

WATERSIDE OWNERS ASSOCIATION

IMPORTANT 2018 BUDGET DOCUMENTS

Please note that effective January 1, 2018, your regular assessment payment amount has changed.

Your new assessment is \$348.05 - \$428.00 per unit per month based upon unit type and is effective January 1, 2018. Please refer to the Per Unit Assessment Schedule for more information.

Your attention is required as follows:

Action Required:

- If you mail your payment or pay via your own bank's bill pay system, you will need to update the amount paid.
- If you set up recurring payments via the Union Bank website, you must log into your account at Union Bank and update your payment amount. Please see the "How to Pay My Assessment" document in this packet for more details.
- If you set up a recurring payment via credit card, you will need to log into your account at Pay Lease to make the change. Please see the "How to Pay My Assessment" document in this packet for more details.

No Action Required:

- If you set up automatic payments (ACH) with Common Interest, you do not need to take any action as your automatic payment will be updated for you.

For questions, please contact accounting@commoninterest.com.

Waterside Owners Association
c/o Common Interest Management Services
1500 E. Hamilton Avenue, Suite 210, Campbell, CA 95008
Phone (408) 370-9902

November 6, 2017

RE: 2018 Annual Budget Report and Annual Policy Statement

Dear Homeowner(s):

Each year the Board of Directors is required by law to prepare and distribute an Annual Budget Report and Annual Policy Statement for the upcoming year. A copy of these documents and other pertinent information for the 2018 fiscal year are enclosed for your review.

The Annual Budget Report includes a pro-forma operating budget which shows an estimate of revenues and expenses for the upcoming year. Based on this budget, assessments for individual property owners may be subject to change.

The monthly assessment for 2018 will increase effective January 1, 2018. This increase is due to higher costs related to utilities and repairs/maintenance. Please see the Per Unit Assessments schedule included in this package for your specific monthly assessment (listed by unit type).

The Annual Budget Report also includes the following items: Reserve Study (including a summary of current reserves, a funding plan for future reserve contributions and procedures used to calculate reserve requirements); Budget Disclosures (including statements regarding deferral of major component repairs, anticipated special assessments or outstanding loans, if any); Insurance Summary; and Assessment and Reserve Funding Disclosure Summary.

The Annual Policy Statement contains important information pertaining to the Association, including General Information (management company contact information, how members may receive notices and meeting minutes, etc.), Notice of Assessments and Foreclosure, Assessment Collection Policy, Member Discipline and Fine Policy, Dispute Resolution Procedures, Architectural Guidelines, How to Pay Assessments and/or other documents the Board has determined to be appropriate for inclusion.

Any questions about the enclosed documents should be directed to your Community Association Manager, Tammy Ruelas Dominguez, at (408) 370-9902, ext. 570 or via email at truelas@commoninterest.com.

Best Regards,

Tammy Ruelas Dominguez
On behalf of the Board of Directors
Waterside Owners Association

WATERSIDE OWNERS' ASSOCIATION
2018 FISCAL YEAR OPERATING BUDGET
 Approved by the Board of Directors on October 4, 2017

		2018	2018	Average Per
OPERATING INCOME	GL Code	ANNUAL	MONTHLY	Unit Per Month
DUES REVENUE	41100	623,752.00	51,979.33	406.09
PARKING INCOME	41106	5,880.00	490.00	3.83
TOTAL REVENUE		629,632.00	52,469.33	409.92
OPERATING EXPENSES				
UTILITIES				
CABLE/SATELLITE/INTERNET SERVICE	54100	67,100.00	5,591.67	43.68
PG & E - GAS	54126	4,500.00	375.00	2.93
PG & E - ELECTRIC	54127	29,000.00	2,416.67	18.88
TRASH-DISPOSAL & GARBAGE	54175	20,966.00	1,747.17	13.65
WATER & SEWER	54200	90,000.00	7,500.00	58.59
TOTAL UTILITIES		211,566.00	17,630.50	137.74
REPAIRS & MAINTENANCE				
LICENSE & INSPECTION FEES	51100	1,292.00	107.67	0.84
POOL MAINTENANCE CONTRACT	51150	3,900.00	325.00	2.54
POOL REPAIRS	51201	3,000.00	250.00	1.95
IRRIGATION/BACKFLOW REPAIRS	52175	2,000.00	166.67	1.30
LANDSCAPING EXTRAS	52200	1,000.00	83.33	0.65
LANDSCAPING CONTRACT	52225	26,340.00	2,195.00	17.15
GATE REPAIRS/VANDALISM	52240	2,000.00	166.67	1.30
GATE MAINTENANCE CONTRACT	52243	540.00	45.00	0.35
TREE TRIMMING/REMOVAL/REPLACEMENT	52275	2,000.00	166.67	1.30
POWER WASHING	53111	1,500.00	125.00	0.98
ELECTRICAL MAINTENANCE/REPAIRS	53190	4,100.00	341.67	2.67
FIRE EXTINGUISHER	53239	400.00	33.33	0.26
GENERAL MAINTENANCE	53270	2,500.00	208.33	1.63
JOINT USE - SUMMERTON	53291	20,508.00	1,709.00	13.35
JANITORIAL CONTRACT	53330	8,900.00	741.67	5.79
JANITORIAL SUPPLIES/EXTRAS	53340	1,000.00	83.33	0.65
JANITORIAL SERVICE - DUMPSTER AREAS	53341	9,300.00	775.00	6.05
PARKING LEASE - RENTAL EXP	53405	5,880.00	490.00	3.83
PEST CONTROL	53420	7,500.00	625.00	4.88
LAKES/WATERWAYS MAINTENANCE	53436	7,500.00	625.00	4.88
PLUMBING REPAIRS	53440	2,000.00	166.67	1.30
ROOF/GUTTER REPAIRS	53450	4,500.00	375.00	2.93
SECURITY	53460	11,275.00	939.58	7.34
SECURITY/CAMERA/SYSTEM	53461	1,600.00	133.33	1.04
VANDALISM EXPENSES	53520	2,500.00	208.33	1.63
TOTAL REPAIRS & MAINTENANCE		133,035.00	11,086.25	86.61
ADMINISTRATIVE				
INSURANCE - WORKER'S COMP	50273	520.00	43.33	0.34
BLANKET INSURANCE	50275	24,651.00	2,054.25	16.05
UMBRELLA LIABILITY	50278	1,800.00	150.00	1.17
INSURANCE-FIDELITY BOND	50326	695.00	57.92	0.45
INSURANCE-LIABILITY AND D&O	50375	1,241.00	103.42	0.81
TAX PREP/ANNUAL TAX REVIEW	50426	1,500.00	125.00	0.98
MANAGEMENT & ACCOUNTING SERVICES	50450	38,448.00	3,204.00	25.03
LATE FEES	50451	150.00	12.50	0.10
POSTAGE, COPIES & BILLINGS	50600	6,900.00	575.00	4.49
ANNUAL RECORD & VENDOR MGMT	50606	716.00	59.67	0.47
RESERVE STUDY	50650	375.00	31.25	0.24
TAXES-STATE & FEDERAL	50900	45.00	3.75	0.03
TOTAL ADMINISTRATIVE		77,041.00	6,420.08	50.16
MISCELLANEOUS				
BANK CHARGES	55148	10.00	0.83	0.01
TOTAL MISCELLANEOUS		10.00	0.83	0.01
TOTAL OPERATING EXPENSES		421,652.00	35,137.67	274.51
RESERVE CONTRIBUTION				
RESERVE TRANSFER	49010	207,980.00	17,331.67	135.40
TOTAL RESERVE CONTRIBUTIONS		207,980.00	17,331.67	135.40
TOTAL EXPENSES		629,632.00	52,469.33	409.92

WATERSIDE OWNERS' ASSOCIATION

2018 Operating Budget - Per Unit Assessments

Unit Type	Number of Units	Square Footage	Variable Factor	2018 Variable Assessment	2018 Base Assessment	2018 Total		2017 Total		% Change	2018 Total Assessment
						Monthly Assessment	Assessment	Monthly Assessment	Assessment		
A	4	512	0.13150	\$ 67.33	\$ 280.72	\$ 348.05	\$ 332.63	4.64%	1,392.18		
B	4	588	0.13150	\$ 77.32	\$ 280.72	\$ 358.04	\$ 342.23	4.62%	1,432.16		
C	20	740	0.13150	\$ 97.31	\$ 280.72	\$ 378.03	\$ 361.44	4.59%	7,560.58		
D	32	950	0.13150	\$ 124.93	\$ 280.72	\$ 405.64	\$ 387.97	4.56%	12,980.63		
E	20	1061	0.13150	\$ 139.53	\$ 280.72	\$ 420.24	\$ 402.00	4.54%	8,404.83		
F	14	1034	0.13150	\$ 135.98	\$ 280.72	\$ 416.69	\$ 398.58	4.54%	5,833.68		
G	14	1024	0.13150	\$ 134.66	\$ 280.72	\$ 415.38	\$ 397.32	4.54%	5,815.26		
H	20	1120	0.13150	\$ 147.28	\$ 280.72	\$ 428.00	\$ 409.45	4.53%	8,560.01		
Total											
Total Square Footage											
122,032											
\$ 51,979.33											

Waterside Owners Association

2018 Annual Budget Report and Policy Statement

Important Information – Please Read

Association Information

The Waterside Owners Association (“Association”) is a nonprofit mutual benefit corporation formed to operate and manage the Association’s affairs.

The Association consists of 128 separate interests plus common areas. It is governed by a volunteer Board of Directors elected by the membership. The fiscal year commences January 1 and ends on December 31 of each year.

Management Company Information

The Association, through the Board, has engaged a professional management company to assist in carrying out its legal responsibilities. Our management company is Common Interest Management Services located at 1500 E. Hamilton Ave. Ste 210. Our manager is Tammy Ruelas Dominguez, and she can be reached at 408-370-9902, ext. 570 or by e-mail at truelas@commoninterest.com. Office hours are Monday through Friday, 8:30 AM to 4:30 PM.

Pro-forma Operating Budget

Each fiscal year, the Association is required to prepare a pro-forma operating budget showing the estimated revenue and expenses on an accrual basis for the upcoming year. This budget is used to determine the per unit assessments that are collected from each property owner. The Board of Directors has reviewed and approved this budget, and has determined that the monthly assessment for 2018 will increase to \$348.05 - \$428.00 per unit depending on unit type.

Variable Assessment Schedule

The Association’s governing documents stipulate that per unit assessments are allocated on a variable basis depending on unit size. A variable assessment schedule is attached to the pro-forma operating budget. Please refer to that schedule to determine the specific assessment amount for your unit.

Reserve Study Summary

The Annual Budget Report includes a Reserve Study that was prepared by an independent professional organization which the Board believes is reasonably competent. A full study (with site inspection) is prepared every three years, reviewed and adopted by

the Board of Directors, and updated annually as needed. The Study includes the current estimated cost, estimated remaining life and estimated useful life of major common area components; the current estimate of the total annual reserve contribution necessary to repair, replace, restore or maintain these components; and the current amount of reserves actually set aside for this purpose. The Study also shows the percentage difference between the estimated cost to repair, replace, restore or maintain major components and the actual amount of reserves set aside, as well as the current deficiency (if any) in reserve funding expressed on a per unit basis.

Reserve Funding Plan

The Reserve Study includes a Reserve Funding Plan adopted by the Board of Directors that indicates how the Association plans to fund the contributions necessary for the repair and replacement of all major common area components with an expected remaining life of 30 years or less.

Procedures for Calculating Reserves

The Reserve Study includes a statement of the procedures used for the calculation and establishment of the reserves needed to pay for the future repair and replacement of those components that the Association is obligated to maintain. Calculation of the amount of reserves needed to be accumulated for a component at a given time is based on the current cost of the replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component.

Assessment and Reserve Funding

Disclosure Summary

The Annual Budget Report includes a copy of the current Assessment and Reserve Funding Disclosure Summary as completed by the Reserve Study preparer pursuant to Civil Code Section 5570.

Deferral of Component Repairs

If the Board of Directors decides to defer or not undertake the repair or replacement of any major common area component with an expected remaining life of 30 years or less, the Board must disclose the justification for such a decision. As of the date of this report, the Board has not made any formal decisions to

defer or not undertake the repair or replacement of any major common area components.

Special Assessments

If the Board of Directors has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, restore or maintain major common area components or to provide adequate reserves to fund such items, the Association must distribute a statement including the estimated amount, commencement date and duration of the special assessment. As of the date of this report, the Board does not anticipate that a special assessment will be required.

Outstanding Loans

If the Association has any outstanding loans with an original term of more than one year, the Association must distribute a statement including the payee, interest rate, amount outstanding, annual payment and when the loan is scheduled to be retired. As of the date of this report, there are no outstanding loans for this Association.

Insurance Disclosure Summary

The Annual Budget Report includes a current Insurance Disclosure Summary of the Association's property, general liability and fidelity insurance (and/or earthquake, flood or workers' compensation insurance if applicable). This Disclosure Summary includes the name of the insurer, the type of insurance, the policy limit and the amount of the deductible.

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. 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 brokers or agent for appropriate additional coverage.

Association's Designated Recipient

The Association has designated Common Interest Management Services to receive official communications to the Association pursuant to Civil Code Section 4035. Members may submit official communications to the Association by personal delivery (including U.S. Mail) and/or e-mail to Common Interest Management Services at the mailing address and/or email address listed under Management Company Information.

Right of Notice to Two Addresses

Members of the Association may submit a request to have general notices sent to up to two different specified addresses pursuant to Civil Code Section 4040(b). Note that billing statements and election ballots will only be sent to the member's primary address.

General Notice Location and Distribution

The Association may post notices of a general nature at the following location: Mailbox Kiosk. Notices may also be distributed as follows: Mailed to members.

General Notice - Individual Delivery

If a member requests to receive general notices by individual delivery, all general notices given to that member shall be delivered pursuant to Civil Code Section 4040.

Board of Directors Meetings

Board of Directors Meetings are normally held on the first Wednesday of the month at 6:00 pm at the pool during summer months and at the management company's office all other months. All Association members are welcome to attend.

Right to Receive Board Minutes

The minutes, minutes proposed for adoption that are marked as draft status, or a summary of the minutes, of any meeting of the Board of Directors, other than an executive session, shall be available to members within 30 days of the meeting. The minutes, proposed minutes or summary minutes shall be distributed to any member of the Association upon request and upon reimbursement of the Association's costs for making that distribution, pursuant to Civil Code Section 4950. Members may submit a written request for copies of minutes to Common Interest Management Services at the mailing address listed under Management Company Information.

Notice of Assessments/Foreclosure

The Annual Policy Statement includes a Notice of Assessments and Foreclosure pursuant to Civil Code Section 5310. This Notice outlines some of the rights and responsibilities of owners in common interest developments and the associations that manage them.

Assessment Collection Policy

The Annual Policy Statement includes a copy of the Association's Assessment Collection Policy, which describes the policies and practices in enforcing the Association's lien rights or other legal remedies for default in the payment of assessments.

Enforcement of Governing Documents and Monetary Policy Schedule

All members, residents and guests are obligated to abide by the Governing Documents. The Association encourages each member to review the CC&Rs, Bylaws, Articles and all Rules and to attend board or committee meetings to learn more about the requirements of the Governing Documents. The Association's goal is to assist members, residents and guests in complying with the Governing Documents to promote an enjoyable, safe community beneficial to all.

In the event of a perceived violation of the Governing Documents, the Association will investigate and determine whether and what type of action is warranted (if any). Association action includes scheduling a hearing to consider imposing fines and/or penalties. At least 10 days' prior notice of a hearing (at which fines and/or penalties will be considered) shall be given to a Member, who may attend and respond to the notice and potential fine and/or penalty as set forth more specifically in the Governing Documents. A fine and/or penalty may be imposed regardless of whether the Member attends the hearing.

In addition to fines and other penalties, the Board may, following a hearing, impose a "special purpose" assessment to recover the cost of performing or enforcing any responsibility which would otherwise be the responsibility of a Member to perform under the Governing Documents.

Fines and special purpose assessments may be recovered in any matter permitted by law.

Fine Policy

The Annual Policy Statement includes a copy of the Association's Fine Policy which includes a schedule of monetary penalties for violations of the Governing Documents pursuant to Civil Code Section 5850.

Dispute Resolution Procedures

California law provides a means by which Members and the Association can engage in mediation, arbitration or other forms of dispute resolution with respect to disputes arising under the Nonprofit Mutual Benefit Corporation Law (Part 3 commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code), enforcement of the Governing Documents and the Davis-Stirling Common Interest Development Act. Generally, Civil Code Section 5965 requires parties to request mediation or arbitration before filing a lawsuit to enforce the governing documents with certain exceptions. Mediation, arbitration and other techniques other than litigation intended to resolve disputes are referred to as alternative dispute resolution ("ADR"). ADR involves use of a neutral party to assist the parties in reaching a dispute without litigation. If litigation results, the prevailing party is entitled to an award of reasonable attorney fees and costs.

California law requires a common interest development to make the following disclosure:

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.

Civil Code Section 5920 also requires a common interest development to describe its internal dispute resolution procedure. That procedure, unless another is adopted, is as follows:

- (a) Fair, reasonable, and expeditious
- (b) Either party to a dispute within the scope of this article may invoke the following procedure:
 - (1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

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

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

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

(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 the law or the governing documents of the common interest development or association.

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

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

Overnight Payment of Assessments

The Annual Policy Statement includes a "How to Pay My Assessment" flyer which provides the mailing address for overnight payment of assessments pursuant to Civil Code Section 5655.

Architectural Guidelines & Procedures

The Annual Policy Statement includes a summary of the Association's requirements for approval of a physical change to property, describing the types of changes that require Association approval and including a copy of the procedure used to review and approve (or disapprove) a proposed change. An Architectural Application is also attached.

FHA Certification Disclosure

California law (Civil Code Section 5300(b)) requires the following statement describing the status of the common interest development as a Federal Housing Administration (FHA)-approved condominium project pursuant to FHA guidelines, including whether the common interest development is an FHA-approved condominium project. The statement shall be in at least 10-point font on a separate piece of paper and in the following form:

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.

For current information on whether or not a common interest development is certified by the Federal Housing Administration, please visit the following website:

<https://entp.hud.gov/idapp/html/condlook.cfm>

VA Certification Disclosure

California law (Civil Code Section 5300(b)) requires the following statement describing the status of the common interest development as a federal Department of Veterans Affairs (VA)-approved condominium project pursuant to VA guidelines, including whether the common interest development is a VA-approved condominium project. The statement shall be in at least 10-point font on a separate piece of paper and in the following form:

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 certified by the federal Department of Veterans Affairs.

For current information on whether or not a common interest development is certified by the federal Department of Veterans Affairs, please visit the following website:

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

SMA RESERVES



Owner's Summary

The following Owner's Summary is intended to disclose pertinent information regarding the status of Waterside Owners Association. The reserve fund is a separate fund, setup by the Association, for the repair, replacement, restoration, or maintenance of major components for which the Association is required to maintain.

Waterside Owners Association

Reserve Study Update
With On-site Visual Inspection
October 6, 2017

Reserve Study for Fiscal Year:
01/01/2018 through 12/31/2018

SMA RESERVES
2059 Camden Ave. Suite 151
San Jose, CA 95124
PH: (408) 306-0145
www.smareserves.com

Reserve Study Financial Summary

Waterside Owners Association

San Jose, CA

Report Date: 10/6/2017

Fiscal Year End: 12/31/2017

Status of the Reserve Funds as of December 31, 2017

Reserve Fund Cash Balance as of June 30, 2017	296,493.55
Anticipated Interest Revenue prior to December 31, 2017	1,494.65
Anticipated Reserve Fund Contribution prior to December 31, 2017	104,844.71
Anticipated Reserve Fund Expenditures prior to December 31, 2017	0.00
Projected Reserve Fund Cash Balance	402,832.91
Projected Fully Funded Balance	1,036,162.13
Percent Funded	39%
Average Reserve Fund Surplus / (Deficit) per Member	(4,947.88)

Five Year - Cash Flow Funding Plan Summary

Fiscal Year Ending	Reserve Contribution	Special Assessment	Percent Funded
2018	207,980	0	41%
2019	207,980	0	51%
2020	207,980	0	55%
2021	207,980	0	63%
2022	207,980	0	59%

Community Information

Fiscal Year Start	January 1, 2018
Fiscal Year End	December 31, 2018
Community Type	Condominium
Number of Units	128
Year Built	None
Last Inspected	August 11, 2017

Computation Parameters

Inflation Rate	3.00%
Interest Rate	1.00%
Threshold Factor	5.00%
Prior Year Fund Contribution	207,980

Summary Notice: This five year funding plan summary is provided in accordance with California Civil Code Section 5570. The full reserve study plan is available and will be provided, by the Association, to any member upon request.

Cash Flow Funding Plan

Waterside Owners Association

San Jose, CA

Report Date: 10/6/2017

Fiscal Year End: 12/31/2017

Fiscal Year	Annual Reserve Contribution	Monthly Reserve Assessment	Percent Increase	Anticipated Beginning Balance	Estimated Interest	Anticipated Reserve Expense	Anticipated Special Assessment	Anticipated FYE Cash Balance	Fully Funded Balance	Surplus / (Deficit) of FRB	Projected Percent Funded
2018	207,980	135.40	0.00%	402,833	1,899	212,892	0	399,820	985,209	(585,389)	41%
2019	207,980	135.40	0.00%	399,820	3,649	34,910	0	576,539	1,120,166	(543,628)	51%
2020	207,980	135.40	0.00%	576,539	4,034	173,172	0	615,381	1,121,004	(505,623)	55%
2021	207,980	135.40	0.00%	615,381	5,879	27,445	0	801,795	1,276,333	(474,538)	63%
2022	207,980	135.40	0.00%	801,795	3,483	453,520	0	559,738	1,001,964	(442,226)	56%
2023	207,980	135.40	0.00%	559,738	3,950	164,749	0	606,918	1,021,431	(414,513)	59%
2024	207,980	135.40	0.00%	606,918	5,550	51,910	0	768,538	1,162,480	(393,942)	66%
2025	207,980	135.40	0.00%	768,538	5,072	261,374	0	720,216	1,096,929	(376,713)	66%
2026	207,980	135.40	0.00%	720,216	6,594	60,800	0	873,990	1,241,066	(367,076)	70%
2027	207,980	135.40	0.00%	873,990	8,392	34,791	0	1,055,571	1,421,532	(365,961)	74%
2028	207,980	135.40	0.00%	1,055,571	8,872	168,369	0	1,104,054	1,475,199	(371,145)	75%
2029	207,980	135.40	0.00%	1,104,054	9,864	117,672	0	1,204,227	1,588,227	(384,001)	76%
2030	214,219	139.47	3.00%	1,204,227	10,765	127,695	0	1,301,516	1,700,022	(398,505)	77%
2031	220,646	143.65	3.00%	1,301,516	12,646	36,883	0	1,497,925	1,914,576	(416,651)	78%
2032	227,265	147.96	3.00%	1,497,925	14,295	68,448	0	1,671,038	2,109,102	(438,064)	79%
2033	234,083	152.40	3.00%	1,671,038	14,745	196,526	0	1,723,340	2,183,771	(460,431)	79%
2034	241,106	156.97	3.00%	1,723,340	6,446	1,078,713	0	892,179	1,358,442	(466,263)	66%
2035	248,339	161.68	3.00%	892,179	3,816	510,560	0	633,775	1,100,158	(466,383)	58%
2036	255,789	166.53	3.00%	633,775	5,676	66,198	0	829,042	1,298,623	(469,581)	64%
2037	263,463	171.53	3.00%	829,042	7,692	59,875	0	1,040,322	1,516,564	(476,243)	69%
2038	271,367	176.67	3.00%	1,040,322	7,927	247,618	0	1,071,998	1,554,888	(482,890)	69%
2039	279,508	181.97	3.00%	1,071,998	10,061	65,933	0	1,295,633	1,788,933	(493,300)	72%
2040	287,893	187.43	3.00%	1,295,633	10,593	236,312	0	1,357,807	1,862,168	(504,361)	73%
2041	296,530	193.05	3.00%	1,357,807	12,685	89,309	0	1,577,713	2,096,903	(519,190)	75%
2042	305,426	198.84	3.00%	1,577,713	14,911	86,641	0	1,811,409	2,349,553	(538,145)	77%
2043	314,588	204.81	3.00%	1,811,409	14,018	409,595	0	1,730,421	2,285,511	(555,090)	76%
2044	324,026	210.95	3.00%	1,730,421	15,651	165,316	0	1,904,782	2,479,774	(574,992)	77%
2045	333,747	217.28	3.00%	1,904,782	13,517	553,059	0	1,698,988	2,289,370	(590,382)	74%
2046	343,759	223.80	3.00%	1,698,988	16,349	64,135	0	1,994,961	2,605,990	(611,030)	77%
2047	354,072	230.52	3.00%	1,994,961	10,020	992,967	0	1,366,086	1,984,832	(618,747)	69%

Component Inventory Detail Report

Waterside Owners Association

San Jose, CA

Report Date: 10/6/2017
Fiscal Year End: 12/31/2017

See General Information for Definitions

	R.L.	U.L.	Def.	Quantity	Unit Cost	PM&A	Anticipated Total Cost
BUILDING SYSTEMS							
Balconies							
1 Balcony Decks - Partial Replace	0	1		128 Each	128.05	5.00%	17,210
2 Balcony Decks - Seal/Repair	0	5		4000 Sq.Ft.	4.23	5.00%	17,766
Exterior Surfaces							
3 Stucco - Repair	7	10		115000 Sq.Ft.	0.98	5.00%	118,335
4 Wood Surfaces - Repair	2	5		128 Each	382.45	5.00%	51,401
5 Wood/Termite - Repairs, 33%	0	1		42 Each	179.27	5.00%	7,906
Restrooms							
6 Outdoor Showers/Tile Counter w/Sink - Refurbish	0	20		3 Each	1,966.91	5.00%	6,196
7 Restrooms - Refurbish	0	15		2 Each	2,731.82	5.00%	5,737
Roofing							
8 Comp Shingle Roofs - Replace	16	25		122100 Sq.Ft.	4.65	5.00%	596,153
9 Gutters/Downspouts - (50% of 9,800L.F)	16	25		4900 Ln.Ft.	6.00	5.00%	30,870
MECHANICAL/ELECTRICAL SYSTEMS							
Documents							
10 CC&R's - Amend	0	15		1 Fund	7,102.73	5.00%	7,458
11 Reserve Study - Update	2	3		1 Fund	2,567.91	5.00%	2,696

Component Inventory Detail Report

Waterside Owners Association

San Jose, CA

Report Date: 10/6/2017

Fiscal Year End: 12/31/2017

See General Information for Definitions

	R.L.	U.L.	Def.	Quantity	Unit Cost	PM&A	Anticipated Total Cost
Exterior Lighting							
12 Pole Lights - Replace (Box)	0	25		26 Each	2,185.45	5.00%	59,663
13 Pole Lights - Replace (Box)	24	25		5 Each	2,185.45	5.00%	11,474
14 Pole Lights - Replace (Globe)	24	25		5 Each	843.00	5.00%	4,426
15 Pole Lights - Replace (Globe)	0	25		26 Each	843.00	5.00%	23,014
16 Wall Lights - Replace	17	20		300 Each	163.90	5.00%	51,628
Landscape							
17 Backflow Device Enclosures - Partial Replacement	5	7		4 Each	910.00	5.00%	3,822
18 Backflow Devices - Partial Replacement	5	7		4 Each	1,240.00	5.00%	5,208
19 Irrigation Controller - Replace	0	12		1 Each	1,529.82	5.00%	1,606
20 Pond Equipment - Replace	10	12		1 Each	9,834.54	5.00%	10,326
Pool & Spa							
21 Pool Filter - Replace	8	12		1 Each	1,475.19	5.00%	1,549
22 Pool Heater - Replace	6	10		1 Each	4,425.55	5.00%	4,647
23 Poolhouse, Drinking Fountain	8	20		1 Each	1,138.13	5.00%	1,195
24 Spa Filter - Replace	9	12		1 Each	1,475.19	5.00%	1,549
25 Spa Heater - Replace	6	10		1 Each	4,698.73	5.00%	4,934
SITE SYSTEMS							
Concrete & Asphalt							
26 Asphalt - Repair	0	5		8955 Sq.Ft.	4.65	5.00%	43,723
27 Asphalt - Resurface	0	25	4	89550 Sq.Ft.	4.00	5.00%	376,110
28 Asphalt - Seal	0	5		89550 Sq.Ft.	0.21	5.00%	19,746
29 Concrete Walkways - Repair	0	5	1	1 Sq.Ft.	6,010.00	5.00%	6,310

Component Inventory Detail Report

Waterside Owners Association

San Jose, CA

Report Date: 10/6/2017

Fiscal Year End: 12/31/2017

See General Information for Definitions

	R.L.	U.L.	Def.	Quantity	Unit Cost	PM&A	Anticipated Total Cost
Doors, Fencing & Gates							
30 Gate Operator - Replace	5	10		1 Each	3,551.37	5.00%	3,729
31 Gate Operator - Replace	7	10		1 Each	3,551.37	5.00%	3,729
32 Metal Fence/Gates - Repaint	0	5	1	195 Ln.Ft.	12.05	5.00%	2,467
33 Pedestrian Gates - Replace	7	30		5 Each	819.55	5.00%	4,303
34 Trash Enclosure Doors - Replace	22	25		12 Each	1,475.19	5.00%	18,587
35 Utility Doors - Partial Replace	0	5		70 Each	39.03	5.00%	2,869
36 Vehicle Gates - Replace	22	25		2 Each	6,556.36	5.00%	13,768
Miscellaneous Site Systems							
37 Mailboxes - Replace	17	20		14 Each	2,622.54	5.00%	38,551
38 Pond Beds - Resurface	0	25	11	2 Each	14,751.81	5.00%	30,979
39 Pool Area Trellis, Sunscreen - OPERATING	None	None		None	None	5.00%	0
40 Trees - Trim	2	3		1 Fund	16,609.45	5.00%	17,440
41 Wood Benches - Replace	0	10	2	3 Each	764.91	5.00%	2,409
Pool & Spa							
42 Pool Deck	0	25	2	3000 Sq.Ft.	16.00	5.00%	50,400
43 Pool Fence - Replace	7	30		140 Ln.Ft.	65.56	5.00%	9,637
44 Pool Furniture - Replace	4	6		19 Each	86.27	5.00%	1,721
45 Pool - Resurface	0	16	2	1 Fund	9,288.18	5.00%	9,753
46 Spa - Resurface	0	8	2	1 Fund	3,824.54	5.00%	4,016

Total

1,707,016

Assessment and Reserve Funding Disclosure Summary

Waterside Owners Association

San Jose, CA

Report Date: 10/6/2017

Fiscal Year End: 12/31/2017

Assessment and Reserve Funding Disclosure Summary For the Fiscal Year Ending December 31, 2018

- (1) The current assessment per ownership interest is variable per month. Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ___ of the attached 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 month:	Purpose of the assessment:
None		

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

- (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:

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

- (6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$1,036,162.13, based in whole or in part on the last reserve update prepared by SMA Reserves as of October 6, 2017. The projected reserve fund cash balance at the end of the current fiscal year is \$402,832.91, resulting in reserves being 39% funded at this date.

- (7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is (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 (below), leaving the reserve at (below) percent funded. If the reserve funding proved by the association is implemented, the projected reserve fund cash balance in each of those years will be (below), leaving the reserve at (below) percent funded.

FY Ending	Fully Funded Balance	Projected Reserve Fund Balance	Percent Funded
2018	985,209	399,820	41%
2019	1,120,166	576,539	51%
2020	1,121,004	615,381	55%
2021	1,276,333	801,795	63%
2022	1,001,964	559,738	56%

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 1.00% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.00% per year.

**Insurance Disclosure
Waterside Owners' Assn.**

San Jose, CA 95122
Jan. 15, 2017 to Jan. 15, 2018

Daniel W Davis Insurance Solutions, LLC
6472 Camden Ave. #112 San Jose, CA 95120
Phone 408-600-3100 Lic. 0H40859
**To obtain an Evidence of Insurance
log onto WWW.EOIDIRECT.COM**
If no computer, call 1-877-456-3643

A. Buildings Insurance

Carrier: Travelers Pol. #680-5399P297 Limit: \$24,972,869 Deductible: \$5,000

B. General Liability Insurance

Carrier: Travelers Pol. #680-5399P297
Limit: \$1,000,000 per occurrence \$2,000,000 aggregate Deductible: None

C. Directors and Officers Liability Insurance

Carrier: Liberty Insurance Underwriters, Inc. #CAP029485-0216
Limit: \$1,000,000 Deductible: \$5,000

D. Crime/Fidelity Insurance

Carrier: Liberty International Underwriters #CAC016807-0117
Limit: \$500,000 Deductible \$5,000 Mgt Co. is Additional Insured

E. Excess Liability/Umbrella Insurance

Carrier: Federal Insurance Company Pol. #79940687-76779
Limit: \$5,000,000 Excess over GL and D&O Deductible: Underlying Limits

F. Work Comp

Carrier: AmTrust North America Pol. #WWC3279782 (effective 6/18/17-6/18/18)
Limit: \$1,000,000 For Common Area Only

Earthquake & Earthquake Loss Assessment: None with our agency

Flood: None with our agency

128 unit, 14 building HOA. HOA pays annual premium. Special Form includes the Peril of Wind. Your personal property-liability workers compensation, underinsured loss assessment, loss of use, loss of rent, earthquake, EQ loss assessment and other exposures are not insured by the HOA policy. HOA coverage is governed by the CC&R's. Walls-In interior fixtures such as inside walls-cabinets-counter tops are insured per original plans, but upgrades added by Owners are not insured. Owners should read the CC&R's then consult their insurance agent to purchase an HO6 Unit Owner's policy to cover exposures including, but not limited to Building Value and Loss Assessment equal to the amount of the HOA Deductible plus the value of interior upgrades as well as coverage recommended by their agent.

This summary of the association's policies of insurance provides only certain information as required by subsection (b)(9) of Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and 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 the deductible that applies. Association members should consult with their individual broker or agent for appropriate coverage.

NOTICE OF ASSESSMENTS AND FORECLOSURE

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

ASSESSMENTS AND FORECLOSURE

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

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

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

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

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

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

PAYMENTS

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

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

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

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

MEETINGS AND PAYMENT PLANS

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

COLLECTION POLICY FOR DELINQUENT
ASSESSMENTS

WATERSIDE

IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.1 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS.

This notice and collection policy outlines some of the responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to California Civil Code Sections 5650-5690 and 5700-5740 for a complete review of the applicable law. You may wish to consult a lawyer if you dispute an assessment.

Prompt payment of Assessments by all owners is critical to the financial health of the Association and to the enhancement of the property values of all properties within the Community. Your Board of Directors takes very seriously its obligation under the Declaration of Covenants, Conditions and Restrictions (CC&R' s) and the California Civil Code to enforce the members' obligation to pay assessments. The policies and practices outlined shall remain in effect until such time as they may be changed or amended, said change or amendment being enacted by a Resolution of the Board of Directors.

1. Assessments, late charges, interest and collection costs, including any attorney's fees are the personal obligation of the owner of the property at the time the assessment or other sums are levied (pursuant to California Civil Code Section 5650 to Section 5670).

2. All Regular Assessments shall be due and payable, in advance, in equal monthly installments, on the first day of each month and shall be considered late if not received at the address specified for delivery of assessments as of 5 p.m. on the 15th of each month. Special Assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment or in the ballot presenting the special assessment to the members for approval. In no event shall a Special Assessment be due and payable earlier than thirty (30) days after it is imposed.

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

4. Assessments not received within **fifteenth (15)** days of the stated due date are delinquent and shall be subject to a late charge of **Ten Percent (10%)** for each delinquent assessment, whether regular or special, per unit.

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

6. If a special assessment is payable in installments and an installment

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

7. Upon receipt of a written request by an Owner identifying a secondary address for the purposes of assessment collection notices, the Association shall send additional copies of any collection notices required by this Collection Policy to the secondary address provided. The Owner's notice of a secondary address must be in writing and mailed to the Association in a manner that shall indicate that the Association has received it. The Association shall only send notices to the indicated secondary address at the point in time the Association receives the written request.

8. A first notice of past due assessment ("late letter") will be prepared and mailed once an assessment becomes delinquent.

9. If an assessment is not received within sixty (60) days after the assessment becomes delinquent, the Association will send a notice of delinquency (Pay or Lien Letter) to the Owner by regular first-class mail and certified mail, return receipt requested. The Pay or Lien Letter shall provide at least 30 days' written notice to a delinquent Owner prior to recording an Assessment Lien and further provide an itemized statement of the charges owed, including a breakdown of: (a) the principal amount owed; (b) any late charges with the method of calculation used to determine such charges; (3) any attorneys' fees incurred; and (d) a description of the collection practices including the right of the association to the reasonable costs of collection. A copy of the Association's collection policy shall be attached to the Pay or Lien Letter, and the letter shall state, in 14 point Bold face type in capital letters: **"IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION."**

10. The Association shall offer to meet and confer with a delinquent owner to resolve any dispute related to the total amount due from the delinquent Owner to the Association and/or the Association's Collection Policy ("Meet and Confer Offer"). The Association's Meet and Confer Offer shall either be placed within the Association's Pay or Lien Letter or in a separate written communication to the delinquent Owner. An owner who wishes to accept the Meet and Confer Offer must do so by submitting his/her/its written request to facilitate the meet and confer with the Association, which written request must be received by the Association within thirty (30) days of the date of the meet and Confer Offer. The Association shall designate a prompt date and time for the meet and confer, at a location that shall either be the Association's principal office or another convenient location as designated by the Association. The Association shall designate a Board officer, along with its CID Manager to participate in the meet and confer with the delinquent Owner. Prior to recording a lien for delinquent assessments, the Association shall participate in any meet and confer so accepted by the delinquent Owner, provided, however, that the Owner's acceptance of

the Association 's Meet and Confer Offer is made within thirty (30) days of the date of the Meet and Confer Offer.

11. If the delinquent Owner does not bring his/her account current within the deadline set forth in the Pay or Lien Letter, the Board of Directors shall approve the recordation of an assessment lien against the delinquent Owner's property. The Board's decision to record the assessment lien shall be by a majority vote of a quorum of the Board members at an open Board meeting. The Board's action should refer to the Lot/parcel number of the property that is delinquent, rather than the name of the owner. The Assessment Lien shall be recorded in the County Recorder's Office itemizing all sums that are then delinquent, including the delinquent assessment(s), the then current monthly assessment amount which will also accrue and be a part of the lien, interest, late charges, collection costs and reasonable attorneys' fees. Recording this notice creates a lien, which is subject to foreclosure, against the delinquent Owner's property. At the same time, the Association shall advise the Association's collection agent/bank that it should accept no further monies from this delinquent Owner until the assessment lien has been paid in full. Owners shall not send any assessment payments to the Association once the matter has been turned over to the Attorney for collection; such payments shall only be accepted by the law firm or collection agent. Any payments delivered to the collection agent shall be forwarded to the attorney's office; the attorney shall then release the lien if payment in full was made by the delinquent Owner. A charge of up to \$ 425.00 for attorneys' fees shall be charged to the Owner at this point.

12. Prior to initiating foreclosure, the Board of Directors must, in executive session, approve the decision to proceed with foreclosure by a majority vote of a quorum of the Board of Directors. The Board shall record the Board's executive session decision in the minutes of the next meeting of the Board open to members by referencing the lot/parcel number of the property that is delinquent.

13. The Board of Directors shall not proceed with any form of foreclosure unless and until the amount of delinquent assessments (exclusive of any accelerated assessments, late charges, fees, costs of collection, attorney's fees or interest) equals or exceeds One Thousand Eight Hundred Dollars (\$1,800.00) or the assessments have been delinquent for more than twelve (12) months ('threshold'). Once the Threshold has been met and all other requirements identified above have been completed, the Board may proceed with foreclosure of the assessment lien pursuant to the Association's governing documents and Civil Code Section 5720 et.seq. The procedure used shall be private foreclosure pursuant to Civil Code Section 2924 et seq., and Civil Code Section 5720 et.seq.

14. If the Association determines that the property is over-encumbered, or otherwise makes a determination that a lawsuit is appropriate, the Association shall file a personal lawsuit against the delinquent Owner to recover all delinquent assessments owing to the Association. If a lawsuit is necessary to collect the delinquent assessments from the Owner, all expenses, costs and attorneys' fees in connection with

said lawsuit, including but not limited to pre- and post- judgment costs for filing fees, personal service, witness fees, interest, execution of judgment and/or writ fees shall be recovered from the Owner/defendant.

15. When a delinquent Owner has paid in full all delinquent assessments and charges, the attorney shall prepare a Release of Lien which shall be recorded in the County Recorder's Office within 21 days of receipt of the sums necessary to satisfy the delinquent amount and mail a copy of the lien release to the Owner of the property.

16. Payment Within 60 Days. If an Owner can bring himself/herself/itself current within sixty (60) days, inclusive of assessments which accrue within the sixty (60) days of the payment plan, the Association will forbear filing an Assessment Lien and the Owner will not incur the Assessment Lien costs if the payment plan is strictly followed. By agreeing to the 60 day payment plan, the Owner further agrees that if he/she/it fails to make any of the payments identified in the payment plan, the Association shall have the right to file an Assessment Lien without recommencing the pre-lien or Pay or Lien Notice process.

17. Payment Exceeding 60 Days. In light of the length of time of this payment plan, payment plans exceeding sixty (60) days shall require that the Association record its Assessment Lien to establish itself as a secured creditor. The payment plan shall also include any administrative fees as charged by the Managing Agent. All costs related to the recordation of the Assessment Lien shall be part of this payment plan. The payment plan would require payment of all delinquent assessments amortized over the length of the payment plan, along with all assessments that will accrue during the payment plan. The Association shall further require that the Owner sign a Forbearance Agreement which identifies his/her/its obligations of repayment consistent with the payment plan and further provides that if there is a default under the payment plan, the Association can proceed with the collection process as particularly identified within the Forbearance Agreement. Payment plans under this paragraph are not intended to exceed six (6) months.

18. An Owner may submit a written request to the Association for a payment plan consistent with the paragraphs above. An Owner can also submit a written request to meet with the Board to identify which payment plan the Owner chooses, as identified above. The Board is required to meet with the Owner in executive session within 45 days of the postmark of the request for the meeting, if the request is mailed within fifteen days of the date of the postmark of the Pay or Lien Notice (pursuant to Civil Code Section 5665(b)).

19. When a payment is made, the owner may request a receipt and the Association or its assigned collection agent will provide it. On the receipt, the Association or its agent shall indicate the date of payment and person who received it.

20. The mailing address for overnight payment of assessments is: c/o Common Interest Management, 315 Diablo Road, Suite 221, Danville, CA94526, or as otherwise specified from time to time by the Board of Directors.

21. An owner has the right to inspect the Association's financial books and

records to verify the delinquency, pursuant to the laws related to inspection of HOA records.

22. Except where prohibited by law, the Board of Directors may revise this policy, either generally or on a case-by-case basis, if it finds good cause to do so. To the extent there are any general discretionary changes (rather than compliance related to the law or governing documents), the Board shall circulate the policy to owners at least 30 days before the meeting at which the revisions will be considered.

VIOLATION PROCEDURE and IMPOSITION OF FINE WATERSIDE OWNERS ASSOCIATION

The following steps are to be followed in notifying a homeowner of a violation of the CC&Rs:

1. A homeowner is given notice of the violation by letter and is given thirty (30) days to correct the violation.
2. If a second notice is required, the homeowner is requested to attend an Executive Hearing to present evidence to the Board of Directors why a fine should not be imposed.
3. Results of Executive Hearing:
 - a. If the Homeowner fails to attend the Executive Hearing and has been properly notified (following steps 1 & 2), then the Board will impose a fine and the Homeowner will be notified of the Board's decision in writing, which is to be sent by first class mail.
 - b. If the Homeowner appears before the Executive Hearing, the Homeowner will be notified of the Board's decision in writing, which is to be sent by first class mail.

How do I pay my assessment?

There are several options for paying your assessment.

Mail Regular Payments To:

Association Name
C/O Union Bank
P.O. Box 45480
San Francisco, CA 94145-0480

Mail Overnight Payments To:

Association Name
C/O MUFG Union Bank, N.A.
ATTN: Lockbox Operations
1751 Harborbay Parkway, Suite 100
Alameda, CA 94502

Your check must be made payable to the name of your Association. Include your 12-digit owner account number which is listed on your statement or payment coupon.

Electronic or Automatic Payment (Union Bank):

With Union Bank, you can make a one-time electronic payment or schedule recurring payments once you have made a one-time payment and created a log in and password. You can do so by visiting: www.unionbank.com/hoabankers/hoonlinepayments. You will need to enter a company ID (0023), followed by your 12-digit owner account number found on your statement or payment coupon in the following format (case sensitive): 0023-ABC123-XXXXXX. Make sure to include the dashes. If you need assistance, please contact Union Bank at 800-836-5184.

Automatic Payment (ACH Form):

Another way to schedule regular automatic payments (ACH) is to fill out the attached Authorization Agreement for Preauthorized payment form and attach a VOID check to Union Bank following the instructions on the form. This will set you up to have your assessment amount deducted on the 10th of the month that the assessment is due.

Your Personal Online Banking or Bill Pay System:

If you use your own bank's Online Bill Pay System to pay assessments, make sure that the payee/biller name, address and account number are accurate. The payee/biller name must be the name of your Association. You must also include your 12-digit owner account number on the Bill Pay check. Your 12-digit owner account number can be found on your statement or payment coupon. Your online banking payment is not an electronic transfer of funds. Please allow 5-7 business days for mailing. Mail payments to:

Association Name
C/O Union Bank
P.O. Box 45480
San Francisco, CA 94145-0480

Credit Card Payments:

To pay with a credit card, please visit: www.commoninterest.com. Select the "PAY ONLINE NOW" link in the upper right hand corner, then select "Click to Pay Now." You will be asked to enter your 12-digit owner account number found on your statement or payment coupon (do not insert spaces or dashes) and the official owner's last name. To make a one-time payment, select "Make One-time Payment." To set up a recurring payment, select "Set up Recurring Payment." A convenience fee will be charged by PayLease. For questions or to pay over the phone with a credit card, please contact PayLease at (866) 729-5327 or at support@paylease.com.

Please contact Common Interest Management's Accounting Department via email at accounting@commoninterest.com with any questions.

**REQUEST FOR ANNUAL NOTICE OF ADDRESS,
REPRESENTATIVE AND RENTAL STATUS**

Please complete this form and return it to the Association as noted below within 30 days:

1. Association Name:

2. The full name(s) of the property owner(s):

3. The property address within the Association:

4. The requested primary mailing address:

5. Optional: An alternate or secondary mailing address:

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

7. Is the property that you own (check one):

Owner-occupied

Rented out

Developed, but vacant

Undeveloped

NOTE: If an owner fails to provide the notices set forth above, the property address of the Owner's Separate Interest within the development shall be deemed to be the address to which notices are to be delivered.

The above information is requested pursuant to Civil Code §4041.

PLEASE RETURN THIS INFORMATION TO THE ASSOCIATION AT THE FOLLOWING ADDRESS:

Common Interest Management Services
315 Diablo Rd. Ste. 221
Danville, CA 94526

WATERSIDE HOMEOWNERS ASSOCIATION PARKING RULES AND REGULATIONS

General Parking Rules:

1. Parking is to occur only in designated carports and parking spaces.
2. Assigned or deeded carports and parking spaces shall be used solely for parking of passenger motor vehicles and motorcycles.
3. **No** boats, trailers, campers, golf carts, or other recreational vehicles shall be parked or stored in any portion of the project.
4. **No** parking allowed on red zone.
5. **No** parking allowed that blocks access to any parking spaces or carports of the individual units.
6. **No** parking allowed in such a way that impairs the right of way or hinders the access of emergency or other vehicles in any paved area.
7. There shall be no repair or reconstruction of automobiles or other vehicles within the project, except for emergency repairs.
8. **No** parking allowed projecting over the sidewalk or pathway with its front or rear bumper.
9. **No** littering in the parking space.

Guest Parking Space Rules:

1. All vehicles parked in the guest parking space are required to display guest parking permit at all times.
2. Lost or stolen parking passes will be replaced with a \$100 fee. When a parking pass is replaced, the security patrol company will be notified canceling the original designated number and will be given the new parking pass number designated for the unit.
3. A vehicle with a guest parking permit may not park in the same guest parking space longer than 48 hours.
4. Each owner is responsible for the parked vehicle(s) of his/her guests.

The following violations will result in immediate towing of vehicle:

1. Vehicle parked in red zone
 2. Vehicle parked in No Parking or Common Area, including double parking blocking other vehicle(s)
 3. Vehicle parked in Handicapped parking space without proper parking permit
 4. Vehicle parked in parking space belonging to other unit
 5. Vehicles parked in guest parking space without guest parking permit
- Note: Commercial vehicles working on property are excluded from #1-3.

The following violation will result in one warning, and towing of vehicle, if the vehicle has not been moved after 96 hours from the warning:

1. Vehicle parked in the same guest parking space longer than 48 hours (Vehicle will be marked to document that it is not moving.)

The following violations will result in the owner contacted by the management company:

1. Vehicle appears to be abandoned or non-operational
2. Vehicle projecting over the sidewalk or pathway with its front or rear bumper.

In addition, the owner of a vehicle parked in violation of these rules may be assessed a reimbursement for all costs relating to the removal of the vehicle. Consequently, the cost of the tow will be ultimately borne by the owner of the vehicle.

**WATERSIDE HOMEOWNERS ASSOCIATION
POOL & SPA RULES AND REGULATIONS**

All persons using the pool or pool area do so at their own risk and sole responsibility. The Association does not assume responsibility for any accident or injury in connection with such use. The Association does not provide a lifeguard at the pool. Posted rules must be followed at all times. Any violation of pool rules will result in immediate expulsion from the pool. Repeated violations could result in fines and/or loss of pool privileges.

Hours: Sunday – Thursday 8:00 a.m. – 10:00 p.m. Friday – Saturday 8:00 a.m. – 11:00 p.m.

1. Children and Guests:

- A. ALL GUEST** in pool area is to have a key and pool pass.
- B. Children** under 14 years of ages **MUST** be accompanied by a resident adult, 18 years or older. The resident shall be responsible for watching and controlling their young children under their supervision.
- C. Guests** are limited to **TWO** per unit and must be accompanied by a resident adult. The resident shall be responsible for the conduct and supervision of their guests.

2. Pool/Spa Attire:

- A. SWIMSUITS ONLY.** Any other type of clothing is **not** allowed.
- B. Nude swimming** or sunbathing is **not** allowed.
- C. If you have long hair,** a swimcap or hair tie must be worn at all times. Hair is the number one culprit in clogging drains.

3. General:

- A. No smoking** allowed in the swimming pool or within 25 feet of pool gates.
- B. No glass containers** allowed in the pool or spa area. Unbreakable containers only.
- C. No running, pushing, or “horseplay”** of any kind.
- D. No diving.**
- E. No animals** allowed in the pool or spa area. Service animals are allowed with leash/harness.
- F. No private pool parties** allowed.
- G. No skateboards, skates, or bicycles** allowed in the pool or spa area.
- H. No climbing over the pool fence or gate.**
- I. Audio/video devices** are permitted provided the volume is low enough so as not to disturb others. No audio/video devices allowed after 8 p.m.
- J. Pool furniture** should be covered with beach towels when using lotions or oils. Furniture shall not be removed from the pool area.
- K. Suntan oil** causes clogged filters and slippery tile. A shower must be taken before using the pool or spa.
- L. Tables** are provided for resident’s use. Keep food and drinks in the designated table areas and away from the surrounding poolside and spa. All trash must be disposed of in the provided waste containers.
- M. Gates and doors** to the pool area and facilities must be kept closed at all times.
- N. Life preservers and body hooks** are for emergency use only.
- O. Do NOT open the pool for anyone.** If you let someone into the pool/spa area, you will be responsible for his or her actions.

WATERSIDE OWNERS ASSOCIATION

Rules Regarding Use of Patios and Balconies

- Carpeting is not allowed on balconies or patios where it can get wet and cause either dry rot to the wood or weakening of the concrete.
- **NO** unsecured objects are allowed on balcony railings because of insurance liabilities. Plants secured with the appropriate hardware are allowed.
- Plants on patios must have proper drain pans underneath them to prevent dry rot.
- Balconies and patios are not to be used for any type of storage, including boxes.
- Only outdoor furniture is allowed on balconies or patios. Indoor furniture is not allowed.
- Unauthorized planting of plants, bushes or trees around patios is not allowed unless permission is obtained (in writing) from the Board of Directors.
- Holiday decorations are to be placed up no sooner than one month before the holiday and removed no later than one month following the holiday.
- Patios must be kept uncluttered.
- Clotheslines are not allowed on patios or balconies.
- Drying clothes by draping them over the railing is not permitted.
- The placing of small, personal items, such as bicycles, barbeque grills and other outdoor recreational equipment shall be allowed, as long as it is kept in a neat and attractive manner and not inconsistent with these rules or the CC&Rs.

WATERSIDE OWNERS' ASSOCIATION ELECTION RULES

Whereas, California Civil Code Section 1363.03(a), with effective date of July 1, 2006, requires the adoption of rules regarding Election Procedures; Appointment of Election Inspectors, Voting by Secret Ballot; Proxy and Ballot Instructions; Publication of Election results and Retention of Ballots; and

Whereas, California Civil Code Section 1357.120 (b)(4) states that Sections 1357.130 ("Notice of Rule Change") and Section 1357.140 ("Special Meeting of Members to Reverse a Rule Change") do not apply to an action by the Board of Directors for "A rule change that is required by law, if the Board of Directors has no discretion to the substantive effect of the rule change.";

Now, therefore, be it resolved that Waterside Owners Association does hereby adopt the following rules:

A. Effective Date

These rules shall become effective upon adoption at the noticed board meeting, provided that neither California Civil Code Section 1363.03 nor 1363.04 are amended prior to that time.

B. Vote by Secret Ballot for Specified Matters

1. Notwithstanding any other law or provision of the governing documents, the following matters require a vote by secret ballot in accordance with the procedures set forth herein:

- Assessments;
- Election of members of the Board of Directors;
- Amendments to the governing documents; or
- The grant of exclusive use of common area property pursuant to California Civil Code Section 1363.07.

2. This rule does not limit the authority of the Board of Directors to impose assessments sufficient to perform its obligations in accordance with the provisions of the governing documents and California Civil Code 1366.

3. This rule does not limit the Board of Directors from making such recommendations to the membership in regard to all matters, including those matters covered under this Section B, with the sole exception of advocating the election or defeat or any candidate that is on the election ballot, to the extent deemed necessary to comply with duties of the Association as imposed by the governing documents and the law.

C. Fairness in Elections

1. The Association shall ensure that if any candidate or member advocating a point of view is provided access to association media, newsletters, or Internet websites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content.

2. The Association shall specify the qualifications for candidates for the Board of Directors, and any other elected position, and procedures for the nomination of candidates. The nomination procedure in Article V, Section 5.2.1 of the Bylaws is incorporated herein, except that any member may nominate himself or herself for election to the Board of Directors. The Bylaws provide at Article V, Section 5.1 that directors shall be members or officers, directors or employees of a member.

3. California Civil Code Section 1363.03(a) requires that the Association shall specify the qualifications for voting, the voting power of each membership, the authenticity, validity, and effect of proxies, and the voting period for elections, including the times at which polls will open and close.

a). The qualifications for voting, the voting power of each membership, and the effect of proxies shall be as stated in the governing documents of the Association.

b). All ballots and voting materials shall be provided to members not less than 30 days prior to the time of the meeting of members or Board of Directors at which the votes will be counted. Written ballots and proxies must be returned and received by the Association no later than 1 hour prior to the scheduled time of the meeting at which the votes will be counted, regardless of whether that meeting is postponed for any reason.

D. Use of Association Funds for Campaign Purposes

1. Association funds shall not be used for campaign purposes in connection with any Association board election. Association funds shall not be used for campaign purposes in connection with any other Association election, except to the extent necessary to comply with duties of the Association imposed by law.

2. For the purposes of this Section, the term "campaign purposes" includes, but is not limited to, the following:

a). Expressly advocating the election or defeat of any candidate that is on the Association election ballot.

b). Including the photograph or prominently featuring the name of any candidate on a communication from the Association or the Board, excepting the ballot and ballot materials, within 30 days of an election, provided that this is not a campaign purpose if the communication is one for which subdivision (a) of Section 1363.03 requires that equal access be provided to another candidate or advocate.

E. Inspector of Election

1. The Association's Board of Directors shall, for each matter to be voted on falling under Section B, select one or three independent persons to act as inspector(s) of election. The inspector(s) of election selected by the Board of Directors may include, but shall not be limited to:

- a). The Association Manager (as allowed by California Civil Code Section 1363.03(c)(2);
- b). A volunteer poll worker with the County Registrar of Voters;
- c). A licensee of the California Board of Accountancy;
- d). A notary public;
- e). A member of the Association, who may not be a member of the Board of Directors or a candidate for the Board of Directors.

2. The inspector(s) may not be a person who is currently employed or under contract to the Association for any compensable services unless expressly authorized by these Rules adopted pursuant to California Civil Code Section 1363.03(a)(5).

3. The inspector(s) of election shall do all of the following:

- a). Determine the number of memberships entitled to vote and the voting power of each.
- b). Determine the authenticity, validity, and effect of proxies, if any.
- c). Receive ballots.
- d). Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
- e). Count and tabulate all votes.
- f). Determine when the polls shall close.

g). Determine the result of the election.

h). Perform any acts as may be proper to conduct the election with fairness to all members in accordance with the governing documents of the Association regarding the conduct of the election that are not in conflict with these Rules.

4. The inspector(s) of election shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical. Any report made by the inspector(s) of election is prima facie evidence of the facts stated in the report.

F. Proxies

Any instruction given in a proxy issued for an election that directs the manner in which the proxy holder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain. The proxy holder shall cast the member's vote by secret ballot.

G. Secret Voting Procedure

Ballots and two preaddressed envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered by the Association to every member not less than 30 days prior to the deadline for voting. In order to preserve confidentiality, a voter may not be identified by name, address, or lot, parcel, or unit number on the ballot. The Association shall conform those procedures used by California counties for ensuring confidentiality of voter absentee ballots, including all of the following:

a). The ballot itself is not signed by the voter, but is inserted into an envelope that is sealed. This envelope is inserted into a second envelope that is sealed. In the upper left hand corner of the second envelope, the voter prints and signs his or her name, address, and lot, or parcel, or unit number that entitles him or her to vote.

b). The second envelope is addressed to the inspector of election, who will be tallying the votes. The envelope may be mailed or delivered by hand to a location specified by the inspector of election. The member may request a receipt for delivery.

H. Determining the Voting Outcome

1. All votes shall be counted and tabulated by the inspector of election in public at a properly noticed open meeting of the Board of Directors or the members. A quorum need not be in attendance at such a meeting. Any candidate or other member of the Association may witness the counting and tabulation of the votes. No person, including a member of the Association, a member of the Board of Directors, or an employee of the management company, shall open or

otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated.

2. The results of the election shall be promptly reported to the Board of Directors of the Association and shall be recorded in the minutes of the next meeting of the Board of Directors and shall be available for review by members of the Association.

3. Within 15 days of the election, the Board shall publicize the results of the election in a communication directed to all members.

I. Custody of Election Materials

1. The sealed ballots at all times shall be in the custody of the inspector(s) of election or at a location designated by the inspector(s) until after the tabulation of the vote, at which time custody shall be transferred to the Association.

2. After tabulation, election ballots shall be stored by the Association in a secure place for no less than one year after the date of the election. In the event of a recount or other challenge to the election process, the Association shall, upon written request, make the ballots available for inspection and review by Association members or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

J. Conflict

Notwithstanding Article XI of the Bylaws and Article XIII, Section 13.11 of the Declaration of Covenants, Conditions and Restrictions of Waterside, in the event of a conflict between these rules and any provision of the governing documents, these statutorily mandated rules shall control.

Waterside Owners Association

REQUEST FOR ARCHITECTURAL / LANDSCAPE REVIEW

Homeowners are required to submit property improvement plans to the Association for review and comment prior to beginning the improvements. Each of Waterside Owners Association's homeowners is subject to these restrictions. City approvals and permits may be required but do not constitute approval of Waterside Owners Association.

NAME: _____ DATE: _____
(Please Print)
ADDRESS: _____ EMAIL: _____
PHONE: _____ (Home) _____ (Work) _____ Proposed Start Date: _____ Finish Date: _____

CHECK ALL THE FOLLOWING IMPROVEMENT TYPES THAT APPLY TO YOUR REQUEST

HOME IMPROVEMENTS:

- | | | | | |
|----------------------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------------------|------------------------------------------|
| <input type="checkbox"/> Structural Addition | <input type="checkbox"/> Gazebo/Arbor | <input type="checkbox"/> Play structure | <input type="checkbox"/> Storage Shed | <input type="checkbox"/> Fence Addition |
| <input type="checkbox"/> Deck/Patio | <input type="checkbox"/> Greenhouse | <input type="checkbox"/> Pool/spa | <input type="checkbox"/> Dog run | <input type="checkbox"/> Retaining Walls |
| <input type="checkbox"/> Trellis | <input type="checkbox"/> Lighting additions | <input type="checkbox"/> Lighting Standards | <input type="checkbox"/> Skylights | <input type="checkbox"/> Solar panels |
| <input type="checkbox"/> Satellite Dish | <input type="checkbox"/> Antennae | <input type="checkbox"/> Windows/Doors | <input type="checkbox"/> Gates | <input type="checkbox"/> Painting |
| <input type="checkbox"/> Mail box enclosure | <input type="checkbox"/> Sculptures | <input type="checkbox"/> Garage doors | <input type="checkbox"/> Lot line adjustments | <input type="checkbox"/> Other (specify) |

LANDSCAPE IMPROVEMENTS:

- | | |
|-------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> New Landscape | <input type="checkbox"/> Tree addition |
| <input type="checkbox"/> Landscape lights | <input type="checkbox"/> Water features |

FRONT YARD

- | |
|------------------------------------------|
| <input type="checkbox"/> Tree removal |
| <input type="checkbox"/> Other (specify) |

BACK YARD

- | |
|---------------------------------------|
| <input type="checkbox"/> Arbors/vines |
|---------------------------------------|

SIDE YARD

- | |
|------------------------------------|
| <input type="checkbox"/> Hardscape |
|------------------------------------|

**** INCLUDE \$25.00 APPLICATION FEE WITH ALL REQUESTS** Payable to Common Interest Management**

The Applicant is responsible for assuring that the improvements authorized by the Association are located within the Applicant's property.

IF YOU ARE ONLY SUBMITTING A REQUEST TO CHANGE THE COLOR OF YOUR HOME:

1. Enclose paint manufacturer color samples with this application.
2. Identify which paint samples apply to body of the house, trim/fascia and trim accent colors.

ALL OTHER IMPROVEMENTS:

1. Submit your scale drawings and plot plans to: Common Interest Management Services, 1500 E. Hamilton Avenue #210, Campbell, CA 95008 or by E-mail at customerservice@commoninterest.com.
2. Plans which include pre-assembled structures or kits must include cut sheets or product specifications, colors, dimensions, materials and all other collateral material necessary for proper review.
3. The committee must be informed of all materials used in your improvements in sufficient detail for proper review. Where appropriate, submit samples or color photos of the material (brick, slate, wrought iron, lighting standards, etc.) The Association may ask for more information regarding your improvement during the review process. While waiting for a response from the owner the 60-day approval time frame will suspend and then resume with receipt of additional information.
4. Depending on the improvement, the Association may solicit input from your neighbors regarding your submission and consider their input as part of the review process. It is prudent that you discuss proposed changes to your home with your surrounding neighbors.
5. PLEASE NOTE: The City may require approval of certain types of improvements. You may be required to get permits and other conditions may apply. The owner is solely responsible for fulfilling any municipal requirements.

Owner Signature

Date

NOTE: Improvement work may not commence without written approval of the Homeowners Association. Please submit plans anticipating up to 60 days for review and comment by the Architectural Committee. Unauthorized improvements are subject to removal at owner's expense.
Common Interest Management Services, 1500 E. Hamilton Avenue #210, Campbell, CA 95008 (408) 370-9902

WATERSIDE OWNERS ASSOCIATION IMPROVEMENT APPLICATION (continued)

DESCRIBE YOUR IMPROVEMENT IN DETAIL:

WHO IS YOUR CONTRACTOR?

I'm performing the work myself.

My general contractor is: _____

My landscape contractor is: _____

The homeowner is the "person responsible" for damage Waterside Owners Association's common areas caused by himself or by his contractor while completing these improvements. By submitting this application I acknowledge responsibility for damage to the common areas by contractors entering Waterside Owners Association's property at my invitation.

For Association Use Only:

Property Address: _____

Committee Member Name: _____ **Date:** _____

Recommend Approval as submitted: Recommend Approval with following conditions: Recommend Denial:

Committee Member Name: _____ **Date:** _____

Recommend Approval as submitted: Recommend Approval with following conditions: Recommend Denial:

Committee Member Name: _____ **Date:** _____

Recommend Approval as submitted: Recommend Approval with following conditions: Recommend Denial:

Management Company Instructions:

Send response to owner based on Committee input noted above.

Send hearing letter regarding unauthorized installation.

Notify owner to cease work.

Send notice of completion

NOTE: Improvement work may not commence without written approval of the Homeowners Association. Please submit plans anticipating up to 60 days for review and comment by the Architectural Committee. Unauthorized improvements are subject to removal at owner's expense.
Common Interest Management Services, 1500 E. Hamilton Avenue #210, Campbell, CA 95008 (408) 370-9902