

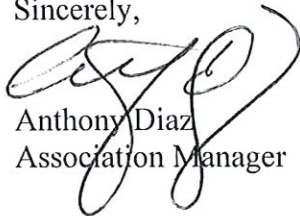
November 2020

Homeowners,

Please find enclosed your copy of the Las Flores Tower Annual Pro Forma Budget Report and Annual Policy Statement.

Be advised that this is the only **NOTICE** that you will receive notifying you that the Unit Assessments **will** increase for budget year 2021 as indicated in the Pro Forma Budget. This Association does not use monthly coupons or monthly billing statements.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony Diaz", is written over the printed name and title.

Anthony Diaz
Association Manager

Annual Budget Report and Annual Policy Statement
Revised for Davis-Stirling Act 2014

This document contains the requirements of the Davis-Stirling 2014 legislation enacted as of January 1, 2013.

Cover Letter for Full Report

Date: November, 2020
To: Members of Coronado Shores Condominium Association #4
From: The Board of Directors
Re: Fiscal Year (2021) Annual Budget Report and Annual Policy Statement

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- D. Summary of Association's Insurance
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I FULL REPORT

Required Annual Budget Report Statements

Pro Forma Operating Budget for Fiscal Year 2021 Prepared on an Accrual Basis

The Annual Pro Forma Operating Budget is attached as Exhibits A and B.

Statement of Increase in Assessments: With the new fiscal year for our Association, our Board of Directors has reviewed the operating budget with the goal of providing efficient operations and funding adequate reserves to meet long-term requirements. Based on this review, the Board has determined that, in order to maintain the financial integrity of our Association and to meet the ongoing maintenance costs, a 2.99 % percent increase in assessments will be effective January 1, 2021. As of January 1, 2021, the assessments are as follows:

1 bedroom	\$746.00
2 bedroom	\$869.00
3 bedroom	\$993.00
2 bedroom+den	\$993.00

1. Summary of the Association's Reserves

The summary of the Association's reserves is attached as **Exhibit C**. The summary is based on the reserve study described in Section I (3) below (or the latest annual update to it). This information is based only on assets held in cash or cash equivalents. It includes: the current estimated replacement cost, estimated remaining life, and estimated useful life of each major component; the current estimate of the amount of cash reserves necessary to repair, replace, restore, or maintain the major components; and the current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain major components. It also shows the ratio, expressed as a percentage, between the current estimated replacement cost of each major component and the current amount of cash reserves set aside, and the current deficiency in reserve funding expressed on a per unit basis.

2. Summary of Board Adopted Reserve Funding Plan

In conjunction with the budget review and in accordance with California Civil Code section 5550 (a), the Board engages a professional reserve study analyst, at least once every three years, to prepare a reserve study, to review our reserve funding program and to make recommendations for future funding. The 3-year reserve study involves a visual inspection of our facility. The accompanying replacement funding program reflects assumptions about future events. The replace funding program is based on factors such as manufacturers' specifications, information from contractors and subcontractors, construction pricing, scheduling manuals and the reserve study preparer's experience. The analyst then uses this information to calculate and establish the reserve amounts

needed to defray the future repairs, replacement or additions to the components that the Association is obligated to maintain. A copy of the full reserve study is available upon request.

A summary of the reserve funding plan is attached as **Exhibit C**. Pursuant to Civil Code section 5550(b)(5), the Board adopted a funding plan based upon the reserve study performed in 2019. The Board's current plan for funding reserves is to: maintain regular reserve assessments in 2021 in order to meet the Association's obligation for the repair and replacement of all major components with an expected remaining life of 30 years or less, not including those components that the Board has determined will not be replaced or repaired. The general policy of Association Boards, past and present, is to maintain reserves at approximately **30%** of obligations, those obligations based upon the required reserve study. Future Boards may decide to increase or decrease reserve contributions or address reserve requirements through special assessments as appropriate.

3. Statement of Items Deferred for Maintenance, Repair or Replacement

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

4. Statement of Anticipated Special Assessments

In accordance with Civil Code section 5300(b)(5), and as of the date of this letter, the Board **does not anticipate a special assessment** will be required in 2021. The foregoing statement is based on the knowledge and information the Board has at the present time. Thus, this statement is not a guarantee, and it is subject to change in the future.

5. Statement of Mechanisms to Fund Reserves

The Board uses the following mechanism or mechanisms to fund reserves to repair or replace major components: A portion of the regular monthly assessments are deposited to the Reserve Fund Account.

6. Statement Addressing Procedures Used to Calculate and Establish Reserves

As provided in Civil Code section 5550, the Board had a reserve study performed in 2019. A complete reserve study must be done at least once every three years and be reviewed and adjusted annually. In determining future needs, Civil Code section 5570(b)(4) does not allow the Association to assume an earnings growth in the reserve fund that is more than two percent above the discount rate published by the Federal Reserve Bank of San Francisco at the time the calculation was made. As also required by Civil Code section 5570(b)(4), the reserve study has calculated the total reserves currently needed by determining the current cost of replacement or repair of each major

component multiplied by the number of years the component has been in service and then dividing by the total useful life of the component. In effect, this computes the percentage of each component's useful life that has been used up as of the date of the reserve study or annual review and converts that to a current dollar cost of repair or replacement. For example, if a component has been in service three years and its total useful life is ten years, and the component would cost \$100,000 to replace, then 3/10 or 30% of its useful life has been used up. When 30% is multiplied by the current replacement cost of \$100,000, the result is \$30,000. In other words, the portion of its useful life that has been consumed would be worth \$30,000, thus \$30,000 should be in the reserve to replace eventual replacement cost. When these figures are added up for all major components, the result is the current cost of replacement or repair for all major components. Note that Civil Code section 5570 does not require the Association to fund reserves in accordance with the above calculation.

Once the Board has the information from the reserve study on the current cost of replacement or repair for all major components, it compares that figure with the amount of reserves currently on hand to tell if it has an amount that is more, less or equal to the current cost of replacement. It also looks at the amount on hand in comparison with how much additional money will be added to the reserves over the next several years in comparison with the amount of money projected to be expended over the same time period. It then determines if the funding level will be adequate for the next several years, and if not, what actions the Board may need to take to generate the funds that will be required, such as levying special assessments, additional regular assessments, borrowing the necessary funds, evaluating if the work will need to be done when projected, or if it can be delayed, or a combination of these actions. The Board also looks at whether the rate of funding the reserves will keep the Association on pace with the long term cost of repairs and replacements or if it appears that the reserve fund will start falling behind the long term costs of repair and replacement. Depending on that determination, the Board will plan for what long term actions, if any, will be needed to assure that the funds will be available to repair and replace all major components when necessary.]

7. Statement Addressing Association's Outstanding Loans

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

8. Summary of Association's Insurance Policies

"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."

SUMMARY OF ASSOCIATION'S INSURANCE

Attached as Exhibit D.

Please note that the Association will, as soon as reasonably practical, notify you, as members, by first class mail, if any of the above mentioned policies have lapsed, been canceled, been non-renewed, have not been renewed or replaced, or if there has been any significant changes or reductions or limitations on the above mentioned policies. Also, if the Association receives notice of non-renewal of any of the above policies, it shall immediately notify the members of the Association if replacement coverage will not be in effect by the date that the existing coverage will lapse.

Assessment and Reserve Funding Disclosure Summary

Coronado Shores #4

(1) The current regular assessment per ownership interest per month is: Variable between \$724 and \$964 per month for the year ending 12/31/2020

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

As of 10/10/2020

<i>Date Assessment is</i>	<i>Amount per unit</i>	<i>Purpose of Assessment</i>
None		
Total:		

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

Yes _____

No X

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

(4) If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years?

Based on the reserve study option to fund at the threshold funding plan (5%) an increase reserve

contribution in 2021 to \$295,000 from the 2020 contribution of \$168,000 would be necessary. This will mean an increase to the monthly reserve contribution by \$60.00 per unit on average from 2021 and thereafter. This is calculated as follows: 2020 reserve contribution is \$168,420. The recommended reserve contribution from the study is \$228,000, a difference of about \$60,000. Therefore, the recommended reserve contribution for 2021 was \$234,840 and adding \$60,000 from the prior year deficit results in a required contribution of \$294,840 in 2021 with an increase in reserve contribution thereafter of around \$60.00 a unit on average per year for the foreseeable future or around 3%.

For more detail see attached theoretical 30 year funding plans.

Note: This calculation assumes the association will raise their current reserve contribution 3.5% per year over the next 30 years.

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

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the civil code the estimated amount required in the reserve fund at the end of the current fiscal year is: \$2,161,434 based in whole or in part on the last reserve study or update prepared by McCaffery Reserve Consulting.

As of 10/31/2020 the projected reserve fund cash balance at the end of the current fiscal year is: \$ 605,331 resulting in the reserves being 28% funded at this date.

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

Year	Amt	Proi. Balance	% Funded
2020	\$2,161,434	\$ 519,427	24%
2021	\$2,418,146	\$620,679	16%
2022	\$2,354,662	\$417,745	18%
2023	\$2,510,322	\$413,563	16%
2024	\$2,439,737	\$ 193,133	8%

For more detail see attached theoretical 30 year funding plans.

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

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate was: 1.5% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.00% per year.

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

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

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

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

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

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

II Annual Policy Statement

1. Designated Agent for Receipt of Association Mail

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

Name: **Anthony "Tony" Diaz**

Title: **General Manager**

Company: **Coronado Shores Condominium Assoc. #4**

Address: **1770 Avenida Del Mundo
Coronado, CA 92118**

2. Secondary Addresses for Owners

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

3. Posting Location of General Notices

The location designated for posting of a General Notice is: In the **Mail Room** in the upper elevator lobby.

4. Individual Delivery Notice

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

5. Availability of Minutes

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

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

6. Statement of Assessment Collection Policies under Civil Code section 5730

NOTICE ASSESSMENTS AND FORECLOSURE

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

ASSESSMENTS AND FORECLOSURE

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

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial

foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

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

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

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

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

PAYMENTS

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

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

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In

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

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

MEETINGS AND PAYMENT PLANS

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

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

7. Statement of Association's Policies for Collection of Delinquent Assessments

Timely payment of regular and special assessments is of critical importance to the Association. Members' failure to pay monthly assessments when due creates a cash-flow problem for the Association and causes those owners who make timely payment of their assessments to bear a disproportionate share of the community's financial obligations. Therefore, the Board of Directors has enacted the following policies and procedures concerning collection of delinquent assessment accounts:

a. All regular assessments shall be due and payable, in advance, in equal monthly installments, on the first day of each month. Special assessments shall be due and payable on the due date specified by the Board in the notice imposing the assessment. In no event shall a special assessment be due and payable earlier than 30 days after the special assessment is duly imposed.

b. Regular and special assessments shall be delinquent if not paid within 15 days after they become due.

c. If any installment payment of a regular assessment, or payment of a special assessment, is not made within 15 days after it has become due, a late payment charge of \$25.00 per month shall be imposed, and the Association shall be entitled to recover any reasonable collection costs, including attorney fees, that the Association then incurs in its efforts to collect the delinquent sums.

d. If an assessment payment is delinquent for more than 30 days, interest shall be imposed on all sums due, including the delinquent assessment, collection costs, and late charges, at an annual percentage rate of 12%.

e. If a special assessment is payable in installments and an installment payment of that special assessment is delinquent for more than 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.

f. If an assessment payment is delinquent for more than 45 days, the Association will cause a letter to be mailed to the delinquent owner, via certified mail. That letter will give a breakdown of the amounts due and will enclose this Delinquency Policy.

g. If an assessment payment is delinquent for more than 60 days, the Association will authorize Association Lien Services to cause to be recorded in the San Diego County Recorder's Office a Notice of Delinquent Assessment (pursuant to Civil Code Section 5660) concerning all sums that are then delinquent, including the delinquent assessment, late charges, costs, and reasonable attorney fees. Recording this notice creates a lien, which is subject to foreclosure, against the delinquent owner's property.

h. Once the matter has been transferred to Association Lien Services, they will be authorized to commence a nonjudicial foreclosure action to enforce the lien. This procedure, also used by banks and savings and loans to collect on unpaid mortgages, takes approximately 111 days from inception to the foreclosure sale. You could lose ownership of your property if a foreclosure action is completed. You will be responsible for significant additional costs and fees if a foreclosure action is commenced against your property. Once the matter has been turned over to Association Lien Services, you will receive notification from them as to the amount due the Association. Do not pay the amounts stated on the Association-generated monthly billing invoice, as it will not contain additional fees and costs for which you are obligated. ***"IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION"***

i. If an assessment payment is delinquent more than 60 days, the Association may also cause an action at law to be brought against the owner who is personally obligated to pay the delinquent assessment or may cause a judicial foreclosure proceeding to be initiated to foreclose its lien against the owner's unit.

j. Any owner who is unable to pay assessments will be entitled to make a written request for a payment plan to be considered by the Board of Directors. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests.

k. If an owner disputes any late charge or other charge levied by the Association, the owner is obligated to pay the amount in question despite such ongoing dispute and will be entitled to a refund or credit if the dispute is resolved in the owner's favor.

1. If a lawsuit or foreclosure procedure is initiated by the Association to recover delinquent assessments, or if the Association is forced to defend an action brought by an owner to contest assessments and/or related charges, the Association is entitled, by its CC&Rs and by law (Civil Code Section 5650), to recover from the homeowner not only the amount in default, plus late charges, but also reasonable costs of collection, including title company charges and attorney fees.

8. Policy and Practices for Member Discipline

I

Purpose of the Policy

The intent of this policy is to deter unauthorized conduct and to encourage compliance with the Association's governing documents. It is not designed to generate income for the Association. The Board, the Association and its members would prefer to have owners and residents comply with the governing documents than to have to devote the time and energy needed to conduct hearings and to penalize violators. The Association's ultimate objective is to achieve voluntary compliance from all owners and residents for the benefit of the entire community.

II

Notice and Hearing

The Association may, but is not required, to contact an owner by a phone call or an in-person warning after any first offense or allegation of a violation by an Owner or the Owner's family, tenants or guests. In the alternative, the Association shall contact the Owner in writing at his/her last known address as shown in the Association's records. The Board has the discretion to determine whether to issue warnings first or to seek to impose penalties and may consider factors such as the seriousness of the violation and the extent of any prior violations in determining how to proceed. Since Owners are responsible not only for their own conduct, but also for the conduct of their families, tenants and guests, the Association will initiate and direct all disciplinary procedures concerning violations to the Owner who is responsible for the conduct of the violator. Nothing in these rules shall prevent the Board from seeking other relief in addition to or instead of the penalties provided for in these rules.

(a) No discipline shall be imposed upon an Owner under this policy until a hearing has been held by the Board. Written notice of the hearing shall be given to the Owner at least ten (10) days prior to the date of the hearing either by personal delivery or first-class mail at the Owner's last known address as shown in the Association's records, as provided in Civil Code 5855(a). If the Owner has not given an address to the Association, the Owner's address will be presumed to be the address of the Owner's property in the Association. The Owner will have a right to attend the meeting, and the Owner will have a right to address the Board, either orally or in writing, at the Owner's choice, at the hearing.

The Notice of Hearing shall specify the nature of the complaint against the Owner, including the specific section or sections of the Declaration, Bylaws, Rules or other governing documents alleged to have been violated, the proposed discipline to be imposed, and the time, date and place where the hearing will be held. The notice shall also inform the Owner that he/she will

have the right to be heard in his/her own defense and that, after the hearing, the Board will determine whether any discipline should be imposed and, if so, the what the discipline will be.

(b) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be considered, and the Board may determine if it is the sort of evidence on which reasonable persons ordinarily rely in the conduct of their affairs, regardless of the existence of any common law or statutory rule which might make the admission of such evidence improper in court. Irrelevant and unduly repetitious evidence may be excluded.

(c) The Owner shall have the right to testify in his or her own behalf, to call and examine witnesses, to introduce exhibits, to rebut the evidence against him or her, and to present such oral and written evidence and argument as he or she wishes. The Owner may choose not to attend and to submit any evidence or statements in writing.

(d) All hearings shall be held in executive session, and the Board shall exclude witnesses (other than the accused owner) from the hearing except for the time during which they are testifying.

(e) Any hearing held in executive session shall be generally noted in the minutes of a regular meeting of the Board of Directors, but excluding any reference to the specific Owner or Owners involved.

(f) Unless the amount at stake exceeds the maximum limit of the small claims court (\$5,000.00 at the time these rules were adopted), no party shall be entitled to legal counsel at the hearing.

III

Remedies of the Association

(a) If, after a hearing held in accordance with the provisions of preceding Section, the Board finds that the Owner has failed to comply with the Association's Governing Documents (including without limitation, the Articles of Incorporation, Bylaws, CC&Rs, and Rules and Regulations), the Board may, but need not, impose the following discipline:

(1) For an Owner's first infraction the Board may suspend the Owner's voting rights and/or rights to use the Common Area recreational facilities for a period of not more than thirty (30) days.

(2) For each succeeding infraction, the Board may suspend the Owner's voting rights and/or rights to use the Common Area recreational facilities for up to a total period of time.

(3) The Board may, in addition to or in lieu of the suspensions provided for above, impose a fine or penalty for an Owner's first or any subsequent violation of the CC&Rs, Bylaws, Rules and Regulations. The maximum amount of the fine or penalty that may be imposed shall be fixed from time to time by the Board and included in a schedule of monetary penalties in the Association Rules. Such fine or penalty may vary depending on the number of prior infractions by an Owner and/or the severity of the infraction for which the fine is imposed and may include

the association's actual out-of-pocket costs for investigating or correcting the violation, including any attorney's fees and costs to achieve the Owner's compliance with the Association's governing documents.

(b) The Board shall inform the Owner by written notice of its decision and the discipline imposed, if any, within fifteen (15) days after the date of the hearing, or within such other time period as may be provided in Civil Code Section 5855(c), as amended from time to time. However, the effective date of the discipline imposed shall not be any earlier than five (5) days after the date of the hearing or until receipt of the written notice of decision, whichever occurs later. An owner shall be deemed to have received a notice of decision two (2) business days after mailing such notice by first class mail, postage prepaid.

(c) Any action challenging the suspension of membership rights or other discipline, including any claim alleging defective notice, must be commenced within one (1) year after the date of such suspension, or other discipline. In the event such an action is successful, the court or arbitrator or other trier of fact who is hearing the matter may order any relief, including reinstatement, that it finds equitable under the circumstances, but no vote of the Owners or the Directors shall be set aside solely because a person was, at the time of the vote, wrongfully excluded by virtue of the challenged suspension or other discipline, unless the trier of fact finds further that the wrongful suspension or other discipline was in bad faith and for the purpose, and with the effect, of wrongfully excluding the Owner from the vote or from the meeting at which the vote took place, so as to affect the outcome of the vote.

IV Monetary Penalty Schedule

The Board has adopted the following schedule of monetary penalties for any violation of the Declaration, Bylaws, Rules and Regulations, any nuisance activities, architectural non-compliance or any other violation:

First Offense	=\$25.00 - \$125.00
Second Offense	=\$50.00 - \$250.00
Third or Later Offense	=\$100.00 - \$500.00

When any violation is continuous until corrected, the Board may levy either a daily or a monthly fine. To deter continued improper conduct, and to provide an incentive to comply early, the Association may levy a daily fine of up to \$5.00 per day or a monthly fine of up to \$150.00 per month (or any portion of a month) for continuous violations during the first month after imposition of the penalty. The penalty may be increased to up to \$10.00 per day or a monthly fine of up to \$300.00 during the second month of a continuing violation. The penalty may be increased to up to \$20.00 per day or a monthly fine of up to \$600.00 during the third or any subsequent month of a continuing violation. The Board shall give the violating owner notice of whether the fine for a continuing violation will be increased in each subsequent month, and what the level of the fine will be. The Board may also add to the fine or penalty the Association's actual out-of-pocket costs for investigating or correcting the violation, including any attorney's fees and costs to achieve the Owner's compliance with the Association's governing documents. The Board will levy penalties and/or impose discipline on Owners only after holding a hearing as provided in Section II above.

9. Summary of Association's Dispute Resolution Procedures (ADR and IDR)

Alternative Dispute Resolution Procedures

The California Legislature has established a public policy in this state that requires the use of Alternative Dispute Resolution ("ADR") before resorting to litigation to resolve certain conflicts that arise in condominiums, planned developments and other common interest developments. The law requires every association to distribute a summary of California Civil Code sections 5925 through 5965 to its members annually in its Annual Policy Statement prepared pursuant to Civil Code section 5310.

Rather than attempt to summarize the law, which is lengthy, and may result in omissions or misunderstandings of what the law provides, we are providing a copy of law in its entirety below. **PLEASE NOTE, Civil Code section 5965 states:**

"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."

Please note that the section headings below are not a part of the law, but are present only to assist you in identifying the contents of each section.

§5925. ADR Definitions

As used in this article:

(a) "Alternative dispute resolution" means mediation, arbitration, conciliation, or other nonjudicial procedure that involves a neutral party in the decision-making process. The form of alternative dispute resolution chosen pursuant to this article may be binding or nonbinding, with the voluntary consent of the parties.

(b) "Enforcement action" means a civil action or proceeding, other than a cross-complaint, for any of the following purposes:

- (1) Enforcement of this act.
- (2) Enforcement of the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code).
- (3) Enforcement of the governing documents.

§5930. ADR Required Before Filing Certain Actions

(a) An association or a member may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to this article.

(b) This section applies only to an enforcement action that is solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for

monetary damages not in excess of the jurisdictional limits stated in Sections 116.220 and 116.221 of the Code of Civil Procedure.

(c) This section does not apply to a small claims action.

(d) Except as otherwise provided by law, this section does not apply to an assessment dispute.

§5935. Initiating ADR by Request for Resolution

(a) Any party to a dispute may initiate the process required by Section 5930 by serving on all other parties to the dispute a Request for Resolution. The Request for Resolution shall include all of the following:

- (1) A brief description of the dispute between the parties.
- (2) A request for alternative dispute resolution.
- (3) A notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the request will be deemed rejected.
- (4) If the party on whom the request is served is the member, a copy of this article.

(b) Service of the Request for Resolution shall be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the party on whom the request is served actual notice of the request.

(c) A party on whom a Request for Resolution is served has 30 days following service to accept or reject the request. If a party does not accept the request within that period, the request is deemed rejected by the party.

§5940. Time for Completing ADR Process and Cost Splitting

(a) If the party on whom a Request for Resolution is served accepts the request, the parties shall complete the alternative dispute resolution within 90 days after the party initiating the request receives the acceptance, unless this period is extended by written stipulation signed by both parties.

(b) Chapter 2 (commencing with Section 1115) of Division 9 of the Evidence Code applies to any form of alternative dispute resolution initiated by a Request for Resolution under this article, other than arbitration.

(c) The costs of the alternative dispute resolution shall be borne by the parties.

§5945. Effect of ADR on Statutes of Limitation

If a Request for Resolution is served before the end of the applicable time limitation for commencing an enforcement action, the time limitation is tolled during the following periods:

(a) The period provided in Section 5935 for response to a Request for Resolution.

(b) If the Request for Resolution is accepted, the period provided by Section 5940 for completion of alternative dispute resolution, including any extension of time stipulated to by the parties pursuant to Section 5940.

§5950. Filing ADR Certificate when Filing Court Action

(a) At the time of commencement of an enforcement action, the party commencing the action shall file with the initial pleading a certificate stating that one or more of the following conditions are satisfied:

(1) Alternative dispute resolution has been completed in compliance with this article.

(2) One of the other parties to the dispute did not accept the terms offered for alternative dispute resolution.

(3) Preliminary or temporary injunctive relief is necessary.

(b) Failure to file a certificate pursuant to subdivision (a) is grounds for a demurrer or a motion to strike unless the court finds that dismissal of the action for failure to comply with this article would result in substantial prejudice to one of the parties.

§5955. Referral to ADR and Stay of Court Action by Stipulation

(a) After an enforcement action is commenced, on written stipulation of the parties, the matter may be referred to alternative dispute resolution. The referred action is stayed. During the stay, the action is not subject to the rules implementing subdivision (c) of Section 68603 of the Government Code.

(b) The costs of the alternative dispute resolution shall be borne by the parties.

§5960. Refusal to Participate in ADR; Effect on Award of Fees and Costs

In an enforcement action in which attorney's fees and costs may be awarded, the court, in determining the amount of the award, may consider whether a party's refusal to participate in alternative dispute resolution before commencement of the action was reasonable.

§5965. Annual Disclosure of ADR Procedures to Members

(a) An association shall annually provide its members a summary of the provisions of this article that specifically references this article. The summary shall include the following language:

"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."

(b) The summary shall be included in the annual policy statement prepared pursuant to Section 5310.

Internal Dispute Resolution

Pursuant to *Civil Code* § 5905, the Association is required to provide a fair, reasonable and expeditious dispute resolution procedure. The Association adopts the following Internal Dispute Resolution Procedure:

(a). The Association or an Owner may invoke the procedures described herein by submitting a request to the other to meet and confer in an effort to resolve any existing dispute. The request must be in writing.

(b). The Association will respond in writing within thirty (30) days of receipt of an Owner's written request invoking IDR. If an Owner does not respond in writing to the Association's written request invoking IDR within thirty (30) days after receipt, the request will be deemed rejected.

(c). If IDR is invoked by the Association, the Owner may refuse a request to meet and confer with the understanding that further enforcement action may be taken if the dispute is not resolved. If the Owner elects to participate but the dispute is resolved other than by agreement of the Owner, the Owner shall have a right of appeal to the Board.

(d). If IDR is invoked by an Owner, the Association shall participate in the meet and confer.

(e). The Association's Board of Directors will designate Board member(s) to meet and confer with the Owner. The Association Manager may also be requested by the Board to be present during the meet and confer.

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

(g). The parties may be assisted by an attorney or another person in explaining their positions when conferring, at their own cost.

(h). Any resolution of the dispute agreed to by the parties shall be set forth in writing and signed by the Owner and the designated Board member(s) on behalf of the Association.

(i). A written agreement reached under this procedure is binding on the Owner and the Association and is judicially enforceable if (a) the agreement is signed by both parties, (b) the agreement is not in conflict with law or the Association's Governing Documents, and (c) the agreement is either consistent with the authority granted by the Board to the designated Board member(s) or the agreement is ratified by the Board.

(j). Owners will not be charged a fee to participate in this process.

10. Summary of Procedures for Architectural Review

The Association requires prior written approval of certain architectural changes that you make to your property. The general types of changes that require Association approval are described as follows: [all interior modification require written architectural approval, all changes to structural members, all changes to water, sewer, electrical and other utility components, all changes that would require a building permit, and city

approved plans. You should review the Association's Rules and Regulations for Remodeling for more specific information.

11. Mailing Address for Overnight Payment of Assessments

Association Name: Coronado Shores Condominium
%: Manager
Address: 1770 Avenida Del Mundo
Coronado, Ca 92118

12. Miscellaneous Disclosures as Required by Law or Governing Documents

A. Preparation of Annual Review

As provided in **Article 4, Section 4.4.1 of the Bylaws** the Association will have a review prepared by a certified public accountant after the close of the fiscal year. That document and any information required by Corporations Code Section 8321 should be available to you within 120 days after the close of the fiscal year.

B. Asbestos Notification (California Health & Safety Code section 25915.2)

"ASBESTOS NOTICE: Certain units in the building have *original "popcorn" ceilings, linoleum flooring, etc.* which are asbestos containing materials ("ACMs"). As required by Health and Safety Code section 29515.2, the Association is giving owners this written notice concerning the presence of ACMs in the building, at least in those units in which the popcorn ceiling, linoleum floor, etc. has not been removed. This is also notice to prospective purchasers that ACMs may be present in the unit you are purchasing. The Association has not made an inspection of all units to test for the location of ACMs. The individual unit owners, not the Association, are responsible for maintenance, repair and replacement of the materials in which asbestos is located.

"California Business and Professions Code section 7058.5 requires that only those contractors who are specially licensed to remove and dispose of ACMs may be used to remove materials containing ACMs. It is unlawful for anyone who is not so licensed to remove ACMs, and the Association will require proof of a contractor's asbestos removal certification along with insurance for automobile liability, general liability and workers compensation insurance from a company authorized to issue insurance in California before any contractor may enter the Association's building to remove and dispose of any ACMs.

The danger from asbestos is that it disintegrates easily into small dust-like fibers that can be circulated through ventilating systems, dragged through carpeting, and stirred up through vacuuming and cleaning until it is ultimately inhaled. The Association will react promptly and vigorously to the actions of any owner who fails to observe the requirements of the law for removal and disposal of ACMs from the building. For additional information regarding ACMs, please refer to California Health & Safety Code section 25915 *et seq.*"

C. Emergency Preparedness and/or Evacuation Plans

EMERGENCY PLANS FOR FIRE & EARTHQUAKE EVACUATION

Announcements for emergencies and evacuation of Las Flores Tower will normally be made over the unit and hallway speakers, bullhorns or by other means. Therefore, when you hear an announcement, listen carefully. If your floor is affected, ensure that the other residents on your floor are aware of the message.

FIRE PROTECTION / EVACUATION PLAN

In case of FIRE, sound the fire alarm by activating the pull station box located at each end of the hallways and by elevators and each end of garages. This sends the alarm to the building lobby and to the off-site monitoring location. Emergency personnel will be dispatched. After sounding the alarm, phone the Front Desk (437-1267/1269) to provide any other information you have. If an attempt is made to extinguish the fire, do so **after** you have sounded the alarm.

Pressurized **ABC** type fire extinguishers and fire hoses are located on each floor & both garages. **Break** the glass on the door to open it. The **ABC** type fire extinguishers will combat all types of fires.

Everyone should familiarize themselves with the location of the fire alarm boxes, fire hoses/extinguishers prior to any emergency.

DO'S & DO NOT'S

DO report the fire. **DO NOT** assume that someone else has or will.

DO close doors and windows; this will slow the spread of the fire.

DO listen for emergency announcements.

DO stay low when traveling through smoke.

DO NOT evacuate unless directed to do so.

DO use the **SOUTH** stairway if you are instructed to evacuate.

DO NOT use the elevators to evacuate during any emergency; there is a possibility of stopping on a floor that is on fire and being engulfed by smoke when the doors open. Always use the **SOUTH** stairway to evacuate.

DO NOT break windows to vent smoke. (Falling glass is a serious threat to the people below)

DO NOT open HOT doors. Before opening a door, touch it with the back of hand to determine if it is HOT. A fire on the other side will blast through the slightest opening with tremendous force.

DO NOT return to your apartment for personal belongings when ordered to evacuate.

DO NOT panic, remain calm. This building is constructed of reinforced concrete, therefore fires will normally be restricted to one to three floors. However, smoke may travel throughout the building.

EARTHQUAKE PROTECTION PLAN

Should an earthquake occur, try to remain calm, **DO NOT** run or panic. If you take proper precautions, the chances are you will not be injured. **REMAIN WHERE YOU ARE!** If you are outdoors remain there, if you are indoors, remain there. Most earthquake injuries occur as a result of people entering or leaving buildings (falling walls, glass, electrical wires, etc.). If you are indoors, sit/stand against an inside wall or in an inside doorway or take cover under a desk/table. Stay away from windows and outside doors. Guard yourself against flying glass.

AFTER AN EARTHQUAKE

DO NOT use any electrical devices until it is determined they are safe to use. The elevators in the building/parking levels will be shut down and will **NOT** be available for use.

EMERGENCY EVACUATION

EVACUATION will be by the stairway as directed by emergency personnel from the floor on which the emergency has occurred and the floors immediately above & below. **ALL RESIDENTS** are **URGED** to familiarize themselves with the location of the stairways and their exits.

Only persons directed to or in personal danger should evacuate. Unnecessary evacuation crowds hallways, stairways and interferes with emergency personnel arriving at the site of the emergency. If evacuation is ordered, respond quickly but calmly. Help others who may need assistance.

Go to the directed stairway, keep to the right side as you go up/down and use the handrails. Proceed in an orderly manner. **REMEMBER, DO NOT USE THE ELEVATORS,** they could be a dangerous trap in an emergency situation.

Once you have started your exit from the building, unless a designated access is provided. **DO NOT** re-enter the building. Proceed to the 1. Beach Club or 2. Roeder Pavilion and remain there so that you may be accounted for. Shores Security Staff has been trained to open these facilities for use in case of emergency evacuation.

POWER FAILURE

In the event of a power failure, there will be a delay of a few seconds before the emergency generator is activated. One elevator will continue to operate normally. Lighting will be limited in the hallways, lobbies & garages. Full lighting will remain in the stairwells. There will be NO electricity in any apartment. Residents should remain in their apartments until power is restored or until directed otherwise.

PLAN DE EMERGENCIA Y EVACUACION EN CASO DE UN INCENDIO O UN TERREMOTO

Los avisos de emergencia y evacuacion normalmente se haran por un intercomunicador publico, bocinas, o altavoces. Escuche con atencion estos avisos. Si su piso es el afectado, por favor asegurese que los demas residentes esten tambien informados de la emergencia y la evacuacion.

PROTECCION EN CASO DE UN INCENDIO / PLAN DE EVACUACION

En caso de un incendio, jale la alarma-contra-incendios localizada al final del pasillo (Norte o Sur), al frente de los elevadores, o al final de los estacionamientos (Norte o Sur). Esta alarma automaticamente informa tanto a la persona de seguridad de este edificio como a la central de control remoto. Personal de emergencias sera despachado. Al activar la alarma-contra-incendios, comuniquese con la persona de seguridad (437-1267 o 437-1269) para proveer alguna otra informacion pertinente. Si intenta extinguir el fuego, hagalo **DESPUES** de jalar la alarma-contra-incendios.

Los extinguidores presurizados de tipo **ABC** y las mangueras se encuentran en cada uno de los pisos y en los estacionamientos. Rompa el vidrio de la puerta para extraerlo. Los extinguidores **ABC** ayudan a combatir cualquier clase de incendios.

A = Combustibles Comunes (basura, madera, papel, etc.)

B = Liquidos Inflamables (acetona, grasa, pintura, etc.)

C = Equipo Electrico (electrodomesticos varios)

Cada uno de ustedes **DEBE** familiarizarse con la ubicacion de la alarma-contra-incendios, el extinguidor, y la manguera en su piso y en los estacionamientos (Norte o Sur) **ANTES** de cualquier emergencia.

LO QUE SE DEBE Y LO QUE NO SE DEBE HACER

- ❖ Reporte el incendio. No asuma que alguien mas lo hizo o lo hara.
- ❖ Cierre puertas. Esto reduce la propagacion del fuego.
- ❖ Escuche con atencion los avisos de emergencia.
- ❖ Permanezca agachado cuando camine por el humo.
- ❖ **NO** evacue al menos que le sea indicado.
- ❖ Use las escaleras **SUR** si se le indica evacuar.
- ❖ **NO** use los elevadores para evacuar en una emergencia. Existe la posibilidad de parar en un piso incendiado y ser circundado por el humo cuando las puertas abran. Siempre use las escaleras **SUR** para evacuar.
- ❖ **NO** rompa ventanas para disipar el humo. El vidrio al caer es extremadamente peligroso para las personas en pisos inferiores.
- ❖ **NO** abra puertas calientes. Antes de abrir una puerta, toquela con la palma de la mano en la parte superior. El fuego al lado opuesto de la puerta se filtrara con tremenda fuerza centrifuga en el instante de abrirla.
- ❖ **NO** se devuelva a su condominio para extraer pertenencias una vez se le haya dado la orden de evacuar.
- ❖ **NO** tenga miedo. Permanezca calmado. Este edificio esta construido con vigas de hierro y hormigon armado que resisten tremendos esfuerzos de traccion o de flexion. De tal manera que los incendios seran limitados de uno a tres pisos. Sin embargo, el humo se desplazara por todas partes del edificio.

PROTECCION EN CASO DE UN TERREMOTO

En caso de un terremoto, **NO** entre en panico, permanezca calmado y **NO** corra. Con las debidas precauciones se minimizara el hacer dano a su persona. **PERMANEZCA DONDE ESTA !** Si se encuentra afuera, permanezca alli. Si se encuentra adentro, permanezca alli. La mayoría de los danos causados por movimientos sismicos ocurren cuando las personas entran o salen de edificaciones mientras paredes, vidrios, cables electricos, etc. caen. Si se encuentra adentro, sientese o parese recargado a una pared interna, al marco de una puerta o cubrase debajo de un escritorio o una mesa. Mantengase alejado de ventanas y puertas externas. Protejase de los pedazos de vidrio volando o desprendidos.

DESPUES DE UN TERREMOTO

NO use ningun tipo de electrodomestico hasta no ser informado de su seguridad. Los elevadores en todos los niveles estaran cerrados y **FUERA DE SERVICIO** al publico.

TERREMOTO / PLAN DE EVACUACION

La evacuacion se hara por las escaleras como lo indique el personal de emergencias. Comenzando por el piso mas afectado, seguido por el piso ubicado directamente arriba y directamente abajo del mas afectado. Se les recomienda a **TODOS LOS RESIDENTES** que se familiaricen con la ubicacion de las escaleras y sus salidas. Unicamente las personas mas afectadas o en peligro inmediato deben evacuar. Evacuaciones innecesarias crean muchedumbres en los pasillos y en las escaleras; impidiendo asi el acceso inmediato al personal asignado al foco de la emergencia. Si una evacuacion total es inevitable, reaccione rapido pero con calma. Ayude a aquellos que lo necesiten.

Cuando suba o baje sujetese bien del pasamanos y mantengase a la **DERECHA** de las escaleras indicadas. Proceda de una manera ordenada y acuerdese: **NO USE LOS ELEVADORES !** Estos pueden ser una trampa mortal durante un estado de emergencia. Una vez haya alcanzado la salida, **NO** se devuelva a la edificacion. A menos que una ruta segura de auxilio haya sido establecida por el personal de emergencias.

D. Notice of Hard Surface Flooring in Units

Notice of hard surfaced floors in the Units

This Property allows hardwood, tile and other hard surfaced floors to be installed throughout each unit, subject to underlayment regulations promulgated by the Association and available to flooring contractors by the Manager of the Association. Such underlayment has the goal of mitigating noise from one unit to another, but the elimination of all noise is not presently technically possible.

An owner or prospective owner must be aware that such floors do transmit noise in spite of the underlayment and such noise cannot be completely regulated by the Association beyond neighborly consideration in much the same manner as parties and other activities normal to any household. In some cases, an owner or other resident may experience sleep disruption or other forms of noise generated inconvenience but such annoyances associated with the surrounding properties can vary from person to person and unit to unit. If such annoyances are incompatible with the quality of life you expect while residing in your unit, you must consider such possible annoyances prior to your purchase and determine whether they are acceptable to you.

**Coronado Shores Condominium Association #4
ANNUAL OPERATING BUDGET 2021
APPROVED**

PERSONNEL/SALARY COSTS		ASSOC.ASSESSMENTS	
MANAGER (1)	\$95,004.00	LANDSCAPE & RECREATION	\$271,354.00
		SEAWALL & ROADWAY	\$15,264.00
ENGINEER (1)	\$61,482.00	TOTAL	\$286,618.00
ASSIST.ENGINEER (1)	\$45,552.00		
CUSTODIAL (3)	\$105,870.00		
DOOR PERSONNEL (5)	\$144,656.00	UTILITIES	
PAYROLL TAXES	\$41,183.00	CABLE TV	\$77,272.00
PAYROLL COMPANY	\$4,100.00	ELECTRCITY	\$78,782.00
WORKERS COMP.INS.	\$20,000.00	NATURAL GAS	\$41,088.00
MED/DEN.INSURANCE	\$38,004.00	TELEPHONE & FAX	\$6,516.00
BENEFIT COMPENSATION	\$13,884.00	WATER	\$39,996.00
TOTAL	\$569,735.00	TOTAL	\$243,654.00
SERVICES			
ACCOUNTING	\$3,500.00		
CARPET CARE	\$1,500.00	CONTINGENCY FUND	
ELEVATOR MAINTENANCE	\$24,004.00	TOTAL OPER.EXPENSES	\$1,325,907.00
GARDENING/PLANTS	\$9,284.00		
GENIES/KEYS	\$996.00	RESERVE ALLOCATION	\$168,513.00
INCOME TAXES	\$1,204.00	CAPITAL REPLCMT FUNDS	\$48,000.00
INSURANCE	\$80,004.00	EXPENSES + RESERVES	\$216,513.00
LEGAL FEES	\$3,504.00		
PEST CONTROL	\$1,500.00	ANNUAL INCOME	
TRASH REMOVAL	\$8,304.00	UNIT ASSESSMENTS	\$1,542,420.00
WINDOW CLEANING	\$27,600.00	INTEREST	\$600.00
UNIFORM SERVICE	\$2,000.00	TOTAL INCOME	\$1,543,020.00
SPALLING MAINTENANCE	\$0.00		
TOTAL	\$163,400.00		
SUPPLIES		DIF. INCOME - EXPENSE	
JANITORIAL SUPPLIES	\$4,104.00		
MATERIALS/REPAIRS	\$44,304.00		
MISC. & SOCIAL EVENTS	\$3,504.00		
OFFICE SUPPLIES	\$9,588.00		
POSTAGE/DELIVERY	\$1,000.00		
TOTAL	\$62,500.00		
		MONTHLY UNIT ASSESSMENTS	
	45	1 BEDROOM	\$746.00
	75	2 BEDROOM	\$869.00
	30	3 BEDROOM/2 BEDROOM+DEI	\$993.00

BUDGET COMPARISON
2020 -2021

	BUDGET	BUDGET	(+)OR(-)	%CHANGE
<u>PERSONNEL/SALARY</u>	<u>2020</u>	<u>2021</u>	<u>VARIANCE</u>	
MANAGER (1)	\$82,572.00	\$95,004.00	\$12,432.00	15.0560%
ENGINEER (1)	\$59,412.00	\$61,482.00	\$2,070.00	3.4841%
ASST. ENGINEER (1)	\$44,352.00	\$45,552.00	\$1,200.00	2.7056%
CUSTODIAL (3)	\$100,932.00	\$105,870.00	\$4,938.00	4.8924%
DOOR PERSONNEL (5)	\$139,368.00	\$144,656.00	\$5,288.00	3.7943%
PAYROLL TAXES	\$39,984.00	\$41,183.00	\$1,199.00	2.9987%
PAYROLL COMPANY	\$3,996.00	\$4,100.00	\$104.00	2.6026%
WORKER'S COMP.	\$30,552.00	\$20,000.00	-\$10,552.00	-34.5378%
MED/DEN INSURANCE	\$36,768.00	\$38,004.00	\$1,236.00	3.3616%
BENEFIT COMP.	\$13,884.00	\$13,884.00	\$0.00	0.0000%
<u>TOTAL</u>	\$551,820.00	\$569,735.00	\$17,915.00	3.2465%
<u>SERVICES</u>				
ACCOUNTING	\$3,192.00	\$3,500.00	\$308.00	9.6491%
CARPET CLEANING	\$996.00	\$1,500.00	\$504.00	50.6024%
ELEVATOR MAINT.	\$23,004.00	\$24,004.00	\$1,000.00	4.3471%
GARDENING / PLANTS	\$9,000.00	\$9,284.00	\$284.00	3.1556%
GENIES/KEYS	\$996.00	\$996.00	\$0.00	0.0000%
INCOME TAXES	\$996.00	\$1,204.00	\$208.00	20.8835%
INSURANCE	\$80,004.00	\$80,004.00	\$0.00	0.0000%
LEGAL	\$2,496.00	\$3,504.00	\$1,008.00	40.3846%
PEST CONTROL	\$1,500.00	\$1,500.00	\$0.00	0.0000%
TRASH REMOVAL	\$8,196.00	\$8,304.00	\$108.00	1.3177%
WINDOW CLEANING	\$29,004.00	\$27,600.00	-\$1,404.00	-4.8407%
UNIFORMS/CLEANING	\$504.00	\$2,000.00	\$1,496.00	296.8254%
SPALLING MAINT.	\$0.00		\$0.00	#DIV/0!
<u>TOTAL</u>	\$159,888.00	\$163,400.00	\$3,512.00	2.1965%
<u>SUPPLIES</u>				
CUSTODIAL SUPPLIES	\$3,996.00	\$4,104.00	\$108.00	2.7027%
MATERIALS/REPAIRS	\$42,000.00	\$44,304.00	\$2,304.00	5.4857%
MISC & SOCIAL EVENTS	\$3,504.00	\$3,504.00	\$0.00	0.0000%
OFFICE SUP/STORAGE	\$9,996.00	\$9,588.00	-\$408.00	-4.0816%
POSTAGE/DELIVERY	\$804.00	\$1,000.00	\$196.00	24.3781%
<u>TOTAL</u>	\$60,300.00	\$62,500.00	\$2,200.00	3.6484%
MGR SALARY INCREASE DUE TO MED BEN COMPENSATION OFFSET OF \$7,428.00 IN 2020.				
PLUS \$5,000.00 BASE PAY INCREASE IN 2021.				
ENCLOSURE B				

BUDGET COMPARISON
2020 -2021

	BUDGET 2020	BUDGET 2021	(+)OR(-) VARIANCE	%CHANGE
ASSOC. ASSESSMENTS				
LNDSCP & REC.	\$255,972.00	\$271,354.00	\$15,382.00	6.0093%
SEAWALL/ROADWAY	\$15,264.00	\$15,264.00	\$0.00	0.0000%
TOTAL	\$271,236.00	\$286,618.00	\$15,382.00	5.6711%
UTILITIES				
CABLE T.V.	\$69,996.00	\$77,272.00	\$7,276.00	10.3949%
ELECTRICITY	\$81,996.00	\$78,782.00	-\$3,214.00	-3.9197%
NATURAL GAS	\$39,996.00	\$41,088.00	\$1,092.00	2.7303%
TELEPHONE	\$6,564.00	\$6,516.00	-\$48.00	-0.7313%
WATER	\$39,996.00	\$39,996.00	\$0.00	0.0000%
TOTAL	\$238,548.00	\$243,654.00	\$5,106.00	2.1404%
GRAND TOTALS	\$1,281,792.00	\$1,325,907.00	\$44,115.00	3.4417%
RESERVES *	\$168,420.00	\$168,513.00	\$93.00	0.0552%
CAPITAL REPL FUNDS	\$48,000.00	\$48,000.00	\$0.00	0.0000%
TOTALS	\$216,420.00	\$216,513.00	\$93.00	0.0430%
TOTAL EXPENSES	\$1,498,212.00	\$1,542,420.00	\$44,208.00	2.9507%
INCOME				
ASSESSMENTS	\$1,497,600.00	\$1,542,420.00	\$44,820.00	2.9928%
INTEREST	\$812.00	\$600.00	-\$212.00	-26.1084%
TOTAL INCOME	\$1,498,412.00	\$1,543,020.00	\$44,608.00	2.9770%
			OVERALL	%CHANGE
				2.9770%
H.O ASSESS P/MO				
ONE BEDROOM	\$724.0	\$746.0	\$22.0	
TWO BEDROOM	\$844.0	\$869.0	\$25.0	
THREE B/R-TWO B/R+DE	\$964.0	\$993.0	\$29.0	
	PER YEAR	PER YEAR	PER YEAR	
ONE BEDROOM	\$8,688.00	\$8,952.00	\$402,840.00	
TWO BEDROOM	\$10,128.00	\$10,428.00	\$782,100.00	
THREE BR-TWO B/R=DE	\$11,568.00	\$11,916.00	\$357,480.00	
		TOTAL ASSMTS	\$1,542,420.0	
ENCLOSURE B				

Reserve Analysis Report

Coronado Shores #4

Coronado, CA

Level II Study with Site Inspection

Fiscal Year End Date: December 31, 2019



Over 8,000 Reserve Studies Performed

Phone: 858-764-1895

Fax: 800-436-3816

brian@mccafferyreserveconsulting.com

www.mccafferyreserveconsulting.com

EXHIBIT C

Preface

A reserve study is a detailed report that assists common interest developments (CID) in planning for long-term common area repair and replacement expenses. These common areas differ for every development. They can include streets, roofs, recreational facilities and many other items. A reserve study estimates the costs of common area repairs and replacements over a 30 year period. Each component is given a useful life, remaining life, and estimated cost. A reserve study then calculates the funds necessary to cover these expenses by creating funding plans.

The Big Picture - What are the significant figures to look at in the report?

- **The Component List** – What are our reserve components and when will they need maintenance

Every reserve study must start with a list of the components. The component summary contains the list of all the components, their useful and remaining lives, and their estimated costs. These numbers are the building blocks for most of the figures in the study.

- **Percent Funded** - What is our current financial standing

Probably the most important number in a reserve study is percent funded. It's almost like a credit score for an association. It tells them the current strength of their reserve fund.

Over 70% = Well Funded Between 30-70% = Fairly Funded Below 30% = Poorly Funded

The lower your percent funded the higher the risk of a special assessment. A low percent funded also increases the likelihood of deferred maintenance which can cause declining property values.

- **Funding Plans** - How much do we need to save for the future

The next important part of the study is the theoretical 30 year funding plans. The study contains 3 funding plans. It projects what the percent funded will be over the next 30 years if the CID follows each of these plans.

Current Funding Plan – This plan is based on what the association is currently contributing to its reserve fund. This information is supplied by the board or management

Recommended Funding Plan – This is McCaffery's recommendation, if a CID follows the recommended plan they should end up well funded and near the 100% funded level.

5% Threshold Funding Plan - The threshold funding plan is a 30 year cash flow plan that calculates the minimum amount a CID should contribute so their reserve balance won't fall below 5% funded and cause the need for a special assessment. The percent funded will at some point fall into poorly funded levels but will never drop below 5%. If a CID has a funding plan that is below this threshold plan they should also plan on a future special assessment and/or a deferred maintenance. (Following this plan does carry higher risk of a special assessment if a component fails early or costs more than expected)

Executive Summary

Coronado Shores #4

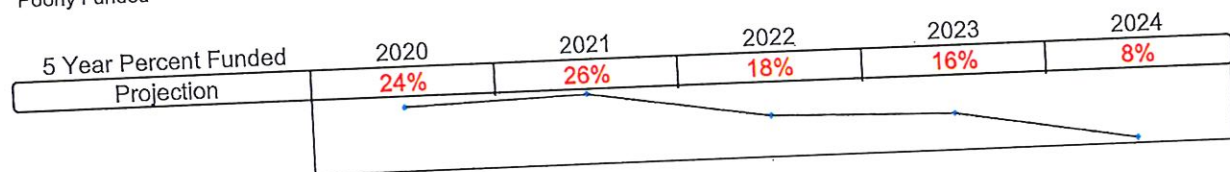
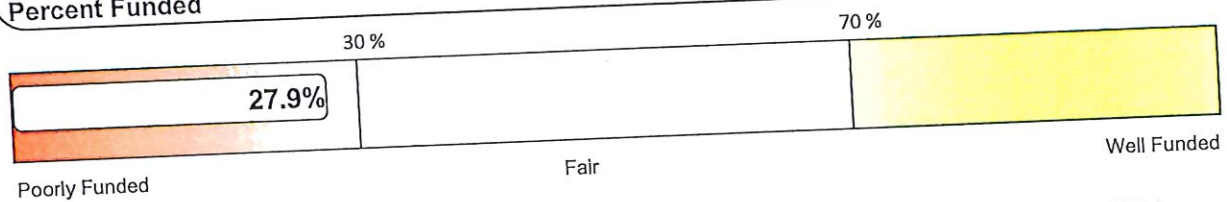
This is a Homeowners Association with 150 Condominium Units.

The common area components include: hallways, mechanical equipment, and building exterior.

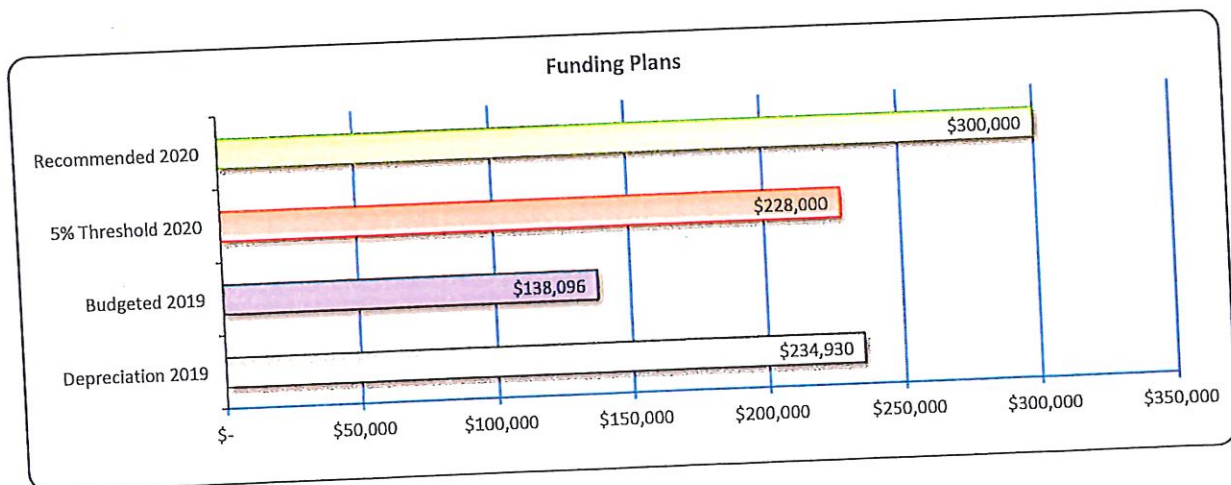
A Full Study with an on-site inspection was performed on October 9th, 2019

Reserve Fund Balance at Fiscal Year End

Fully Funded Reserve Balance	\$ 2,087,352
Projected Balance December 31, 2019	\$ 581,609
Under Funded (Deficiency in Reserve Funding)	\$ 1,505,743
Deficiency in Reserve Funding Per Unit	\$ 10,038.29
Percent Funded	27.9%



Funding Plans	Annually	Monthly	Per Unit Monthly
Depreciation of Components in 2019	\$ 234,930	\$ 19,577	\$ 130.52
Budgeted Reserve Contribution 2019	\$ 138,096	\$ 11,508	\$ 76.72
5% Threshold Reserve Contribution for 2020	\$ 228,000	\$ 19,000	\$ 126.67
Recommended Reserve Contribution for 2020	\$ 300,000	\$ 25,000	\$ 166.67



Theoretical 30 Year Funding Plans

Coronado Shores #4

Above 70% = Well Funded Between 30% and 70% = Fairly Funded Below 30% = Poorly Funded
 (Low Risk of Special Assessment) (Higher Risk of Special Assessment)

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

Year End	Fully Funded			Current Funding Plan			Recommended Funding Plan			5% Threshold Funding Plan		
	Annual Expenses	Balance		Contribution	Balance	% Funded	Contribution	Balance	% Funded	Contribution	Balance	% Funded
2019	\$ -	\$ 2,087,352	\$	\$ 138,096	\$ 581,609	28%	\$ -	\$ 581,609	28%	\$ -	\$ 581,609	28%
2020	\$ 213,145	\$ 2,161,434	\$	\$ 142,239	\$ 519,427	24%	\$ 300,000	\$ 677,188	31%	\$ 228,000	\$ 605,188	28%
2021	\$ 53,045	\$ 2,418,146	\$	\$ 146,506	\$ 620,679	26%	\$ 309,000	\$ 943,301	39%	\$ 234,840	\$ 796,061	33%
2022	\$ 363,146	\$ 2,354,662	\$	\$ 150,901	\$ 417,745	18%	\$ 318,270	\$ 912,574	39%	\$ 241,885	\$ 686,741	29%
2023	\$ 165,876	\$ 2,510,322	\$	\$ 155,428	\$ 413,563	16%	\$ 327,818	\$ 1,088,205	43%	\$ 249,142	\$ 780,308	31%
2024	\$ 386,725	\$ 2,439,737	\$	\$ 160,091	\$ 193,133	8%	\$ 337,653	\$ 1,055,456	43%	\$ 256,616	\$ 661,904	27%
2025	\$ 330,045	\$ 2,436,503	\$	\$ 164,894	\$ 30,879	1%	\$ 347,782	\$ 1,089,025	45%	\$ 264,314	\$ 606,101	25%
2026	\$ 47,762	\$ 2,746,878	\$	\$ 169,841	\$ 153,420	6%	\$ 358,216	\$ 1,415,814	52%	\$ 272,244	\$ 839,675	31%
2027	\$ 512,980	\$ 2,572,098	\$	\$ 174,936	\$ (182,323)	-7%	\$ 368,962	\$ 1,293,033	50%	\$ 280,411	\$ 619,701	24%
2028	\$ 44,337	\$ 2,907,840	\$	\$ 180,184	\$ (46,476)	-2%	\$ 380,031	\$ 1,648,122	57%	\$ 288,824	\$ 873,483	30%
2029	\$ 929,781	\$ 2,305,243	\$	\$ 185,589	\$ (790,668)	-34%	\$ 391,432	\$ 1,134,495	49%	\$ 297,488	\$ 254,292	11%
2030	\$ 156,163	\$ 2,530,707	\$	\$ 191,157	\$ (755,674)	-30%	\$ 403,175	\$ 1,398,524	55%	\$ 306,413	\$ 408,356	16%
2031	\$ 46,372	\$ 2,891,431	\$	\$ 196,892	\$ (605,154)	-21%	\$ 415,270	\$ 1,788,400	62%	\$ 315,605	\$ 683,715	24%
2032	\$ 82,530	\$ 3,233,920	\$	\$ 202,799	\$ (484,885)	-15%	\$ 427,728	\$ 2,160,424	67%	\$ 325,073	\$ 936,514	29%
2033	\$ 36,713	\$ 3,646,584	\$	\$ 208,883	\$ (312,716)	-9%	\$ 440,560	\$ 2,596,677	71%	\$ 334,826	\$ 1,248,674	34%
2034	\$ 521,692	\$ 3,557,784	\$	\$ 215,149	\$ (619,259)	-17%	\$ 453,777	\$ 2,567,712	72%	\$ 344,870	\$ 1,090,583	31%
2035	\$ 165,924	\$ 3,862,065	\$	\$ 221,604	\$ (563,579)	-15%	\$ 467,390	\$ 2,907,695	75%	\$ 355,217	\$ 1,296,234	34%
2036	\$ 85,049	\$ 4,274,249	\$	\$ 228,252	\$ (420,377)	-10%	\$ 481,412	\$ 3,347,673	78%	\$ 365,873	\$ 1,596,502	37%
2037	\$ 923,942	\$ 3,803,186	\$	\$ 235,099	\$ (1,109,220)	-29%	\$ 495,854	\$ 2,969,800	81%	\$ 376,849	\$ 1,353,334	32%
2038	\$ 124,278	\$ 4,194,826	\$	\$ 242,152	\$ (2,166,827)	-68%	\$ 510,730	\$ 3,400,799	80%	\$ 388,155	\$ 348,534	11%
2039	\$ 1,424,899	\$ 3,203,951	\$	\$ 249,417	\$ (2,192,946)	-64%	\$ 526,052	\$ 2,552,964	83%	\$ 399,799	\$ 482,538	14%
2040	\$ 283,018	\$ 3,431,025	\$	\$ 256,899	\$ (2,087,395)	-55%	\$ 541,833	\$ 2,850,074	86%	\$ 411,793	\$ 754,868	20%
2041	\$ 159,055	\$ 3,812,087	\$	\$ 264,606	\$ (2,798,003)	-84%	\$ 558,088	\$ 3,291,859	88%	\$ 424,147	\$ 219,910	7%
2042	\$ 983,153	\$ 3,326,824	\$	\$ 272,544	\$ (2,742,271)	-75%	\$ 574,831	\$ 2,932,915	91%	\$ 436,872	\$ 448,198	12%
2043	\$ 224,989	\$ 3,660,867	\$	\$ 280,721	\$ (2,769,726)	-71%	\$ 592,076	\$ 3,343,996	94%	\$ 449,978	\$ 601,800	15%
2044	\$ 316,598	\$ 3,920,184	\$	\$ 289,142	\$ (2,625,174)	-60%	\$ 609,838	\$ 3,687,396	96%	\$ 463,477	\$ 934,944	21%
2045	\$ 153,265	\$ 4,378,681	\$	\$ 297,817	\$ (2,814,008)	-63%	\$ 628,133	\$ 4,217,576	99%	\$ 477,381	\$ 945,086	21%
2046	\$ 495,585	\$ 4,495,914	\$	\$ 306,751	\$ (2,757,367)	-56%	\$ 646,977	\$ 4,432,233	100%	\$ 491,703	\$ 1,206,403	25%
2047	\$ 259,313	\$ 4,887,846	\$	\$ 315,954	\$ (2,552,051)	-47%	\$ 666,387	\$ 4,905,789	99%	\$ 506,454	\$ 1,626,030	30%
2048	\$ 120,116	\$ 5,458,203	\$	\$ 325,432	\$ (2,717,862)	-48%	\$ 553,627	\$ 5,412,887	98%	\$ 521,648	\$ 1,686,712	30%
2049	\$ 501,006	\$ 5,650,347	\$	\$ 335,195			\$ 570,236	\$ 5,563,311		\$ 537,297		

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

12/31/2019

Component Summary
Coronado Shores #4

Category Component	Approx. Quantity	Unit of Measure	Useful Life	Remaining Life	Unit Cost	Total Cost	Cost Source
Roofing							
Roof Resurface	18000	SF	30	4	\$ 8.50	\$ 153,000	1
Roof Recoat	18000	SF	5	4	\$ 0.70	\$ 12,600	1
Terrace Planter Waterproofing	840	LF	30	3	\$ 45.00	\$ 37,800	1
Terrace Resurface	19000	SF	30	5	\$ 8.50	\$ 161,500	1
Terrace Recoat	19000	SF	5	0	\$ 1.80	\$ 34,200	1
Terrace Stairs at Units	1	Allowance	25	12	\$ 2,500	\$ 2,500	1
						\$ 401,600	
Painting							
Building Exterior	1	Allowance	12	7	\$ 135,000	\$ 135,000	1
Spalling Repairs	1	Allowance	12	7	\$ 180,000	\$ 180,000	1
Garage Interior	1	Allowance	15	14	\$ 25,000	\$ 25,000	1
Stairwells	2	Each	10	0	\$ 7,500	\$ 15,000	1
Hall Ceilings	20000	SF	10	0	\$ 0.70	\$ 14,000	1
Hall Wall Coverings	1	Allowance	12	2	\$ 120,000	\$ 120,000	1
						\$ 489,000	
Gates/Rails							
Terrace Stair Enclosures	2	Each	25	17	\$ 12,000	\$ 24,000	1
Balcony Railings	1	Allowance	35	22	\$ 425,000	\$ 425,000	1
Handicap Access Doors	4	Each	10	0	\$ 3,500	\$ 14,000	1
Vehicular Gate Motors	4	Each	12	2	\$ 3,200	\$ 12,800	1
Vehicle Gates	4	Each	25	2	\$ 3,750	\$ 15,000	1
						\$ 490,800	
Common Areas							
Front Entry Remodel	1	Allowance	20	17	\$ 125,000	\$ 125,000	1
Lobby/Hall Furnishings	1	Allowance	12	9	\$ 40,000	\$ 40,000	1
Hall Tile	1	Allowance	24	9	\$ 325,000	\$ 325,000	1
Hall Artwork	1	Allowance	12	5	\$ 50,000	\$ 50,000	1
Hall Tile Clean	1	Allowance	5	0	\$ 10,000	\$ 10,000	1
Hall Doors/Panel/Mirrors	1	Allowance	24	9	\$ 120,000	\$ 120,000	1
Hall Carpet	9000	SF	12	2	\$ 8.00	\$ 72,000	1
Office Equipment	1	Each	7	0	\$ 12,000	\$ 12,000	1
Lobby Granite	1	Allowance	20	17	\$ 25,000	\$ 25,000	1
Lobby/Mail Remodel	1	Allowance	20	17	\$ 200,000	\$ 200,000	1
Office Furniture/Carpet	1	Allowance	15	12	\$ 5,000	\$ 5,000	1
Trash Room Remodel	1	Allowance	20	0	\$ 13,000	\$ 13,000	1
						\$ 997,000	
Mechanical							
Elevator AC Unit	1	Each	15	0	\$ 3,500	\$ 3,500	1
Hall AC Units	2	Each	14	4	\$ 24,000	\$ 48,000	1
Hall AC Condensor	2	Each	14	0	\$ 4,000	\$ 8,000	1
Lobby AC	1	Each	14	0	\$ 7,500	\$ 7,500	1
Boiler Replace	2	Each	20	2	\$ 27,000	\$ 54,000	1
Boiler Replace	2	Each	20	3	\$ 27,000	\$ 54,000	1
Boiler Repairs	4	Each	20	12	\$ 5,000	\$ 20,000	1
Cooling Tower	1	Each	25	19	\$ 170,000	\$ 170,000	1
Cooling Tower Repairs	1	Each	25	6	\$ 15,000	\$ 15,000	1
Plumbing Repairs	1	Allowance	10	4	\$ 50,000	\$ 50,000	1
Electrical Upgrades	1	Allowance	15	2	\$ 30,000	\$ 30,000	1
Elevator Modernization	2	Each	30	19	\$ 145,000	\$ 290,000	1
Elevator Cabs	2	Each	20	17	\$ 12,000	\$ 24,000	1
Domestic Pump System	1	Allowance	20	3	\$ 35,000	\$ 35,000	1
Miscellaneous Pumps	1	Allowance	10	1	\$ 8,500	\$ 8,500	1
Exhaust Fans	7	Each	15	7	\$ 1,300	\$ 9,100	1
Exhaust Fans	16	Each	15	0	\$ 1,300	\$ 20,800	1
						\$ 847,400	
Fire/Emergency							
CO Monitors	1	Allowance	15	1	\$ 18,000	\$ 18,000	1
Backup Generator	1	Allowance	30	29	\$ 100,000	\$ 100,000	1
Fire Alarm System	1	Allowance	25	9	\$ 190,000	\$ 190,000	1
Fire Hoses	37	Each	12	0	\$ 85	\$ 3,145	1
Fire Booster Pump	1	Allowance	20	0	\$ 10,000	\$ 10,000	1
5 Year Certification	1	Allowance	5	0	\$ 4,000	\$ 4,000	1
						\$ 325,145	

Category Component	Approx. Quantity	Unit of Measure	Useful Life	Remaining Life	Unit Cost	Total Cost	Cost Source
<u>Lighting</u>							
Emergency Hallways	30	Each	15	0	\$ 180	\$ 5,400	1
Emergency Stairs	30	Each	15	0	\$ 80	\$ 2,400	1
Emergency Vestibules	15	Each	15	0	\$ 80	\$ 1,200	1
Front Entry Fixtures	28	Each	15	12	\$ 80	\$ 2,240	1
Garage Fluorescents	140	Each	25	20	\$ 125	\$ 17,500	1
Hall Fixtures	1	Allowance	20	4	\$ 55,000	\$ 55,000	1
						\$ 83,740	
<u>Miscellaneous</u>							
Mailboxes	150	Each	25	2	\$ 90	\$ 13,500	1
L&R & Insurance Deductable	1	Allowance	1	0	\$ 25,000	\$ 25,000	1
Common Area Doors	1	Allowance	8	0	\$ 10,000	\$ 10,000	1
Surveillance	1	Allowance	10	7	\$ 16,000	\$ 16,000	1
FOB System	1	Allowance	10	7	\$ 40,000	\$ 40,000	1
						\$ 104,500	
Contingency							1
5%							

TOTALS

\$ 3,739,185

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

EXHIBIT C

Assessment and Reserve Funding Disclosure Summary
Coronado Shores #4

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

Variable see attached schedule
per month for the year ending 12/31/19

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: As of 10/14/2019

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

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

Yes ☐ No ☒

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

- (4) If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years?

Increase the monthly reserve contribution by \$ 49.95 per unit on average

For more detail see attached theoretical 30 year funding plans.

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

- (5) All major components appropriate for reserve funding are included in the reserve study and are included in it's calculations.

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

\$ 2,087,352
based in whole or in part on the last reserve study or update prepared by McCaffery Reserve Consulting as of 12/31/2019 the projected reserve fund cash balance at the end of the current fiscal year is: \$ 581,609 resulting in the reserves being 28% funded at this date.

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

Year	Amt Required	Proj. Balance	% Funded
2020	\$ 2,161,434	\$ 519,427	24%
2021	\$ 2,418,146	\$ 620,679	26%
2022	\$ 2,354,662	\$ 417,745	18%
2023	\$ 2,510,322	\$ 413,563	16%
2024	\$ 2,439,737	\$ 193,133	8%

For more detail see attached theoretical 30 year funding plans.

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

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

1.50%

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

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

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

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

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

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



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Coronado Shores

Annual Insurance Disclosure for Coronado Shores Condominium Association No. 4 *Las Flores Tower*

Property Insurer:

Coverage Limit: \$ 721,782,808
Deductible: \$ 10,000

Farmers Insurance Exchange

Effective: 2/1/2020
Expiration: 2/1/2021

General Liability Insurer:

Coverage Limit: \$ 1,000,000/\$ 2,000,000
Deductible: \$ 0

Farmers Insurance Exchange

Effective: 2/1/2020
Expiration: 2/1/2021

Fidelity / Crime Insurer: AB2912 Compliant

Coverage Limit: \$ 2,000,000
Deductible: \$ 15,000

Continental Casualty Company

Effective: 2/1/2020
Expiration: 2/1/2021

Directors & Officers Liability Insurer:

Coverage Limit: \$ 1,000,000
Retention: \$ 5,000

Continental Casualty Company

Effective: 2/1/2020
Expiration: 2/1/2021

Workers Compensation Insurer:

Coverage Limit: \$ 1,000,000
Deductible: \$ 0

Security National Insurance Company

Effective: 4/1/2020
Expiration: 4/1/2021

Umbrella / Excess Liability Insurer:

Coverage Limit: \$ 200,000,000
Deductible: \$ 0

National Surety Corporation

Effective: 2/1/2020
Expiration: 2/1/2021

Earthquake and Flood Insurer:

Coverage Limit: \$ -
Deductible: -

N/A

Effective: -
Expiration: -

Plate Glass Insurer:

Coverage Limit: \$ 350,000
Deductible: \$ 0

U.S. Plateglass Insurance Company

Effective: 11/1/2019
Expiration: 11/1/2020

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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/26/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Kirk Miller Insurance Agency, Inc. 10636 Scripps Summit Ct, Ste 110 San Diego, CA 92131-3965 (858) 400-4504	CONTACT NAME: Arthur J Hopkins PHONE (A/C, No, Ext): (858) 240-2593 FAX (A/C, No): (858) 875-0667 E-MAIL: hoacerts@kirkmillerinsurance.com ADDRESS:														
INSURED CORONADO SHORES CONDOMINIUM ASSOCIATION NO. 4 c/o LAS FLORES TOWER 1770 AVENIDA DEL MUNDO CORONADO, CA 92118-3042	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: FARMERS INSURANCE EXCHANGE</td> <td>21652</td> </tr> <tr> <td>INSURER B: CONTINENTAL CASUALTY COMPANY</td> <td>20443</td> </tr> <tr> <td>INSURER C: NATIONAL SURETY CORPORATION (LEAD)</td> <td>21881</td> </tr> <tr> <td>INSURER D: SECURITY NATIONAL INSURANCE COMPANY</td> <td>19879</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: FARMERS INSURANCE EXCHANGE	21652	INSURER B: CONTINENTAL CASUALTY COMPANY	20443	INSURER C: NATIONAL SURETY CORPORATION (LEAD)	21881	INSURER D: SECURITY NATIONAL INSURANCE COMPANY	19879	INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER D: SECURITY NATIONAL INSURANCE COMPANY	19879														
INSURER E:															
INSURER F:															

COVERAGES
CERTIFICATE NUMBER:
REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			094390307	2/1/2020	2/1/2021	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$75,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$1,000,000 D&O LIMIT/AGG \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CLAIMS-MADE EPLI <input checked="" type="checkbox"/> CLAIMS-MADE D&O GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC			618771658	2/1/2020	2/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	AUTOMOBILE LIABILITY			094390307	2/1/2020	2/1/2021	ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			SU000032412256-2577	2/1/2020	2/1/2021	EACH OCCURRENCE \$200,000,000 AGGREGATE \$200,000,000 CRISIS RESPONSE \$250,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	SNP1284383	4/1/2020	4/1/2021	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	BUILDING AAV BARE-WALLS 100%			094390307	2/1/2020	2/1/2021	\$721,782,808 +ERC \$10,000 DED
B	CRIME/FIDELITY			618771658	2/1/2020	2/1/2021	\$2,000,000 \$15,000 DED
A	MECH BREAKDOWN/ORDINANCE LAW			094390307	2/1/2020	2/1/2021	INCLUDED - SEE ATTACHED MEMO

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

General Certificate, 1770 Avenida Del Mundo, Coronado, CA 92118

THE CORONADO SHORES CONDOMINIUM ASSOCIATIONS NO 1-10 AND L&R POLICIES ARE NOT SHARED WITH ANY UNAFFILIATED PROJECTS
 BUILDING COVERAGE IS "BARE-WALLS" INCLUDING AGREED AMOUNT WITH EXTENDED REPLACEMENT UP TO \$1,082,674,212. 149 UNITS

CERTIFICATE HOLDER
CANCELLATION

Coronado Shores Condominium Assoc. No. 4

1770 Avenida Del Mundo

Coronado, CA 92118

Loan Number: .

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

MEMO

TO: Mortgage Processors

Visit www.insuremyhoa.com for more info...

FROM: Kirk Miller Insurance Agency, Inc.
10636 Scripps Summit Ct #110
San Diego, CA 92131-3965
hoacerts@kirkmillerinsurance.com
CA DOI #0K05931

The Master Insurance Policies for this community include the following:

- 1) Building Ordinance or Law Coverage / Contingent Liability
 - a) Loss In Value
 - b) Increased Cost of Demolition
 - c) Increased Cost of Construction
- 2) Separation of Insureds (Severability of Interests)
- 3) Property Management is included as an insured on;
 - a) General Liability (CGL)
 - b) Directors & Officers (D&O)
 - c) Employee Dishonesty/Fidelity (Crime)
- 4) Property Coverage is Special Form/All-Risk unless otherwise indicated;
 - a) Wind/Hail is included and not subject to difference provisions.
 - b) Inflation Guard is included with Farmers/Truck Insurance Exchanges and Mid-Century.
 - c) 100% is Indicative of a current Building Reconstruction Cost valuation on file with the agency.
- 5) Mechanical Breakdown (Boiler & Machinery) is included when indicated at the Building Limit.
- 6) Fidelity/Crime coverage is inclusive of Computer Fraud and Funds Transfer Fraud in compliance with §5806
- 7) Policy Cancellation Provisions:
There is a 10-day notice of cancellation for non-payment of premiums, and a 30-day notice of cancellation for all other reasons to the Association Insurance Trustee.

Other Information:

- "GRC" means Guaranteed Replacement Cost (coinsurance waived)
- "AAV" means Agreed Amount Value (coinsurance waived)
- "RCV" means Replacement Cost Value (coinsurance does not apply when insured at 100%)
- "ERC" means Extended Replacement Cost

Unit Owners Coverage Information (Coverage Per Governing Documents)

- "AI" or "All-In" means including betterments and improvements
- "SE" or "Single Entity" means including Unit Interiors, but excluding betterments and improvements
- "BW" or "Bare-Walls" means excluding unit interiors beyond unfinished surfaces
- "PUD" or "Planned Unit Development" typically means common area coverage only

Our Agency will provide an Interior Brokers Price Opinion upon request at no charge for HO6 policies. The amount of coverage necessary under an HO6 insurance policy would be determined as a result of collaboration between the insurer and the borrower. The amount of insurance coverage determined in this manner may or may not be based on a percentage of the condo unit's appraised value.

To obtain this free HO6 price opinion and quote, please send your request with the following information by email to info@kirkmillerinsurance.com with property appraisal including interior photos.

EXHIBIT D

Treasurer's Report for month ending October 31, 2020

Reserves

Balance brought forward from 2019 \$470,136.53 in the Regular Reserve Fund.

Union Bank Statement ending balance as of 31 October, 2020 \$304,852.69.

CalPrivate Bank Statement Balance as of 31 October, 2020 \$300,203.62.

Currently: 2020

At the end of October there is \$605,331.12 * in the Regular Reserve Fund account, kept in the reserve bank account. See Reserve Funds Account Summary for a complete breakdown of Reserve Accounts. This represents that the Association Reserve is currently at approximately 28% funded level based on the revised Reserve Study Update completed October 2019.

*Includes undeposited reserves funds.

Interest Income

Year to date we have collected a total of \$509.67 in interest. We projected we would receive \$510.00 leaving us under projections at the end of September by \$0.33.

Operating Budget

For the month of October, we budgeted \$124,800.00 for assessment income and we actually received \$124,800.00.

For the month of October, we budgeted \$124,851.00 for expenses and actually expended \$102,236.45 leaving us under projected budget expenditures for the month by \$22,614.55. To date ending October 31st shows that we are currently under projected budget expenditures for the year 2020 to date by \$59,552.04.

Net Ordinary Income to Budget year to date as of October 31st is positive \$59,835.51.

Notes:

Sincerely,

For the Treasurer
Anthony Diaz
Association Manager

RESERVE FUNDS AND ACCOUNTS SUMMARY

DATE OF PREPARATION : 10/30/2020 a/o 10/30/2020

PREPARED BY: MANAGER

RESERVE FUND BALANCE AS OF 12/31/19 = \$470,136.53

TOTAL REGULAR RESERVE FUND ALLOCATIONS THIS YEAR TO DATE:

AMOUNT: \$180,878.41 a/o 10/30/2020 SOURCE: (PORTION OF) MONTHLY ASSESSMENTS.

RES. FUND WITHDRAWALS: YEAR TO DATE: \$45,738.59 a/o 10/30/2020

THIS MONTH: \$00

METHOD: RESERVE FUNDS

PURPOSE: L&R CAPITAL REPLACEMENT, INV 6335, \$5,200.60, INV 6399 \$12,032.74, INV 6464 \$18,467.25. FIREMAIN BOOSTER PUMP REPLACEMENT \$10,038.00.

INVESTMENTS DESCRIPTION & STATUS:

UNION BANK CHECKING = \$304,852.69 (0.100%) MONTHLY
CALPRIVATMONEY MARKET = \$300,203.62 (0.250%) MONTHLY
OPENING EQUITY BAL =: \$334.81
REPLACEMENT RESERVE OTHER (INTEREST)= \$54.77

TOTAL RESERVE FUND BALANCE AS OF 10/30/2020 = \$605,331.12

RESERVE FUND BALANCE YEAR ENDING 12/31/19: \$470,136.53

PROJECTED REGULAR CONTRIBUTIONS FOR 2020 AS OF 12/31/2019: \$216,420.00

ACTUAL RES. FUND CONTRIBUTIONS YEAR TO DATE 2020: \$180,878.41

PROJECTED REG RES. EXPENDITURES FOR 2020 AS OF 10/30/2020: \$60,000.00

ACTUAL REG RES. FUND EXPENDITURES FOR 2020 AS OF 10/30/2020: \$45,738.59

ACTUAL TOTAL RES. FUND BALANCE FOR 2020 AS OF 10/30/2020: \$605,331.12

NOTE:

- L&R RECEIVED A PPP LOAN AND IT OBLIGATES LAS FLORES TO PAY \$17,000.00 IF THE LOAN IS NOT FORGIVEN.

11:15 AM

10/26/20

Accrual Basis

Coronado Shores Condo Assoc #4

Balance Sheet

As of October 31, 2020

Oct 31, 20

ASSETS

Current Assets

Checking/Savings

CalPrivate Reserve Account

Petty Cash

Wells Fargo

Union Bank Reserves

Total Checking/Savings

Accounts Receivable

Assessments Receivables

Engineering Services

Total Accounts Receivable

Other Current Assets

Prepaid Insurance

Seawall/Roadway

Undeposited Funds

Total Other Current Assets

Total Current Assets

TOTAL ASSETS

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Income Tax Payable

P Payroll Taxes Payable

Total Other Current Liabilities

Total Current Liabilities

Total Liabilities

Equity

Opening Bal Equity

Operating Fund Balance

Replacement Reserves

Replacement Reserves

Replacement Reserves Balance

Replacement Reserve Allocations

Repl. Reserve Expenditures

Replacement Reserves - Other

Total Replacement Reserves

Total Replacement Reserves

Seawall & Roadway

Net Income

Total Equity

TOTAL LIABILITIES & EQUITY

DRAFT

300,173.62

200.00

176,273.90

304,822.69

781,470.21

-94,905.42

729.24

-94,176.18

14,939.16

35,797.00

1,303.00

52,039.16

739,333.19

739,333.19

620.00

1,109.73

1,729.73

1,729.73

1,729.73

-334.81

36,974.64

470,136.53

180,878.41

-45,738.59

54.77

605,331.12

605,331.12

35,797.00

59,835.51

737,603.46

739,333.19

DRAFT

EXHIBITE

10:38 AM

10/26/20

Accrual Basis

Coronado Shores Condo Assoc #4
Revenue & Expense Budget vs. Actual
October 2020

DRAFT

	Oct 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Assessment Revenue	124,800.00	124,800.00	0.00	100.0%
Interest Revenue	0.00	51.00	-51.00	0.0%
Total Income	124,800.00	124,851.00	-51.00	100.0%
Gross Profit	124,800.00	124,851.00	-51.00	100.0%
Expense				
Allocation For Reserves	18,035.00	18,035.00	0.00	100.0%
Building Expenses				
Accounting	0.00	266.00	-266.00	0.0%
Carpet Care	0.00	83.00	-83.00	0.0%
Elevator Maintenance	5,292.05	1,917.00	3,375.05	276.1%
Gardening/Plant Care	666.42	750.00	-83.58	88.9%
Genies/keys	-50.00	83.00	-133.00	-60.2%
Income Taxes	0.00	83.00	-83.00	0.0%
Insurance	4,192.11	6,667.00	-2,474.89	62.9%
Janitorial Supplies	700.00	333.00	367.00	210.2%
Legal Fees	137.50	208.00	-70.50	66.1%
Materials & Repairs	2,128.73	3,500.00	-1,371.27	60.8%
Miscellaneous	-45.00	292.00	-337.00	-15.4%
Office Supplies	-13.23	833.00	-846.23	-1.6%
Pest Control	80.00	125.00	-45.00	64.0%
Postage/Delivery	110.00	67.00	43.00	164.2%
Trash Removal	1,033.79	683.00	350.79	151.4%
Window Cleaning	0.00	2,417.00	-2,417.00	0.0%
Spall Maintenance	0.00	0.00	0.00	0.0%
Total Building Expenses	14,232.37	18,307.00	-4,074.63	77.7%
Complex Expenses				
Landscape & Recreation	21,328.14	21,331.00	-2.86	100.0%
Enforcement Committee	1,219.68	1,272.00	-52.32	95.9%
Total Complex Expenses	22,547.82	22,603.00	-55.18	99.8%
Personnel Expense				
Payroll Company Fee	239.84	333.00	-93.16	72.0%
Management	6,923.08	6,881.00	42.08	100.6%
Engineer	4,576.00	4,951.00	-375.00	92.4%
Engineer Assist.	3,408.00	3,696.00	-288.00	92.2%
Door Personnel	10,553.00	11,614.00	-1,061.00	90.9%
Housekeeping	7,760.00	8,411.00	-651.00	92.3%
Med. Den. Other Insurance	1,567.93	3,064.00	-1,496.07	51.2%
Benefit Compensation	1,221.44	1,157.00	64.44	105.6%
Payroll Tax Expenses	3,073.25	3,332.00	-258.75	92.2%
Uniforms/Cleaning	130.48	42.00	88.48	310.7%
Workers Comp.	1,398.00	2,546.00	-1,148.00	54.9%
Total Personnel Expense	40,851.02	46,027.00	-5,175.98	88.8%
Utilities				
Cable T.V.	6,570.24	5,833.00	737.24	112.6%
Electricity	0.00	6,833.00	-6,833.00	0.0%
Natural Gas	0.00	3,333.00	-3,333.00	0.0%
Telephone	0.00	547.00	-547.00	0.0%
Water	0.00	3,333.00	-3,333.00	0.0%
Total Utilities	6,570.24	19,879.00	-13,308.76	33.1%
Total Expense	102,236.45	124,851.00	-22,614.55	81.9%
Net Ordinary Income	22,563.55	0.00	22,563.55	100.0%
Net Income	22,563.55	0.00	22,563.55	100.0%

EXHIBIT E**DRAFT**

10:39 AM

10/26/20

Accrual Basis

Coronado Shores Condo Assoc #4
Revenue & Expense Budget vs. Actual
January through October 2020

DRAFT

	TOTAL			
	Jan - Oct 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Assessment Revenue	1,248,343.80	1,248,000.00	343.80	100.0%
Interest Revenue	449.67	510.00	-60.33	88.2%
Total Income	1,248,793.47	1,248,510.00	283.47	100.0%
Gross Profit	1,248,793.47	1,248,510.00	283.47	100.0%
Expense				
Allocation For Reserves	180,822.60	180,350.00	472.60	100.3%
Building Expenses				
Accounting	3,430.00	2,660.00	770.00	128.9%
Carpet Care	750.00	830.00	-80.00	90.4%
Elevator Maintenance	20,664.02	19,170.00	1,494.02	107.8%
Gardening/Plant Care	7,298.99	7,500.00	-201.01	97.3%
Genies/keys	520.48	830.00	-309.52	62.7%
Income Taxes	901.79	830.00	71.79	108.6%
Insurance	58,786.90	66,670.00	-7,883.10	88.2%
Janitorial Supplies	2,119.98	3,330.00	-1,210.02	63.7%
Legal Fees	3,794.60	2,080.00	1,714.60	182.4%
Materials & Repairs	36,414.54	35,000.00	1,414.54	104.0%
Miscellaneous	623.89	2,920.00	-2,296.11	21.4%
Office Supplies	5,527.27	8,330.00	-2,802.73	66.4%
Pest Control	800.00	1,250.00	-450.00	64.0%
Postage/Delivery	419.20	670.00	-250.80	62.6%
Trash Removal	6,295.57	6,830.00	-534.43	92.2%
Window Cleaning	20,100.00	24,170.00	-4,070.00	83.2%
Spall Maintenance	0.00	0.00	0.00	0.0%
Total Building Expenses	168,447.23	183,070.00	-14,622.77	92.0%
Complex Expenses				
Landscape & Recreation	213,281.40	213,310.00	-28.60	100.0%
Enforcement Committee	12,196.12	12,720.00	-523.88	95.9%
Total Complex Expenses	225,477.52	226,030.00	-552.48	99.8%
Personnel Expense				
Payroll Company Fee	2,754.85	3,330.00	-575.15	82.7%
Management	72,121.26	68,810.00	3,311.26	104.8%
Engineer	48,162.40	49,510.00	-1,347.60	97.3%
Engineer Assist.	35,677.05	36,960.00	-1,282.95	96.5%
Door Personnel	118,100.71	116,140.00	1,960.71	101.7%
Housekeeping	74,276.40	84,110.00	-9,833.60	88.3%
Med. Den. Other Insurance	18,974.18	30,640.00	-11,665.82	61.9%
Benefit Compensation	12,519.76	11,570.00	949.76	108.2%
Payroll Tax Expenses	32,061.95	33,320.00	-1,258.05	96.2%
Uniforms/Cleaning	142.98	420.00	-277.02	34.0%
Workers Comp.	6,412.00	25,460.00	-19,048.00	25.2%
Total Personnel Expense	421,203.54	460,270.00	-39,066.46	91.5%
Utilities				
Cable T.V.	65,166.38	58,330.00	6,836.38	111.7%
Electricity	59,202.86	68,330.00	-9,127.14	86.6%
Natural Gas	30,706.51	33,330.00	-2,623.49	92.1%
Telephone	5,210.00	5,470.00	-260.00	95.2%
Water	32,721.32	33,330.00	-608.68	98.2%
Total Utilities	193,007.07	198,790.00	-5,782.93	97.1%
Total Expense	1,188,957.96	1,248,510.00	-59,552.04	95.2%
Net Ordinary Income	59,835.51	0.00	59,835.51	100.0%
Net Income	59,835.51	0.00	59,835.51	100.0%

EXHIBIT E**DRAFT**

10:40 AM

10/26/20

Accrual Basis

Coronado Shores Condo Assoc #4
Revenue & Expense Budget vs. Actual
January through December 2020

DRAFT

	TOTAL			
	Jan - Dec 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Assessment Revenue	1,248,343.80	1,497,600.00	-249,256.20	83.4%
Interest Revenue	449.67	612.00	-162.33	73.5%
Total Income	1,248,793.47	1,498,212.00	-249,418.53	83.4%
Gross Profit	1,248,793.47	1,498,212.00	-249,418.53	83.4%
Expense				
Allocation For Reserves	180,822.60	216,420.00	-35,597.40	83.6%
Building Expenses				
Accounting	3,430.00	3,192.00	238.00	107.5%
Carpet Care	750.00	996.00	-246.00	75.3%
Elevator Maintenance	20,664.02	23,004.00	-2,339.98	89.8%
Gardening/Plant Care	7,298.99	9,000.00	-1,701.01	81.1%
Genies/keys	520.48	996.00	-475.52	52.3%
Income Taxes	901.79	996.00	-94.21	90.5%
Insurance	58,786.90	80,004.00	-21,217.10	73.5%
Janitorial Supplies	2,119.98	3,996.00	-1,876.02	53.1%
Legal Fees	3,794.60	2,496.00	1,298.60	152.0%
Materials & Repairs	36,414.54	42,000.00	-5,585.46	86.7%
Miscellaneous	623.89	3,504.00	-2,880.11	17.8%
Office Supplies	5,527.27	9,996.00	-4,468.73	55.3%
Pest Control	800.00	1,500.00	-700.00	53.3%
Postage/Delivery	419.20	804.00	-384.80	52.1%
Trash Removal	6,295.57	8,196.00	-1,900.43	76.8%
Window Cleaning	20,100.00	29,004.00	-8,904.00	69.3%
Spall Maintenance	0.00	0.00	0.00	0.0%
Total Building Expenses	168,447.23	219,684.00	-51,236.77	76.7%
Complex Expenses				
Landscape & Recreation	213,281.40	255,972.00	-42,690.60	83.3%
Enforcement Committee	12,196.12	15,264.00	-3,067.88	79.9%
Total Complex Expenses	225,477.52	271,236.00	-45,758.48	83.1%
Personnel Expense				
Payroll Company Fee	2,754.85	3,996.00	-1,241.15	68.9%
Management	72,121.26	82,572.00	-10,450.74	87.3%
Engineer	48,162.40	59,412.00	-11,249.60	81.1%
Engineer Assist.	35,677.05	44,352.00	-8,674.95	80.4%
Door Personnel	118,100.71	139,368.00	-21,267.29	84.7%
Housekeeping	74,276.40	100,932.00	-26,655.60	73.6%
Med. Den. Other Insurance	18,974.18	36,768.00	-17,793.82	51.6%
Benefit Compensation	12,519.76	13,884.00	-1,364.24	90.2%
Payroll Tax Expenses	32,061.95	39,984.00	-7,922.05	80.2%
Uniforms/Cleaning	142.98	504.00	-361.02	28.4%
Workers Comp.	6,412.00	30,552.00	-24,140.00	21.0%
Total Personnel Expense	421,203.54	552,324.00	-131,120.46	76.3%
Utilities				
Cable T.V.	65,166.38	69,996.00	-4,829.62	93.1%
Electricity	59,202.86	81,996.00	-22,793.14	72.2%
Natural Gas	30,706.51	39,996.00	-9,289.49	76.8%
Telephone	5,210.00	6,564.00	-1,354.00	79.4%
Water	32,721.32	39,996.00	-7,274.68	81.8%
Total Utilities	193,007.07	238,548.00	-45,540.93	80.9%
Total Expense	1,188,957.96	1,498,212.00	-309,254.04	79.4%
Net Ordinary Income	59,835.51	0.00	59,835.51	100.0%
Net Income	59,835.51	0.00	59,835.51	100.0%

EXHIBIT E**DRAFT**

10:42 AM

10/26/20

Accrual Basis

Coronado Shores Condo Assoc #4
Profit & Loss Prev Year Comparison
January through October 2020

DRAFT

	Jan - Oct 20	Jan - Oct 19	\$ Change	% Change
Ordinary Income/Expense				
Income				
Assessment Revenue	1,248,343.80	1,119,300.00	129,043.80	11.5%
Interest Revenue	449.67	2,489.13	-2,039.46	-81.9%
Total Income	1,248,793.47	1,121,789.13	127,004.34	11.3%
Gross Profit	1,248,793.47	1,121,789.13	127,004.34	11.3%
Expense				
Allocation For Reserves	180,822.60	115,080.00	65,742.60	57.1%
Building Expenses				
Accounting	3,430.00	3,448.00	-18.00	-0.5%
Carpet Care	750.00	0.00	750.00	100.0%
Elevator Maintenance	20,664.02	20,007.77	656.25	3.3%
Gardening/Plant Care	7,298.99	7,318.89	-19.90	-0.3%
Genies/keys	520.48	507.04	13.44	2.7%
Income Taxes	901.79	325.00	576.79	177.5%
Insurance	58,786.90	57,541.07	1,245.83	2.2%
Janitorial Supplies	2,119.98	2,826.89	-706.91	-25.0%
Legal Fees	3,794.60	305.50	3,489.10	1,142.1%
Materials & Repairs	36,414.54	53,339.92	-16,925.38	-31.7%
Miscellaneous	623.89	3,270.22	-2,646.33	-80.9%
Office Supplies	5,527.27	4,606.13	921.14	20.0%
Pest Control	800.00	776.00	24.00	3.1%
Postage/Delivery	419.20	168.27	250.93	149.1%
Trash Removal	6,295.57	7,064.56	-768.99	-10.9%
Window Cleaning	20,100.00	20,100.00	0.00	0.0%
Total Building Expenses	168,447.23	181,605.26	-13,158.03	-7.3%
Complex Expenses				
Landscape & Recreation	213,281.40	195,203.50	18,077.90	9.3%
Enforcement Committee	12,196.12	6,962.52	5,233.60	75.2%
Total Complex Expenses	225,477.52	202,166.02	23,311.50	11.5%
Personnel Expense				
Payroll Company Fee	2,754.85	0.00	2,754.85	100.0%
Management	72,121.26	65,307.97	6,813.29	10.4%
Engineer	48,162.40	48,005.10	157.30	0.3%
Engineer Assist.	35,677.05	36,313.83	-636.78	-1.8%
Door Personnel	118,100.71	115,257.06	2,843.65	2.5%
Housekeeping	74,276.40	66,859.70	7,416.70	11.1%
Med. Den. Other Insurance	18,974.18	24,277.68	-5,303.50	-21.9%
Benefit Compensation	12,519.76	12,825.12	-305.36	-2.4%
Payroll Tax Expenses	32,061.95	31,030.61	1,031.34	3.3%
Uniforms/Cleaning	142.98	300.21	-157.23	-52.4%
Workers Comp.	6,412.00	3,039.16	3,372.84	111.0%
Total Personnel Expense	421,203.54	403,216.44	17,987.10	4.5%
Utilities				
Cable T.V.	65,166.38	61,327.08	3,839.30	6.3%
Electricity	59,202.86	63,264.14	-4,061.28	-6.4%
Natural Gas	30,706.51	30,840.04	-133.53	-0.4%
Telephone	5,210.00	5,231.30	-21.30	-0.4%
Water	32,721.32	32,866.36	-145.04	-0.4%
Total Utilities	193,007.07	193,528.92	-521.85	-0.3%
Total Expense	1,188,957.96	1,095,596.64	93,361.32	8.5%
Net Ordinary Income	59,835.51	26,192.49	33,643.02	128.5%
Net Income	59,835.51	26,192.49	33,643.02	128.5%

EXHIBIT E

DRAFT

FHA & VA DISCLOSURE

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

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

VA: "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 is not (circle one)] a condominium project. The
association of this common interest development [is is not (circle one)] certified by the
federal Department of Veterans Affairs."*

**CORONADO SHORES CONDOMINIUM ASSOCIATION #4
ANNUAL REQUEST FOR OWNER'S ADDRESS
FOR ASSOCIATION COMMUNICATIONS**

Dear Homeowner,

UNIT #: _____

Please note that new Civil Code section 4041 requires owners to provide the below information to the Association annually. Please complete this form and return it to the Association no later than February 15, 2021. You may return this form ALT #1 by regular mail addressed to C.S.C.A. #4 or ALT #2 by scanning completed form to PDF and emailing it to csc4a@aol.com. See Para (3)

- (1) Names and Address of Owner(s)

- (2) The address or addresses to which notices from the Association are to be delivered.

- (3) An alternate or secondary address to which notices from the Association are to be delivered. (**ALT** This may be an e-mail address if you complete an Electronic Communication Consent/Change Form, a copy is enclosed; or already have this form on file with the Association.)

- (4) The name and address of the owner's legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of the owner's extended absence from the separate interest.
Attorney: _____
Person with Power of Attorney _____ (A copy of the power of attorney must be provided.)
Other Contact in the Event of Prolonged Absence _____
- (5) Please mark answers to the questions below:
Owner-occupied? ____ Yes ____ No
Rented or Leased? ____ Yes ____ No
If yes, names of tenants _____
Vacant? _____

Please note that pursuant to Civil Code section 4041, if you fail to provide the notices set forth in paragraphs (1) and (2), the property address will be used for delivery of all Association communications.

Board of Directors, Coronado Shores Condominium Association #4

Coronado Shores Condominium Association #4

1770 Avenida del Mundo • Coronado, CA 92118 • 619-437-1269 •

www.coronadoshores.org/LasFlores/flores.htm

CSCA4a@aol.com

November, 2020

Dear Homeowner:

Due to the increasingly high costs of preparing and mailing association materials to owners, the CSCA #4 Board of Directors desires to provide future communications with its members via email.

Below is a list of documents that may be distributed electronically by the Association:

- Assessment & Reserve Fund Disclosures
- Pro Forma Operating Budget & Annual Policy Statement
- Assessment Collection Policy
- Notice of Assessments
- Insurance Coverage Summary
- Access to Board Minutes
- Alternative Dispute Resolution Rights
- Internal Dispute Resolution Rights
- Architectural Change Notice or Policy
- Secondary Address Notification Request
- Monetary Fines Schedule
- Reserve Funding Summary
- Annual Reserve Study Updates
- Notice of Proposed Rule Changes / Notice of Adopted Rule Changes

CSCA#4 E-MAIL CONSENT CARD

UNIT NUMBER# _____

NAME (Print) _____

E-MAIL ADDRESS _____

SIGNATURE OF UNIT OWNER

X _____

If you agree to receive association documents electronically, please submit your e-mail address on the enclosed card and return it to the Association Office.

You may also grant consent to receive association materials by sending an e-mail to the Manager at: csc4a@aol.com with the word "CONSENT" as the subject line. Receipt of your e-mail with CONSENT as the subject line will be considered your permission to receive association materials electronically.

Your returned and completed card will be considered consent from the owner of the addressed unit to receive communications electronically from CSCA#4. This consent will be in effect for all communication of association materials. The consent can be revoked at any time by sending a written notice to:

Manager CSCA#4
1770 Avenida del Mundo Coronado, CA 92118

Privacy Statement: Email addresses provided to CSCA#4 will not be used for any purpose other than the dissemination of Association materials. Email addresses will be kept strictly confidential.

You have the right to receive Association materials on paper if you do not desire to receive them electronically. If you do not return the enclosed consent card, you will continue to receive Association materials via first class mail.

The Association reserves the right to send any and all communications by first class mail. Thank you for assisting the Board in our continuing quest to minimize Association expenses.

Sincerely,
George Kachigian
George Kachigian
President
CSCA #4

EXHIBIT G.