviewed and approved by the Board of Directors at a meeting of the Board. The Board reserves the right to impose a processing fee payable to the association.

Architectural Application Form is available on the Association website

**<https://truckeeboulders.com/home/community/>**

as well as from the Association Manager at

**<https://app.townsq.io/>**

THE BOULDERS CONDOMINIUM ASSOCIATION  
General Disclosures

*Delivering Communications to the Association (§4035)*

Members of the association may deliver official communications to the association by mail to the following address:

President of the Board of Directors – The Boulders Condominium Association  
c/o Associa Sierra North  
10509 Professional Circle Suite 200  
Reno, NV 89521

*Delivering Communications to a Member (§4040)*

Members may request, in writing, a secondary address to which the association shall deliver an additional copy of notices specified under this section of the Civil Code.

*Notice of Meetings (§4045)*

Agendas and notices of meetings of the Board of Directors and Membership will be mailed,  
and posted at <https://app.townsq.io/>  
\_\_\_\_\_and the Association website <https://truckeeboulders.com/home/community/>

*Delivery of General Notices (§4045)*

A member may request to receive all general notices to be delivered by individual delivery pursuant to Section 4040 of the Civil Code.

*Requests for Meeting Minutes (§4950)*

Minutes, proposed minutes, or summary of minutes, of association meetings (excluding minutes of Executive Session Meetings) shall be available within 30 days of the meeting.

Printed copies of the minutes can be provided upon receipt of written request provided to Associa Sierra North. Please specify the date and type of meetings minutes you are requesting. Minutes may also be available at no cost on TownSq at - <https://app.townsq.io> as well as on the Association website - <https://truckeeboulders.com>.

THE BOULDERS CONDOMINIUM ASSOCIATION  
**Required Notice Regarding FHA Approval Status**

Civil Code § 5300 (b) (10) - Effective July 1, 2016

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 a condominium project. The association of this common interest development is not certified by the Federal Housing Administration as of N/A (insert date of status check).

Note: This disclosure is updated annually. FHA maintains an updated database of condominium approvals accessible at: <https://entp.hud.gov/idapp/html/condlook.cfm>



THE BOULDERS CONDOMINIUM ASSOCIATION

**Required Notice Regarding VA Approval Status**

Civil Code § 5300 (b) (11) - Effective July 1, 2016

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 a condominium project. The association of this common interest development is not certified by the Federal Department of Veterans Affairs as of N/A (insert date of status check).

Note: This disclosure is updated annually. VA maintains an updated database of condominium approvals accessible at: <https://lgy.va.gov/lgyhub/condo-report>

THE BOULDERS CONDOMINIUM ASSOCIATION

Opt. Out Request Form  
From Association's Membership List  
(Civil Code §5220)

Under Civil Code §5200: Members have the right to inspect and copy the association's membership list (Civ. Code § 5200 and § 5205). A membership list is defined to include a member's name, property address, mailing address and email address, but not including information for members who have opted out pursuant to Civil Code § 5220. (Civ. Code § 5200(a)(9).). A member of the association may opt out of the sharing of his or her name, property address, and mailing address by notifying the association in writing that he or she prefers to be contacted via the alternative process described in subdivision (c) of Section 8330 of the Corporations Code. This opt-out shall remain in effect until changed by the member. (Civ. Code § 5220).

Please contact the association's manager if you have any questions regarding this form or regarding opting out of the membership list. Please complete the form below and return to management.

---

I am concerned about protecting my privacy and private information from mandatory distribution per the civil code. I am filling out this form and mailing the completed document to:

**THE BOULDERS CONDOMINIUM ASSOCIATION**

c/o Associa Sierra North  
10509 Professional Circle Suite 200  
Reno, NV 89521  
Email: [HOATahoe@associasn.com](mailto:HOATahoe@associasn.com)

Association Name: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Unit/Lot Address: \_\_\_\_\_

Account Number: \_\_\_\_\_

I am opting out of the association's membership list. Please immediately remove my name, property address, mailing address and email address from the new membership list. This opt out remains in effect until I send the association new instructions, in writing.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

## THE BOULDERS CONDOMINIUM ASSOCIATION

### 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 Included	Fee for Document	Not Available (N/A) or 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 <b>4525(a)(1)</b>	\$9.00	
CC&Rs	Section <b>4525(a)(1)</b>	\$9.00	
Bylaws	Section <b>4525(a)(1)</b>	\$9.00	
Operating Rules	Section <b>4525(a)(1)</b>	\$9.00	
Age restrictions, if any	Section <b>4525(a)(2)</b>	\$9.00	
Rental restrictions, if any	Section <b>4525(a)(9)</b>	\$9.00	
Annual budget report or summary, including reserve study	Sections <b>5300</b> and <b>4525(a)(3)</b>	\$15.00	
Assessment and reserve funding disclosure summary	Sections <b>5300</b> and <b>4525(a)(4)</b>	\$12.00	
Financial statement review	Sections <b>5305</b> and <b>4525(a)(3)</b>	\$12.00	
Assessment enforcement policy	Sections <b>5310</b> and <b>4525(a)(4)</b>	\$9.00	
Insurance summary	Sections <b>5300</b> and <b>4525(a)(3)</b>	\$9.00	
Statement of Account/Fees Regular, Special and emergency assessments, as well as any other unpaid obligations of the seller	<b>Section 4525(a)(4)</b> Section 5676	\$180.00	
Pending Assessments Increases Approved changes to assessments	Section 5300 and 4525(a)(4), (8)	\$12.00	
Settlement notice regarding common area defects	<b>Sections 4525(a)(6), (7), and 6100</b>	\$9.00	
Builder Defects Preliminary list of defects	Sections <b>4525(a)(6), 6000, and 6100</b>	\$900	
Notice(s) of violation	Sections <b>5855</b> and <b>4525(a)(5)</b>	\$9.00	
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section <b>4525(a)(10)</b>	\$45.00	

**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** may be charged separately.

CONFIDENTIAL INFORMATION

**REQUEST FOR ANNUAL NOTICE OF ADDRESS,  
REPRESENTATIVE AND RENTAL STATUS**  
(Civil Code section §4041)

Effective January 1, 2023, documents and notices that are required to be provided by "individual notice" or "individual delivery" must be delivered in accordance with the "preferred delivery method" specified by the member under Civil Code §4041. Associations may find themselves in the administratively difficult position of delivering notices four different ways. Civil Code, §4041 requires each homeowner to provide the Association with the following information on an annual basis. This request for information is also required to be sent by associations to their members at least 30 days prior to making the Association's own Annual Budget Report disclosures under Civil Code §5300.

**Please return the completed form to the address listed. You may also email to:  
HOATahoe@assoclasn.com**

**THE BOULDERS CONDOMINIUM ASSOCIATION**  
c/o Associa Sierra North  
10509 Professional Circle Suite 200  
Reno, NV 89521

Member Name: \_\_\_\_\_

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

1. The address and/or valid email address to which notices from the Association are to be delivered.  
*\*A valid email address is one that, after a notice is sent, does not result in a bounce or other error notification indicating failure of the message. If the association delivers a notice to a member's email address and finds that the email address provided is no longer valid, the association shall resend the notice to a mailing or email address identified by the member pursuant to Section §4040.*

Preferred Method of Delivery

Mail       Email       Mail plus Email       No Preference

\_\_\_\_\_  
\_\_\_\_\_

2. An alternate or secondary address and/or email address to which notices from the Association are to be delivered.  
*\*Optional: only complete for secondary address of Homeowner.*

Preferred Method of Delivery

Mail       Email       Mail plus Email       No Preference

\_\_\_\_\_  
\_\_\_\_\_

The name, mailing address, and, if available, valid email 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 member's extended absence from the separate interest.

*\*Optional: Specify if contact is emergency contact or P.O.A for Homeowner.*

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3. Is the separate interest you own (check one):

- Owner-occupied     Rented out     Developed, but vacant     Undeveloped

Note:

The member does not have to provide an email address to the association.

The member may inform the association in writing that they wish to change their preferred delivery method for receiving notices from the association by submitting a request via regular mail, in TownSq or by email.

Bounce Back: For the purposes of this section, a valid email address is one that, after a notice is sent, does not result in a bounce or other error notification indicating failure of the message. If the association delivers a notice to a member's email address and finds that the email address provided is no longer valid, the association shall resend the notice to a mailing or email address identified by the member pursuant to [Section 4040](#).