





848 Foothill Blvd. La Canada Flintridge, CA 91011 818.253.4545 | CalDRE 02024855 | justin@thedonutguyrealtygroup.com

# 2940 W. Carson St. #205 Torrance, CA 90503

# Reports & Pre-Market Inspections

Dear Agent/Prospective Buyer,

We have completed some preliminary investigations on this property in order to better educate all parties on its condition. Attached please find the seller's disclosures along with some supplemental inspection reports. We encourage the buyer to still complete their due diligence. Our goal with this package is to help you make an informed offer on the property. We hope to work with you soon!



#### RECEIPT FOR REPORTS No.

(C.A.R. Form RFR, Revised 12/21)

01

In accordance with the terms and conditions of the Purchase Agreement OR  Other							
	dated, on property known						
as	2940 West Carson St #205, Torrance, CA 90503 ("Property"),						
between							
and	Ransom Dykema, Micaela Taylor ("Seller").						
1.	. <b>ACKNOWLEDGEMENT OF RECEIPT:</b> Buyer acknowledges receipt of the report(s), document(s), inspection report(s) disclosure(s), proposal(s), estimate(s), or invoices(s) ("Reports") checked below. Unless otherwise specified in paragraph 6, Buyer acknowledges being able to access any and all Reports delivered via a link.						

- 2. REPORTS NOT VERIFIED BY BROKER OR SELLER: Broker and Seller have not verified the representations in such Reports and make no representation themselves regarding the adequacy and completeness of such Reports or the performance of the person conducting such inspections or preparing the Reports.
- **3. BUYER OWN INVESTIGATIONS:** Any Reports not ordered by Buyer should not be considered as a substitute for Buyer obtaining their own inspections and Reports covering the same items and any other matter affecting the value and desirability of the Property.
- 4. <u>LIST OF REPORTS ORDERED BY BUYER OR SELLER FOR THIS TRANSACTION:</u>

Report, Document or Disclosure Delivere			elivered via Link	<u>Prepared By</u>	<u>Dated</u>
A.		Wood Destroying Pest Inspection			
В.	X	Home Inspection Report		Pillar to Post (From Seller's Purchase)	10/21/2021
C.	X	Title: Preliminary Report		Chicago Title	12/23/2023
D.		Roof Inspection			
E.		Sewer Lateral Report			
F.	X	Natural Hazard Disclosure Report		Disclosure Source	01/24/2024
G.		Domestic Well Test			
Н.		Septic/Private Sewage Inspection			
I.		HVAC Inspection			
J.		Government Inspection or Report			
K.	X	Statutory Condominium/Planned Developm	nent		
		Disclosures (Civil Code § 4525)		HOA DOCS & CCR's	
L.		Contractual Condominium/Planned Develo	pment		
		Disclosures			
М.		Lease Documents			
N.		Tenant Estoppel Certificates			
Ο.					
P.					
Q.					
R.					

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RFR REVISED 12/21 (PAGE 1 OF 2)

EQUAL HOUSING

Э.	previous transactions, and unless otherwise disclosed or noted, Seller has not verified the information and has not further knowledge regarding such Reports. Such Reports may not have been updated or reflect the current condition of the Property.							
	Report, Document or Disclosure From Previous Transactions	Delivered via Link	Prepared By	<u>Dated</u>				
	A.							
6.	REPORTS DELIVERED VIA LINK: For all Reports identified by a check below, Buyer is unable or unwilling to open the link, is unable to download the documents in the link, or prefers to receive the documents directly rather than via a link.  A. All Reports Delivered via link.  B. C.							
7.	<b>ADDITIONAL INVESTIGATION RECOMMENDATIONS:</b> If any of the above reports recommends Buyer obtain additional investigations, you should contact qualified experts to determine if such additional investigations are necessary. If you do not do so, you are acting against Broker's Advice.							
8.	<b>REPORTS PREPARED FOR PERSONS OTHER THAN BUYER:</b> Buyer has been advised that if Buyer receives any Report that has not been ordered by Buyer (whether prepared by or for Seller or others), Buyer may have no recourse against the preparer of the report for any errors, inaccuracies or missing information. Buyer is advised to check with the preparer of any Report to determine if preparer will offer Buyer such recourse.							
Bu	/er		Date					
Bu	yer		Date					

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EQUAL HOUSING CAPPORTUNITY



# Home Inspection Report

# Prepared exclusively for Randsom Dykema



PROPERTY INSPECTED:

2940 West Carson Street 205 Torrance, CA 90503

Date of Inspection: 10/20/2021

Inspection No. 261418-156

#### **INSPECTED BY:**

Rick Ursitti

466 Foothill Blvd

Suite 145, La Canada CA

rick.ursitti@pillartopost.com

(323) 622-9403

# **INSPECTOR:**

Rick Ursitti

rick.ursitti@pillartopost.com

(213) 949-5448

#### REPORT SUMMARY

This summary is not the entire report. The complete report may include additional information of concern to the client. It is recommended that the client read the entire report.

#### 1.0 INTRODUCTION

#### 1.5 Inspection / Site Conditions

1.5.1 Temperature: 70 degrees.

#### **8.0** ELECTRICAL SYSTEM

#### 8.4 Distribution Panel(s)

8.4.2 The current panel has some issues that need further evaluation and review by a certified electrical technician. There are two circuits that are double tapped and one that is triple tapped. Double or in this case, triple tapping, is a safety issue and should be corrected by a certified electrical contractor. Overloading a circuit can cause over heating and possible fire. Also, the panel is a Zinsco Panel that should be further evaluated for safety and possibly replaced for a variety of reasons. (**Bedroom Hallway**)

#### 8.7 Receptacles

- 8.7.1 Open neutral. The receptacle(s) are miswired (reversed polarity, open neutral, etc.) A qualified electrician should correct as required for electrical safety. **(Dining room)**
- 8.7.2 Open Neutral. The receptacle(s) are miswired (reversed polarity, open neutral, etc.) A qualified electrician should correct as required for electrical safety. (Master Bedroom)
- 8.7.3 The receptacle(s) are the wrong type. A GFCI receptacle should be installed in the bathroom. A qualified electrician should correct as required for electrical safety. (Master Bath)
- 8.7.4 The receptacle(s) are miswired (reversed polarity, open neutral, etc.) A qualified electrician should correct as required for electrical safety. **(Bedroom Two)**

#### 8.9 GFCI Devices

- 8.9.1 Functional receptacles- Not GFCI. Install GFCI outlets for improved electric safety. Have certified electrical contractor evaluate and repair. (**Kitchen**)
- 8.9.2 Install GFCI outlets for improved electric safety. (Master Bath)
- 8.9.3 Install GFCI outlets for improved electric safety. (Guest Bath)

#### 10.0 PLUMBING SYSTEM

#### 10.1 Water Main

10.1.1 Not able to locate. Check with HOA manager. It is important to know where the water main is for your unit in the event of a water leak so has not to flood the unit below.

#### 10.6 Tub(s) / Shower(s)

- 10.6.1 Needs either a new shower head or plumbers tape. Water spraying on painted ceiling. Plumbing repair required. (Master Bath)
- 10.6.2 Water leak on shower head and the tub spout will not disengaged to direct water into the tub. Have certified plumbing contractor repair. (Guest Bath)

#### 11.0 INTERIOR

#### 11.5 Doors

11.5.1 Closet Slider is off the track or needs new rollers. Repair required. (Guest Bedroom)

#### 11.6 Entrance Door(s)

11.6.1 Repairs needed. Door hardware and paint. Check with the HOA. They may repaint the door. The hardware needs to be secured in place. The building maintenance staff may have replacement hardware since all units appear to be the same or standard across the complex.

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# **13.0** APPLIANCES

#### 13.2 Ranges / Ovens / Cooktops

13.2.1 LG Range. 20 Amp circuit. Only one burner works. Have owner demonstrate that the other burners work if they do. Otherwise repair or replace with new stovetop. Work with electrician to make sure whatever stovetop is selected, can be supported in the panel with the proper circuit. A induction cooktop would be an ideal replacement, however electrical requirements must be considered prior to purchase. See stovetop spec sheets and provide to electrician. This is very important to do.

#### 13.4 Dishwasher

13.4.1 Operational at the time of inspection.

There is a Dishwasher Air Gap installed however, nothing is attached to it. Either a High Loop or Air Gap installation is acceptable. One or the other should be installed by a certified appliance technician or plumbing contractor. The Air Gap installed on either corner of the sink is the traditional and preferred option. With the high loop option, you need to always run the disposal to make sure the drain is clear. If you forget, it could cause a backup into the sink. Since an air gap connector is in place, it should be connected by a certified plumbing contractor to operate properly.

#### 13.9 Door Bell and Chimes

13.9.1 The doorbell was test and operational at the time of inspection. No cover for the chimes.

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#### INSPECTION REPORT

#### 1.0 INTRODUCTION

#### 1.1 General Information

1.1.1 A Pillar To post home inspection is an educational experience about your future or present home. Not only are defects included, but also maintenance-type items and upgrades. Therefore it is not expected that all the items in this report will be repaired in the real estate transaction. Pillar To Post does not make any opinion or determine if any repairs will be completed, as to which party in the transaction should make the repairs, or home they will be completed. Therefore it is unrealistic to consider this report as simply a list of repairs. Please read the entire report (not just the summary).

#### 1.2 Inspector

1.2.1 Rick Ursitti

#### 1.3 Scope of Inspection

1.3.1 This home inspection is performed using the ASHI Standard of practice for home inspections. Home inspections performed using this Standard are intended to provide the client with information about the conditions of inspected systems and components a the time of the home inspection. An ASHI Standard of Practice for Home Inspections summary handout is included with this report for your review and understanding.

#### 1.4 Approximate Year Built

1.4.1 Year Built:1962

#### 1.5 Inspection / Site Conditions

- Clear
- Sunny
- 1.5.1 Temperature: 70 degrees.





#### 2.0 PROPERTY AND SITE

#### 2.1 Site Overview

- 2.1.1 Property Overview This is a 1000 square foot 2 Bedroom, 2 Bath Condo witch includes a one car open gated secured carport with storage. This condo is one of 74 units in the complex. (Please verify total number obtained by asking neighbor walking in common space.)
- 2.1.2 General Property and Site Photos: See PTP360 Tour Summary.

#### 2.2 Landscape / Grading

- Drains throughout property
- 2.2.1 Drains provided throughout the property to provide adequate water runoff. Maintained by HOA.

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#### 2.3 Walkway(s)

- Concrete
- 2.3.1 Maintained by HOA.

#### 2.4 Driveway(s)

- Concrete
- 2.4.1 Recently replaced 5 years ago. Proactive HOA.

#### 2.5 Enclosure(s)

2.5.1 Gates were open. Not secured.

# 2.6 Irrigation System

- Drip System
- Pop Up System
- Raised sprinkler
- Electronic Timer
- 2.6.1 Irrigation System Installed. Multiple zones. Maintained by HOA.

#### 3.0 EXTERIOR

#### 3.1 Exterior General Comments

- Exterior wall elevations were inspected from ground level.
- 3.1.1 Maintained by HOA. Please review HOA documents.

### 3.2 Balcony

3.2.1 The HOA appears to allow modifications to the individual balconies. See photo below. Balcony enclosed. No issues with unit 205's balcony. Consider flower box on balcony railing. (Front of unit)





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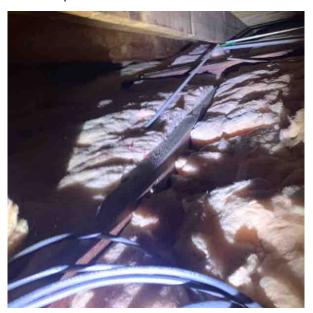
- 4.0 ROOFING SYSTEM
- 4.1 Roofing General Comments
  - 4.1.1 Maintained by HOA.
- 5.0 ATTIC
- 5.1 Attic Access
  - 5.1.1 Entered (Bedroom Two)



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#### 5.2 Insulation

- Fiberglass
- 5.2.1 Inspected.



### 5.3 Sheathing

- Plywood
- 5.3.1 Inspected. Maintained by HOA.



#### 6.0 GARAGE / CARPORT

#### 6.1 Garage General Comments

- Detached Carport
- 6.1.1 One spot allocated to unit 205. See 360 Tour.

# 7.0 STRUCTURE

#### 7.1 Structure General Comments

7.1.1 Maintained by HOA.

#### 8.0 ELECTRICAL SYSTEM

#### 8.1 Service Entrance

- ⊙ Electrical service to the home is by underground cables.
- 8.1.1 Unable to locate in complex. Please verify with HOA manager or maintenance staff.

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#### 8.2 Service Size

8.2.1 Unable to verify. Very with electrician.

#### 8.3 Main Disconnect(s)

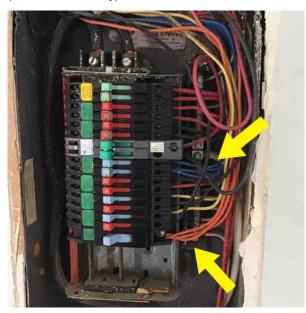
8.3.1 Not able to locate. Check with HOA maintenance staff for shutoff location.

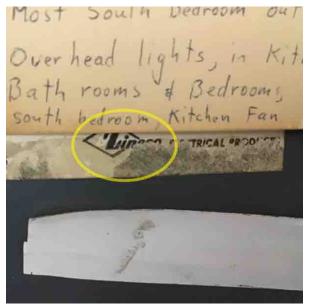
#### 8.4 Distribution Panel(s)

- Dedicated Circuit Breakers as required: (Kitchen Elec. Range, Wall Oven, R/F, Lg. Micro, DW, GD, AC/Heat, Laundry: E.Dryer, Washer, HVAC,
- 8.4.1 Specific Location: Bedroom Hallway.



8.4.2 The current panel has some issues that need further evaluation and review by a certified electrical technician. There are two circuits that are double tapped and one that is triple tapped. Double or in this case, triple tapping, is a safety issue and should be corrected by a certified electrical contractor. Overloading a circuit can cause over heating and possible fire. Also, the panel is a Zinsco Panel that should be further evaluated for safety and possibly replaced for a variety of reasons. (Bedroom Hallway)





#### 8.5 Grounding

8.5.1 Not able to locate. Typically not an issue in a large complex.

#### 8.6 Branch Circuit Wiring

Copper wire branch circuits.

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#### 8.7 Receptacles

8.7.1 Open neutral. The receptacle(s) are miswired (reversed polarity, open neutral, etc.) A qualified electrician should correct as required for electrical safety. (Dining room)





8.7.2 Open Neutral. The receptacle(s) are miswired (reversed polarity, open neutral, etc.) A qualified electrician should correct as required for electrical safety. (Master Bedroom)





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8.7.3 The receptacle(s) are the wrong type. A GFCI receptacle should be installed in the bathroom. A qualified electrician should correct as required for electrical safety. (Master Bath)



8.7.4 The receptacle(s) are miswired (reversed polarity, open neutral, etc.) A qualified electrician should correct as required for electrical safety. (Bedroom Two)





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# 8.8 Lighting / Ceiling Fan(s)

- 8.8.1 Inspected. Light bulb out. Functional at the time of inspection. (Breakfast Area)
- 8.8.2 A few burned out light bulbs. Over bar and in ceiling fan. (Kitchen)



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#### 8.9 GFCI Devices

8.9.1 Functional receptacles- Not GFCI. Install GFCI outlets for improved electric safety. Have certified electrical contractor evaluate and repair. (Kitchen)







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#### 8.9.2 Install GFCI outlets for improved electric safety. (Master Bath)



#### 8.9.3 Install GFCI outlets for improved electric safety. (Guest Bath)



#### 8.10 Smoke Alarms

8.10.1 Smoke alarm(s) were present at the time of inspection, however were not tested and the functionality was not determined. When taking possession of the home, replace the batteries and test to ensure that properly functioning and properly-located fire protection is in place. Batteries should be replaced each year on your move in anniversary to provide on-going fire protection. The alarms should be tested at least four times per year.

#### 8.11 Carbon Monoxide Alarms

8.11.1 Carbon monoxide alarm(s) not present. No gas appliances or fireplace in unit. Not an issue.

# 9.0 HEATING/COOLING/VENTILATION SYSTEM(S)

#### 9.1 HVAC General Comments

9.1.1 There is no HVAC system. It is typical for AC not to be installed near the ocean. Radiant heat is installed in the living room and bedrooms.

#### 9.2 Energy Source(s)

Electricity

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#### 9.3 AC / Heat Pump System(s)

9.3.1 No provided in unit.

#### 9.4 Electric Heating System(s)

9.4.1 Operational at the time of inspection. Radiant heat located in ceilings operated by individual thermostats.







#### 10.0 PLUMBING SYSTEM

#### 10.1 Water Main

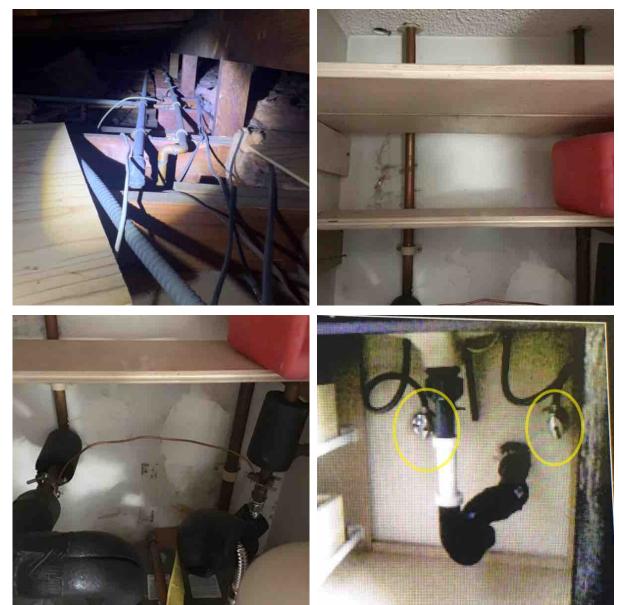
10.1.1 Not able to locate. Check with HOA manager. It is important to know where the water main is for your unit in the event of a water leak so has not to flood the unit below.

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#### 10.2 Distribution Piping

⊙ Interior water supply pipes are copper.

10.2.1 Copper plumbing was upgraded by HOA a few years back. Asked a neighbor about work the HOA is doing. He said the HOA is working on replacing all galvanized pipes that remain. It appears that cooper is retrofitted in the unit as visible under sinks, compression fittings and above the water heater for water supply. Galvanized is still in place for drains.



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#### 10.3 Drain, Waste, and Vent Piping

Galvanized steel

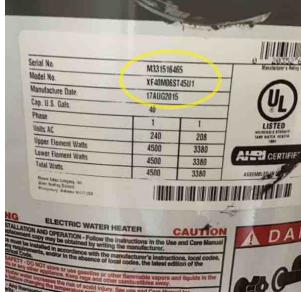
10.3.1 Galvanized drain pipe. Previous leak repair. See rust spot on the below the drain. Ask the current homeowner how this was handled. It should be documented. HOA may have files on it. It looks recent. I recommend installing a leak detector under this sink for early notification a leak reoccurs. **(Kitchen)** 



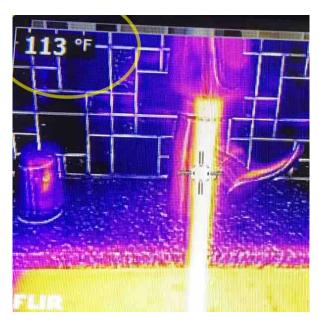
#### 10.4 Water Heating Equipment

- Fuel source is electricity.
- 40 Gallon Tank
- Proper bracing to secure straps installed
- 10.4.1 Operational at the time of inspection. Approximately 6 years old. You may want water temperature increased a tad. Current shows approximately 113 degrees. Consider installing an early leak detection device on the hot water tank closet floor. I would even consider painting flex seal on the floor.





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# 10.5 Toilet(s)

10.5.1 Inspected.

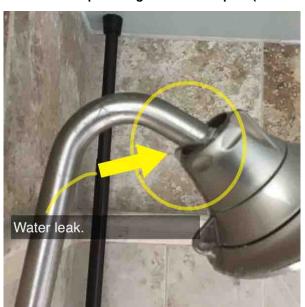
# 10.6 Tub(s) / Shower(s)

10.6.1 Needs either a new shower head or plumbers tape. Water spraying on painted ceiling. Plumbing repair required. (Master Bath)



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# 10.6.2 Water leak on shower head and the tub spout will not disengaged to direct water into the tub. Have certified plumbing contractor repair. (Guest Bath)





# 11.0 INTERIOR

#### 11.1 Interior General Comments

11.1.1 Missing door bell chime cover over bedroom hall entrance.

#### 11.2 Floors

11.2.1 Wood floor appear new or recently installed.



#### 11.3 Walls / Ceilings

11.3.1 Recently painted.

#### 11.4 Windows

11.4.1 New.

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#### 11.5 Doors

# 11.5.1 Closet Slider is off the track or needs new rollers. Repair required. (Guest Bedroom)



11.5.2 New slider (Living Room Area.)



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#### 11.6 Entrance Door(s)

11.6.1 Repairs needed. Door hardware and paint. Check with the HOA. They may repaint the door. The hardware needs to be secured in place. The building maintenance staff may have replacement hardware since all units appear to be the same or standard across the complex.







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# 11.7 Countertops / Cabinets

11.7.1 Paint or trim piece required. (Guest Bath)



# 12.0 FIREPLACE(S)

# 12.1 Fireplace General Comments

12.1.1 No fireplace.

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#### **13.0** APPLIANCES

#### 13.1 Refrigerator

13.1.1 The refrigerator is operational at the time of inspection.







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#### 13.2 Ranges / Ovens / Cooktops

13.2.1 LG Range. 20 Amp circuit. Only one burner works. Have owner demonstrate that the other burners work if they do. Otherwise repair or replace with new stovetop. Work with electrician to make sure whatever stovetop is selected, can be supported in the panel with the proper circuit. A induction cooktop would be an ideal replacement, however electrical requirements must be considered prior to purchase. See stovetop spec sheets and provide to electrician. This is very important to do.

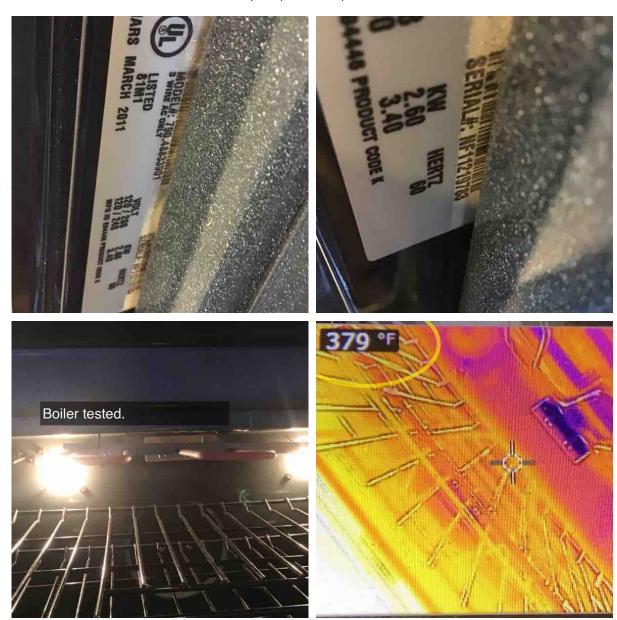


13.2.2 Kenmore. Operational at the time of inspection. (Kitchen)





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# 13.3 Range Hood

13.3.1 Operational at the time of inspection.

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#### 13.4 Dishwasher

#### 13.4.1 Operational at the time of inspection.

There is a Dishwasher Air Gap installed however, nothing is attached to it. Either a High Loop or Air Gap installation is acceptable. One or the other should be installed by a certified appliance technician or plumbing contractor. The Air Gap installed on either corner of the sink is the traditional and preferred option. With the high loop option, you need to always run the disposal to make sure the drain is clear. If you forget, it could cause a backup into the sink. Since an air gap connector is in place, it should be connected by a certified plumbing contractor to operate properly.

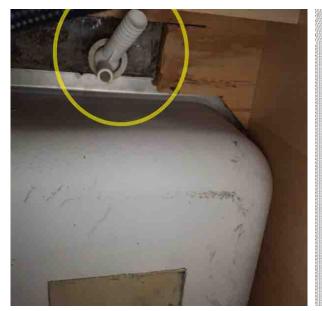


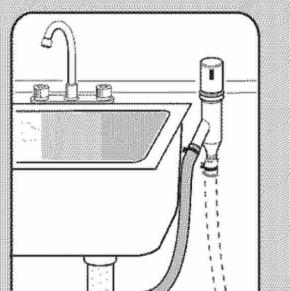


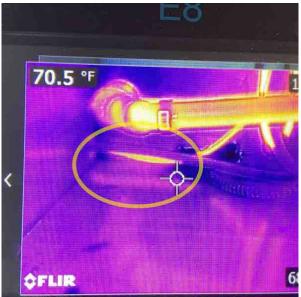




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# 13.5 Microwave Oven

13.5.1 Not located in Unit

# 13.6 Food Waste Disposer

13.6.1 The food waste disposer is noisy and should be repaired or replaced.

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13.6.2 Operational at the time of inspection.



# 13.7 Clothes Washer

13.7.1 Common space laundry room. Two laundry rooms. One directly across from your parking space and one jus5 a little further down the driveway toward The front of the building.





# 13.8 Clothes Dryer

13.8.1 Not located in the unit.

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#### 13.9 Door Bell and Chimes

13.9.1 The doorbell was test and operational at the time of inspection. No cover for the chimes.



#### 13.10 Mechanical Exhaust Vents

13.10.1 Operational at the time of inspection.

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# **Prelim Title Report**

Title Officer: Debbie Lee/ Jennifer Tayco

Email: debandjen@ctt.com Phone No.: 818-550-2023 Fax No.: 818-550-3272 Title No.: 112400170

Property Address: 2940 West Carson Street #205, Torrance, CA

Escrow Officer: Rosemary Sands Email: rosemary@ftescrow.com

Fax No.: (818)432-3231

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#### PRELIMINARY REPORT

**Order No.:** 112400170

Property: 2940 West Carson Street #205

Torrance, CA 90503

In response to the application for a policy of title insurance referenced herein, **Chicago Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of a defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Exclusions from Coverage, and Conditions of said policy forms.

With respect to any contemplated owner's policy, the printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA/ALTA Homeowner's Policy of Title Insurance, which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a binder or commitment should be requested.

**Chicago Title Insurance Company** 

Countersigned By:

Authorized Officer or Agent Steve Perry By:

Michael J. Nolan, President

Attest:

Marjorie Nemzura, Secretary

Visit Us on our Website: www.ctic.com



ISSUING OFFICE: 500 N. Brand Blvd, Suite 200, Glendale, CA 91203

#### FOR SETTLEMENT INQUIRIES, CONTACT:

First Trust Escrow 889 Americana Way, Suite 408-A • Glendale, CA 91210 (818)432-3230 • FAX (818)432-3231

#### PRELIMINARY REPORT

Title Officer: Debbie Lee/ Jennifer Tayco

Email: debandjen@ctt.com Phone No.: 818-550-2023 Fax No.: 818-550-3272 Title No.: 112400170 Escrow Officer: Rosemary Sands
Email: rosemary@ftescrow.com

**Phone No.:** (818)432-3230 **Fax No.:** (818)432-3231

**Escrow No.:** 

PROPERTY ADDRESS(ES): 2940 West Carson Street #205, Torrance, CA

EFFECTIVE DATE: December 22, 2023 at 07:30 AM

The form of policy or policies of title insurance contemplated by this report is:

ALTA Homeowner's Policy of Title Insurance 2021

ALTA Loan Policy 2021

1. The estate or interest in the Land hereinafter described or referred to covered by this Report is:

A CONDOMINIUM, as defined in Sections 783 and 4125 of the California Civil Code, in fee Parcel(s) 1; an easement more fully described below, as to Parcel(s) 2

2. Title to said estate or interest at the date hereof is vested in:

Ransom Dykema and Micaela Taylor, husband and wife as community property with right of survivorship

3. The Land referred to in this Report is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

#### **EXHIBIT "A"**

Legal Description

#### For APN/Parcel ID(s): 7359-023-164

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

A CONDOMINIUM COMPRISED OF:

#### PARCEL 1:

(A) AN UNDIVIDED 1/78TH INTEREST IN AND TO LOT(S) 1 OF <u>TRACT NO. 10777</u>, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN <u>BOOK 184 PAGE(S) 30 AND 31 OF MAPS</u>, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT UNITS 1 TO 12 INCLUSIVE, 101 TO 124 INCLUSIVE AND 201 TO 242 INCLUSIVE AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MARCH 15, 1985 AS INSTRUMENT NO 85-286710 OFFICIAL RECORDS.

EXCEPT THEREFROM ALL OIL GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID PROPERTY, BUT WITH NO RIGHT OF SURFACE ENTRY, WHERE THEY HAVE BEEN PREVIOUSLY RESERVED IN INSTRUMENTS OF RECORD.

(B) UNIT 205 AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

#### PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING PURPOSES OVER PARKING SPACE NO(S) S53 AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Title No.: 112400170

# AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

- 1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2024-2025.
- 2. Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

 Tax Identification No.:
 7359-023-164

 Fiscal Year:
 2023-2024

 1st Installment:
 \$3,028.01, paid

2nd Installment: \$3,028.00, Open (Delinquent after April 10)

Penalty and Cost: \$312.80 Exemption: None Code Area: 09340

- 3. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
- **4.** Water rights, claims or title to water, whether or not disclosed by the public records.
- 5. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Public street

Recording No.: Book 1611, Page 269, of Official Records

Affects: A portion of said land

**6.** Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Pipeline

Recording No.: Book 2775, Page 361, of Official Records

Affects: A portion of said land

7. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including, but not limited to those based upon age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, medical condition, citizenship, primary language, and immigration status, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable laws, as set forth in the document referred to in the numbered item last above shown.

Said <u>covenants</u>, <u>conditions</u> and <u>restrictions</u> provide that a violation thereof shall not defeat the lien of any mortgage or trust deed made in good faith and for value.

#### **EXCEPTIONS**

(continued)

8. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Public street, road or highway

Recording Date: June 30, 1961

Recording No.: 5206, Book D1272, Page 485, of Official Records

Affects: A portion of said land

**9.** Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Pipelines Recording Date: May 16, 1961

Recording No.: 138, Book D1219, Page 919, of Official Records

Affects: The Easterly 10 feet of said land

10. The matters set forth in the document shown below which, among other things, contains or provides for: certain easements; liens and the subordination thereof; provisions relating to partition; restrictions on severability of component parts; and covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including, but not limited to those based upon age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, medical condition, citizenship, primary language, and immigration status, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law

Recording Date: November 19, 1964
Recording No.: 619, of Official Records

Said <u>covenants</u>, <u>conditions</u> and <u>restrictions</u> provide that a violation thereof shall not defeat the lien of any mortgage or trust deed made in good faith and for value.

11. The matters set forth in the document shown below which, among other things, contains or provides for: certain easements; liens and the subordination thereof; provisions relating to partition; restrictions on severability of component parts; and covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including, but not limited to those based upon age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, medical condition, citizenship, primary language, and immigration status, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law

Recording Date: October 14, 1983

Recording No.: 83-1214945, of Official Records

Said <u>covenants</u>, <u>conditions</u> and <u>restrictions</u> provide that a violation thereof shall not defeat the lien of any mortgage or trust deed made in good faith and for value.

Modification(s) of said covenants, conditions and restrictions

Recording Date: April 8, 1986

Recording No.: 86-434193, of Official Records

#### **EXCEPTIONS**

(continued)

12. The matters set forth in the document shown below which, among other things, contains or provides for: certain easements; liens and the subordination thereof; provisions relating to partition; restrictions on severability of component parts; and covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including, but not limited to those based upon age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, medical condition, citizenship, primary language, and immigration status, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law

Recording Date: September 27, 1988

Recording No.: 88-1552036, of Official Records

Said <u>covenants</u>, <u>conditions</u> and <u>restrictions</u> provide that a violation thereof shall not defeat the lien of any mortgage or trust deed made in good faith and for value.

Modification(s) of said covenants, conditions and restrictions

Recording Date: July 16, 1999

Recording No.: 99-1316479, of Official Records

**13.** Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Parking

Recording Date: September 28, 1988

Recording No.: 88-1556497, of Official Records

Affects: A portion of said land

**14.** A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$458,100.00 Dated: November 12, 2021

Trustor/Grantor: Ransom Dykema and Micaela Taylor, husband and wife

as community property with right of survivorship

Trustee: First American Title F First American Title Ins Co (Ca).

Beneficiary: Mortgage Electronic Registration Systems, Inc. (MERS), solely

as nominee for Broker Solutions, Inc. dba New American Funding

Loan No.: 1000076940

Recording Date: November 16, 2021

Recording No.: 2021-1700345, of Official Records

NOTE: This loan appears to be registered with Mortgage Electronic Registration Systems, Inc., (MERS). The name, address and telephone number for loan servicing should be obtained from the MERS website: www.mers-servicerid.org or by calling, 1-888-679-MERS (1-888-679-6377), and referring to the Mortgage Identification Number (MIN) 100376303030771512.

**15.** Any rights of the parties, if other than the vestees, in possession of the Parking Space shown in the legal description herein.

#### **EXCEPTIONS**

(continued)

**16.** In order to complete this report, the Company requires a Statement of Information to be completed by the following party(s),

Party(s): All Parties

The Company reserves the right to add additional items or make further requirements after review of the requested Statement of Information.

NOTE: The Statement of Information is necessary to complete the search and examination of title under this order. Any title search includes matters that are indexed by name only, and having a completed Statement of Information assists the Company in the elimination of certain matters which appear to involve the parties but in fact affect another party with the same or similar name. Be assured that the Statement of Information is essential and will be kept strictly confidential to this file.

**END OF EXCEPTIONS** 

#### **NOTES**

- Note 1. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
- Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
- Note 3. Pursuant to Government Code Section 27388.1, as amended and effective as of 1-1-2018, a Documentary Transfer Tax (DTT) Affidavit may be required to be completed and submitted with each document when DTT is being paid or when an exemption is being claimed from paying the tax. If a governmental agency is a party to the document, the form will not be required. DTT Affidavits may be available at a Tax Assessor-County Clerk-Recorder.
- Note 4. NOTE: When this title order closes and if the Company is handling the loan proceeds through a sub-escrow, all title charges and expenses normally billed will be deducted from those loan proceeds. Title charges and expenses would include Title Premiums, any Tax or Bond advances, Documentary Transfer Tax, Recording Fees, etc.
- **Note** 5. Note: None of the items shown in this report will cause the Company to decline to attach ALTA Endorsement Form 9 to an Extended Coverage Loan Policy, when issued.
- Note: The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116.2 indicating that the Land includes a condominium designated as unit 205 and known as 2940 West Carson Street #205, in the City of Torrance, County of Los Angeles, State of California to an Extended Coverage Loan Policy.
- Note 7. NOTE: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
- Note 8. If a county recorder, title insurance company, escrow company, real estate agent or association provides a copy of the declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold faced typed and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.
- **Note 9.** Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

#### NOTES

(continued)

- Note 10. The Company and its policy issuing agents are required by Federal law to collect additional information about certain transactions in specified geographic areas in accordance with the Bank Secrecy Act. If this transaction is required to be reported under a Geographic Targeting Order issued by FinCEN, the Company or its policy issuing agent must be supplied with a completed <u>ALTA Information Collection Form</u> ("ICF") prior to closing the transaction contemplated herein.
- Note 11. A Preliminary Change of Ownership form is required upon a change in ownership of the Land. Section 480 of the Revenue and Taxation Code of the State of California requires that a grantee of real property complete a Preliminary Change of Ownership statement, which is to be filed at the time that a grant deed is recorded. In the event that the statement is not completed and presented at the time of the recording of the deed, the County Recorder will assess the grantee an additional charge to record the deed. In addition to the additional charge at the time of recording, the County Assessor may assess additional fees and penalties for failure to file the Ownership Statement within the required time.
- **Note 12.** Any matters arising with regard to assessments of documentary transfer tax related to the measures below.

NOTICE: Certain cities in Los Angeles County impose a documentary transfer tax that is in addition to the Los Angeles County documentary transfer tax of \$.55 per \$500 (\$1.10 per \$1,000) based upon the purchase price or value of the property transferred. Additional transfer tax is imposed by the following cities in Los Angeles County:

Culver City Los Angeles Pomona Redondo Beach Santa Monica

For details about these taxes, please contact your title officer or escrow officer. Please be advised that, in the City of Santa Monica, effective March 1, 2023, for transfers of property with a sale price or value of \$8,000,000 or more, there will be a new, additional transfer tax of \$5.60 per \$100 (\$56.00 per \$1,000). In the City of Los Angeles, effective April 1, 2023, for transfers of property with a sale price or value of \$5,000,000 up to \$10,000,000, there will be a new, additional transfer tax of 4% of the entire sale price or value; for transfers with a sale price or value of \$10,000,000or more, there will be a new, additional transfer tax of 5.5% of the entire sale price or value.

**END OF NOTES** 



#### WIRE FRAUD ALERT

This Notice is not intended to provide legal or professional advice. If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to sending funds.

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- ALWAYS VERIFY wire instructions, specifically the ABA routing number and account number, by calling the
  party who sent the instructions to you. DO NOT use the phone number provided in the email containing the
  instructions, use phone numbers you have called before or can otherwise verify. Obtain the number of
  relevant parties to the transaction as soon as an escrow account is opened. DO NOT send an email to
  verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- USE COMPLEX EMAIL PASSWORDS that employ a combination of mixed case, numbers, and symbols.
   Make your passwords greater than eight (8) characters. Also, change your password often and do NOT reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

Federal Bureau of Investigation: http://www.fbi.gov

Internet Crime Complaint Center: http://www.ic3.gov

# FIDELITY NATIONAL FINANCIAL CALIFORNIA PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies (collectively, "FNF," "our," or "we") respect and are committed to protecting your privacy. This California Privacy Notice explains how we collect, use, and disclose Personal Information, when and to whom we disclose such information, and the rights you, as a California resident ("Consumer"), have regarding your Personal Information ("California Privacy Rights"). "Personal Information" means information that identifies, relates to, describes, and is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. If FNF has collected, used, or disclosed your Personal Information in relation to a job application or employment, independent contractor, officer, owner, or director relationship with FNF, FNF's practices are discussed in our Notice at Collection for Prospective Employees, available at *Prospective California Employees*.

Some subsidiaries maintain separate California Privacy Notices or privacy statements. If a subsidiary has a separate California Privacy Notice, it will be available on the subsidiary's website, and this California Privacy Notice does not apply.

#### **Collection of categories of Personal Information:**

In the preceding twelve (12) months FNF has collected, and will continue to collect, the following categories of Personal Information from you:

- Identifiers such as name, address, telephone number, IP address, email address, account name, social security number, driver's license number, state identification card, passport number, financial information, date of birth, or other similar identifiers;
- Characteristics of protected classifications under California or Federal law;
- Commercial information, including records of personal property, products or services purchased, or other purchasing or consuming histories;
- Internet or other electronic network activity information including, but not limited to browsing history on FNF websites, and information regarding a Consumer's interaction with an FNF website;
- Geolocation data;
- Professional or employment information;
- Education Information.

#### This Personal Information is collected from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with FNF, our affiliates, or others;
- Information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities, or from internet service providers, data analytics providers, and social networks;
- Information from the use of our websites and mobile applications;
- Information we receive directly from you related to doing business with us.

#### This Personal Information is collected for the following business purposes:

- To provide products and services to you or in connection with a transaction involving you;
- To perform a contract between FNF and the Consumer;
- To improve our products and services;
- To comply with legal obligations;
- · To protect against fraudulent or illegal activity;
- To communicate with you about FNF or our affiliates;

- To maintain an account with FNF or our affiliates;
- To provide, support, personalize, and develop our websites, products, and services;
- To provide reviews and testimonials about our services, with your consent;
- To directly market our products to consumers;
- As described to you when collecting your Personal Information or as otherwise set forth in the California Consumer Privacy Act.

#### Disclosures of Personal Information for a business purpose:

In the preceding twelve (12) months FNF has disclosed, and will continue to disclose, the categories of Personal Information listed above for a business purpose. We may disclose Personal Information for a business purpose to the following categories of third parties:

- FNF affiliates and subsidiaries;
- Non-affiliated third parties, with your prior consent;
- Businesses in connection with the sale or other disposition of all or part of the FNF business and/or assets;
- Service Providers and non-affiliated third parties such as internet service providers, data analytics providers, and social networks;
- Law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order.

#### **Sale of Personal Information:**

In the preceding twelve (12) months, FNF has not sold or shared Personal Information. FNF does not sell or share Personal Information.

#### **Retention Periods:**

Due to the breadth and variety of data collected by FNF, it is not possible for us to provide you with a comprehensive list of timeframes during which we retain each category of Personal Information. FNF retains categories of information as reasonably necessary to satisfy the purpose for which we collect the information. This time period varies depending on the purpose for which we collected the information, the nature and frequency of our interactions and relationship with you, whether we have a legal basis to continue retaining the information, industry practices, the value and sensitivity of the information, and state and federal recordkeeping requirements.

#### **Personal Information of minors:**

FNF does not knowingly collect the Personal Information of minors. FNF does not sell or share the information of consumers under sixteen (16) years of age.

#### **Sensitive Personal Information:**

FNF does not use or disclose sensitive Personal Information for any purposes other than those specified in the California Consumer Privacy Act.

#### Right to know:

Consumers have a right to know about Personal Information collected, used, disclosed, shared, or sold, including the categories of such Personal Information, as well as the purpose for such collection, use, disclosure, sharing, or selling, categories of third parties to whom Personal Information is disclosed, shared or sold, and the specific pieces of Personal Information collected about the consumer. Consumers have the right to request FNF disclose what Personal Information it collected, used, and disclosed in the past twelve (12) months.

#### Right to request deletion:

Consumers have a right to request the deletion of their Personal Information, subject to certain exceptions.

#### **Right to Correct:**

Consumers have the right to correct inaccurate Personal Information.

#### Right to non-discrimination:

Consumers have a right not to be discriminated against because of exercising their consumer privacy rights. We will not discriminate against Consumers for exercising any of their California Privacy Rights.

#### **Privacy Requests:**

To exercise any of your California Privacy Rights, or if acting as an authorized agent on behalf of another individual, please visit <u>California Privacy Request</u>, call us Toll Free at 888-413-1748, or write to the address at the end of this notice.

Upon making a California Privacy Request, FNF will verify the consumer's identity by requiring an account, loan, escrow number, or other identifying information from the consumer.

The above-rights are subject to any applicable rights and obligations including both Federal and California exemptions rendering FNF, or Personal Information collected by FNF, exempt from certain CCPA requirements.

A Consumer may use an Authorized Agent to submit any CCPA request. Authorized agents' requests will be processed like any other CCPA request, but FNF will also require the Consumer provide the agent's written permission to make the request and verify his or her identity with FNF.

#### FNF website services for mortgage loans:

Certain FNF companies provide services to mortgage loan servicers, including hosting websites that collect customer information on behalf of mortgage loan servicers (the "Service Websites"). The Service Websites may contain links to both this Privacy Notice and the mortgage loan servicer or lender's privacy notice. The sections of this Privacy Notice describing the categories, sources, and uses of your Personal Information do not apply to the Service Websites. The mortgage loan servicer or lender's privacy notice governs use, disclosure, and access to your Information. FNF does not share Information collected through the Service Websites, except (1) as required or authorized by contract with the mortgage loan servicer or lender, or (2) as required by law or in the good-faith belief that such disclosure is necessary to comply with a legal process or applicable law, to enforce this Privacy Notice, or to protect the rights, property, or safety of FNF or the public.

#### **California Privacy Notice - Effective Date:**

This California Privacy Notice was last updated on December 1, 2023.

#### Contact for more information:

For questions or concerns about FNF's California Privacy Notice and privacy practices, or to exercise any of your California Privacy Rights, please visit <u>California Privacy</u>, call Toll Free 888-413-1748, or contact us by mail at the below address.

Fidelity National Financial, Inc. 601 Riverside Avenue Jacksonville, Florida 32204 Attn: Chief Privacy Officer

#### ATTACHMENT ONE

#### CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 (11-09-18)

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
  - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- 2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- 3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
- 4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
- 6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

#### **EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- 1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
  - Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
- 2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
- 6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.

#### **EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART II**

(Variable exceptions such as taxes, easements, CC&R's, etc., are inserted here)

# CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE OWNER'S POLICY (02-04-22) EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement on the Land;
  - iii. the subdivision of land: or
  - iv. environmental remediation or protection.
  - b. any governmental forfeiture, police, regulatory, or national security power.
  - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.

Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.

- 2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
- 3. Any defect, lien, encumbrance, adverse claim, or other matter:
  - a. created, suffered, assumed, or agreed to by the Insured Claimant:
  - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
  - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
- 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
  - a. fraudulent conveyance or fraudulent transfer;
  - b. voidable transfer under the Uniform Voidable Transactions Act; or
  - c. preferential transfer:
    - to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
    - ii. for any other reason not stated in Covered Risk 9.b.
- 5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
- 6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy.
  - Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
- 7 Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

#### **EXCEPTIONS FROM COVERAGE**

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

#### **PART**

- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real
  property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings,
  whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
- 4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.
- 7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

#### **PART II**

(Variable exceptions such as taxes, easements, CC&R's, etc., are inserted here)

#### CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (7-01-21) EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and We will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- 1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement on the Land:
  - iii. the subdivision of land; or
  - iv. environmental remediation or protection.
  - b. any governmental forfeiture, police, or regulatory, or national security power.
  - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
  - Exclusion 1 does not modify or limit the coverage provided under Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23, or 27.
- 2. Any power to take the Land by condemnation. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 17.
- 3. Any defect, lien, encumbrance, adverse claim, or other matter:
  - a. created, suffered, assumed, or agreed to by You;
  - b. not Known to Us, not recorded in the Public Records at the Date of Policy, but Known to You and not disclosed in writing to Us by You prior to the date You became an Insured under this policy;
  - c. resulting in no loss or damage to You;
  - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 5, 8.f., 25, 26, 27, 28, or 32); or
  - e. resulting in loss or damage that would not have been sustained if You paid consideration sufficient to qualify You as a bona fide purchaser of the Title at the Date of Policy.
- Lack of a right:
  - to any land outside the area specifically described and referred to in Item 3 of Schedule A; and
  - b. in any street, road, avenue, alley, lane, right-of-way, body of water, or waterway that abut the Land.

Exclusion 4 does not modify or limit the coverage provided under Covered Risk 11 or 21.

- 5. The failure of Your existing structures, or any portion of Your existing structures, to have been constructed before, on, or after the Date of Policy in accordance with applicable building codes. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 14 or 15.
- 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transfer of the Title to You is a:
  - a. fraudulent conveyance or fraudulent transfer;
  - b. voidable transfer under the Uniform Voidable Transactions Act; or
  - c. preferential transfer:
    - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
    - i. for any other reason not stated in Covered Risk 30.
- 7. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 8. Negligence by a person or an entity exercising a right to extract or develop oil, gas, minerals, groundwater, or any other subsurface substance.
- 9. Any lien on Your Title for real estate taxes or assessments, imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 9 does not modify or limit the coverage provided under Covered Risk 8.a or 27.
- 10. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

#### LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

 For Covered Risk 16, 18, 19 and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 5,000.00

# CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13) EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

- 1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - a. building;
  - b. zoning;
  - c. land use;
  - d. improvements on the Land;
  - e. land division: and
  - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

- The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- 4 Risks
  - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:
  - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

- 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
- 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake or subsidence.
- 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

#### LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

 For Covered Risk 16, 18, 19 and 21, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 5,000.00

#### **ALTA OWNER'S POLICY (07-01-2021)**

#### **EXCLUSIONS FROM COVERAGE**

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
  - i. the occupancy, use, or enjoyment of the Land;
  - ii. the character, dimensions, or location of any improvement on the Land;
  - iii. the subdivision of land; or
  - iv. environmental remediation or protection.
  - b. any governmental forfeiture, police, regulatory, or national security power.
  - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.

Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.

- 2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
- 3. Any defect, lien, encumbrance, adverse claim, or other matter:
  - a. created, suffered, assumed, or agreed to by the Insured Claimant;
  - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - c. resulting in no loss or damage to the Insured Claimant;
  - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
  - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
- 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
  - a. fraudulent conveyance or fraudulent transfer;
  - b. voidable transfer under the Uniform Voidable Transactions Act; or
  - c. preferential transfer:
    - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
    - ii. for any other reason not stated in Covered Risk 9.b.
- 5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
- 6. Any lien on the Title for real estate taxes or assessments, imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
- 7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

#### **EXCEPTIONS FROM COVERAGE**

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

NOTE: The 2021 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed as 1 through 7 below:

- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real
  property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings,
  whether or not shown by the records of such agency or by the Public Records.
- Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land or (b) asserted by persons or parties in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
- 4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.
- 7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

#### 2006 ALTA OWNER'S POLICY (06-17-06)

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or
  relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- 5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

NOTE: The 2006 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as 1 through 7 below:

- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real
  property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings,
  whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
- 4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.]
- 7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

#### **Notice of Available Discounts**

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the filed rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for such discount. These discounts only apply to transactions involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

Not all discounts are offered by every FNF Company. The discount will only be applicable to the FNF Company as indicated by the named discount.

#### **FNF Underwritten Title Companies**

CTC - Chicago Title Company

CLTC - Commonwealth Land Title Company

FNTC - Fidelity National Title Company of California

TICOR - Ticor Title Company of California

LTC - Lawyer's Title Company

SLTC - ServiceLink Title Company

#### **Underwritten by FNF Underwriters**

CTIC - Chicago Title Insurance Company

CLTIC - Commonwealth Land Title Insurance Company

FNTIC - Fidelity National Title Insurance Company

FNTCCA - Fidelity National Title Company of California FNTIC - Fidelity National Title Insurance Company

CTIC - Chicago Title Insurance Company

CLTIC - Commonwealth Land Title Insurance Company

CTIC - Chicago Title Insurance Company

#### **Available Discounts**

#### **DISASTER LOANS (CTIC, CLTIC, FNTIC)**

The charge for a Lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within twenty-four (24) months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be fifty percent (50%) of the appropriate title insurance rate.

#### CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC, FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be fifty percent (50%) to seventy percent (70%) of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be forty percent (40%) to fifty percent (50%) of the appropriate title insurance rate, depending on the type of coverage selected.



# STATEMENT OF INFORMATION CONFIDENTIAL INFORMATION FOR YOUR PROTECTION

Escrow No.: 112400170-LW

Completion of this statement expedites your application for title insurance, as it assists in establishing identity, eliminating matters affecting persons with similar names and avoiding the use of fraudulent or forged documents. Complete all blanks (please print) or indicate "none" or "N/A." If more space is needed for any item(s), use the reverse side of the form. Each party (and spouse/domestic partner, if applicable) to the transaction should personally sign this form.

#### NAME AND PERSONAL INFORMATION

			Date of Birth
First Name Middle Nan	ne Last Name (If none, indicate)	Maiden Name	
Home Phone	Business Phone	Birthplace	
Social Security No.		Driver's License No	
List any other name you have used	or been known by		
State of residence		I have lived continuousl	y in the U.S.A. since
Are you currently married?   Yes	□ No Are you currently a	a registered domestic partner?   Y	′es □ No
If yes, complete the following inforr	nation:		
Date and place of marriage			
Spouse/Domestic Partner			Date of Birth
Firs	t Name Middle Name (If none, indicate)	Last Name Maiden Name	
Home Phone	Business Phone	Birthplace	
Cell Phone	Fax	Email	
Social Security No		Driver's License No	
List any other name you have	used or been known by		
			y in the U.S.A. since
***************************************		HILDREN	***********************
Child Name:	Date of Birth:	Child Name:	Date of Birth:
Child Name:	Date of Birth:	Child Name:	Date of Birth:
***********		uired, use reverse side of form)	*************************
	RESIDENCE	S (LAST 10 YEARS)	
Number & Street		City	From (date) to (date)
Number & Street		City	From (date) to (date)
***********		uired, use reverse side of form)	***************************************
	OCCUPATIONS/BUS	INESSES (LAST 10 YEARS	)
Firm or Business Name		Address	From (date) to (date)
Firm or Business Name		Address	From (date) to (date)
************	(if more space is req	uired, use reverse side of form)	**********************
SPOUSE'S/DO	MESTIC PARTNER'S OC	CCUPATIONS/BUSINESSES	(LAST 10 YEARS)
Firm or Business Name		Address	From (date) to (date)
Firm or Business Name		Address	From (date) to (date)
		, taa. 555	( ) ( )

# STATEMENT OF INFORMATION CONFIDENTIAL INFORMATION FOR YOUR PROTECTION

(continued)

#### PRIOR MARRIAGE(S) and PRIOR DOMESTIC PARTNERSHIP(S)

Any prior marriages or domestic partner	ships for either person?	If yes, complete the fol	lowing:	
Prior spouse's (Party A) name:		Prior Spouse of Party A	<b>4</b> :	
Marriage ended by: ☐ Death ☐ I	Divorce/Dissolution ☐ Nullification	on Date of Death/Divorc	e:	
Prior spouse's (Party B) name:		Prior Spouse of Party E	3:	Spouse
Marriage ended by: Death I	(if more space is required, us	se reverse side of form)		
***************************************	INFORMATION ABOU		***************	*****
Buyer intends to reside on the property i	n this transaction: 🗆 Yes 🗀 i	No		
	Owner to complete th	e following items		
Street Address of Property in this transa	ction:			
The land is $\square$ unimproved; or improved	with a structure of the following ty	ype: 🛘 A Single or 1-4 Fa	amily $\square$ Condo Unit $\square$ Other $\_$	
Improvements, remodeling or repairs to	this property have been made wit	hin the past six (6) months	s: 🗆 Yes 🗆 No	
If yes, have all costs for labor and mater	ials arising in connection therewit	h been paid in full?	☐ Yes ☐ No	
Any current loans on property?	If yes, complete the follo	owing:		
Lender	Loan Amount		Loan <u>Account No.</u>	
<u>Lender</u>				
The undersigned declare, under penalty			**************	*****
IN WITNESS WHEREOF, the undersign	ned have executed this document	on the date(s) set forth be	elow.	
Signature		 Date		
· ·				
Print Name				
Signature		 Date		
Oignature		Date		
Print Name				

(Note: If applicable, both spouses/domestic partners must sign.) **THANK YOU.** 



Under 31 U.S.C. § 5326(a), the Treasury Department's Financial Crimes Enforcement Network (FinCEN) issued a Geographic Targeting Order to title insurance companies requiring the collection of beneficial ownership information for certain real estate transactions.

Please complete the below questionnaire. This Company will rely on the answers provided to meet its reporting obligations.

Who is completing this form?					
Name	Position/Title			Company/L	₋aw Firm
Postal Address (Headquarters)	City	City			Zip
Phone	Email			Fax	
Transactional Information				1	
Property Address (If multiple propertie	s see NOTE below):				
City			State	Zip	County
Date of Settlement	Total purchase prid	ce (If multiple	propert	ties see NOT	E below)
Type of Transaction: ☐ Residential (	1-4 family) ☐ Com	ımercial	Bank F	-inancing: □	] Yes □ No
Purchaser type:   Natural Person	☐ Corporation	□ LLC	☐ Partn	nership [	] Other
NOTE: If more than one property is put	rchased, list each add	lress and pui	rchase p	rice on an ac	ddendum.
Purchase Funds Information					
Total Amount paid by below instrumer	its: \$				
Which type of Monetary Instruments w	vere used (Use check	boxes below	v)		
☐ U.S. Currency (Paper money and o	coin)				
☐ Foreign Currency		Country:			
☐ Cashier's check(s)	☐ Money	☐ Money order(s)			
☐ Certified check(s)		☐ Person	al or Bus	siness check	<u>(s)</u>
☐ Wire or other funds transfer(s)		☐ Virtual	Currenc	V	



#### **Individual Primarily Representing Purchaser**

(Defined as the individual authorized by the entity to enter into legally binding contracts.)

Attach Legible copy of government issued identification (i.e. passport, driver's license, etc.)					
Type of ID		Issuing State or Country Gov't ID No.		lo.	
Last Name		First Name		M.I.	
Date of Birth	Occupation	Individual Taxpayer ID No. (if none write N/A) % of ow		nership	
Address		City		State	Zip

#### **Purchaser's Name and Address**

Name of Purchaser				
Taxpayer ID No. or EIN (if none write N/A)		Doing Business Name (DBA) (If no	one write N	//A)
Address	City		State	Zip

Complete the following pages if the real estate purchase is being made by a corporation, LLC, partnership, or other legal entity. (Do not report trusts.)

For Corporations, LLCs, Partnerships and Other Entities provide the information for:

- Each **BENEFICIAL OWNER** defined as an individual who, directly or indirectly, owns Twenty-Five Percent (25%) or more of the equity interests of the Purchaser.
- If a legal entity or a series of legal entities own the equity interests of the Purchaser, provide information for each **BENEFICIAL OWNER**, of each legal entity in the series of legal entities.

(Note: It is NOT necessary to complete the address fields if the information is on a legible copy of the government issued ID submitted to the title underwriter.)



Attach Legible copy	y of government issued ident	ification (i.e. passport, driver's licens	se, etc.)		
Type of ID		Issuing State or Country	Gov't ID N	<b>1</b> 0.	
Last Name		First Name			M.I.
Date of Birth	Occupation	Individual Taxpayer ID No. (if none	write N/A)	% of ow	nership
Address		City		State	Zip
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	y of government issued ident	ification (i.e. passport, driver's licens			
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Last Name		First Name			M.I.
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Date of Birth	Occupation	Individual Taxpayer ID No. (if none	write N/A)	% of ow	nership
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			First Name		
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Date of Birth	Occupation	Individual Taxpayer ID No. (if none	write N/A)	% of ov	vnership
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Address		City		State	Zip
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Type of ID		Issuing State or Country	Gov't ID	No.	
Last Name		First Name			M.I.
Date of Birth	Occupation	Individual Taxpayer ID No. (if none	write N/A)	% of ov	vnership
					Τ
Address		City		State	Zip
Attach Legible cop	y of government issued iden	tification (i.e. passport, driver's licen	se, etc.)		
Type of ID	, ,	Issuing State or Country	Gov't ID	No.	
, , , , , , , , , , , , , , , , , , ,		Soverible 100			
Last Name		First Name			M.I.
Date of Birth	Occupation	Individual Taxpayer ID No. (if none	write N/A)	% of ov	vnership
Address		City		State	Zip



<u> </u>	y of government issue	ed identification (i.e. passport	, driver's licens	. ,		
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Last Name		First Name	First Name			M.I.
Date of Birth	Occupation	Individual Taxpayer	ID No. (if none v	vrite N/A)	% of ov	l vnership
Address		City			State	Zip
					1	1
Attach Legible cop	y of government issue	ed identification (i.e. passport	, driver's licens	e, etc.)		
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Last Name		First Name	First Name			M.I.
Date of Birth	Occupation	Individual Taxpayer	ID No. (if none w	vrite N/A)	% of ov	vnership
Address	<u> </u>	City			State	Zip
that this Title Compobligation under 31	pany will rely on this U.S.C. § 5326(a).	ge, the information I have fu information for the purpose ed have executed this docum	es of completing	ng any rep	orts mad	
Signature:		Date:				

# The following notice is pursuant to Subdivision (b) of Section 12956.1 of the California Government Code

#### **NOTICE**

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

#### **EXHIBIT A**

**Order No.:** 112400170

For APN/Parcel ID(s): 7359-023-164

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

A CONDOMINIUM COMPRISED OF:

PARCEL 1:

(A) AN UNDIVIDED 1/78TH INTEREST IN AND TO LOT(S) 1 OF <u>TRACT NO. 10777</u>, IN THE CITY OF TORRANCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN <u>BOOK 184 PAGE(S) 30 AND 31 OF MAPS</u>, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

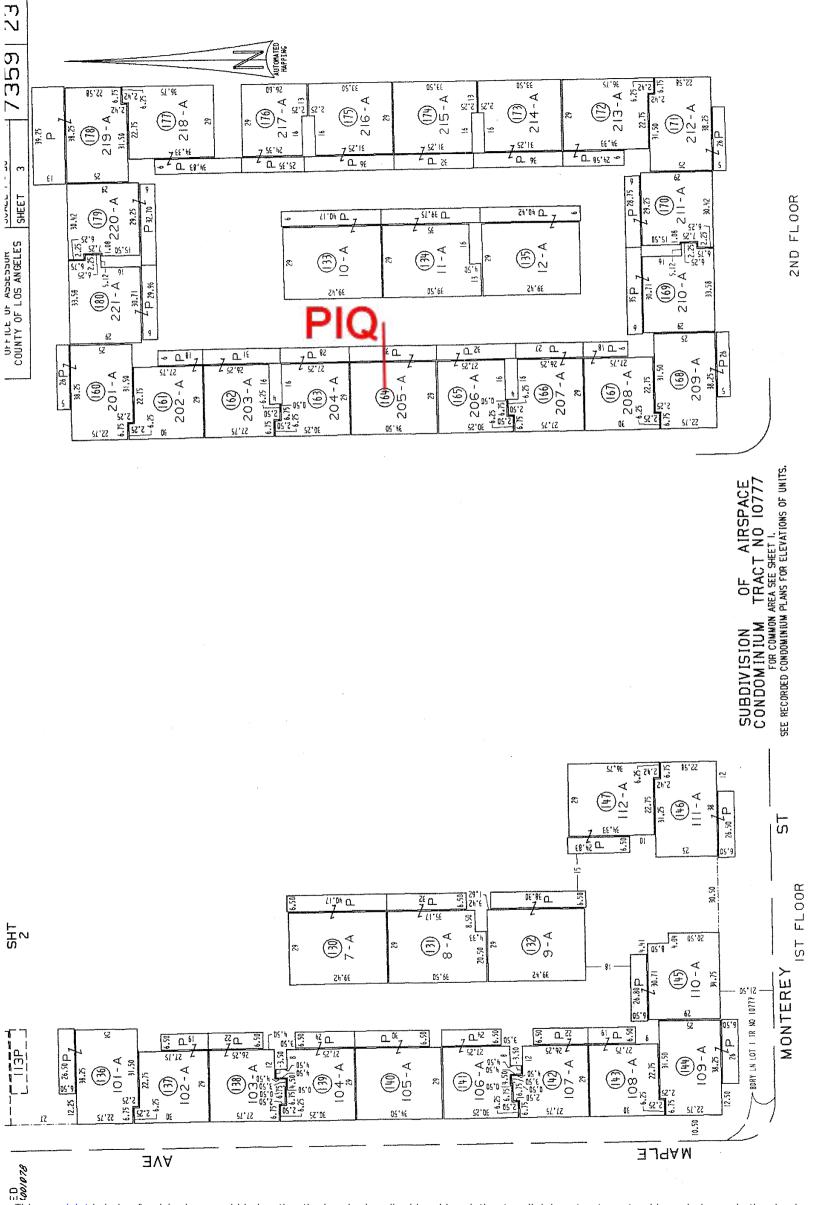
EXCEPT UNITS 1 TO 12 INCLUSIVE, 101 TO 124 INCLUSIVE AND 201 TO 242 INCLUSIVE AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MARCH 15, 1985 AS INSTRUMENT NO 85-286710 OFFICIAL RECORDS.

EXCEPT THEREFROM ALL OIL GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID PROPERTY, BUT WITH NO RIGHT OF SURFACE ENTRY, WHERE THEY HAVE BEEN PREVIOUSLY RESERVED IN INSTRUMENTS OF RECORD.

(B) UNIT 205 AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING PURPOSES OVER PARKING SPACE NO(S) S53 AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.



This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.



P.O. Box 51113

Los Angeles, CA 90051-5412

#### DEMAND

Order Number:

240105-00073

**Escrow Number:** 

1/5/2024 Demand Date:

Bill To: **Amount Due:** \$99.00

**ROSEMARY SANDS** FIRST TRUST ESCROW 111 N FIRST ST STE 300E BURBANK, CA 91502-1860

Please include the Order Number on check to receive proper credit.

#### THE LIABILITY PROVISIONS OF THE REPORT DO NOT APPLY UNTIL FULL PAYMENT IS RECEIVED

Ordering Party/Agent	Escrow	Order Details
ANI TAKAYAN FIRST TRUST ESCROW INC 111 N FIRST ST, 300E BURBANK, CA 91502 (818) 242-5499	ROSEMARY SANDS FIRST TRUST ESCROW 111 N FIRST ST STE 300E BURBANK, CA 91502-1860 (818) 242-5499	Property Address: DYKEMA RANSOM; TAYLOR MICAELA 2940 W CARSON ST UNIT 205 TORRANCE, CA 90503-6082

Quantity	Description	Amount	Total
1	Residential Premium	\$99.00	\$99.00

Subtotal: \$99.00 Paid: \$0.00 **Amount Due** \$99.00

#### **Important Ordering Agent Payment Instructions:**

When escrow opens for this transaction please do the following:

- 1. Fill out the escrow information above.
- 2. Fax a copy of this demand to Disclosure Source at (800) 287-8673.
- 3. Have this demand placed into the escrow file for payment.
- 4. Should the escrow we were instructed to bill not close, please forward this demand to the next escrow, and inform Disclosure Source of the new pertinent data. Disclosure Source will provide the new escrow with an updated demand and a copy of the report.

In the event demands are unpaid after closing, the Ordering Agent will be responsible for payment.

#### **Escrow Instructions:**

If the escrow documents are being transferred to a new escrow, please notify Disclosure Source Customer Service at (800) 880-9123 to update changes and transfer this demand along with the Disclosure Source Report to the new escrow. If the escrow fails to close, please notify the Disclosure Source Accounting Dept. at (800) 880-9123.



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024

accuracy. The map is intended for informational purposes

misinterpretation, misuse, or sole reliance thereon. This

loss

Phone: 800-880-9123

no

occurring

liability

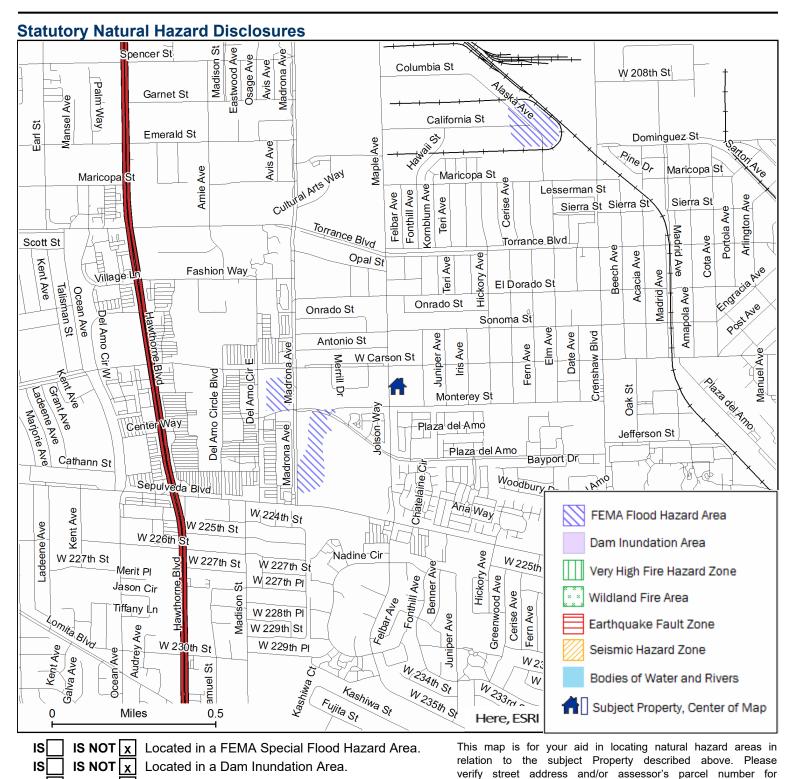
by

company

for

implied)

Order Number: 240105-00073



S IS NOT X Located in a Seismic Hazard Zone. map is not intended for use as a substitute disclosure

\* Please read the report for further information as AB38 disclosure advisory may apply.

Located in a Very High Fire Hazard Severity Zone.

Located in an Alquist-Priolo Earthquake Fault Zone.

Located in a Wildland Fire Area.

IS

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IS NOT | x |

IS NOT | X |

reference,



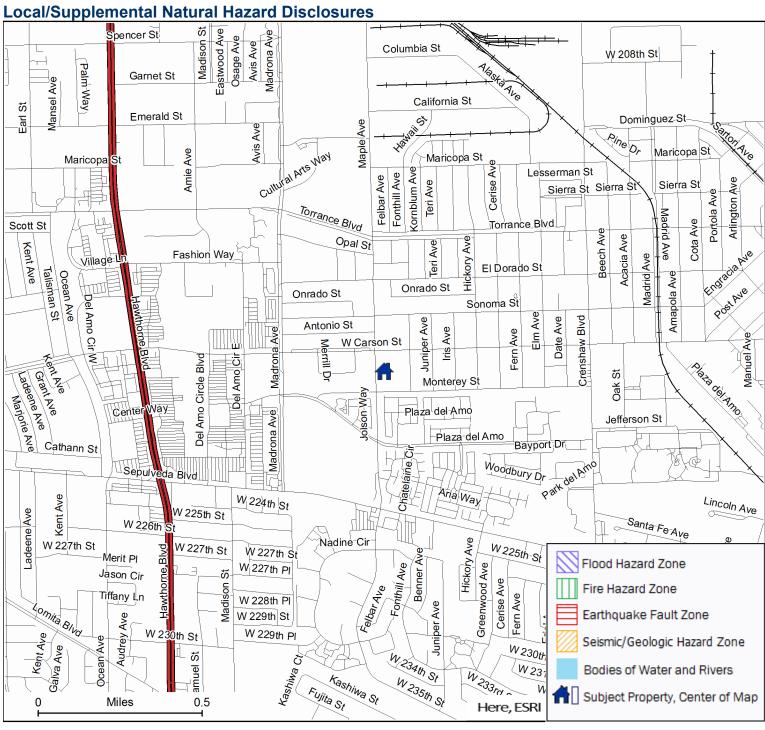
Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024

Order Number: 240105-00073



S IS NOT x in a Supplemental Earthquake Fault Zone.

**IS IS NOT x** in a Supplemental Seismic/Geologic Hazard Zone.

This map is for your aid in locating natural in relation to the subject Property above. Please verify street address and/or parcel number for accuracy. The map is intended for informational purposes only. The company no liability (express or implied) for any loss misinterpretation, reliance thereon. This map is not intended for use as a substitute disclosure under California law.



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

Parcel Number: 7359-023-164

Order Number: 240105-00073

Date: 1/5/2024

#### NATURAL HAZARD DISCLOSURE STATEMENT

This statement applies to the following property: 2940 W CARSON ST UNIT 205, TORRANCE, CA, 90503-6082 APN: 7359-023-164

A SPECIAL FLOOD HAZARD AREA (Any type Zone "A" or "V") designated by the Federal Emergency Management Agency.

Do not know and information not available from local jurisdiction \_

The seller and the seller's agent(s) or a third-party consultant disclose the following information with the knowledge that even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the subject property. Seller hereby authorizes any agent(s) representing any principal(s) in this action to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property. The following are representations made by the seller and seller's agent(s) based on their knowledge and maps drawn by the state and federal governments. This information is a disclosure and is not intended to be part of any contract between the seller and buyer.

AN AREA OF POTENTIAL FLOODING shown on a dam failure inundation map pursuant to Se Yes No _X Do not know and information not available from local ju	
A HIGH or VERY HIGH FIRE HAZARD SEVERITY ZONE (FHSZ) as identified by Government Code or Article 9 (commencing with Section 4201) of Chapter 1 of Part subject to the maintenance requirements of Section 51182 of the Government Code.  Yes NoX	
High FHSZ in a state responsibility area  Very High FHSZ in a state responsibility area  Very High FHSZ in a local responsibility area  Very High FHSZ in local responsibility area  High FHSZ in local responsibility area  Moderate FHSZ in state responsibility area  Moderate FHSZ in local responsibility area  Yes  No  X  Moderate FHSZ in local responsibility area  Yes  No  X	
A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS A owner of this property is subject to the maintenance requirements of Section 4291 to provide fire protection services to any building or structure located within the winto a cooperative agreement with a local agency for those purposes pursuant to Section 4142 Yes NoX	of the Public Resources Code. Additionally, it is not the state's responsibilit vildlands unless the Department of Forestry and Fire Protection has entered
AN EARTHQUAKE FAULT ZONE pursuant to Section 2622 of the Public Resources Code.  Yes  No X	
THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE REAL PROPE DISASTER. THE MAPS ON WHICH THESE DISCLOSURES ARE BASED ESTIMATE V OF WHETHER OR NOT A PROPERTY WILL BE AFFECTED BY A NATURAL DISC ADVICE REGARDING THOSE HAZARDS AND OTHER HAZARDS THAT MAY AFFECT THE	WHERE NATURAL HAZARDS EXIST. THEY ARE NOT DEFINITIVE INDICATOR ASTER. SELLER(S) AND BUYER(S) MAY WISH TO OBTAIN PROFESSIONA
Signature of Seller(s)	Date
Signature of Seller(s)	
Seller's Agent(s)	
Seller's Agent(s)	Date
Check only one of the following:	
Seller(s) and their agent(s) represent that the information herein is true and co and agent(s).	rrect to the best of their knowledge as of the date signed by the seller (s
Seller(s) and their agent(s) acknowledge that they have exercised good faith in of the Civil Code, and that the representations made in this Natural Hazard Dithird-party disclosure provider as a substituted disclosure pursuant to Section independently verified the information contained in this statement and report or contained on the statement. This statement was prepared by the provider below:	sclosure Statement are based upon information provided by the independent 1103.4 of the Civil Code. Neither seller(s) nor their agent(s) (1) has
Third-Party Disclosure Provider(s)  A FIDELTY BATONAL FINANCIAL, INC. COMPANY  A FIDELTY BATONAL FINANCIAL, INC. COMPANY	Date1/5/2024
Buyer represents that he or she has read and understands this document. Pursu Hazard Disclosure Statement do not constitute all of the seller's or agent's disclosure obligation	, ·
By signing below, the buyer(s), also acknowledge they have read and understand the addition not limited to, local/supplemental natural hazards, commercial/industrial zoning, airport influence fee notice, notice of your supplemental property tax bill, gas and hazardous liquid transmissi law, flood insurance, military ordnance location, energy efficiency standards, water conservir habitat sensitivity area/endangered species, oil, gas wells and methane, naturally occurring ast tax and assessments notice, tax summary), if included in the report, environmental information, i Report (additional signatures may be required):  1. "Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords and "Boards" for the property of the pr	area and airport proximity, Williamson Act, right to farm, mining operations, transfe on pipelines, toxic mold, methamphetamine or fentanyl contaminated property, Megan in plumbing fixtures, solar energy systems notice, mudslide / debris flow advisory prestos, radon, additional local disclosures, tax information (Mello-Roos and 1915 specific fincluded in the report, and links to download Governmental Guides referred to in the Internation (Tenants"; 2. "Protect Your Family From Lead In Your Home";
3. "Homeowners Guide to Earthquake Safety" and "Residential Earthquake Hazards Report" fo	iii, 4. what is your flome Energy Raung?.
Signature of Buyer(s)	Date
Signature of Buyer(s)	Date



**Property Address:** 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

**Parcel Number:** 7359-023-164

Order Number: 240105-00073

Date: 1/5/2024

THE RECIPIENT(S) SHOULD CAREFULLY READ THE EXPLANATION OF SERVICES, CONDITIONS, LIMITATIONS & DISCLAIMERS CONTAINED IN THIS REPORT.

**PAYMENT POLICY:** FULL PAYMENT FOR THIS REPORT IS DUE UPON CLOSE OF ESCROW. THE LIABILITY PROVISIONS OF THE REPORT DO NOT APPLY UNTIL FULL PAYMENT IS RECEIVED.

**CANCELATION POLICY:** OUR REPORT CAN ONLY BE CANCELLED IF ESCROW IS CANCELLED, OR THE SELLER TAKES THE PROPERTY OFF THE MARKET. SIGNED ESCROW CANCELLATION INSTRUCTIONS ARE REQUIRED.

1417		SIGNED ESCHOV	CANCELLATION INSTRUCTIONS ARE REQUIRED.	Page
Nat	tural I	Hazard Refere	nce Maps	<u>i-ii</u>
Nat	tural I	Hazard Disclos	sure Statement	NHDS
AB	38 NC	OTICE		<u>1</u>
<u>In</u>	Out	Not Mapped	Statutory Natural Hazard Disclosures	
	X		Special Flood Hazard Area designated by the Federal Emergency Management Agency	<u>2</u>
	X		Dam Inundation / Area of Potential Flooding	<u>2</u>
			Wildfire Mitigation: Home Hardening And Defensible Space Notice (AB 38)	<u>3</u>
	X		Very High Fire Hazard Severity Zone	<u>3</u>
	X		Wildland Area That May Contain Substantial Forest Fire Risks And Hazards	<u>4</u>
	X		Earthquake Fault Zone	<u>4</u>
	X		Seismic Hazard - Landslide Zone	<u>5</u>
	X		Seismic Hazard - Liquefaction Zone	<u>5</u>
<u>In</u>	Out	Not Mapped	Local/Supplemental Natural Hazard Disclosures	
	X		Supplemental Flood Hazard Zone	<u>6</u>
	X		Supplemental Fire Hazard Zone	<u>6</u>
	X		Supplemental Earthquake Fault Hazard Zone	<u>7</u>
	X		Supplemental Seismic/Geologic Hazard Zone	<u>7</u>
<u>In</u>	Out		Additional Disclosures	
X			Commercial/Industrial Zoning	<u>8</u>
$\sqsubseteq$	X		Airport Influence Area	<u>8</u>
	<u> </u>		Airport Proximity	<u>8</u>
$\sqsubseteq$	X		Right to Farm	<u>9</u>
	X		Mining Operations	<u>9</u>



**Property Address:** 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

**Parcel Number:** 7359-023-164

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Date: 1/5/2024

es	No	Tax Information										
	X											
	X	Improvement Bond Act of 1915 Lien Assessments - currently levied against the property	<u>1</u>									
	X	Property Assessed Clean Energy (PACE) Programs	<u>1</u>									
		Tax Summary – annual taxes, liens and assessments currently included on the tax bill	<u>1</u>									
		Property Tax Descriptions	<u>1</u>									
		Supplemental Tax Estimator Worksheet	<u>1</u>									
		Property Tax Estimator Worksheet	<u>1</u>									
es	No	Environmental Information										
		Identified sites with known or potential environmental concerns	<u>1</u>									
		Environmental Sites Map and details	1									
		<u>Databases Researched</u>	2									
		Transfer Fee Notice  Notice of "Supplemental" Property Tax Bill	<u> </u>									
otic	es and Adv											
		Notice of "Supplemental" Property Tax Bill	2									
		Toxic Mold Notice	2									
		Gas and Hazardous Liquid Transmission Pipelines Notice	2									
		Flood Insurance Notice	2									
		Energy Efficiency Standards and Duct Sealing Requirements Notice	2									
		Water-Conserving Plumbing Fixture Notice	2									
		Solar Energy Systems Notice	2									
		Megan's Law Notice	2									
		Methamphetamine or Fentanyl Contaminated Property Notice	2									
		Military Ordnance Location Notice	2									
		California Land Conservation (Williamson) Act Notice	<u>.</u>									
		Mudslide / Debris Flow Advisory	<u>.</u>									
		Oil, Gas Wells & Methane Advisory	3									
		Habitat Sensitivity Area/Endangered Species Advisory	3									
		Naturally Occurring Asbestos Advisory	3									



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024 Order Number: 240105-00073

# **AB38 NOTICE**

If this property is located in either a High or Very High Fire Severity Zone according to this report, it is subject to AB38 Disclosure Requirements. Precise disclosure of fire zones can be found on the Summary Page, and on either of the maps included in this report. AB38 applies to Residential 1-4 unit properties (including condos and manufactured homes). Additionally, the property may be subject to a Defensible Space Inspection.

Senate Bill 63, among other things, would instead provide that fuel modification beyond the property line may only be required by State law, local ordinance, rule, or regulation to maintain the 100 feet of defensible space.

To Request a Defensible Space Inspection, click the following link:

https://survey123.arcgis.com/share/e659f03a6e8447af8663e42cf48f60fd



For more Information on Defensible Space, please click this link:

https://www.readyforwildfire.org/



2940 W CARSON ST UNIT 205 **Property Address:** 

TORRANCE, CA 90503-6082

7359-023-164 Parcel Number:

Date: 1/5/2024 **Order Number:** 240105-00073

#### STATUTORY NATURAL HAZARD DISCLOSURES

Disclosure Source reviews specific public records to determine whether the property is located in any of six statutorily defined natural hazard areas described below.

#### SPECIAL FLOOD HAZARD AREA

OF EGIAL 1 2000 FIALAND ANEA
Pursuant to federal law, the Federal Emergency Management Agency (FEMA) is required to identify and designate areas that are subject to flooding as part of the National Flood Insurance Program. A "Special Flood Hazard Area" (any type Zone "A" or "V") as determined by FEMA is an area where all or a portion of the property has a 1% chance each year of being inundated by flood waters. If a property is located in a Special Flood Hazard Area, the cost and availability of flood insurance may be affected. Properties not located in a Special Flood Hazard Area are not relieved from the possibility of sustaining flood damage. A few areas are not covered by official Flood Insurance Rate Maps. If information is not available, Disclosure Source recommends that the buyer contact the local jurisdiction's planning and building department to determine the potential for flooding at the subject Property.  Source(s) of data: Title 42 United States Code Section 4101
Based on a review of the Flood Insurance Rate Map(s) issued by FEMA, the subject Property:
IS
DAM INUNDATION / AREA OF POTENTIAL FLOODING
The State of California Office of Emergency Services is required to review, approve and maintain copies of the maps that have been prepared and submitted to them by local governmental organizations, utilities or other owners of any dam in the state. The maps delineate areas of potential inundation and flooding that could result from a sudden, partial or total dam failure. Dams in many parts of the world have failed during significant earthquakes, causing flooding or those areas in the pathway of the released water. The actual risk of dam failure is not defined by the map (s). Legislation also requires, appropriate publicately agencies of any city, county, or territory of which is located in such an area, to adopt /implement adequate emergency procedures for the evacuation and control of populated areas near/below such dams.  Source(s) of data: Government Code Section 8589.5.
Based on a review of the official map(s) available through the State of California, Office of Emergency Services, the subject Property:
IS



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024 Order Number: 240105-00073

#### WILDFIRE MITIGATION: HOME HARDENING AND DEFENSIBLE SPACE NOTICE (AB 38)

Pursuant to California Civil Code Section 1102.6f, the seller of residential real property that is located in a high or very high fire hazard severity zone, as identified by the Director of Forestry and Fire Protection pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, shall provide the following information to the buyer, if the home was constructed before January 1, 2010:

"This home is located in a high or very high fire hazard severity zone and this home was built before the implementation of the Wildfire Urban Interface building codes which help to fire harden a home. To better protect your home from wildfire, you might need to consider improvements. Information on fire hardening, including current building standards and information on minimum annual vegetation management standards to protect homes from wildfires, can be obtained on the internet website http://www.readyforwildfire.org."

Seller should also disclose which of the listed features, if any, exist on the property that may make the home vulnerable to wildfire and flying embers: a) eave, soffit, and roof ventilation where the vents have openings in excess of one-eighth of an inch or are not flame and ember resistant, b) roof coverings made of untreated wood shingles or shakes, c) combustible landscaping or other materials within five feet of the home and under the footprint of any attached deck, d) single pane or nontempered glass windows, e) loose or missing bird stopping or roof flashing, f) rain gutters without metal or noncombustible gutter covers.

If, pursuant to Section 51182 of the Government Code, the seller has obtained a final inspection report described in that section, the seller shall provide to the buyer a copy of that report or information on where a copy of the report may be obtained.

California Civil Code Section 1102.19 requires the seller, on and after July 1, 2021, to provide to the buyer documentation stating that the property complies with Section 4291 of the Public Resources Code or local vegetation management ordinances. If the local jurisdiction has not enacted an ordinance for an owner of real property to obtain documentation that a property is in compliance with Section 4291 of the Public Resources Code or a local vegetation management ordinance, and if a state or local agency, or other government entity, or other qualified nonprofit entity, provides an inspection with documentation for the jurisdiction in which the property is located, the seller shall provide the buyer with the documentation obtained in the six -month period preceding the date the seller enters into a transaction to sell that real property and provide information on the local agency from which a copy of that documentation may be obtained.

If the seller has not obtained documentation of compliance, the seller and the buyer shall enter into a written agreement pursuant to which the buyer agrees to obtain documentation of compliance with Section 4291 of the Public Resources Code or local vegetation management ordinance within one year of the close of escrow date.

#### VERY HIGH FIRE HAZARD SEVERITY ZONE

The California Legislature has declared that space and structure defensibility is essential to diligent fire prevention. Further, the Director of Forestry and Fire Protection has identified Very High Fire Hazard Severity Zones in Local Responsibility Areas based on consistent statewide criteria, and based on the severity of fire hazard that is expected to prevail in those areas. Determining information includes, but is not limited to: Fuel loading, terrain (slope), fire weather conditions and other relevant factors.

Source(s) of data: California Government Code Section 51178 and 51179

				Department					

\_\_\_\_IS \_\_\_\_X IS NOT located in a VERY HIGH FIRE HAZARD SEVERITY ZONE



**Property Address:** 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164 Date: 1/5/2024

Order Number: 240105-00073

#### WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS / STATE RESPONSIBILITY **AREA**

The California Department of Forestry and Fire Protection designates State Responsibility Areas (SRA) and bears the primary financial responsibility for the prevention and/or suppression of fires in these areas. A seller of real property located within a SRA must disclose the fact that there may be a forest fire risk and hazard on the property, and the fact that the property owner may be subject to the imposition of fire mitigation measures as set forth in Public Resources Code Section 4291.

Source(s) of data: California Public Resources Code Section 4125

Based on a review of the official map(s) issued by the California Department of Forestry and Fire Protection, the subject Property:

X IS NOT located in a State Responsibility Area \_IS

#### ALQUIST-PRIOLO EARTHQUAKE FAULT ZONE

Earthquake Fault Zone maps are delineated and compiled by the California State Geologist pursuant to the Alquist-Priolo Earthquake Fault Zoning Act. During an earthquake, structures located directly over fault zones (surface fault traces) could sustain damage as a result of a seismic event resulting from ground fault rupture (surface cracking). For the purposes of this report, an Earthquake Fault Zone is generally defined as an area approximately 1/4 mile in total width (1,320 feet) located along a known active earthquake fault. An "active" fault as defined by the State of California, Department of Conservation, Division of Mines and Geology is an earthquake fault that has produced ground surface displacement (ground surface rupture) within the last eleven thousand years.

Source(s) of data: California Public Resources Code Section 2622

Based on a review of the official map(s) issued by the California Department of Conservation, Division of Mines and Geology, the subject Property:

X IS NOT located in an Alquist-Priolo Fault Zone



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Order Number: 240105-00073

Date: 1/5/2024

#### **SEISMIC HAZARD ZONE**

The intent of the Seismic Hazards Mapping Act of 1990 is to provide for a statewide seismic hazard mapping and technical advisory program to assist cities and counties in fulfilling their responsibilities for protecting the public health and safety from the effects of strong ground shaking, liquefaction (failure of water-saturated soil), landslides and other seismic hazards caused by earthquakes. Under this act, The California Department of Conservation is mandated to identify and map the state's most prominent earthquake hazards. Information produced by these maps is utilized (in part) by cities and counties to regulate future development. Development/Construction permits may be withheld until adequate geologic or soils investigations are conducted for specific sites, and mitigation measures are incorporated into development plans.

Seismic Hazard Zone maps delineate areas subject to earthquake hazards. New development in a Seismic Hazard Zone is only permitted if it can be shown that mitigation makes the site acceptably safe. Maps are only available for limited areas now, but will eventually cover all of California.

Earthquake-Induced Landslide Hazard Zones are areas where there has been a recent landslide, or where the local slope, geological, geotechnical, and ground moisture conditions indicate a potential for landslides as a result of earthquake shaking. Landslides zones are described as areas in which masses of rock, soil or debris have been displaced down slope by flowing, sliding or falling. The severity of a landslide depends on the underlying geology, slope and soil in the area.

Liquefaction Hazard Zones are areas where there is a potential for, or an historic occurrence of liquefaction. Liquefaction is a liquid-like condition of soil which sometimes occurs during strong earthquake shaking where the groundwater is shallow and soils are loose and granular (sands for example). These factors can combine to produce liquefaction in localized areas. When liquefaction occurs the soil temporarily becomes liquid-like and structures may settle unevenly. This condition can cause lateral spreading of level ground, and ground failure and sliding on slopes. Liquefaction can cause structural damage under certain geologic conditions. The type of sedimentary deposit, penetration resistance, and depth to ground water are the key factors that govern an area's susceptibility to liquefaction.

Source(s) of data: California Public Resources Code Section 2696

Based on a review of the official map(s) issued by the California Department of Conservation, Division of Mines and Geology, the subject Property:				
IS	X IS NOT	located in a Landslide Hazard Zone	_ Map not released by state	
IS	X IS NOT	located in a Liquefaction Hazard Zone	_ Map not released by state	

GOVERNMENTAL GUIDES: "HOMEOWNER'S [COMMERCIAL PROPERTY OWNER'S] GUIDE TO EARTHQUAKE SAFETY" PUBLISHED BY THE CALIFORNIA SEISMIC SAFETY COMMISSION CONTAINING IMPORTANT INFORMATION REGARDING EARTHQUAKE AND GEOLOGIC HAZARDS. THEY ARE AVAILABLE FOR DOWNLOAD AT <u>HTTPS://WWW.DISCLOSURESOURCE.COM/DOWNLOADS QUAKE.ASPX</u>



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

**Date:** 1/5/2024 **Order Number:** 240105-00073

# LOCAL/SUPPLEMENTAL NATURAL HAZARD DISCLOSURES

Disclosure Source has obtained maps that are both official and publicly available from city, county, and state sources which supplement the statutory natural hazard information. The company has only reviewed maps that are available in a usable format and at an appropriate scale to delineate where hazards may exist on a single parcel basis. Disclosure Source recommends that the buyer contact the local building and planning departments to help ascertain what, if any, special requirements there might be for construction or renovation, and building code requirements for this property. The foregoing statement should be considered a part of the Disclaimers of this Disclosure Report and those Disclaimers apply to this Statement. Please refer to them for further information.

## SUPPLEMENTAL FLOOD HAZARD ZONE

Supplemental flood zones include information in addition to, or different from, the areas mapped on Flood Insurance Rate Maps by the Federal Emergency Management Agency or Dam Inundation zones as reported by the California State Office of Emergency Services. These can include tsunamis, seiches (inland lake tsunamis), runoff hazards, historical flood data and additional dike failure hazards.
If a portion or all of the property is located within one of these hazard areas, the lending institution may require flood insurance. Disclosure Source recommends that the buyer: 1) contact the lending institution to ascertain any additional requirements for flood insurance, 2) contact the insurance company to ascertain the availability and cost of the flood insurance.
Based on the maps obtained, the subject Property:
IS
ADDITIONAL INFORMATION: NONE
SUPPLEMENTAL FIRE HAZARD ZONE
Local agencies may, at their discretion, include or exclude certain areas from the requirements of California Government Code Section 51182 (imposition of fire prevention measures on property owners), following a finding supported by substantial evidence in the record that the requirements of Section 51182 either are, or are not adequate or necessary for effective fire protection within the area. Any additions to these maps that the company has been able to identify and substantiate are included in this search.
There may be maps of other substantial fire hazards such as brush fires that are not subject to Section 51182. Disclosure Source has included these maps in this search.
Fire hazard zones listed here, if any, are areas which contain the condition and type of topography, weather, vegetation and structure density to increase the susceptibility to fires. In these areas, the City or County may impose strategies to enforce fire mitigation measures, including fire or fuel breaks, brush clearance, and fuel load management measures. For example, emphasis on roof type and fire-resistive materials may be necessary for new construction or roof replacement. In addition, other fire defense improvements may be demanded, including special weed abatement, brush management, and minimum clearance around structures. In most cases, if a property is in a Fire Hazard Area, insurance rates may be affected.
Based on the maps obtained, the subject Property:
IS

ADDITIONAL INFORMATION:

NONE



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Date: 1/5/2024 Order Number: 240105-00073

## SUPPLEMENTAL EARTHQUAKE FAULT HAZARD ZONE

Many local jurisdictions have different or higher standards than the State for the identification of earthquake faults. Those jurisdictions have created their own maps which indicate active or potentially active faults according to those standards.

Many cities and counties require geologic studies before any significant construction if a property is in or near an earthquake fault zone known to them and certain types of construction may be restricted in these areas. Disclosure Source has included official and publicly available maps indicating earthquake faults known by those jurisdictions. In some cases the company has used the description of an Earthquake Fault Zone established by the Alquist -Priole Earthquake Fault Zone Act of approximately 1,320 feet wide to define a supplemental Fault Hazard Zone.
Based on the maps obtained, the subject Property:
IS
ADDITIONAL INFORMATION: NONE
SUPPLEMENTAL SEISMIC/GEOLOGIC HAZARD ZONE
The California Division of Mines and Geology (DMG) has not completed the project assigned by Section 2696 of the California Public Resources Code to identify areas of potential seismic hazard within the State of California. The DMG and the US Geologic Survey (USGS) have performed many valuable studies that supplement the Section 2696 maps and fill in many missing areas. These maps are included in this search. Also included in this search are maps that indicate many hazards that may or may not be seismically related, including, but not limited to, liquefaction, landslides, debris flows, mudslides, coastal cliff instability, volcanic hazards and avalanches. A number of various geologic factors may influence the types of geologic hazards present: rainfall amounts, removal of vegetation, erosion, seismic activity, or even human activity. The severity of a geologic hazard depends on the underlying geology, slope, proximity to earthquake faults, and soil type in the area. Many cities and counties require geologic studies before any significant construction if a property is in or near a geologic hazard known to them and certain types of construction may be prohibited.
Based on the maps obtained, the subject Property:
IS
ADDITIONAL INFORMATION:

NONE



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## ADDITIONAL DISCLOSURES

#### **COMMERCIAL / INDUSTRIAL ZONING**

Pursuant to California Civil Code Section §1102.17, the seller of residential real property subject to this article who has actual knowledge that the property is adjacent to, or zoned to allow, an industrial use described in Section 731a of the Code of Civil Procedure, or affected by a nuisance created by such a use, shall give written notice of that knowledge as soon as practicable before transfer of title

Shall give written holice of that knowledge as soon as practicable before transfer of title.
"Whenever any city, city and county, or county shall have established zones or districts under authority of law wherein certain manufacturing or commercial or airport uses are expressly permitted, except in an action to abate a public nuisance brought in the name of the people of the State of California, no person or persons, firm or corporation shall be enjoined or restrained by the injunctive process from the reasonable and necessary operation in any such industrial or commercial zone or airport of any use expressly permitted therein, nor shall such use be deemed a nuisance without evidence of the employment of unnecessary and injurious methods of operation. Nothing in this act shall be deemed to apply to the regulation and working hours of canneries, fertilizing plants, refineries and other similar establishments whose operation produce offensive odors." California Code of Civil Procedure Section §731a.
Based on the county tax assessment rolls, the subject Property:
X IS IS NOT located within one mile of a property zoned for commercial or industrial use.
AIRPORT INFLUENCE AREA
Section 1103.4 of the California Civil Code requires notice if a property is encompassed within an airport influence area. According to Section 11010 of the Business and Professions Code, an airport influence area is defined as "an area in which current or future airport related noise, overflight, safety of airspace protection factors may significantly affect land uses or necessitate restrictions on those uses." Disclosure Source has utilized publicly available airport influence area maps from county Airport Land Use Commissions (ALUC). Airport influence area maps can be found within a county Airport Land Use Comprehensive Plan, available to the public through most county planning departments. Some airports have not published influence area maps and the property may still be subject to some of the annoyances or inconveniences associated with proximity to airport operations. Airports physically located outside California were not included in this report.
According to airport influence maps available, the subject Property:
IS IS NOT
If the subject property is located in an airport influence area, the following statement applies - NOTICE OF AIRPORT IN VICINITY This property is presently located in the vicinity of an airport within what is known as an airport influence area. For that reason, the property may be subject to some of the

located in the vicinity of an airport, within what is known as an airport influence area. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyances, if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you.

## **AIRPORT PROXIMITY**

Aircraft landing facilities listed herein, if any, consists of those owned by the United States Federal Government (Military aviation), public and privately owned civil and commercial aviation facilities. Private landing facilities (restricted public access), glider ports, facilities that have not been assigned a current location identifier by the Federal Aviation Administration (FAA), and airports physically located outside California were not included in this report.

While a property may not be within a defined airport influence area or within several miles of an aircraft landing facility, it may still be exposed to the nuisances related to such uses. No finding or opinion is expressed or implied in this report regarding the take -off and landing patterns utilized by airports, the noise levels experienced at the subject property as a result thereof, or the impact of any planned or approved airport expansion projects or modifications.

Note: This information does not relieve the sellers' duty to disclose, in writing, their actual knowledge that the property is adjacent to, or zoned to allow an industrial use described in Section 731a of the Code of Civil Procedure, including airport uses, or that is affected by a nuisance created by such a use.

According to information available from the FAA the company reports the following aircraft landing facilities within two miles of the subject Property. The calculated distance can be dependent upon the size of the airport influence area, if any.

**FACILITY NAME** DISTANCE FAA ID# **TYPE** ZAMPERINI FIELD **AIRPORT** 1.85 MILES TOA **TORRANCE AIRPORT 1.94 MILES** TOA

For further information regarding any of the aircraft landing facilities identified in this report, please contact the following agency: Western Pacific Region Airports Division, 15000 Aviation Blvd, #3012, Lawndale, CA 90261, (310) 725-3600

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#### **RIGHT TO FARM**

California Civil Code section 1103.4 requires notice if a property is presently located within one mile of a parcel of real property designated as "Prime Farmland," "Farmland of Statewide Importance." "Unique Farmland," "Farmland of Local Importance," or "Grazing Land" on the most current county-level GIS "Important Farmland Map" issued by the California Department of Conservation, Division of Land Resource Protection, and if so, accompanied by the following notice:

NOTICE OF RIGHT TO FARM This property is located within one mile of a farm or ranch land designated on the current county-level GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconveniences or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to, noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers, pesticides, and herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted customs and standards pursuant to Section 3482.5 of the Civil Code or any pertinent local ordinance.

According to the current county-level GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection, the subject Property:

\_\_\_ IS \_\_\_\_ IS NOT located within one mile of a farm or ranch land.

#### MINING OPERATIONS

The California Department of Conservation, Office of Mine Reclamation, maintains a database of map coordinate data submitted annually by mine operators in the State. Section 1103.4 of the California Civil Code requires notice if a property is within one mile of a mine operation for which the mine owner or operator has reported map coordinate data to the Office of Mine Reclamation, pursuant to Section 2207 of the Public Resources Code. (Note: Not all mine operators have provided map coordinate data to the Office of Mine Reclamation)

According to the database maintained by the California Department of Conservation, Office of Mine Reclamation, the subject Property;

\_\_IS \_\_X\_IS NOT located within one mile of a mine operation.

If the subject Property is within one mile of a mine, the following statement applies - NOTICE OF MINING OPERATIONS:

This property is located within one mile of a mine operation for which the mine owner or operator has reported mine location data to the Department of Conservation pursuant to Section 2207 of the Public Resources Code. Accordingly, the property may be subject to inconveniences resulting from mining operations. You may wish to consider the impacts of these practices before you complete your transaction.

In addition to active mines, California's landscape contains tens of thousands of abandoned mine sites. Many of these mines were immediately abandoned when insufficient minerals were found or when poor economics of the commodity made mining unprofitable. It is estimated that the majority of abandoned mines possess serious physical safety hazards, such as open shafts or adits (mine tunnel), while many others pose environmental hazards. Thousands of sites have the potential to contaminate surface water, groundwater, or air quality. Some are such massive problems as to earn a spot on the Federal Superfund list.

Maps and information on abandoned mines are available at the California Department of Conservation, Office of Mine Reclamation <a href="https://www.conservation.ca.gov/dmr/abandoned\_mine\_lands">https://www.conservation.ca.gov/dmr/abandoned\_mine\_lands</a>. The State of California, Department of Conservation makes no warranty, express or implied, as to the accuracy of these data or the suitability of the data for any particular use. Distribution of these data is intended for informational purposes and should not be considered authoritative or relied upon for navigation, engineering, legal, or other site-specific uses, including but not limited to the obligations of sellers of real property and their disclosure obligations under California law.

Parties with concerns about the existence or impact of abandoned mines in the vicinity of the property should contact the State Office of Mine Reclamation at: <a href="https://www.conservation.ca.gov/DMR">https://www.conservation.ca.gov/DMR</a> and/or the local Engineering, Planning or Building Departments in the county where the property is located.



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## TAX INFORMATION

#### NOTICE OF SPECIAL TAX AND ASSESSMENT

TO THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY SHOWN ABOVE. THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY. YOU SHOULD TAKE THESE TAXES AND ASSESSMENTS, IF ANY, AND THE BENEFITS FROM THE PUBLIC FACILITIES AND SERVICES FOR WHICH THEY PAY INTO ACCOUNT IN DECIDING WHETHER TO BUY THIS PROPERTY. YOU MAY OBTAIN A COPY OF THE RESOLUTION OF FORMATION THAT AUTHORIZED CREATION OF THE COMMUNITY FACILITIES DISTRICT, AND THAT SPECIFIES MORE PRECISELY HOW THE SPECIAL TAX AND ASSESSMENTS ARE APPORTIONED AMONG PROPERTIES IN THE ASSESSEMENT DISTRICT AND HOW THE PROCEEDS OF THE TAX WILL BE USED, BY CALLING THE CONTACT NAME AND NUMBER LISTED BELOW. THERE MAY BE A CHARGE FOR THIS DOCUMENT NOT TO EXCEED THE ESTIMATED REASONABLE COST OF PROVIDING THE DOCUMENT. YOU MAY TERMINATE THE CONTRACT TO PURCHASE OR DEPOSIT RECEIPT AFTER RECEIVING THIS NOTICE FROM THE OWNER OR AGENT SELLING THE PROPERTY. THE CONTRACT MAY BE TERMINATED WITHIN THREE DAYS IF THE NOTICE WAS RECEIVED IN PERSON OR WITHIN FIVE DAYS AFTER IT WAS DEPOSITED IN THE MAIL BY GIVING WRITTEN NOTICE OF THAT TERMINATION TO THE OWNER OR AGENT SELLING THE PROPERTY.

If Mello-Roos Community Facilities Special Tax Liens or Improvement Bond Act of 1915 Lien Assessments are not paid on time, the issuer has the right to initiate foreclosure proceedings on the property and it may be sold to satisfy the obligation. By statute, the special tax lien is made superior in priority to private liens such as mortgages and deeds of trust, even if the aforementioned preceded the creation of the assessment. Unlike property tax sales initiated by a County Tax Collector (which require a five year waiting period) special tax lien foreclosure may be initiated quickly if payments become delinquent. This can occur as soon as a few months after a property tax bill becomes delinquent.

The annual assessment installment against this property as shown on the tax bill for the 2023-2024 tax year is listed below. Assessment installments will be collected each year until the assessment bonds are repaid. The authorized facilities that are being paid for by the special taxes, and by the money received from the sale of bonds that are being repaid by the special taxes are summarized below. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

#### **Mello-Roos Community Facilities Districts**

Mello-Roos Community Facilities Districts ("CFD") provide a method of financing certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. Public improvements and services funded by Mello-Roos districts may include, but are not limited to police and fire protection services, roads, new school construction, backbone infrastructure improvements, new or expanded water and sewer systems, recreation program services and flood or storm protection services. When construction of facilities is involved, in most cases, the money required to provide initial funding for the improvements is obtained through the issuance of municipal bonds. A special tax lien is placed on each property within the district for the annual payment of principal and interest as well as administrative expenses. The annual special tax continues until the bond is paid, or until revenues are no longer needed. Mello-Roos tax amounts may vary (increase), or the term of the payments may be extended, especially if additional bonds are issued. These special taxes are usually collected with regular property tax installments.

If this property is subject to the Mello-Roos CFD(s) lien(s) listed below, it is subject to a special tax that will appear on your property tax bill that is in addition to the regular property taxes and any other charges and benefit assessments on the parcel. This special tax is not necessarily imposed on all parcels within the city or county where the property is located. If you fail to pay this tax when due each year, the property may be foreclosed upon and sold. The tax is used to provide public facilities and/or services that are likely to particularly benefit the property.

There is a maximum special tax that may be levied against this parcel each year to pay for public facilities. This amount may be subject to increase each year based on the special tax escalator listed below (if applicable). The annual tax charged in any given year may not exceed the maximum tax amount. However, the maximum tax may increase if the property use changes, or if the home or structure size is enlarged. The special tax will be levied each year until all of the authorized facilities are built and all special tax bonds are repaid. If additional bonds are issued, the estimated end date of the special tax may be extended

THIS PROPERTY IS NOT CURRENTLY SUBJECT TO MELLO-ROOS COMMUNITY FACILITIES SPECIAL TAX LIEN(S).



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#### Improvement Bond Act of 1915 Assessments Districts

Improvement Bond Act of 1915 Assessments Districts provide a method of financing certain public capital improvements and infrastructures including, but not limited to, roads, sewer, water and storm drain systems, and street lighting. The money required to fund the improvement is obtained in advance through the issuance of municipal bonds pursuant to the Improvement Bond Act of 1915. A special assessment lien is placed on the property within the Assessment District. The lien amount is calculated according to the specific benefit that an individual property receives from the improvement (s) and is amortized over a period of years. Improvement Bond Act of 1915 Lien Assessments can be prepaid at any time. In most instances but not all, the assessment is placed on the secured tax roll and is collected with your annual county real property taxes.

If this property is subject to the Improvement Bond Act of 1915 Lien Assessment(s) listed below, the lien(s) will be repaid from annual assessment installments levied by the assessment district that will appear on the property tax bill, but which are in addition to the regular property taxes and any other charges and levies that will be listed on the property tax bills. Each assessment district has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within that assessment district.

## THIS PROPERTY IS NOT CURRENTLY SUBJECT TO IMPROVEMENT BOND ACT OF 1915 LIEN ASSESSMENT(S).

#### Property Assessed Clean Energy (PACE) Programs

California legislature enables local governments to help property owners finance the acquisition, installation, and improvement of energy efficiency, water conservation, wildfire safety improvements as defined in Section 5899.4 of the Streets and Highways Code, and renewable energy projects through PACE programs. Owners of residential and commercial properties within a PACE participating district can finance 100% of their project and pay it back over time as a property tax assessment through their property tax bill, which is delivered and collected by the County. The tax bill will have a line item titled with the name of the PACE program. Payments on the assessment contract will be made through an additional annual assessment on the property and paid either directly to the county tax collector's office as part of the total annual secured property tax bill, or through the property owner's mortgage impound account. If the property owner pays his or her taxes through an impound account he or she should notify their mortgage lender to discuss adjusting his or her monthly mortgage payment by the estimated monthly cost of the PACE assessment. Under the PACE programs, if the property is sold before the PACE financing is paid in full, the remaining payments may be passed on to the new property owner. However, a lender may require the property owner to pay off the remaining balance when the property is sold or refinanced. The remaining debt may affect the amount a new buyer can borrow when financing the property purchase. It is the responsibility of the property owner to contact the property owner's home insurance provider to determine whether the efficiency improvement to be financed by the PACE assessment is covered by the property owner's insurance plan. For more information on the PACE financing programs, go to: https://dfpi.ca.gov/pace-program-administrators/pace/

THIS PROPERTY IS NOT PARTICIPATING IN A PACE PROGRAM

Phone: 800-880-9123



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#### **TAX SUMMARY**

ANNUAL TAXES, LIENS, AND ASSESSMENTS CURRENTLY LEVIED AGAINST THE PROPERTY AND INCLUDED ON THE TAX BILL

**Basic Property Taxes:** 

 Agency / Contact
 District / Benefit
 Levy Amount

 County of Los Angeles
 Combined Ad Valorem Tax Charges
 \$5763.34

County of Los Angeles (213) 974-2111 General

## Voter Approved Taxes:

NONE

# Mello-Roos Community Facilities Special Tax Lien(s):

NONE

#### Improvement Bond Act of 1915 Lien Assessment(s):

NONE

217-6000

#### Other Direct Assessments:

Agency / Contact Los Angeles County Sanitation District Los Angeles County Sanitation District (562) 908-4288	District / Benefit County Sanitation District No. 5 Water & Sewer Service	<b>Levy Amount</b> \$131.25
County of Los Angeles County of Los Angeles (213) 974-2111	Los Angeles County Trauma and Emergency Services Health	\$50.00
County of Los Angeles County of Los Angeles (213) 974-2111	Safe Clean Water Program Funding (Measure W) Safe Clean Water Program	\$33.36
City of Torrance City of Torrance (310) 328-5310	Landscape District No. 99-1 Landscape Maintenance	\$20.50
Los Angeles County Regional Park and Open Space District	Special Tax (Measure A)  Park and Recreation Maintenance	\$18.10
Los Angeles County Regional Park and Open Space District (213) 738-2983	Park and Recreation Maintenance	
County of Los Angeles County of Los Angeles (213) 974-2111	Mosquito Abatement District Vector Control	\$13.95
County of Los Angeles County of Los Angeles (213) 974-2111	Flood Control Flood Control	\$13.29
Metropolitan Water District of Southern California  Metropolitan Water District of Southern California (213)	District No. 11 Standby Charge Water Availability	\$12.22



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#### **PROPERTY TAX DESCRIPTIONS**

#### **Basic Property Taxes**

The Basic Levy is the primary property tax charge levied by the County on behalf of government agencies. As a result of the passage of Proposition 13 in 1978 (Article XIIIA of the California State Constitution), the basic levy is limited to one percent (1%) of the property's net assessed value. Proceeds from this tax are divided by the County and used to help fund nearly every function the state, county, city and other local municipal agencies provide. All other charges that appear on the tax bill vary by district and county.

#### Voter Approved Taxes

Voter Approved Debt are taxes levied on a parcel that is calculated based on the assessed value of the parcel. Taxes may include those taxes that were approved by voters before the passage of Proposition 13 in 1978, General Obligation Bonds or Special Taxes that are based on assessed value as opposed to some other method. Taxes that were established before 1978 may be used for various services and improvements and may or may not be associated with public indebtedness (the issuance of municipal bonds). A General Obligation Bond is a municipal bond that may be issued by a city, county or school district in order to finance the acquisition and construction of public capital facilities and real property. Equipment purchases and the cost of operation and maintenance cannot be financed with a General Obligation Bond. Special Taxes are created pursuant to various California Code Sections and require 2/3 majority approval of the qualified voters for approval. A special tax may be formed by a local government (a city, county, special district, etc) in order to finance specific facilities and/or services and cannot be used for general purposes.

#### Other Direct Assessments

In addition to the items discussed in the previous sections, real property may be subject to Other Direct Assessments. These assessments may appear on the annual property tax bill. Increases or modifications to these assessments are subject to public notice/hearing requirements (as governed by law) and require a vote by the legal property owners or the registered voters in the area. Additional information is available by contacting the agency actually levying the assessment.



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## SUPPLEMENTAL TAX ESTIMATOR

This worksheet is provided for you as a convenience to allow you to **estimate** the potential supplemental property tax amount on a given property and whether you will receive one or two Supplemental Tax Bills. Depending on the date your escrow closes you will receive either one or two Supplemental Tax Bills which are in addition to your regular annual secured property taxes and must be paid separately. **Supplemental Tax Bills are not paid in escrow and are not impounded by your mortgage lender**. This worksheet is an estimate and is for your planning purposes only. This Supplemental Tax amount estimate is based on the 2023-2024 secured roll valuation and does not take into account other transactions that may have occurred and will impact the future assessed

#### Adobe Reader is suggested for interactive features

	Supplemental Tax Estimator	
	Input the Purchase Price of the Property	
-	Current Assessed Value	\$ 519,180.00
=	Taxable Supplemental Assessed Value	
Х	Tax Rate	1.11%
=	Estimated Full-Year Supplemental Tax Amount	

Jan - May Close of Escrow - Complete This Section			
	Computation Factor for Month of Close (See Table Below)		
Х	Estimated Full-Year Supplemental Tax Amount (Computed Above)		
=	Supplemental Tax Bill #1 Amount		
+	Supplemental Tax Bill #2 Amount = Estimated Full-Year Supplemental Tax Amount		
=	Estimated Supplemental Tax Amount		

Jun - Dec Close of Escrow - Complete This Section		
	Computation Factor for Month of Close (See Table Below)	
Х	Estimated Full-Year Supplemental Tax Amount (Computed Above)	
=	Supplemental Tax Bill Amount	

	Computation Factors		
Month	Factor		
January	0.4167		
February	0.3333		
March	0.2500		
April	0.1667		
Мау	0.0833		
June	1.0000		

Month	Factor
July	0.9167
August	0.8333
September	0.7500
October	0.6667
November	0.5833
December	0.5000



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TORRANCE, CA 90503-6082 Order Number: 240105-00073

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## **PROPERTY TAX ESTIMATOR**

The total tax charges listed on the previous pages provide an accurate portrayal of what the property tax charges were for the 2023-2024 tax year at the current assessed value. California law requires the Assessor re-calculate or re-assess the value of real property when it is sold, subdivided or upon the completion of new construction. In coming years, the Ad Valorem (or value based) property tax charges will be assessed based on this new assessed value. It is possible to calculate an **estimate** of what those charges will be using the property tax estimator provided below:

#### Adobe Reader is suggested for interactive features

Property Tax Estimator			
	Purchase Price of Property		
Х	Ad Valorem Tax Rate	1.11%	
=	Ad Valorem Tax Amount		
+	Total Direct Assessments	\$ 292.67	
=	Total Estimated Taxes		



4/0 4= 4/0 Mile

Phone: 800-880-9123

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**Date:** 1/5/2024 **Order Number:** 240105-00073

## **ENVIRONMENTAL INFORMATION**

#### **IDENTIFIED SITES WITH KNOWN OR POTENTIAL ENVIRONMENTAL CONCERNS**

The "Environmental Sites Summary" is divided into three categories: A, B, and C.

Category A: Sites listed with known environmental concerns/contamination. The locations of these sites are researched within a one (1) mile radius of the subject property.

Category B: Sites possessing the potential to release hazardous substances into the environment. These facilities are permitted to generate, treat, store, or dispose of hazardous substances. Locations of these sites are researched within a one-half (1/2) mile radius of the subject property.

Category C: Sites that have Underground Storage Tanks (UST) registered with the appropriate agencies. The locations of these sites are researched within one-eight (1/8) mile radius of the subject property.

11: 4: 4/0 Mile

ENVIRONMENTAL SITES SUMMARY	Up to 1/8 Mile	1/8 to 1/2 Mile	1/2 to 1 Mile
CATEGORY A: SITES WITH KNOWN ENVIRONMENTAL CONCERNS			
U.S. EPA National Priority / Superfund List (NPL)	0	0	0
■ Hazardous Waste Sites with Corrective Action (CORRACTS)	0	0	5
State Priority List (SPL)	0	0	12
CATEGORY B: SITES WITH POTENTIAL ENVIRONMENTAL CONCERNS			
Treatment, Storage, Disposal and Generators (TSDG)	0	9	
Comprehensive Environmental Response,     Compensation, and Liability Information System (CERCLIS)	0	0	
No Further Remedial Action Planned (NFRAP)	0	0	
Leaking Underground Storage Tanks (LUST)	0	4	
Solid Waste Landfills, Tire Disposal Centers, or Transfer Stations (SWLF)	0	6	
CATEGORY C: SITES WITH REGISTERED UNDERGROUND STORAGE TANKS			
▲ Registered Underground Storage tank(s) (UST)	0		



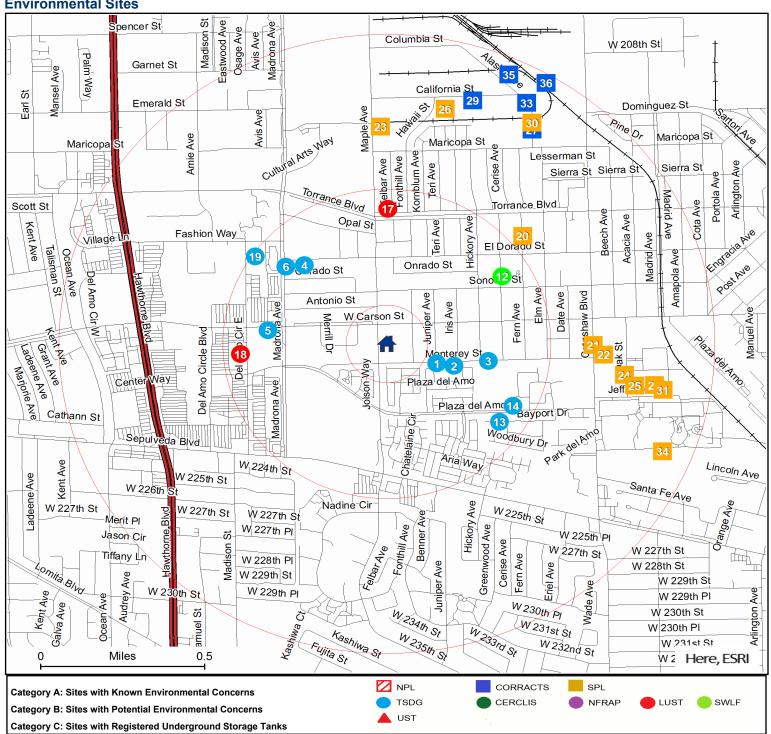
**Property Address:** 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164 Date: 1/5/2024

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## **Environmental Sites**



This map is for your aid in locating environmental hazard sites in relation to the subject property described above. Please verify street address and /or assessors' parcel number for accuracy. The map is intended for informational purposes only. The company assumes no liability (expressed or implied) for any loss occurring by reference, misinterpretation, misuse, or sole reliance thereon. Most sites are depicted by a point representing their approximate address location and make no attempt to represent the actual areas of the associated site. Some NPL sites are depicted by polygons approximating their location and size. The boundaries of the polygons may be different than the actual areas of these sites and may include contaminated areas outside of the listed site. A property may be affected by contamination or environmental hazards that have not been identified on any of the databases researched for this report.



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## Category A: SITES WITH KNOWN ENVIRONMENTAL CONCERNS

Refer to the pages following the site records for contact information and status definitions.

## NATIONAL PRIORITY LIST / SUPERFUND SITES (NPL)

NONE

HAZARDOUS WASTE SITES WITH CORRECTIVE ACTION (CORRACTS)

Record ID# 27 Distance/Direction: 0.82 miles NE

Site Name: TRIUMPH AEROSTRUCTURES LLC - TORRANCE SITE

Address: 640 ALASKA AVENUE

TORRANCE, CA 0

Status: CORRECTIVE ACTION REQUIRED

Record ID# 29 Distance/Direction: 0.83 miles N

Site Name: UPJOHN COMPANY CPR DIVISION

Address: 555 ALASKA AVENUE

TORRANCE, CA 90503

Status: CORRECTIVE ACTION REQUIRED

Record ID# 33 Distance/Direction: 0.89 miles NE

Site Name: UPJOHN COMPANY CPR DIVISION

Address: 555 ALASKA AVENUE

TORRANCE, CA 90503

Status: CORRECTIVE ACTION REQUIRED

Record ID# 35 Distance/Direction: 0.95 miles NE

Site Name: UPJOHN COMPANY CPR DIVISION

Address: 555 ALASKA AVENUE

TORRANCE, CA 90503

Status: CORRECTIVE ACTION REQUIRED

Record ID# 36 Distance/Direction: 0.97 miles NE

Site Name: P P G INDUSTRIES INC Address: 465 CRENSHAW BLVD

TORRANCE, CA 90503

Status: CORRECTIVE ACTION REQUIRED

STATE PRIORITY LIST SITES (SPL)

Record ID# 20 Distance/Direction: 0.54 miles NE

Site Name: FERN ELEMENTARY SCHOOL
Address: 1314 FERN AVENUE

TORRANCE, CA 90501

TORRANCE, CA 90501

Status: NO FURTHER ACTION

Record ID# 21 Distance/Direction: 0.63 miles E

Site Name: M/A-COM PHI

Address: 1742 CRENSHAW BOULEVARD

TORRANCE, CA 90501

Status: REFER: OTHER AGENCY

Record ID# 22 Distance/Direction: 0.66 miles E

Site Name: PLASMA TECHNOLOGY, INC. Address: 1754 CRENSHAW BLVD.

TORRANCE, CA 90501

Status: NO FURTHER ACTION

Record ID# 23 Distance/Direction: 0.7 miles N

Site Name: SPERRY REMINGTON - UNIVAC Address: 610 SOUTH MAPLE AVENUE

TORRANCE, CA 90503

Status: REFER: OTHER AGENCY



Distance/Direction: 0.73 miles E

Distance/Direction: 0.77 miles E

Distance/Direction: 0.78 miles N

Distance/Direction: 0.83 miles E

Distance/Direction: 0.84 miles NE

Distance/Direction: 0.89 miles NE

Distance/Direction: 0.91 miles E

Distance/Direction: 0.22 miles F

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Record ID#

FOUNDRY SERVICE & SUPPLIES

Site Name: Address:

1906 OAK STREET

TORRANCE, CA 90501

Record ID#

REFER: OTHER AGENCY

Site Name:

Status:

STANDARD PACIFIC HOMES

Address:

1780-1922 OAK ST., 2367 JEFFERSON ST.

TORRANCE, CA 90501

Status:

REFER: 1248 LOCAL AGENCY

Record ID# Site Name:

NORTHROP CORP/AIRCRAFT DIV

Address:

540 HAWAII AVE

TORRANCE, CA 90250

Status:

NO ACTION REQUIRED

Record ID# Site Name:

Address:

MARTIN BRASS FOUNDRY

2341 JEFFERSON STREET

26

TORRANCE, CA 90501

Status:

**REFER: 1248 LOCAL AGENCY** 

Record ID#

**VOUGHT AIRCRAFT INDUSTRIES INC** 

COMMONWEALTH ALUMINUM (FORMER)

Site Name: Address:

640 ALASKA AVENUE

TORRANCE, CA 90503

Status:

**ACTIVE** 

Record ID#

Distance/Direction: 0.86 miles E

Site Name: Address:

2303 JEFFERSON ST.

TORRANCE, CA 90501

REFER: 1248 LOCAL AGENCY Status:

Record ID#

Site Name:

UPJOHN COMPANY CPR DIVISION

Address:

555 ALASKA AVENUE

Status:

TORRANCE, CA 90503 NO ACTION REQUIRED

Record ID#

MAT REDIS & DISP CEN

Site Name: Address:

TORRANCE, CA 0

Status:

**INACTIVE - NEEDS EVALUATION** 

## Category B: SITES WITH POTENTIAL ENVIRONMENTAL CONCERNS

Refer to the pages following the site records for contact information and status definitions.

TREATMENT, STORAGE, DISPOSAL AND GENERATORS SITES (TSDG) Record ID# Distance/Direction: 0.17 miles SE

Site Name:

SANTA FE ENERGY CO TORRANCE 2850 MONTEREY ST

TORRANCE, CA 90503

Site Name: SANTA FE ENERGY CO TORRANCE

Address:

Record ID#

Address:

2850 MONTEREY ST

TORRANCE, CA 90503

Phone: 800-880-9123



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Record ID# 3

**BCT** 

Site Name: Address:

2730 MONTEREY ST TORRANCE, CA 90503

Record ID#

Site Name: MONTGOMERY WARD Address: 21405 SO MADRONA AVE TORRANCE, CA 90503

MONTGOMERY WARD

2741 PLAZA DEL AMO

TORRANCE, CA 90503

QUALITY LITHOGRAPHY

2711 PLAZA DELAMO N0503 TORRANCE, CA 90503

DEL AMO DIAGNOSTIC CTR

3531 FASHION WY TORRANCE, CA 90503

21405 SO MADRONA AVE TORRANCE, CA 90503

19

Record ID#

ALL AMERICAN SPORTS CLUB Site Name: 3550 CARSON BLVD 404 Address:

TORRANCE, CA 90503 Record ID#

Site Name:

Address:

Record ID# CV INTERNATIONAL INC Site Name:

Address:

Record ID#

Site Name: Address:

Record ID#

Site Name:

Address:

NONE

Address:

Status:

Record ID#

Site Name:

Address:

Status: Record ID#

Site Name: Address:

Status:

7359-023-164

Distance/Direction: 0.31 miles E

Distance/Direction: 0.36 miles NW

Distance/Direction: 0.37 miles W

Distance/Direction: 0.4 miles NW

Distance/Direction: 0.43 miles SE

Distance/Direction: 0.43 miles SE

Distance/Direction: 0.49 miles NW

COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY INFORMATION SYSTEM SITES (CERCLIS)

#### NO FURTHER REMEDIAL ACTION PLANNED SITES (NFRAP)

LEAKING UNDERGROUND STORAGE TANK SITES (LUST)

Distance/Direction: 0.44 miles N

TRICO INDUSTRIES (FORMER) - W 196TH Site Name: 1206 WEST 196TH ST

TORRANCE, CA 90502

**OPEN - SITE ASSESSMENT** 

Distance/Direction: 0.44 miles N Record ID#

MIGHTY USA/FORMER TRICO INDUSTRIES

19706 NORMANDIE AVE

TORRANCE, CA 90501 **OPEN - SITE ASSESSMENT** 

Distance/Direction: 0.44 miles N

AMOCO CHEMICAL CO. 1225 WEST 196TH ST.

TORRANCE, CA 90502 **OPEN - SITE ASSESSMENT** 



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Record ID# 18 Distance/Direction: 0.45 miles W

Site Name: FORMER DEL AMO DRY CLEANER
Address: 3550 W. CARSON ST SUITE 414

TORRANCE, CA 90503 OPEN - SITE ASSESSMENT

SOLID WASTE LANDFILLS, TIRE DISPOSAL CENTERS, OR TRANSFER STATIONS SITES (SWLF)

Record ID# 7 Distance/Direction: 0.41 miles NE

Site Name: AMERICAN STANDARD INC LF

Address: PO BOX 2922

Status:

TORRANCE, CA 99999

Status: CLEAN CLOSED

Record ID# 8 Distance/Direction: 0.41 miles NE

Site Name: ELSMERE CANYON LANDFILL

Address: SANTA CLARITA 1 MI E OF ANTELOP VAL FWY

TORRANCE, CA 99999

Status: PLANNED

Record ID# 9 Distance/Direction: 0.41 miles NE

Site Name: PACIFIC SMELTING Address: 2316 ABALONE

TORRANCE, CA 90503

Status: CLOSED

Record ID# 10 Distance/Direction: 0.41 miles NE

Site Name: TORRANCE MUNICIPAL DUMP Address: 20466-20500 MADRONA AVE.

TORRANCE, CA 90505

Status: CLOSED

Record ID# 11 Distance/Direction: 0.41 miles NE

Site Name: STANDARD OIL CO

Address: SEPULVEDA & HAWTHORNE

TORRANCE, CA 99999

Status: CLOSED

Record ID# 12 Distance/Direction: 0.41 miles NE

Site Name: GREEN HOG RANCH Address: 2000 E. BERYL

TORRANCE, CA 99999

Status: CLOSED

## Category C: SITES WITH REGISTERED UNDERGROUND STORAGE TANKS

Refer to the pages following the site records for contact information.

## REGISTERED UNDERGROUND STORAGE TANKS SITES (UST)

NONE



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#### **EXPLANATION OF DATABASES RESEARCHED**

The Explanation of Databases Researched identifies and provides details on the information sources used to create the report. It also defines the acronyms and certain environmental terminology used throughout the report.

Due to the limitations, constraints, inaccuracies and incompleteness of government information and computer mapping data currently available to Disclosure Source, certain conventions have been utilized in preparing the locations of all federal, state, and local agency sites. Most sites are depicted by a point representing their approximate address location and make no attempt to represent the actual areas of the associated site. Some NPL sites are depicted by polygons approximating their location and size. The boundaries of the polygons may be different than the actual areas of these sites and may include contaminated areas outside of the listed site. A property may be affected by contamination or environmental hazards that have not been identified on any of the databases researched for this report.

## Category A: Sites With Known Environmental Concerns

#### U.S. EPA National Priority/Superfund List (NPL)

The U.S. Environmental Protection Agency (EPA) maintains a list of sites that fall under the Superfund program. The Superfund program was designed to provide federal resources to assist in facilitating remediation of the United States most environmentally impacted sites (based on the severity of the substance problem identified). Any site identified in this database will require remedial action or a final investigation prior to being removed from the National Priority List.

Specific questions regarding these sites should be directed to the U.S. EPA. Regional office location: 75 Hawthorne Street, San Francisco, CA 94105. (866) 372-9378. To see detailed information on specific sites go to: <a href="https://www.epa.gov/superfund/superfund-national-priorities-list-npl">https://www.epa.gov/superfund/superfund-national-priorities-list-npl</a>.

#### Hazardous Waste Sites with Corrective Action (CORRACTS)

The Resource Conservation and Recovery Act Information (RCRAInfo) is a national program management and inventory system about hazardous waste handlers. In general, all generators, transporters, treaters, storers, and disposers of hazardous waste are required to provide information about their activities to regulatory environmental agencies. CORRACTS Sites on this list are facilities that have reported violations and are subject to corrective actions.

For further information contact The United States Environmental Protection Agency. Regional office location: 75 Hawthorne Street, San Francisco, CA 94105, (866) 372-9378 or visit: https://www.epa.gov/hw/learn-about-corrective-action.

#### State Priority List (SPL)

The California Department of Toxic Substances Control's (DTSC's) database EnviroStor, is an online search tool for identifying sites that are known to be contaminated with hazardous substances as well as sites where further studies may reveal problems. EnviroStor is used primarily by DTSC's staff as an informational tool to evaluate and track activities at sites that may have been affected by the release of hazardous substances. For the purpose of this section Disclosure Source includes sites listed in the Cleanup Sites program of EnviroStor.

For more information on a specific site contact: The California Department of Toxic Substances Control 1001 I Street Sacramento, CA 95814, (916) 323-3400 or visit: <a href="https://www.envirostor.dtsc.ca.gov/public/search.asp?basic=True">https://www.envirostor.dtsc.ca.gov/public/search.asp?basic=True</a>.

#### Category B: Sites With Potential Environmental Concerns

## Treatment, Storage, Disposal, Generators (TSDG)

The Resource Conservation and Recovery Act Information (RCRAInfo) is a national program management and inventory system about hazardous waste handlers. In general, all generators, transporters, treaters, storers, and disposers of hazardous waste are required to provide information about their activities to regulatory environmental agencies. These sites are facilities that treat, store, dispose of or generate hazardous materials.

Specific questions regarding a particular site should be addressed to: The United States Environmental Protection Agency, Regional Main Office, 75 Hawthorne Street, San Francisco, California, 94105, (866) 372-9378 or visit: <a href="https://echo.epa.gov/facilities/facility-search">https://echo.epa.gov/facilities/facility-search</a>.

## Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS)

The Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) is a database of potential and confirmed hazardous waste sites at which the EPA Superfund program has some involvement. It contains sites that are either proposed to be or are on the National Priorities List (NPL) as well as sites that are in the screening and assessment phase for possible inclusion on the NPL. Disclosure Source gathers data from the EPA's Superfund Enterprise Management System (SEMS).

For further information on sites found within this database, please contact: The United States Environmental Protection Agency, Regional Main Office, 75 Hawthorne Street, San Francisco, California, 94105, or the Superfund Information Center at (800) 424-9346 or visit: <a href="https://cumulis.epa.gov/supercpad/CurSites/srchsites.cfm">https://cumulis.epa.gov/supercpad/CurSites/srchsites.cfm</a>.



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#### No Further Remedial Action Planned (NFRAP)

CERCLIS sites that to the best of EPA's knowledge, assessment has been completed and it has been determined that no further steps will be taken to list these sites on the National Priorities List (NPL). This decision does not necessarily mean that there are no hazards associated with a given site; it only means that, based upon available information, the location is not judged to be a potential NPL site.

Additional information is available from: The United States Environmental Protection Agency, Regional Main Office, 75 Hawthorne Street, San Francisco, California, 94105, (866) 372-9378. Archived site status reports can be downloaded at https://www.epa.gov/superfund/list-8r-archived-site-inventory.

#### Leaking Underground Storage Tank (LUST)

The State Water Resources Control Board maintains a database of sites with leaking underground storage tanks. Leaking underground storage tanks are a major source of soil and ground water contamination. It is noteworthy to impart the fact that leaking tank information is rarely removed from the State Water Resources Control Board's Underground Storage Tank database.

For further information concerning leaking tanks, contact: The State of California Environmental Protection Agency State Water Resources Control Board, Office of Underground Storage Tanks, 1001 I Street, Sacramento, CA 95814, (916) 341-5851 or visit: https://geotracker.waterboards.ca.gov/search.asp.

#### Solid Waste Land Fills, Tire Disposal Centers, or Transfer Stations (SWLF)

Sites classified as Solid Waste Landfills include: landfills (both active and inactive), incinerators, transfer stations, recycling centers, and other facilities where solid waste is treated or stored. The California Integrated Waste Management Board maintains a database on solid waste facilities, operations, and disposal sites throughout the state of California referred to as the Solid Waste Information System (SWIS).

For further information pertaining to Solid Waste Landfills, contact: The State of California, Integrated Waste Management Board, 8800 Cal Center Drive, Sacramento, California 95826, (916) 341-6000 or visit: https://www2.calrecycle.ca.gov/Search/ or https://geotracker.waterboards.ca.gov/search.asp.

Disclosure Source also includes sites listed in the Hazardous Waste Facilities program of DTSC's EnviroStor database.

For more information on a specific site contact: The California Department of Toxic Substances Control 1001 I Street Sacramento, CA 95814, (916) 323-3400 or visit: https://www.envirostor.dtsc.ca.gov/public/search.asp?basic=True.

### Category C: Sites With Registered Underground Storage Tanks

#### Registered Underground Storage Tanks (UST)

The State Water Resources Control Board maintains a database of sites with registered underground storage tanks.

For further information concerning underground storage tanks, contact: The State of California Environmental Protection Agency State Water Resources Board, Office of Underground Storage Tanks, 1001 I Street, Sacramento, CA 95814, (916)341-5851 or https://geotracker.waterboards.ca.gov/search.asp.

#### **Potential Status Field Definitions:**

Abandoned: A site that has ceased accepting waste but is not closed pursuant to applicable statutes, regulations and local ordinances in effect at that time, and where there is no responsible party as determined by the local enforcement agency and board.

Absorbed: An operational status used only when existing facilities (permitted facilities) are being combined into a single.

Active: Identifies that an investigation and/or remediation is currently in progress and that DTSC is actively involved, either in a lead or support capacity. Or a facility/operation currently accepting, handling, processing, or disposing waste.

ACW (Asbestos Containing Waste) Disposal Site: A solid waste landfill that accepts asbestos containing waste.

Backlog: Identifies non-active sites which DTSC is not currently investigating or remediating. These sites generally become active when staff and /or financial resources are available. Priorities for placing a site on backlog status versus active are based on the degree of long-term threat posed by the property. Before placing a property on backlog status, DTSC considers whether interim actions are necessary to protect the public and the environment from any immediate hazard posed by the property. Often there are no parties available to fund the full cleanup of these properties.

Border Zone/Haz Waste Property (BZP/HWP): Identifies properties that went through the Border Zone Property or Hazardous Waste Property process of evaluation. Potential Border Zone properties are located within 2,000 feet of a significant disposal of hazardous waste; Hazardous Waste Property facilities/sites have a significant disposal of hazardous waste.

Case Closed: The Regional Board and the Local Agency have determined that no further work is necessary at the site.

Certified: Identifies completed sites with previously confirmed release that are subsequently certified by DTSC as having been remediated satisfactorily under

Certified Operation & Maintenance: Identifies sites that have certified cleanups in place but require ongoing Operation and Maintenance (O&M) activities. The Certified O&M status designation means that all planned activities necessary to address the contamination problems have been implemented. However, some of these remedial activities (such as pumping and treating contaminated groundwater) must be continued for many years before complete cleanup will be achieved. Prior to the Certified O&M designation, all institutional controls (e.g., land use restrictions) that are necessary to protect public health must be in place.



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Clean closed: A solid waste disposal site that has documentation of the removal of solid waste on file with the Board. When a site is clean closed, the site is considered to cease to exist as a solid waste disposal site, but records are kept to document the status of the site.

Closed: A solid waste facility, site or operation that has ceased accepting, handling, or disposing of waste (and is not inactive) and/or has documentation that closure was conducted in accordance with applicable statutes, regulations, and local ordinances in effect at the time.

Closing: A site that has ceased accepting waste and is undergoing closure consistent with an approved final closure plan. Closing applies to landfills or disposal sites undergoing closure operations pursuant to closure plan development and implementation up to certification of closure.

Completed - Case Closed: A closure letter or other formal closure decision document has been issued for the site.

Completed - Case Closed/No Monitoring: A land disposal site that ceased accepting waste and was closed in accordance with applicable statutes, regulations, and local ordinances in effect at time of closure. The land disposal site was monitored for at least thirty years and Water Board staff has determined that wastes no longer pose a threat to water quality.

Excluded: A waste tire site that does not meet the definition of a major or minor waste tire facility.

Deleted: Deleted from the Final NPL.

Final: Currently on the Final NPL.

Hazardous Waste Border Zone Property (HWP/BZP): Potential Border Zone properties are located within 2,000 feet of a significant disposal of hazardous waste, and hazardous waste property sites having significant disposal of hazardous waste.

Hazardous Waste Disposal Land Use (NOT BZP/HWP): Identifies facilities/sites that went through the Hazardous Waste or Border Zone Property process and entered into voluntary deed restrictions, but were not formally designated as either a "Border Zone" or "Hazardous Waste Property".

Inactive - Action Required: Identifies non-active sites where, through a Preliminary Endangerment Assessment (PEA) or other evaluation, DTSC has determined that a removal or remedial action or further extensive investigation is required.

Inactive - Needs Evaluation: Identifies non-active sites where DTSC has determined a PEA or other evaluation is required.

No Action Required: Identifies sites where a Phase I Environmental Assessment was completed and resulted in a no action required determination.

No Further Action: Identifies completed sites where DTSC determined after investigation, generally a PEA (an initial assessment), that the property does not pose a problem to public health or the environment.

Non-Operating: A Treatment, Storage, Disposal or Transfer Facility (TSDTF) with no operating hazardous waste management unit(s).

Non-Operating Permit: A facility that has received a hazardous waste facility permit but, has no hazardous waste management operating unit (s). This could

Not Currently Regulated: Never regulated by the Board or no longer subject to the Board's regulation. In the case of waste tire locations below 500 tires or tire facilities that have reduced the tire count to under 500.

Not Proposed: Not on the NPL.

Not Reported: The status was not reported by the Lead Agency.

Open - Assessment & Interim Remedial Action: An "interim" remedial action is occurring at the site AND additional activities such as site characterization, investigation, risk evaluation, and/or site conceptual model development are occurring.

Open - Eligible for Closure: Corrective action at the Site has been determined to be completed and any remaining petroleum constituents from the release are considered to be low threat to Human Health, Safety, and the Environment.

Open - Inactive: No regulatory oversight activities are being conducted by the Lead Agency.

Open - Remediation: An approved remedy or remedies has/have been selected for the impacted media at the site and the responsible party (RP) is implementing one or more remedy under an approved cleanup plan for the site.

Open - Closed/with Monitoring: A land disposal site that has ceased accepting waste and was closed in accordance with applicable statutes, regulations, and local ordinances in effect at time of closure.

Open - Closing/with Monitoring: A land disposal site that is no longer accepting waste and is undergoing all operations necessary to prepare the site for post-closure maintenances in accordance with an approved plan for closure.

Open - Inactive: A land disposal site that has ceased accepting waste but has not been formally closed or is still within the post closure monitoring period.

Open - Operating: A land disposal site that is accepting waste.

Open - Proposed: A land disposal site that is in the process of undergoing the permit process from several agencies.

Open - Site Assessment: Site characterization, investigation, risk evaluation, and/or site conceptual model development are occurring at the site. Examples of site assessment activities include, but are not limited to, the following: 1) identification of the contaminants and the investigation of their potential impacts; 2) determination of the threats/impacts to water quality; 3) evaluation of the risk to humans and ecology; 4) delineation of the nature and extent of contamination; 5) delineation of the contaminant plume(s); and 6) development of the Site Conceptual Model.

Open - Verification Monitoring: Remediation phases are essentially complete and a monitoring/sampling program is occurring to confirm successful completion of cleanup at the Site. (e.g. No "active" remediation is considered necessary or no additional "active" remediation is anticipated as needed. Active remediation system(s) has/have been shut-off and the potential for a rebound in contaminant concentrations is under evaluation).

Operating: A Treatment, Storage, Disposal or Transfer (TSDTF) Facility with an operating hazardous waste management unit(s).

Part of NPL: Site is Part of a NPL Site.

**Permitted:** Indicates that a facility or site held a solid waste facility permit.

Planned: A facility in the planning stages. It may be awaiting a permit and not yet accepting waste or it may be permitted but not yet constructed or accepting

Pollution Characterization: The responsible party is in the process of installing additional monitoring wells and /or borings in order to fully define the lateral and vertical extent of contamination in soil and ground water and assess the hydrogeology of the area. This phase of work may also include performing aquifer tests, soil gas surveys, continued ground water gradient determinations and monitoring, and assessing impacts on surface and/or ground water.

Post Remedial Action Monitoring: Periodic ground water or other monitoring at the site, as necessary, in order to verify and/or evaluate the effectiveness of remedial action



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Pre-Title 27 CAI - Open/With Monitoring: A waste management unit that was closed, abandoned or inactive prior to November 27, 1984 (Pre-Title 27) and has monitoring data indicating the unit has the potential to adversely affect water quality. The site has been reopened (post-1984) and is under a detection monitoring program or implementing a corrective action program.

Pre-Title 27 CAI - Closed/With Monitoring: A waste management unit that was abandoned or inactive prior to November 27, 1984 (Pre-Title 27) but was not formally and completely closed. The site has the potential to adversely affect water quality and is implementing a detection monitoring program.

Pre-Title 27 CAI - Closed/No Monitoring: A waste management unit that was abandoned or inactive (CAI) prior to November 27, 1984 (Pre-Title 27) but was not formally and completely closed and is not implementing a monitoring program. The unit has the potential to adversely affect water quality.

Pre-Title 27 CAI - Completed - Case Closed/No Monitoring: A waste management unit that was formally and completely closed prior to November 27, 1984 (Pre-Title 27) in accordance with applicable statutes, regulations, and local ordinances in effect at time of closure. The unit does not pose a threat to

Preliminary Endangerment Assessment: An assessment of information about a site and its surrounding area. A Preliminary Assessment is designed to determine whether a site poses little or no threat to human health and the environment or if it does pose a threat, whether the threat requires further investigation. Generally includes historical review of documents and may include limited sampling of a site.

Preliminary Site Assessment Underway: Implementation of a work plan addressing the Preliminary Site Assessment Work Plan.

Preliminary Site Assessment Work Plan Submitted: A work plan/proposal has been requested of, or submitted by, the responsible party in order to determine whether groundwater has been, or will be, impacted as a result of a release from any underground tanks or associated piping. This phase of work usually includes plans for the installation and sampling of monitoring wells, soil boring sampling, additional soil excavation, and disposal or treatment of

Proposed: Proposed for NPL, or a facility or operation that is in the planning and development phase and is not yet operational.

Referred: 1248 Local Agency: Identifies sites that were referred to a local agency (through the SB 1248 determination process) to supervise the cleanup of a simple waste release.

Referred: EPA: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by the United States Environmental Protection Agency (U.S. EPA).

Referred: IWMB: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by the California Integrated Waste Management Board (IWMB).

Referred: Other Agency: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by another state or local environmental regulatory agency.

Referred: RCRA: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by DTSC's Hazardous Waste Management Program and are identified as Resource Conservation and Recovery Act (RCRA).

Referred: RWQCB: Identifies sites that, based on limited information available to DTSC, appear to be more appropriately addressed by the California Regional Water Quality Control Boards (RWQCBs).

Remedial Action: Implementation of corrective action plan.

Remediation Plan: A remediation plan has been submitted evaluating long term remediation options (or corrective actions). A proposal and implementation schedule for an appropriate remediation option has also been submitted. This phase of work may also include preparing and submitting the necessary information for any permits needed prior to implementation of the plan.

Removed: Removed from Proposed NPL

Reopen Previously Closed Case: Previously closed cases may be re-opened by the Lead Agency because of new information, a change in site conditions, or other factors such as negative test results during post remedial action monitoring.

Revoked: Permit has been taken back (nullified) by the enforcement agency.

Surrendered: The voluntary relinquishment of a permit by the operator to the enforcement agency.

Suspended: Indicates that the facility, operation or site never had or does not have a Solid Waste Facility Permit.

To Be Determined: There is presently not enough information to determine a Regulatory Status or Operational Status. This information may be gathered as part of the Site Investigation Process (SIP) which includes completion of the Site Identification form and Site Assessment form or further investigation by the enforcement agency. Additionally, the operational or regulatory status may be pending permit action, enforcement action, or ongoing investigation.

Unknown - Insufficient Information.

Unpermitted: Indicates that the facility, operation or site never had or does not have a Solid Waste Facility Permit.

Voluntary Cleanup: Identifies sites with either confirmed or unconfirmed releases, and the project proponents have requested that DTSC oversee evaluation, investigation, and/or cleanup activities and have agreed to provide coverage for DTSC's costs.

#### **Un-Locatable Sites**

For reporting purposes, these potential hazard sites from any of the three categories are missing certain pieces of relevant data, such as: street addresses, zip codes, city, or county information. This may be the result of limited governmental records or data. While the site may in fact exist, the absence of accurate (or missing) information may create the inability to delineate the property's radial distance in relation to the subject property on a map. If seller or seller's agent has actual knowledge of site(s) with possible contamination or other sensitive environmental impacts not listed in this report, written notification should be provided to the buyer and buyer's agent.



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TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024 Order Number: 240105-00073

## **NOTICES AND ADVISORIES**

#### TRANSFER FEE NOTICE

This is commonly known as a "Private Transfer Tax". It is a fee imposed by a private entity such as a property developer, home builder, or home owner association, when a property within a certain type of subdivision is sold or transferred. A private transfer fee may also be imposed by an individual property owner. Private transfer fees are different from city or county Documentary Transfer Taxes. Private Transfer Fees may apply in addition to government Documentary Transfer Taxes that are due upon sale or transfer of the property.

California Civil Code Section 1098 defines a "Transfer Fee" as "any fee payment requirement imposed within a covenant, restriction, or condition contained in any deed, contract, security instrument, or other document affecting the transfer or sale of, or any interest in, real property that requires a fee be paid as a result of transfer of the real property." Certain existing fees such as government fees, court ordered fees, mechanic lien fees, common interest development fees, etc. are specially excluded from the definition of "Transfer Fee".

To determine if the property is subject to a Transfer Fee, OBTAIN COPIES OF ALL EXCEPTIONS LISTED ON THE PRELIMINARY TITLE REPORT FROM THE TITLE COMPANY AND READ THEM TO DETERMINE IF ANY TRANSFER FEES ARE APPLICABLE. Please be aware that private transfer fees may be difficult to identify by simply reading the title report.

Effective January 1, 2008, Civil Code Section 1102.6e requires the seller to notify the buyer of whether a private transfer fee applies and if present, to disclose certain specific information about the fee.

Content of Disclosure. Civil Code Section 1102.6e requires the seller to disclose specific information about any Transfer Fee that may affect the property. Please refer to the legal code or to the C.A.R. Form NTF (11/07), provided by the California Association of Realtors, for a standard format to use in making the Transfer Fee Disclosure if you elect to investigate and make this disclosure personally.

How to Determine the Existence of a Transfer Fee. If a Transfer Fee does exist affecting the property, the document creating the fee may be on file with the County Recorder as a notice recorded against the property and should be disclosed in the preliminary title report on the property. However, the preliminary title report will merely disclose the existence of the documents affecting title, not the content of the documents. The title of a document may also not be sufficient to disclose that a transfer fee is included in its terms. Accordingly seller should (a) request the title company which issued the preliminary title report to provide copies of the documents shown as "exceptions" and (b) review each document to determine if it contains a transfer fee.

## NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL

California Civil Code 1102.6c, states that the seller, or his or her agent, is responsible for delivering a notice specifying information about supplemental tax assessments:

"California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes. The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the tax collector. If you have any question concerning this matter, please call your local tax collector's office."

## TOXIC MOLD NOTICE (PURSUANT TO THE "TOXIC MOLD PROTECTION ACT OF 2001")

The seller, or lessor of residential, commercial or industrial property; or a public entity that owns, leases, or operates a building should provide a written disclosure to prospective purchasers, prospective tenants, renters, or occupants if the seller, lessor or public entity has knowledge of mold conditions or in specified instances has reasonable cause to believe, that mold (visible or hidden) that exceeds permissible exposure limits is present that affects the unit or building. The State Department of Health Services is designated as the lead agency for identifying, adopting, and determining permissible exposure limits to mold in indoor environments, mold identification and remediation efforts.

#### PUBLICATIONS PROVIDING INFORMATION ON TOXIC MOLD AVAILABLE ON THE INTERNET:

- Mold in My Home: What Do I Do?
- Stachybotrys Chartarum (atra) A mold that may be found in water-damaged homes
- Fungi and Indoor Air Quality

- Health Effects of Toxin-Producing Molds In California
- Mold Remediation in Schools and Commercial Buildings

Phone: 800-880-9123

· Biological Pollutants in Your Home

https://www.cdph.ca.gov/Programs/CCDPHP/DEODC/EHLB/IAQ/Pages/Mold.aspx; https://www.epa.gov/mold/



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#### GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES NOTICE

The following notice is provided to the buyer(s) of real property regarding information about the general location of gas and hazardous liquid transmission pipelines.

#### NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES

This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <a href="https://pvnpms.phmsa.dot.gov/PublicViewer/">https://pvnpms.phmsa.dot.gov/PublicViewer/</a>. To seek further information about possible transmission pipelines near the property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.

Gas and hazardous liquid pipelines of any size pose a potential risk to life, property and the environment if damaged or punctured. In addition, precise locations of larger gas transmission pipelines are restricted by Federal Homeland Security policies. Additional information relating to other types and sizes of pipelines and other underground utility infrastructures may be available from local pipeline operators such as:

PG&E: https://www.pge.com/pipelineplanning/, San Diego Gas & Electric: https://sdge.com/safety/gas-safety/natural-gas-safety-map, Sacramento Municipal

 $\label{thm:community/Safety-Tips/Equipment-and-lines} Utilities \ District: \ \underline{https://www.smud.org/en/In-Our-Community/Safety-Tips/Equipment-and-lines}. \ Southern \ California \ Gas: \ \underline{https://www.smud.org/en/In-Our-Community/Safety-Tips/Equipment-and-lines}. \ Southern \ \underline{http$ 

https://www.socalgas.com/stay-safe/pipeline-and-storage-safety/natural-gas-pipeline-map. You may want to contact your local utility provider if they are not listed above.

You should also review your Preliminary Title Report for pipelines right-of-way (easements) and further investigate information about pipelines by contacting the owner or operator responsible for the pipelines, consider what factors, if any, are associated with the property's proximity to pipelines, and determine whether the information you receive is acceptable before you purchase. No excavation work should be done before contacting the One-Call Center (811).

#### **FLOOD INSURANCE NOTICE**

Floods can have a devastating effect on communities, causing loss of life, property damage, and loss of income, and can have an adverse effect on government functioning. As such, the federal government has designed measures that are intended to aid disaster assistance by encouraging insurance coverage for those properties in flood disaster areas.

In addition to the flood disclosure in the Natural Hazard Disclosure Statement, Federal law {U.S. Code Title 42, Chapter 68, subchapter III, § 5154a(b)(1)} requires a seller, no later than the date on which a property is to be transferred, to notify a buyer of the requirement to purchase and maintain flood insurance, if disaster relief assistance (including a loan assistance payment) has been previously provided on that property and such assistance was conditioned on obtaining flood insurance according to Federal law. If a buyer fails to obtain and maintain flood insurance on a property disclosed to have been in a previous federal disaster area and that received disaster relief assistance, then no Federal disaster relief assistance will made available should that property subsequently be in a flood disaster area. If a seller fails to notify a buyer of the requirement to purchase and maintain flood insurance because of said property's inclusion in a Federal disaster area and Federal disaster relief assistance was received for that property, and the buyer does not obtain and maintain flood insurance, then should that property be damaged by a flood disaster and receive Federal disaster relief assistance, the seller will be required to reimburse the Federal Government for the amount of that assistance for that property.

State law (SBX17, Chaptered October 10, 1995) also prohibits "state disaster assistance from being provided to a person required to maintain flood insurance by state or federal law, who has canceled or failed to maintain that coverage."

The information contained here is not intended to indicate whether a property has been in a Federal disaster area and has received Federal disaster relief assistance, but merely to indicate an additional flood insurance disclosure requirement related to future disaster relief assistance availability.



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#### **ENERGY EFFICIENCY STANDARDS AND DUCT SEALING REQUIREMENTS NOTICE**

The Energy Policy and Conservation Act directs the Department of Energy (DOE) to establish minimum efficiency standards for various products, including central air conditioners and heat pumps. On January 1, 2015, the DOE amended the energy conservation standards for residential central air conditioners and heat pumps manufactured for sale in the United States to be manufactured with an energy rating of 14 SEER (SEER, Seasonal Energy Efficiency Ratio, is the measurement of energy efficiency for the cooling performance of central air conditioners and heat pumps). Homeowners are not required to replace or upgrade existing central air conditioning units or heat pumps to comply with the new standards. Disclosure Source recommends that the potential buyer of the subject property verify the SEER rating of the central air conditioning or heat pump system through a professional such as a home inspector or through the California Home Energy Efficiency Rating Services. This agency, a home energy rating provider, is a non-profit organization that promotes energy efficiency through comprehensive analyses of homes. Additional information may be found at:

https://www.eere.energy.gov/buildings/appliance\_standards/residential/central\_ac\_hp.html\_or\_at\_www.cheers.org

Additionally, beginning October 1, 2005, and with subsequent revisions to the California building energy efficiency standards, the California Energy Commission ("CEC") outlined new duct sealing requirements which require the home's ducts tested for leaks when the central air conditioner or furnace is installed or replaced. Ducts that leak 15 percent or more must be repaired to reduce the leaks. After your contractor tests and fixes the ducts, you need to have an approved third-party field verifier check to make sure the duct testing and sealing was done properly. Duct sealing is generally not required in the following situations: 1) duct systems that are documented to have been previously sealed as confirmed through field verification and diagnostic testing; 2) when systems have less than 40 feet of ductwork in unconditioned spaces like attics, garages, crawlspaces, basements or outside the building, or 3) when ducts are constructed, insulated or sealed with asbestos. There also are specific alternatives that allow high efficiency equipment and added duct insulation to be installed instead of fixing duct leaks. You also should know that any contractor failing to obtain a required building permit and failing to test and repair your ducts is violating the law and exposing you to additional costs and liability. Real estate law requires you to disclose to potential buyers and appraisers whether or not you obtained required permits for work done on your house. If you do not obtain a permit, you may be required to bring your home into compliance with code requirements for that work and you may have to pay penalty permit fees and fines prior to selling your home. According to the CEC, these duct sealing requirements apply when the following are replaced: the air handler, the outdoor condensing unit of a split system air conditioner or heat pump, the cooling or heating coil, or the furnace heat exchanger. Several cities and counties have adopted more stringent building energy standards. You can find a link to the modif

GOVERNMENTAL GUIDE: "WHAT IS YOUR HOME ENERGY RATING?" PUBLISHED BY THE CALIFORNIA ENERGY COMMISSION CONTAINING IMPORTANT INFORMATION REGARDING THE CALIFORNIA HOME ENERGY RATING SYSTEM (HERS) PROGRAM. IT IS AVAILABLE FOR DOWNLOAD AT HTTPS://WWW.DISCLOSURESOURCE.COM/DOWNLOADS HOMEENERGYRATING.ASPX

#### WATER-CONSERVING PLUMBING FIXTURE NOTICE

The seller of single-family residential real property built on or before January 1, 1994 shall disclose, in writing, to the prospective buyer that Section 1101.4 of the Civil Code requires that California single-family residences be equipped with water-conserving plumbing fixtures on or before January 1, 2017, and whether the property includes any noncompliant plumbing fixtures as defined in subdivision(c) of Section 1101.3.

Further, on and after January 1, 2019, a seller of multifamily residential real property or of commercial real property built on or before January 1, 1994 shall disclose to the prospective buyer, in writing, that all noncompliant plumbing fixtures in any multifamily residential real property and in any commercial real property shall be replaced with water-conserving plumbing fixtures on or before January 1, 2019, and whether the property includes any noncompliant plumbing fixtures.

For purposes of these requirements, noncompliant plumbing fixtures mean any toilet manufactured to use more than 1.6 gallons of water per flush, any urinal manufactured to use more than one gallon of water per flush, any showerhead manufactured to have a flow capacity of more than 2.5 gallons of water per minute, any interior faucet that emits more than 2.2 gallons of water per minute.

#### SOLAR ENERGY SYSTEMS NOTICE

On and after January 1, 2018, a seller of residential real property within a common interest development shall disclose to the prospective buyer (s) the existence of any solar energy system owned by the seller and the related responsibilities of the owner according to California Civil Code Section 4746. The owner and each successive owner is required to maintain a homeowner liability coverage policy at all times and to provide the homeowner's association with the corresponding certificate of insurance within 14 days of approval of the application and annually thereafter. The owner and each successive owner of the solar energy system is responsible for the costs of damage to the common area, exclusive use common area, or separate interests resulting from the installation, maintenance, repair, removal, or replacement of the solar energy system. Further, the owner and each successive owner of the solar energy system is responsible for the costs of maintenance, repair, and replacement of the solar energy system until it has been removed and for the restoration of the common area, exclusive use common area, or separate interests after removal. The new owner will be responsible for the same disclosures mentioned above to subsequent buyers.



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#### REGISTERED SEX OFFENDER DATABASE NOTICE ALSO KNOWN AS "MEGAN'S LAW"

For more than 50 years, California has required sex offenders to register with their local law enforcement agencies. However, information on the whereabouts of these sex offenders was not available to the public until the implementation of the Child Molester Identification Line in July 1995. The information available was further expanded by California's Megan's Law in 1996 (Chapter 908, Stats. of 1996).

Section 2079.10a of the California Civil Code specifies notice be provided to buyer(s) of real property of the existence of a registered sex offender database:

Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at <a href="www.meganslaw.ca.gov">www.meganslaw.ca.gov</a>. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

The public, excluding those who have registered as sex offenders pursuant to Section 290 of the Penal Code, may search this database by a sex offender's specific name, obtain ZIP Code and city/county listings, obtain detailed personal profile information on each registrant, and use the map application to search a neighborhood or anywhere throughout the State to determine the specific location of any of those registrants on whom the law allows the State of California to display a home address.

In addition, the public may also contact the California Department of Justice, Sex Offender Tracking Program, for information on making an inquiry with the Department concerning at least six individuals as to whether any are required to register as a sex offender and subject to public notification. A fee is assessed for such inquiries, which will be deposited into the Sexual Predator Public Information Account within the Department of Justice. The contact number for the Sex Offender Tracking Program is (916) 227-4974.

#### METHAMPHETAMINE OR FENTANYL CONTAMINATED PROPERTY NOTICE

California law (Health and Safety Code Section 25400.28) requires property owners to notify prospective buyers in writing of any pending order that would prevent the use or occupancy of a property because of methamphetamine or fentanyl laboratory activity, and to provide the prospective buyer with a copy of the pending order. Receipt of a copy of the pending order shall be acknowledged in writing by the prospective buyer.

The "Methamphetamine or Fentanyl Contaminated Property Cleanup Act," chapter 6.9.1 specifies human occupancy standards for property that is subject to the act. These standards will be replaced by any that are devised by the Department of Toxic Substances Control, in consultation with the Office of Environmental Substances Control. In addition, this Act outlines procedures for local authorities in dealing with methamphetamine or fentanyl contaminated properties, including the use of a property lien. This notice is meant to inform prospective buyers of California disclosure law regarding methamphetamine or fentanyl lab activity, and does not indicate or imply that a particular property is or has been contaminated according to this law.

### **MILITARY ORDNANCE LOCATION NOTICE**

California Civil Code Section §1102.15 states "The seller of residential real property subject to this article who has actual knowledge of any former federal or state ordnance locations within the neighborhood area shall give written notice of that knowledge as soon as practicable before transfer of title."

For purposes of this notice, "former federal or state ordnance locations" means an area identified by an agency or instrumentality of the federal or state government as an area once used for military training purposes, which may contain potentially explosive munitions.

"Neighborhood area" means within one mile of the residential real property.

For more information or to view the location of site(s) near a property, go to: https://www.usace.army.mil/Missions/Environmental/FormerlyUsedDefenseSites.aspx



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## CALIFORNIA LAND CONSERVATION (WILLIAMSON) ACT NOTICE

The purpose of the California Land Conservation Act of 1965 (Williamson Act) is to allow local governments and private landowners to enter voluntarily into contracts to restrict the use of parcels of land of no less than 100 acres to agricultural and open space use. The landowner receives compensation for the land use restrictions in the form of reduced property tax assessments which are much lower than normal because they are based upon farming and open space uses as opposed to full market value.

A Williamson Act contract is initially for a minimum term of ten years but local jurisdictions have the option to increase the initial term up to twenty years. Williamson Act contracts run with the land and are binding on all subsequent landowners. The contract is automatically extended by one year after the tenth and subsequent years unless a request for non-renewal is filed by either party. A request for non-renewal begins a 9 year term during which the tax assessments gradually increase to the full fair market value at which time the contract is terminated. The use of the property will then be controlled by the local jurisdiction's use and zoning laws.

Williamson Act contracts can be canceled only by the landowner's petition; however the minimum penalty for canceling a contract is 12.5 percent of the unrestricted, fair market value of the property. To approve a tentative contract cancellation, a county or city must make specific findings that are supported by substantial evidence. The existence of an opportunity for another use of the property or the uneconomic character of an existing agricultural use shall not, by itself, be a sufficient reason to cancel a contract.

There are penalties for breach of a contract, caused by the owner intentionally using the land for other than agriculture or making the land unusable for the contracted purposes. The penalties for breach of contract are as much as 25% of the unrestricted fair market value of the land rendered incompatible, plus 25% of the value of any building and any related improvements on the contracted land that cause the breach of contract. If a local jurisdiction allows a contract to be canceled and the State determines that there is a breach of contract, the penalties may be reduced, but not to less than 12.5% of the value of the land.

Contact the planning department to obtain information on requirements for entering into a Williamson Act contract and the uses allowed. Local government uniform rules and the specific Williamson Act contract can be more restrictive than the Williamson Act Government Code provisions.

For more information contact the Department of Conservation, Division of Land Resource Protection at 916-324-0850 or visit its website <a href="https://www.conservation.ca.gov/dlrp/lca">https://www.conservation.ca.gov/dlrp/lca</a>.

#### MUDSLIDE / DEBRIS FLOW ADVISORY

Wildfires dramatically alter the terrain and ground conditions. Post wildfire rainstorms can produce dangerous flash floods, mudslides, and debris flows. These events are a threat to property located within or along an area which has experienced a recent wildfire.

This advisory is provided to simply inform you about the US Geologic Survey's maps that estimate the probability and volume of debris flow that may be produced by a storm in a recently burned area. They are available at:

www.usgs.gov/natural-hazards/landslide-hazards/science/emergency-assessment-post-fire-debris-flow-hazards?

qt-science center objects=0#qt-science center objects

There may be additional or updated maps and resources available. To seek further information about possible mudslide and debris flow areas that may affect the property, contact the County Planning Department.

## OIL, GAS WELLS & METHANE ADVISORY

California's oil and gas production has been in decline since the 1980's and wells, many of which were drilled at the turn of the past century, have been shut down or improperly abandoned. Such wells are often found when they begin to leak oil, natural gas (methane), or water. Building construction in the past several years has expanded into areas where wells were once, or are, active. Buyer should be aware that wells may exist on or near any property and new construction may also be restricted in the vicinity of wells. The California Division of Oil, Gas and Geothermal Resources administers the program to properly abandon wells. Abandoned or active oil wells, areas containing petroleum deposits, oil fields, landfills, and gas storage facilities could present risks and safety hazards to life, health, and natural resources. Risks could include, but are not limited to, soil and ground water contamination, physical safety hazards to humans and animals, fire hazards, oil and methane seeps, and air quality problems.

Migration of methane gas into areas containing impermeable surfaces (i.e. concrete, pavement, basements, etc.) can trap the gas, resulting in the accumulation of high concentrations. Although natural methane gas is relatively harmless, high concentrations of it can be hazardous due to its highly combustible chemical composition, as well as its ability to displace oxygen. Properties located in a methane zone may be required to undergo testing and mitigation. Disclosure Source recommends that the buyer contact the local Planning, Building and Safety Department to ascertain what previous measures, if any, might have been taken to properly vent the area and what considerations might apply regarding building permits or renovations. For more information and maps visit <a href="https://www.conservation.ca.gov/CalGEM">https://www.conservation.ca.gov/CalGEM</a>.



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#### HABITAT SENSITIVITY AREA / ENDANGERED SPECIES ADVISORY

The California Endangered Species Act, Fish and Game Code, section 2051, states that there are certain species of fish, wildlife and plants that are in danger of, or threatened with, extinction because their habitats are being threatened, destroyed or adversely modified. Legislation declares that landowner cooperation is essential for conservation on those lands that have been identified as a habitat for endangered or threatened species. According to Section 2052.1 of the Fish and Game Code, if a person needs to address mitigation measures in relation to a particular impact on a threatened species, then those measures will be roughly proportional to the impact that the person has on those species. Disclosure Source recommends the buyer contact the local planning department and the California Department of Fish & Wildlife to ascertain what, if any, considerations might be involved as a result of being in or nearby habitat sensitive areas. Additional information is available at <a href="https://www.wildlife.ca.gov/Conservation/CESA">https://www.wildlife.ca.gov/Conservation/CESA</a>.

#### NATURALLY OCCURRING ASBESTOS ADVISORY

Asbestos is the common name for a group of silicate minerals that are made of thin, strong fibers. It occurs naturally in certain geologic settings in California, most commonly in ultrabasic and ultramafic rock, including serpentine rock. These rocks are commonly found in the Sierra Foothills, the Klamath Mountains, Coast Ranges, and along some faults. While asbestos is more likely found in these rock formations, its presence is not certain. Because asbestos is a mineral, asbestos fibers are generally stable in the natural environment. The fibers will not evaporate into the air. Some naturally occurring asbestos can become friable, or crushed into a powder. This may occur when vehicles drive over unpaved roads or driveways that are surfaced with ultrabasic, ultramafic or serpentine rock, when land is graded for building purposes, or at quarrying operations. Weathering and erosion may also naturally release asbestos. Friable asbestos can become suspended in the air, and under these conditions, asbestos fibers represent a significant risk to human health. Asbestos is a known carcinogen, and inhalation of asbestos may result in the development of lung cancer. Disclosure Source recommends that the buyer visit this website for further information and maps at: <a href="https://www.atsdr.cdc.gov/noa/docs/Asbestos-FAQ">https://www.atsdr.cdc.gov/noa/docs/Asbestos-FAQ</a> ENG web.pdf

#### **RADON ADVISORY**

Radon is a colorless, odorless radioactive gas that is produced by the natural decay of uranium, which is found in nearly all soils and rocks. Radon can seep from the ground into the air in a property through openings in the ground, and its presence increases the risk of lung cancer. Radon levels are variable and may be influenced by not only geology, but also soil permeability, weather and climatic conditions, building design, condition and usage. The Environmental Protection Agency (EPA) has produced a map that assigns one of three zone designations to each county based on radon potential and each zone designation reflects the average short-term radon measurement that can be expected to be measured in a building without the implementation of radon control methods. That map is not meant to be used to determine whether a particular property should be tested for radon, but is used to assist various government agencies and organizations in focusing their radon program resources. Properties with high levels of radon have been found in all zones. Long-term (up to one year) measurement is generally recommended for the most accurate determination of radon levels. Radon testing is affordable and easily done. Test kits are available at the California Department of Public Health website at <a href="https://www.cdph.ca.gov/Programs/CEH/DRSEM/Pages/EMB/Radon/Radon-Testing.aspx.">https://www.cdph.ca.gov/Programs/CEH/DRSEM/Pages/EMB/Radon/Radon-Testing.aspx.</a>

The EPA recommends all structures should be tested for radon, regardless of geographic location or zone determination. If the radon level is greater than 4 picoCuries per Liter of air (pCi/L), the EPA suggests remediation. Additionally, the California Department of Conservation outlines Radon Zone areas where geologic conditions are likely to produce high, moderate, or low potential indoor radon levels above 4 pCi/L. Those maps are available at <a href="https://www.epa.gov/radon/radon-frequently-asked-questions">https://www.epa.gov/radon/radon-frequently-asked-questions</a>

GOVERNMENTAL GUIDES: "RESIDENTIAL ENVIRONMENTAL HAZARDS: A GUIDE FOR HOMEOWNERS, HOMEBUYERS, LANDLORDS AND TENANTS"; "PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME" PUBLISHED BY THE ENVIRONMENTAL PROTECTION AGENCY CONTAINING IMPORTANT INFORMATION REGARDING ENVIRONMENTAL HAZARDS LOCATED ON AND AFFECTING RESIDENTIAL PROPERTY. AVAILABLE FOR DOWNLOAD AT HTTPS://WWW.DISCLOSURESOURCE.COM/DOWNLOADS.ASPX AND HTTPS://WWW.DISCLOSURESOURCE.COM/DOWNLOADS LEAD.ASPX



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## **DISCLAIMERS**

ACCEPTANCE OR USE OF THIS REPORT BY ANY PERSON CONSTITUTES AN AGREEMENT TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS, AND LIMITATIONS OF LIABILITY, STATED HEREIN.

THIS AGREEMENT TO BE BOUND BY THESE TERMS AND CONDITIONS, AND LIMITATIONS ON LIABILITY, IS MADE REGARDLESS OF WHETHER THE PERSON ACCEPTING OR USING THE REPORT PAID FOR, OR ORDERED, THE REPORT.

#### THIS REPORT IS NOT A WARRANTY OR A POLICY OF INSURANCE

#### **TERMS AND CONDITIONS**

#### 1. Recipient(s) Defined

"Recipient(s)" shall mean and refer to transferor(s)/seller(s), transferee(s)/buyer(s), and their respective agent(s)/broker(s) who access a copy of this Report.

#### 2. Report Defined

"Report" shall mean and refer to any disclosure Report prepared by Disclosure Source and made available to the Recipient (s), whether the Report is provided as a hard copy, via email, or accessed via <a href="https://www.DisclosureSource.com">https://www.DisclosureSource.com</a>

#### 3. No Third Party Reliance

The information contained in this Report is intended for the exclusive benefit and use of the Recipient(s). No person other than the Recipient(s) should rely upon, refer to, or use this Report, or any information contained within this Report, for any purpose. Disclosure Source expressly disclaims all liability, including liability for breach of contract and negligence, to persons other than Recipient(s). The disclosures contained in this Report "shall not be used by any other party, including, but not limited to, insurance companies, lenders, or governmental agencies, for any purpose." California Civil Code section 1103.2(g).

#### 4. Seller's and Seller's Agent's Independent Disclosure Obligations

Seller(s) and their agent(s) are independently required to make certain statutory disclosures of all material facts about the subject property within their actual knowledge. This Report does not alter, change, impact, affect, or replace seller or seller's agent's independent disclosure obligations. Disclosure Source acknowledges that there may be other disclosures required under applicable state law and/or within seller's and seller's agent's actual knowledge, and Disclosure Source makes no representations as to the adequacy or accuracy of any other representations or disclosures made under applicable state law.

#### 5. Explanation of Services and Limitations

(a) Statutory and Local/Supplemental Disclosures, Notices and Advisories

The purpose of the Disclosure Report is to assist the Recipient(s) in notifying the prospective buyer whether the property is located in any of six statutorily defined natural hazard areas. Disclosure Source has also obtained maps that are both official and publicly available from city, county, and state sources which supplement this natural hazard information.

Disclosure Source is also providing disclosures, notices and advisories on potentially hazardous conditions or occurrences that may affect the subject property. These additional disclosures, notices and advisories are either required by the California Civil Code, local ordinance, or the information is readily available. Disclosure Source recommends contacting the local building and planning departments prior to the transfer to help ascertain, what, if any, additional requirements there might be for construction or renovation, and building code requirements for this property. Disclosure Source has not performed a visual or physical inspection of the property. This Report is not a substitute for a visual or physical inspection of the property or a geologic or engineering study. Disclosure Source assumes no responsibility for any costs or consequences, direct or indirect, arising due to the need, or the lack of need, for earthquake insurance, fire insurance or flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for flood hazard insurance.

In order to prepare this Report, either the seller (or his/her agent) or the buyer (or his/her agent) supplied Disclosure Source with the Assessor's Parcel Number ("APN") for the subject property. Disclosure Source has not verified the accuracy of the APN. This Report was prepared based upon such APN, and shall not, and does not, include any property beyond the boundaries of the subject property identified by such APN, including but not limited to, any common interest areas, structures (whether located on the subject property, or not), easements, or any right, title, interest, estate, or easement in any abutting streets, roads, alleys, lanes, ways, or waterways

Disclosure Source shall not be responsible or liable for any losses, liabilities or damages resulting from an incorrect APN. No determination is made and no opinion is expressed, or intended, by this Report concerning whether the subject property is comprised of legal lots in conformance with the California Subdivision Map Act. If the subject property is part of a condominium project, planned unit development, or other properties with a common or undivided interest area, the Report may indicate that the subject property is within the natural hazard zone if any portion of the common or undivided interest area is within the reported natural hazard zone. In preparing this Report, Disclosure Source has reviewed and relied upon the statutes identified and has reviewed the records referred to in each determination.



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Order Number: 240105-00073

Date: 1/5/2024

#### (b) Tax Information, if included in the report

California Civil Code requires that the seller of certain real property determine from local agencies whether the property is subject to a Mello-Roos Community Facilities Act and Special Tax Assessment, and if so, deliver notice of such special tax assessment (s) to the prospective buyer. The purposes of the Special Tax and Assessment Section are to (a) make preliminary determinations regarding whether secured tax rolls contain Mello Roos Community Facilities District Special Taxes or Improvement Bond Act of 1915 Lien Assessments against the subject property, and (b) assist the seller in fulfilling his/her duty to comply with California Civil Code Section 1102.6b.

When preparing the Special Tax and Assessment Section, the Company reviewed county tax records and other official and third party resources to determine whether, according to those records, the property is subject to a Special Tax pursuant to the Mello-Roos Community Facilities Act or a Special Assessment pursuant to the Improvement Bond Act of 1915. Only assessments that were levied against the property at the time the Company obtained the tax records are disclosed. No study of the public records was made by the Company to determine the presence of any other tax or assessment. Items not yet levied on the tax bill, items not appearing on the tax bill because the current owner has applied for an available exemption, supplemental taxes, unsecured property taxes, and items removed from the tax bill due to a pending judicial foreclosure suit may not be reflected on this Report. The amount of the levy, ending year, and other tax information may be subject to change in the future. Tax information can vary from property to property. The tax and assessment information in this Report is for the specific time frame and property referenced and may not be used for other properties. The Company is not responsible for any changes that may occur. In some instances, (including some condos, mobile homes, and new subdivisions), the tax roll data disclosed may represent the amount assessed for an entire parcel prior to subdivision of said parcel.

This Report and the above explanation of Special Tax and Assessments are intended to be general in nature and is not a substitute for a tax bill, title report or title insurance and may not be relied upon as such. If detailed information is desired, the Company recommends contacting the agency that administers the Special Tax and Assessment or retaining a professional consultant. The Company believes that the information and data contained in this Report is correct but we do not guarantee the accuracy of County records or the records of Bond Administrators from which this information is based, or accept liability for future tax payments in the event the information is inaccurate, incomplete or outdated. The assessed levy amounts listed are provided by the Tax Collector's office and are accurate based on the levies listed in the identified tax record as of the beginning of the identified tax year. No determination is made and no opinion is expressed, or intended, by the Report concerning the existence of property tax liabilities, unless specifically described in the Report. The applicable county tax assessor/collector updates their Tax Assessment frequently and the Company updates their Tax Assessment information yearly. If your decision to purchase this property is based in part on information contained in this Report, the Company recommends you contact the County Tax Collector's office and the Bond Administrators to verify its accuracy.

#### c) Environmental Information, if included in the report

The environmental information (including reference aids) assist the seller(s) in satisfying their general obligations to provide information regarding the property's proximity to site(s) identified by appropriate County, State, and/or Federal Agencies' databases as possessing (either presently or historically) an environmental concern. Disclosure Source has not verified the accuracy, validity, or completeness of those lists and does not insure, warrant or guarantee that they are accurate and up to date. Disclosure Source has not performed a physical inspection of the property and the Report is not intended to be used as a preliminary site assessment or Phase 1 report. Disclosure Source does not make any representation as to the health hazards to humans or animals that may be associated with any of the substances that may exist at the sites or how they may affect the subject property. Disclosure Source does not report on the significance or extent of the contamination or remediation of any of the sites identified in the Agencies' databases.

#### 6. Notice to Recipient(s)

Disclosure Source provides the Report for the benefit of all Recipient(s). Disclosure Source considers Recipient(s) to be a contracting party who is subject to the explanation of services, conditions, limitations and disclaimers herein, and by signing the Report, Recipient(s) expressly agrees to receive the services, and be bound by the conditions, limitations and disclaimers herein. This Report is for the exclusive benefit of the Recipient(s). There shall be no third party beneficiaries, and the Report may not be used in any subsequent transaction affecting the subject property or for any other real property.

## 7. Limitation of Liability

- (a) Disclosure Source has prepared this Report solely based upon records and information provided by various governmental and private agencies. Although reasonable care has been exercised by Disclosure Source in compiling the data and information contained in the Report, Disclosure Source has assumed that these records and information are accurate and complete, and Disclosure Source has not conducted any independent verification of their accuracy or completeness. Disclosure Source shall not be liable to Recipient(s) for errors, inaccuracies or omissions in this Report if such errors, inaccuracies or omissions were based upon information contained in the public and private records used by Disclosure Source, or were known to exist by Recipient (s) on the date of delivery of this Report to Recipient(s).
- (b) Disclosure Source expressly excludes from liability any disclosures or information (i) not known to Disclosure Source, (ii) not on the maps used by Disclosure Source, (iii) not recorded in the public record as of the date it was reviewed by Disclosure Source, (iv) not included in the categories included in the Disclosure Report, (v) which would be discovered by a physical inspection of the property, (vi) known to any Recipient prior to receipt of the Report, and/or (vii) regarding the health or risk to any humans or other living things which may be associated in way with any of the disclosed hazards.
- (c) Disclosure Source is not responsible or liable for the costs of investigating or remediating any of the disclosed hazards.
- (d) Disclosure Source shall not be liable for any damages resulting from a Recipient's inability to access the Report.



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024 Order Number: 240105-00073

(e) Any website or hyperlink contained in the Report is provided for informational purposes only, and Disclosure Source is not responsible for the accuracy of any information available from or through any referenced website or hyperlink.

- (f) Disclosure Source liability for any claim, or claims, including but not limited to any claim for breach of contract or negligence, is limited to actual proven damages as a result of an error or omission in the Report and shall be measured by the difference between the amount paid for the property and the fair market value of the property as of the date of the Report, if and only if such difference is caused by the error or omission.
- (g) Disclosure Source shall not be liable for any incidental damages, consequential damages, special damages, indirect damages, or lost profits suffered by Recipient(s).

#### 8. FEMA Flood Determination

This Report may include a FEMA Flood Determination Certificate provided by a third-party. If such a certificate is included, Disclosure Source makes no representation or determination, or offers any opinion, as to whether flood insurance is required, whether private or offered as part of a government program, or any representation or determination of the cost of any such insurance.

#### 9. Report Is Not For Credit Purposes

The information collected and disclosed in the Report is not indicative of any person's credit worthiness, credit standing, credit score, credit capacity or any other characteristics listed in Section 1681(a) of the Fair Credit Reporting Act ("FCRA"). The Report shall not be used in any way, or for any purpose, or in any manner that would cause the Report to be construed as a "consumer report" under the FCRA or any similar State or Federal statute, rule, law or regulation.

#### 10. Change in Information

This Report is an "AS IS" Report. Updates to the databases used in this Report are determined by the responsible agency and may be made at any time and without notice. For that reason, Disclosure Source maintains an update schedule and makes reasonable efforts to use updated information. The complexities of obtaining and adapting the data into a usable format for preparing this Report necessitate some delay once the updated information is obtained; therefore the Report may be considered accurate only as of the date when the database was last reviewed and implemented by Disclosure Source. Subsequent to Disclosure Source's acquisition of government records, changes may be made to said government records and Disclosure Source shall have no obligation to update the Report or to communicate to any Recipient(s), or any other person, any changes, acts, occurrences, circumstances or agreements occurring after the date of the Report, which render inaccurate anything contained in the Report. Disclosure Source may at its sole discretion supplement the Report. The determinations made in the Report are time-sensitive. Disclosure Source shall not be liable for any impact on the Property, or the value thereof, that any change to the government records may have. Disclosure Source is under no duty to update this Report when or if new information is released or becomes available.

## 11. Notice of Claim

Recipient(s) must promptly notify Disclosure Source in writing of any error or omission, and give Disclosure Source an opportunity to correct such error and omission. All notices and claims shall be addressed to Disclosure Source, Claims Department, 1200 Concord Ave, Suite 400, Concord, CA 94520. Any claim must be given promptly in writing when knowledge is acquired by any Claimant of any information which is contrary to the Disclosure Report. If a written claim notice is not given promptly to Disclosure Source, all liability of Disclosure Source shall terminate with regard to the matters for which a prompt claim notice is required but only to the extent that the failure to give prompt written notice has prejudiced Disclosure Source.

## 12. Governing Law

These Terms and Conditions, and any Recipient's use of the Report, shall be governed by, and construed in accordance with, the laws of the State of California

## 13. Resolution of Disputes (Arbitration or Small Claims)

MANDATORY ARBITRATION. This provision constitutes an agreement to arbitrate disputes on an individual basis. Any party may bring an individual action in small claims court instead of pursuing arbitration.

Any claim, dispute or controversy, pursuant to contract or tort law, or otherwise, arising out of or relating to this Agreement, the Report, its issuance, its contents, the disclosures, a breach of the Agreement, any controversy or claim arising out of the transaction giving rise to this Agreement, or the relationships among the parties hereto ("Claim"), shall be resolved by one arbitrator through binging arbitration administered by the American Arbitration Association ("AAA"), under the AAA Consumer Rules in effect at the time the Claim is filed ("AAA Rules"). Copies of AAA Rules and forms can be located at www.adr.org, or by calling 1-800-778-7879.

The arbitration will take place in the same county in which the property is located. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in *any* court having jurisdiction. This clause is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act. By receiving this Report, and entering into this Agreement, the parties acknowledge that they are giving up the right to a jury trial, and the right to participate in any class action, private attorney general action, or other representative or consolidated action, including any class arbitration or consolidated arbitration proceeding. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award: any such suit may be brought only in Federal District Court for the District or, if any such court lacks jurisdiction, in *any* state court that has jurisdiction. The arbitrator, and not any federal, state, or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability or formation of this agreement to arbitrate, including *any* claim that all or *any* part of the Terms and Conditions, including this agreement to arbitrate, is void or voidable. However, the preceding sentence shall not apply to the clause entitled "Class Action Waiver."

As noted above, a party may elect to bring an individual action in small claims court instead of arbitration, so long as the dispute falls within the jurisdictional requirements of small claims court.



Property Address: 2940 W CARSON ST UNIT 205

TORRANCE, CA 90503-6082

Parcel Number: 7359-023-164

Date: 1/5/2024

Order Number: 240105-00073

CLASS ACTION WAIVER. Any Claim must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding ("Class Action"). The parties expressly waive any ability to maintain any Class Action in *any* forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to *any* person or entity not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator.

#### 14. Severability

In the event any provision of this Disclosure Report is held invalid or unenforceable under applicable law, this Disclosure Report shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

#### 15. Complete Agreement

These Terms and Conditions constitute the single and entire integrated agreement between Disclosure Source and the Recipient (s), and supersede and replace all prior statements, representations, discussions, negotiations and agreements.

# Minutes of Regular Board Meetings (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

HomeWiseDocs

# Merit Carson Homeowner's Association Regular Board Meeting Monday, May 8, 2023

# 1. Call Meeting to Order (conducted via Zoom):

- 1. Stephen Kawalko called the meeting to order at 7:07 PM.
- 2. Individuals present:
  - 1. Board members:
    - 1. Stephen Kawalko
    - 2. Stacy Suyama
    - 3. Barbara Endo
    - 4 Chris Tom
  - 2. Partners Community Management (PCM):
    - 1. Mary Ishida
  - 3. Residents:
    - 1. Unit 114
    - 2. Unit 113 Daniel
    - 3. Unit 226

# 2. Approval of Minutes

1. Approval of Regular Board Meeting Minutes from April 10, 2023. Stephen Kawalko made a motion to approve minutes as presented. Stacy Suyama seconded the motion. Yes: Barbara Endo, Stacy Suyama, Chris Tom, Stephen Kawalko. Motion approved.

## 3. Reports

- 1. Financial: financials for month ended April 30, 2023 reviewed
  - i. Operating \$102,149.24
  - ii. Reserves \$483,854.33
    - 1. CIT xxxx4269 \$183,854.33
    - 2. CIT CDARS 6596 7/20/23 \$100,000
    - 3. CIT CDARS 6618 10/19/23 \$100,000
    - 4. CIT CDARS 6642 4/18/24 \$100,000
  - iii. Total Equity \$586,003
  - iv. Stephen Kawalko made a motion to note financial statements for April 2023 were reviewed. Stacy Suyama seconded the motion. Yes: Barbara Endo, Stacy Suyama, Chris Tom, Stephen Kawalko. Motion approved.
  - v. Aging Report quarterly fees are current; outstanding amounts are late fees/interest/finest: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024 Document not for resale

**HomeWiseDocs** 

# 2. Management Report:

- i. New Homeowners
  - 1. Unit 113
  - 2. Unit 107
- ii. Bulk pick up performed to get rid of various items around the trash bins and in the community
- 3. Architecture:
  - i. N/A
- 4. Rec Room:
  - i. No reservations until after the repairs are completed. TBD (updated) estimated mid May 2023

## 4. **Open Forum:**

- 1. Unit 226: Landscape lights turning off around the north side of the complex
  - i. Looking into electrical issues and lights that were not functioning

## 5. Old Business:

- 1. Painting Repairs (exterior wall repair on Maple side)
  - i. Thome Waterproofing: \$52,250
  - ii. Echo Construction \$16,550
  - iii. CAS Building Specialists: TBD
    - 1. Mary Ishida will coordinate a bid from CAS asap
- 2. Account Options for Reserve Funds
  - i. Money has been invested in the ladder (see financials above)
- 3. Wind Damage Balcony Dividers
  - i. Repairs completed on 5/2/23
  - ii. Final cost is less than originally quoted
- 4. Rec Room
  - i. Build Back (Echo Construction):
    - 1. Flooring not to exceed \$15,000
    - 2. Asbestos testing on the floor: positive for asbestos
      - a. Recommends to pull out existing flooring, clean, prime old flooring to concrete to trap all exposure of asbestos.
      - b. Half carpet and half laminate (Board to choose color: brown or gray)
        - i. Board Member to pick a color (brown or gray)
  - ii. Quote from Multifamily Construction:
    - 1. \$13,739-\$16,788
      - a. Industrial Carpet is more Budget friendly; vinyl is an option but has downsides with movement and possible water damage
      - b. Does not include covebase, install, or base molding
    - 2. Stephen Kawalko made a motion to approve the bid from Echo Construction in the amount of \$12,000.00 to replace Rec Room

Document not for resale HomeWiseDocs

carpeting. Stacy Suyama seconded the motion. Yes: Barbara Endo, Stacy Suyama, Chris Tom, Stephen Kawalko. Motion approved.

- a. Color choice: brown
- b. Pool table to be removed
- 5. SB326 Balcony Inspection
  - i. <a href="https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?">https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?</a> bill id=201920200SB326
  - ii. Santiago Graciano: Report finalized
    - 1 Several issues:
      - a. Balconies losing grade
      - b. Water intrusion/excessive moisture
      - c. Loose guardrail connections
      - d. Deck with mushrooms growing through = immediate threat to occupants/community
      - e. CAS Building Repairs specializes in SB326 repairs: TBD
        - i. www.gocasgo.com
    - 2. Notice to be sent out for immediate action regarding safety issues (specifically Unit 218)
    - 3. Notices for simple issues including removal of items will be sent out soon.
    - 4. More actions will be decided once Mary Ishida and possibly other board members can meet with CAS Building Repairs to get quotes and more direction

## 6. New Business

- 1. Roof Inspection
  - i. American Roofmasters
    - 1. Visual inspection revealed roof surface membrane is failing
    - 2. Maintenance costs are very expensive
    - 3. Recommends re-roofing by Fall (prior to storms)
  - ii. Mary Ishida to get roofing companies to come out and give quotes for reroofing
- 2. Insurance Claim
  - i. Water leak: Unit 223 into Unit 114
    - 1. Charge backs to Unit 223 have been completed
    - 2. Unit 114 Homeowners insurance requires denial letter from HOA Master Insurance to proceed with his claim
      - a. State Farm must send out an inspector to see if there is cause and loss under our policy
        - i. If there is, and HOA does not want to move forward, a denial letter will be generated
      - ii. Unit 114 states that inspection was completed back in January (All State) owner will share this report with Mary Ishida who will relay the information to State Farm and the Board and determine next steps

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- 3. Invoice Approvals: N/A
- 7. **Adjourn Regular Meeting Board**: Stephen Kawalko made a motion to adjourn the meeting. Stacy Suyama seconded. Yes: Barbara Endo, Stacy Suyama, Stephen Kawalko. Motion approved, meeting adjourned at 8:10 PM.

# Stacy Suyama, Secretary

Merit Carson Homeowner's Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

HomeWiseDocs

# Required Statement of Fees - Demand (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association Partners Community Management

### **Property Information:**

2940 W Carson St Unit: Unit 205

Torrance, CA 90503-6082

Seller: tbd tbd

Buyer: tbd tbd

### Requestor:

Fist Trust Escrow Inc

Ani Takayan

818-242-5499

Estimated Closing Date: 01-31-2024

### **General Information**

This information is good through	01-31-2024
Is this account in collections?	No
The regular assessment is paid through:	03-31-2024
The regular assessment is next due:	04-01-2024
What day of the month are regular assessments due?	1st
How many days after the due date is the regular assessment considered delinquent?	15
The penalty for delinquent assessments is:	0.00

### **Specific Fees Due To Merit Carson Homeowners' Association**

#### Assessment Data:

Quarterly Assessment 202401-202412 (Frequency: Quarterly)

\$1,319.46

Are there any current special assessments or governing body approved special assessments, against units within the association? If yes, a comment is provided.

No

Owner's current balance due (you may total the owners balance due using the breakdown below):

\$0.00

#### **General Association Information**

Are there any violations against this unit?

No

Is the association or the developer (if the project has not been turned over to the homeowners association) involved in any current or pending litigation? If yes, a comment is required. (Do not include neighbor disputes or rights of quiet enjoyment, litigation where the claim amount is known and the insurance carrier will provide defense and coverage, or where the HOA is named as a plaintiff in a foreclosure action or to collect past due assessments).

No

Is there a restriction in the governing documents limiting the occupancy, residency, or use of a separate interest on the basis of age in a manner different from that provided in California Civil Code Section 51.3? If yes, please comment

No

Is there a provision in the governing documents that prohibits the rental or leasing of any of the separate interests in the common interest development to a renter, lessee or tenant? If yes, please comment

See Comments

### Comments: No unless they exceed the benchmark of 25% or if the association prohibits rental during the 1st year

Does a preliminary list of defects exist pursuant to Section 6000 of the Davis Stirling Act? If yes, please comment and provide the list.

No

### Required Statement of Fees - Demand (Required Civil Code Sec. 4525) **Merit Carson Homeowners' Association Partners Community Management**

**Property Information:** 

2940 W Carson St Unit: Unit 205

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Seller: tbd tbd

Buyer: tbd tbd

Requestor:

Fist Trust Escrow Inc

Ani Takayan 818-242-5499

Estimated Closing Date: 01-31-2024

Does a Settlement Notice regarding common area defects exist pursuant to Section 6100 of the

Davis Stirling Act? If yes, please comment and provide the list.

No

### **Insurance Information**

Insurance broker's or agent's company name:

John Olsen

**Comments: Exp 05/03/2023** 

Identify the insurance agent's name:

John Olsen

Insurance agent's phone number:

(310) 373-0079 (310) 373-7740

Insurance agent's fax number: Insurance agent's email address:

john.olsen.b8gi@statefa

rm.com

Barbara Kan

**Barbara Kan, Escrow Coordinator** 

Date: 01-12-2024

**Partners Community Management** 

Phone: 626-529-3918

### Required Statement of Fees - Demand (Required Civil Code Sec. 4525) **Merit Carson Homeowners' Association**

**Partners Community Management** 

**Property Information:** 

2940 W Carson St Unit: Unit 205

Torrance, CA 90503-6082

Seller: tbd tbd

Buyer: tbd tbd

Requestor:

Fist Trust Escrow Inc

Ani Takayan

818-242-5499

Estimated Closing Date: 01-31-2024

**Fee Summary** 

**Amounts Prepaid** 

Insurance Dec Page (Non

\$35.00

Required Civil Code Sec.

4525)

Closing Statement of Fees,

\$475.00

Association Documents and Minutes (Required Civil Code

Sec. 4525)

Convenience Fee

\$9.95

Rush Fee

\$75.00

**Total** 

\$594.95

**Fees Due to Partners Community Management** 

Transfer Fee

\$250.00

**Total** 

\$250.00



# Required Statement of Fees - Demand (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association Partners Community Management

**Property Information:** 

2940 W Carson St Unit: Unit 205

Torrance, CA 90503-6082

Seller: tbd tbd

Buyer: tbd tbd

Requestor:

Fist Trust Escrow Inc

Ani Takayan

818-242-5499

Estimated Closing Date: 01-31-2024

PLEASE RETURN THIS FORM WITH YOUR CHECK AND CERTIFIED COPIES OF THE CLOSING DISCLOSURE FORM (FORMERLY THE HUD-1 FORM) AND THE GRANT OR WARRANTY DEED. PLEASE INDICATE CONFIRMATION NUMBER HJHSHTQ4Z ON THE CHECK TO ENSURE PAYMENT IS CREDITED PROPERLY.

Fees Due to Partners Community Management

Transfer Fee

\$250.00

**Total** 

\$250.00

Include this confirmation number HJHSHTQ4Z on the check for \$250.00 payable to and send to the address below.

**Partners Community Management** 

1107 Fair Oaks Ave., #107

South Pasadena, CA 91030

### Required Statement of Fees - Demand (Required Civil Code Sec. 4525) **Merit Carson Homeowners' Association Partners Community Management**

**Property Information:** 

2940 W Carson St Unit: Unit 205 Torrance, CA 90503-6082

Seller: tbd tbd Buyer: tbd tbd Requestor:

Fist Trust Escrow Inc

Ani Takayan

111 N First St #300E Burbank, CA 91502 818-242-5499

ani@ftescrow.com

**Closing Information** 

File/Escrow Number: Sales Price: 585000.00

Estimated Close Date: 01-31-2024 Closing Date:

HomeWiseDocs Confirmation #: HJHSHTQ4Z Is buyer occupant? Yes

Status Information

Date of Order: 01-05-2024 Order Retrieved Date: Board Approval Date: Inspection Date:

Order Completion Date: 01-12-2024

Date Paid: 01-05-2024

**Community Manager Information** 

Company: Partners Community Management

Completed By: Barbara Kan Primary Contact: Barbara Kan

Address:

1107 Fair Oaks Ave., #107 South Pasadena, CA 91030

Phone: 626-529-3918

Fax:

Email: escrow@partnerscm.com



# Annual Budget Report (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



November 21, 2023

Merit Carson Homeowners' Association Torrance, CA

Dear Homeowner,

Attached you will find the Annual Budget Report and Annual Policy Statement for the 12 month fiscal year 01/01/2024 - 31/12/2024 as required by Civil Code. For your convenience, we will upload this budget to our website www.partnerscm.com so that you can access it at any time throughout the year.

The Board has done their best to keep dues within reasonable limits. The approved change in the monthly assessments is as follows:

Current Monthly Revenue Amount: \$32,481.00 Approved monthly Revenue: \$34,165.75

Variable Assessment: Refer to Assessment Schedule

Percentage change: Percentage Change: 5.20% (Variable per unit square footage)

Disclaimer: The adoption of this budget does not preclude the possibility that the Board of Directors may increase the assessments to the maximum allowed without a vote of the owners and/or levy necessary special assessments during the next fiscal year in accordance with the provisions of Civil Code to address expenses which are not currently known or anticipated.

Sincerely, Client Services Department

### **Annual Budget Report and Annual Policy Statement**

5309 Merit Carson Homeowners' Association Fiscal Year 01/01/2024 - 31/12/2024

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# Merit Carson Homeowners' Association Managed by Partners Community Management

### I. Required Annual Budget Report Statements

1. Pro Forma Operating Budget Prepared on an Accrual Basis is attached.

**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 which increase with the aging process, the attached budget will go in effect.

A 5% Increase (Variable per unit square footage) will be effective 01, 2024, with the attached Assessment Schedule showing the calculations and monthly assessment by unit.

### 2. Summary of the Association's Reserves- Civil Code section 5565

"5565. The summary of the association's reserves required by paragraph (2) of subdivision (b) of Section 5300 shall be based on the most recent review or study conducted pursuant to Section 5550, shall be based only on assets held in cash or cash equivalents, shall be printed in boldface type, and shall include all of the following:

- (a) The current estimated replacement cost, estimated remaining life, and estimated useful life of each major component.
- (b) As of the end of the fiscal year for which the study is prepared:
  - (1) The current estimate of the amount of cash reserves necessary to repair, replace, restore, or maintain the major components.
  - (2) The current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain major components.
  - (3) If applicable, the amount of funds received from either a compensatory damage award or settlement to an association from any person for injuries to property, real or personal, arising out of any construction or design defects, and the expenditure or disposition of funds, including the amounts expended for the direct and indirect costs of repair of construction or design defects. These amounts shall be reported at the end of the fiscal year for which the study is prepared as separate line items under cash reserves pursuant to paragraph (2). Instead of complying with the requirements set forth in this paragraph, an association that is obligated to issue a review of its financial statement pursuant to Section 5305 may include in the review a statement containing all of the information required by this paragraph.
- (c) The percentage that the amount determined for purposes of paragraph (2) of subdivision (b) equals the amount determined for purposes of paragraph (1) of subdivision (b).



(d) The current deficiency in reserve funding expressed on a per unit basis. The figure shall be calculated by subtracting the amount determined for purposes of paragraph (2) of subdivision (b) from the amount determined for purposes of paragraph (1) of subdivision (b) and then dividing the result by the number of separate interests within the association, except that if assessments vary by the size or type of ownership interest, then the association shall calculate the current deficiency in a manner that reflects the variation."

The summary of the Association's reserves is attached if prepared and provided by Board. 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

### 3. 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 development. 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 if prepared and provided by Board.

Pursuant to Civil Code section 5550(b) (5), the Board adopted a funding plan based upon the most recent reserve study and updated annually since then. The Board's plan for funding reserves may include all of the following: (1) increase regular assessments each year (2) levy a special assessment if needed (3) borrow from a bank if needed 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.



### 4. 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.

### 5. Statement of Anticipated Special Assessments

In accordance with Civil Code section 5300(b)(5), and as of the date of this letter,

The Association does not anticipate that a special assessment will be required to repair, replace or restore any major components or to provide adequate reserves.

The foregoing statement is based on the reserve funding plan adopted pursuant to Civil Code section 5560 and 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.

#### 6. Statement of Mechanisms to Fund Reserves

The Board uses the following mechanism or mechanisms to fund reserves to repair or replace major components: regular assessments, special assessments, borrowing, use of other assets, and deferral of selected replacement or repairs.

### 7. Statement Addressing Procedures Used to Calculate and Establish Reserves

As provided in Civil Code section 5550, the Board had a reserve study performed. 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, 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 the current cost of replacement or repair of that component would be \$30,000. 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.

### 8. Statement Addressing Association's Outstanding Loans

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

### 9. Summary of Association's Insurance – Attached as Exhibit

"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."

Attached is/are the Declaration page / Acord Certificate showing the insurance information.

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.



### 10. Assessment and Reserve Funding Disclosure Summary Form attached as Exhibit

### 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:

Mary Ishida Agent for Merit Carson Homeowners' Association 1107 Fair Oaks Ave #107 South Pasadena CA 91030

### 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: Bulletin Board at Front of Complex

### 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.

Solicit Information. Beginning January 1, 2022, associations must request members' preferred delivery method (email, mail, or both) for notices and disclosures. In addition, associations must annually give notice that members are not required to provide their email address to the association (Civil Code § 4041) for the membership list, which the association is obligated to maintain. This notice must be given no later than 30 days prior to mailing the Annual Budget Report. (See Sample Form; NOTE: An email with the requested information is sufficient for the association's records. (Civ. Code § 1633.7.) The email can be printed and stored in a file or stored electronically.)

### 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

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distributed to any member upon request and upon reimbursement of the Association's costs for making that distribution. To make a request for a copy of minutes, members should contact by mail or e-mail:

Mary Ishida Agent for Merit Carson Homeowners' Association 1107 Fair Oaks Ave #107 South Pasadena, CA 91030 admin@partnerscm.com

#### 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)

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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 attached as Exhibit
- 8. Discipline Policy and Penalty Schedule attached as Exhibit
- 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.

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# Merit Carson Homeowners' Association Managed by Partners Community Management

(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.
  - 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.

# <u>Civil Code §5920. Annual Notice of Internal Dispute Resolution Policy.</u> <u>Civil Code §5915. Default Meet and Confer Procedure.</u>

If the Association has an IDR policy, it is attached as an Exhibit.

- (a) This section applies to an association that does not otherwise provide a fair, reasonable, and expeditious dispute resolution procedure. The procedure provided in this section is fair, reasonable, and expeditious, within the meaning of this article.
- (b) Either party to a dispute within the scope of this article may invoke the following procedure:
  - (1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
  - (2) A member of an association may refuse a request to meet and confer. The association may not refuse a request to meet and confer.
  - (3) The board shall designate a director to meet and confer.
  - (4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
  - (5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association.
- (c) An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:
  - (1) The agreement is not in conflict with law or the governing documents of the common interest development or association.
  - The agreement is either consistent with the authority granted by the board to its designee or the agreement is ratified by the board.

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# Merit Carson Homeowners' Association Managed by Partners Community Management

### 10. Summary of Procedures for Architectural Review

Civil Code section 4765(c) requires associations to distribute annually a copy of the procedures used to review and approve or disapprove a proposed architectural change so we suggest including the entire architectural policy.

The Association requires prior written approval of certain architectural changes that you make to your property. The general types of changes that may require written Association architectural approval are generally described as all exterior additions and modifications, all changes to structural members, all changes to water, sewer, electrical and other utility components, all changes that would require a building permit.

You should review the Association's Declaration, Bylaws, Rules, and Architectural Guidelines for more specific information. Attached as an Exhibit.

### 11. Mailing Address for Overnight Payment of Assessments

Merit Carson Homeowners' Association C/O PCM - Payment Processing PO Box 52930 Phoenix AZ 85072-2930

### 12. Miscellaneous Disclosures as Required by Law or Governing Documents

#### A. Preparation of Audit or Review

As provided in the Declaration/Bylaws or in Civil Code section 5305 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. Community Service Association Disclosure

Our Association is not subject to the requirements of Civil Code section 5580 because there is not a community service organization whose funding from our Association or our members exceeds 10 percent of the community Association's annual budget.

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

None known at this time.

### D. Disclosure and Accounting of Reserves Borrowed for Litigation

As required by Civil Code section 5520, we are disclosing that the Association has not, as of the date of this document, made a decision to transfer funds temporarily from the reserve fund as provided in Civil Code section 5510(b). If any such transfer would be made, a quarterly accounting of the expenses of litigation is available for inspection by members of the



Association at the Association's office upon reasonable advance notice.

#### E. Disclosure of Rental Restrictions

AB 3182 effective January 1, 2021 limits the ability of Homeowners Association to restrict rentals, except for the following: 1) HOA can still limit rentals not to exceed 25% of the total number of units in a community and; 2) HOA can still prohibit rentals of less than 30 days and/or for hotel and transient purposes.

### F. Disclosure of Senior Community Status

As provided by Civil Code section 4525, this is your notice that there are no restrictions in the governing documents limiting the occupancy, residency, or use of a separate interest on the basis of age.

### III. Optional Disclosures

1. Architectural Modifications for Persons with Disabilities.

Apparent Architectural Violations or other Alleged Violations of our Governing Documents May Not Be Violations Due to Compliance with the Federal Fair Housing Act and/or the California Fair Employment and Housing Act.

Occasionally residents may see something that appears to be a violation of our governing documents and rules. Appearances can be deceiving! Sometimes what seem to be "violations" are, in fact, "accommodations" required by law to be given to disabled residents. This is necessary to give disabled residents an equal opportunity to use and enjoy the premises. Please recognize that some disabilities may not be apparent just by looking at the person who has a disability. Also, the type of architectural change made may seem as if it is unrelated to any form of disability, but that is because there are so many different types of disabilities that require many different types of accommodations. These accommodations should not be interpreted as meaning the Association is not serious about enforcing community standards and rules, only that the Association is mindful of its legal duty to comply with disability protection laws.

You probably already know from your dealings with doctors and pharmacies that they are required to be very protective of each patient's medical information. Article I, Section 1 of the California Constitution also includes a personal right to privacy. Thus, even if you ask about an apparent architectural or other violation, we may not be able to tell you very much, if anything, about it. About all we can say is that we are aware of it, and the Association authorized it to make an accommodation required by law. We trust you will understand. If you have questions about this issue, please contact management.

# 6

# Merit Carson Homeowners' Association Managed by Partners Community Management

### 2. Distribution of Owner Mailing List to Members

The Association is required by Civil Code section 5200(a), under the circumstances covered by the statute, to provide members with the name, property address, and mailing address of all members. Association members may opt out of sharing his or her name, property address, mailing address, and email address by notifying the Association in writing that the member prefers to be contacted via the alternative process described in Corporations Code section 8330(c). The alternative method may require the member wanting the list to provide the materials to the Association for the Association to mail it to the members who have opted out without revealing the mailing list information to the requesting member. Any opt-out remains in effect until changed by the member.

### 3. Member Contact Information [Civ. Code §5305]

An owner of a separate interest shall, on an annual basis, provide written notice to the association of all of the following:

- (1) The address or addresses to which notices from the association are to be delivered.
- (2) An alternate or secondary address to which notices from the association are to be delivered.
- (3) 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.
- (4) Whether the separate interest is owner-occupied, is rented out, of the parcel is developed but vacant, or if the parcel is undeveloped land.

Any updates to the information above should be submitted on a Homeowner Profile Form. The form is available on our website at www.partnerscm.com or may be requested by contacting the management company.

#### 4. Gated Communities and Associations with Locked Entry Doors or Patrols

The community is not a secured community and the Association has no duty to provide security. This is especially true during any event that requires that you vacate your unit, such as termite treatment. It is your obligation to protect your belongings and personal safety. Our Management Company has suggested that we organize and support a NEIGHBORHOOD WATCH PROGRAM. If you have a smoke detector, replace the battery each year. Develop a Fire Escape Plan so that all family members know what to do in the event of a fire. Each owner is responsible for his or her own personal safety and security on the property. Owners must communicate these facts to their respective tenants and guests.



#### 5. Smoke and Carbon Monoxide Detectors

If you live in an All-Electric unit without an attached garage or fossil fuel source, the following section may not apply.

Owners are required by law to have operational smoke detectors and carbon monoxide detectors. [Health and Safety Code §§13113, 717926 & 17926.1] Please note that it is common for many detectors to last no longer than 10 years, so please test your detectors regularly, follow the manufacturer's instructions about replacement and replace them whenever their useful life ends. If you have tenants, there are battery-operated detectors that have tamper-resistant features to prevent removal of batteries. Some hard-wired detectors have batteries designed to last for the life of the detectors.

### 6. Location of Main Water Shutoff for Emergencies

To reduce damage due to an unexpected leak that may damage your property and the property of others, please take time to familiarize yourself with where the main water shutoff valves are that affect your unit along with any water shut off valves inside your unit that control the water supply to your fixtures.

### 7. Insurance Reminder:

You are strongly urged to maintain your own liability and personal property insurance to protect your own personal property, those portions of the structure that you may own and any liability that you may have for injury or damage to any third parties. Noted below is information regarding a general description of insurance that was provided to us by one of the leading Association Insurance Agents. For more detailed explanation, please consult with your own insurance agent.

The Master policy provided by the Association provides basic coverage for the structure; however, there are at least five items that are not provided by the Association's policy that need to be maintained by the individual unit owner under a package called an HO-6 or an "Individual Unit owner Policy."

Personal Property Coverage
Personal Liability Protection
Loss of Use Protection
Loss Assessment Coverage
Real Property Coverage

If the Association has Earthquake Insurance owners should maintain supplemental earthquake coverage.

Earthquake Loss Assessment
Earthquake coverage on Personal Property
Earthquake "Loss of Use" Coverage
Earthquake - Real Property Coverage



#### 8. Maintenance Reminder

Proper maintenance of a few simple items in your home can save you money. Caulking around tubs and showers should be checked yearly and replaced before leaks can occur. If you have a washing machine, replace the rubber hoses with braided steel hoses available at most hardware stores.

#### 9. Sale and Refinance Process

The Management Company requires written requests for documents and information related to Sales and/or refinance transactions. You may be asked to sign an authorization form that will allow the Management Company to release your requested information to parties of interest. The Management Company has ten (10) days to respond to a properly submitted request. (Civil Code 4530). Sale and Refinance documentation can be obtained by having your escrow company submit a request to <a href="Escrow@partnerscm.com">Escrow@partnerscm.com</a>.

### Consent to receive Association Documents by electronic means Consent form attached as Exhibit

Many notices, disclosures and documents may be delivered electronically to any member who has agreed to that method of delivery. This is a savings in postage and mailing costs for the Association which affects the annual assessment budget.

Before an association can electronically distribute documents, notices and disclosures, it must receive the recipient's unrevoked written consent. The consent must comply with all the requirements of <a href="Corp. Code §20">Code §20</a>, which includes a clear written statement to the recipient as to:

Any right of the recipient to have the record provided or made available on paper or in non-electronic form

Whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation

The procedures the recipient must use to withdraw consent.

#### 11. How to Contact the Management Company:

The Management Company can be contacted at <u>admin@partnerscm.com</u> or by calling (626) 529-3918 and following the voice mail instructions.



#### 12. Useful Websites:

Partners Community Management – <a href="www.partnerscm.com">www.partnerscm.com</a>
Davis-Stirling - <a href="www.davis-stirling.com">www.davis-stirling.com</a>
Greater Los Angeles Chapter, Community Associations Institute – <a href="www.cai-glac.org">www.cai-glac.org</a>

California Association of Community Managers – <u>www.cacm.org</u>

Red Cross – <u>www.redcross.org</u>

Department of Real Estate CID Information – <a href="https://www.dre.ca.gov/pub\_re39.html">www.dre.ca.gov/pub\_re39.html</a>

Federal Emergency Management Agency (FEMA) – www.fema.gov

#### Merit Carson Homeowners' Association

#### CIVIL CODE FHA DISCLOSURE

Required to be issued on separate page

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest. This common interest development is a condominium project. As of 09/09/21 the association of this common interest development is NOT certified by the Federal Housing Administration. Check the FHA website at https://entp.hud.gov/idapp/html/condlook.cfm for current status.

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

#### Merit Carson Homeowners' Association

#### CIVIL CODE VA DISCLOSURE

Required to be issued on separate page

Certification by the Federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest. This common interest development is a condominium project. The association of this common interest development is YES certified by the Federal Department of Veterans Affairs. Check the VA website at <a href="https://vip.vba.va.gov/portal/VBAH/VBAHome/condopudsearch">https://vip.vba.va.gov/portal/VBAH/VBAHome/condopudsearch</a> for current status.

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

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

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

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

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

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

Provider of the Section 4525 Items:

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Articles of Incorporation (or statement that not incorporated)	Section <b>4525(a)(1)</b>	\$35.00	
CC&Rs	Section <b>4525(a)(1)</b>	\$50.00	
Bylaws	Section <b>4525(a)(1)</b>	\$35.00	
Operating Rules	Section <b>4525(a)(1)</b>	\$30.00	
Age Restrictions, if any	Section <b>4525(a)(2)</b>		Refer to Demand
Rental Restrictions, if any	Section <b>4525(a)(9)</b>	\$10.00	Refer to CC&Rs
Annual Budget Report (or summary, including Reserve Study)	Sections <b>5300</b> and <b>4525</b> (a)(3)	\$45.00	
Assessment and Reserve Funding Disclosure Summary	Sections <b>5300</b> and <b>4525</b> (a)(4)		Included in Budget
Financial Statement Review	Sections <b>5305</b> and <b>4525(a)(3)</b>	\$40.00	
Assessment Enforcement Policy	Sections <b>5310</b> and <b>4525(a)(4)</b>		Included in Budget
Insurance Summary	Sections <b>5300</b> and <b>4525</b> (a)(3)		Included in Budget
Regular Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand
Special Assessment	Section <b>4525(a)(4)</b>	\$10.00	Refer to the Demand
Emergency Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Other Unpaid Obligations of Seller	Sections <b>5675</b> and <b>4525(a)(4)</b>		Refer to the Demand
Approved Changes to Assessments	Sections <b>5300</b> and <b>4525(a)(4)</b> , <b>(8)</b>	Included in Dude	
Settlement Notice Regarding Common Area Defects	Sections 4525(a)(6), (7) and 6100  Refer to the Den		Refer to the Demand
Preliminary List of Defects	Sections 4525(a)(6), 6000 and 6100	<b>4525(a)(6)</b> , <b>6000</b> Refer to th	
Notice(s) of Violations	Sections <b>5855</b> and <b>4525(a)(5)</b>		Refer to the Demand
Required Statement of Fees	Section 4525	\$260.00	aka Demand
Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested)	Section 4525(a)(10)	\$70.00	
Total fees fo	r these documents:	\$ \$585.00	

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

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

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

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

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

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

### **Merit Carson Homeowners' Association**

Annual Budget - FY January 1 to December 31, 2024

Cod	le Description	Current	Proposed	Annual
		2023 Budget	2024 Budget	2024
_				
Incom		ć22 404 00	624465.75	¢400,000,00
	1000 Assessment	\$32,481.00	\$34,165.75	\$409,989.00
	1030 Laundry Income	\$1,133.83	\$1,134.00	\$13,608.00
	1070 Storage Fees/Parking	\$58.33	\$58.00	\$696.00
4	1370 Miscellaneous Income	\$8.33	\$8.00	\$96.00
	Total Income	\$33,681.50	\$35,365.75	\$424,389.00
Expens	202			
-	erating Expenses			
•	Contract Services			
	5000 Landscape	\$1,785.00	\$1,785.00	\$21,420.00
	5005 Janitorial	\$615.00	\$682.00	\$8,184.00
	5030 Pest Control	\$387.17	\$387.00	\$4,644.00
	5040 Cable Service	\$3,500.00	\$3,900.00	\$46,800.00
	5045 Annual Fire Service	\$55.00	\$55.00	\$660.00
	5065 Roofing Maintenance	\$387.00	\$0.00	\$0.00
	6070 Professional Management Ser	•	\$2,255.00	\$27,060.00
	6075 Reserve Study	\$91.58	\$45.75	\$549.00
	Total Contract Services	\$8,870.75	\$9,109.75	\$109,317.00
ι	Jtilities			
5	5200 Electric	\$499.08	\$516.00	\$6,192.00
5	5201 Gas	\$203.67	\$329.00	\$3,948.00
5	5202 Water and Sewer	\$3,175.75	\$3,458.00	\$41,496.00
5	5203 Refuse Removal	\$2,867.50	\$1,800.00	\$21,600.00
5	5204 Telephone	\$0.00	\$80.00	\$960.00
5	5205 Internet	\$0.00	\$75.00	\$900.00
	Total Utilities	\$6,746.00	\$6,258.00	\$75,096.00
	nsurance			
	3300 Insurance - Master Policy	\$2,796.33	\$3,100.00	\$37,200.00
	5301 Insurance - Earthquake	\$1,951.83	\$1,952.00	\$23,424.00
	5310 Insurance - Umbrella Policy	\$1,931.83	\$1,932.00	\$552.00
	3350 Fidelity Bond	\$0.00	\$26.00	\$332.00
-	Total Insurance	\$4,798.92	\$5,124.00	\$61,488.00
		Ψ-1,130.3 <b>2</b>	70,122-1100	Ţ02j=00. <b>00</b>
r	Maintenance/Repairs			
5	400 Landscaping Extras	\$37.50	\$351.00	\$4,212.00
5	401 Tree Trimming	\$241.67	\$330.00	\$3,960.00
5	404 Janitorial Extras	Address: 20.00	V Carson \$70.00	\$840.00
	AOE lawitawial Committee	AUUI 633. 4340 V	\$50.00	11 4UD 4000 00
5	5405 Janitorial Supplies	Order Det 550.00	05.2024.350.00	\$600.00

### **Merit Carson Homeowners' Association**

Annual Budget - FY January 1 to December 31, 2024

Code	Description	Current	Proposed	Annual
		2023 Budget	2024 Budget	2024
		5		
5406	Lighting Extras	\$0.00	\$199.00	\$2,388.00
5410	Pool & Spa Extras	\$62.00	\$0.00	\$0.00
	Plumbing Repairs	\$1,200.00	\$1,663.00	\$19,956.00
	Pest Control Extras	\$36.00	\$15.00	\$180.00
5445	Gate Repair	\$50.00	\$78.00	\$936.00
5457	Locks & Keys	\$0.00	\$29.00	\$348.00
5467	Painting	\$150.00	\$245.00	\$2,940.00
	Roof Repairs	\$94.00	\$387.00	\$4,644.00
	Water Damage	\$522.00	\$734.00	\$8,808.00
	Gutters/Downspouts	\$200.00	\$200.00	\$2,400.00
5795	•	\$0.00	\$1.00	\$12.00
	Materials	\$43.00	\$32.00	\$384.00
5798	General Repairs/Maintenance	\$120.00	\$869.00	\$10,428.00
	Contingencies	\$115.92	\$149.00	\$1,788.00
	Total Maintenance/Repairs	\$2,922.08	\$5,402.00	\$64,824.00
	• •	. ,		
Admiı	nistrative			
5800	Taxes - Federal	\$3.00	\$70.00	\$840.00
5801	Taxes - State	\$1.00	\$22.00	\$264.00
5805	Licenses & Permits	\$47.00	\$34.00	\$408.00
5809	Management Extras	\$9.00	\$8.00	\$96.00
	Accounting Service	\$90.00	\$98.00	\$1,176.00
	Legal Fees	\$334.00	\$105.00	\$1,260.00
	Bad Debt Expense	\$172.67	\$146.00	\$1,752.00
	Meeting Expense	\$89.58	\$72.00	\$864.00
	Postage	\$34.00	\$10.00	\$120.00
	Reproduction	\$19.00	\$42.00	\$504.00
	Special Mailings	\$31.00	\$5.00	\$60.00
	Statement Mailing	\$87.00	\$90.00	\$1,080.00
	CLAC Contribution	\$13.17	\$20.00	\$240.00
	Total Administrative	\$930.42	\$722.00	\$8,664.00
	<b>Total Operating Expenses</b>	\$24,268.17	\$26,615.75	\$319,389.00
	Transactions			
9000	Reserve Contributions	\$8,333.33	\$8,750.00	\$105,000.00
	Total Reserve Transactions	\$8,333.33	\$8,750.00	\$105,000.00
	Total Expenses	\$32,601.50	\$35,365.75	\$424,389.00
	·	<del>inder: HJHSHT</del>	Q4 <del>Z</del>	. ,
	Net Surplus (Deficit)	\$1,080.00	V Carson \$0.00	nit 205 \$0.00
	C 2111 (1111)	<del>Irder Bate: 01</del>	05-2024	70.00

Document not for resale HomeWiseDocs

### Merit Carson Homeowners' Association Dues Allocation

			Per Month		2024	2023	Dollar	Percent
Unit	%	Variable	Fixed	Total	Per Quarter	Per Quarter	Change	Change
1	1.474%	204.50	260.15	464.65	1,393.96	1,326.00	67.96	5.125%
2	1.402%	194.51	260.15	454.66	1,363.99	1,296.00	67.99	5.246%
3	1.427%	197.98	260.15	458.13	1,374.40	1,305.00	69.40	5.318%
4	1.417%	196.59	260.15	456.75	1,370.24	1,302.00	68.24	5.241%
5	1.467%	203.53	260.15	463.68	1,391.05	1,323.00	68.05	5.143%
6	1.442%	200.06	260.15	460.21	1,380.64	1,311.00	69.64	5.312%
7	1.474%	204.50	260.15	464.65	1,393.96	1,326.00	67.96	5.125%
8	1.402%	194.51	260.15	454.66	1,363.99	1,296.00	67.99	5.246%
9	1.427%	197.98	260.15	458.13	1,374.40	1,305.00	69.40	5.318%
10	1.489%	206.58	260.15	466.73	1,400.20	1,332.00	68.20	5.120%
11	1.417%	196.59	260.15	456.75	1,370.24	1,302.00	68.24	5.241%
12	1.417%	196.59	260.15	456.75	1,370.24	1,302.00	68.24	5.241%
101	1.330%	184.52	260.15	444.67	1,334.02	1,269.00	65.02	5.124%
102	1.143%	158.58	260.15	418.73	1,256.19	1,194.00	62.19	5.209%
103	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
104	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
105	1.265%	175.51	260.15	435.66	1,306.97	1,242.00	64.97	5.231%
106	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
107	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
108	1.143%	158.58	260.15	418.73	1,256.19	1,194.00	62.19	5.209%
109	1.417%	196.59	260.15	456.75	1,370.24	1,302.00	68.24	5.241%
110	1.279%	177.45	260.15	437.60	1,312.80	1,248.00	64.80	5.192%
111 112	1.345% 1.250%	186.61 173.43	260.15 260.15	446.76	1,340.27	1,275.00	65.27 64.73	5.119%
113	1.230%	173.43 184.52	260.15	433.58 444.67	1,300.73 1,334.02	1,236.00 1,269.00	65.02	5.237% 5.124%
113	1.143%	158.58	260.15	444.67	1,334.02 1,256.19	1,194.00	62.19	5.124%
115	1.143%	162.60	260.15	422.75	1,268.26	1,206.00	62.19	5.209%
116	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
117	1.172%	182.44	260.15	442.59	1,327.78	1,263.00	64.78	5.129%
118	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
119	1.172%	162.60	260.15	422.75	1,268.26	1,206.00	62.26	5.163%
120	1.143%	158.58	260.15	418.73	1,256.19	1,194.00	62.19	5.209%
121	1.345%	186.61	260.15	446.76	1,340.27	1,275.00	65.27	5.119%
122	1.279%	177.45	260.15	437.60	1,312.80	1,248.00	64.80	5.192%
123	1.345%	186.61	260.15	446.76	1,340.27	1,275.00	65.27	5.119%
124	1.250%	173.43	260.15	433.58	1,300.73	1,236.00	64.73	5.237%
201	1.345%	186.61	260.15	446.76	1,340.27	1,275.00	65.27	5.119%
202	1.150%	159.55	260.15	419.70	1,259.10	1,197.00	62.10	5.188%
203	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
204	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
205	1.295%	179.67	260.15	439.82	1,319.46	1,254.00	65.46	5.220%
206	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
207	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
208	1.175%	163.02	260.15	423.17	1,269.51	1,206.00	63.51	5.266%
209	1.365%	189.38	260.15	449.53	1,348.59	1,281.00	67.59	5.277%
210	1.295%	179.67	260.15	439.82	1,319.46	1,254.00	65.46	5.220%
211	1.225%	169.96	260.15	430.11	1,290.32	1,227.00	63.32	5.161%
212	1.365%	189.38	260 15	449.53	1,348.59	1,281.00	67.59	5.277%
213	1.265%	175.51	260.15	435.66	1,306.97	1,242.00	64.97	5.231%
214	1.309%	181.61				St 4,260.005	65.28	5.181%
			Orde	r Date: 0	1-05-2024			

Order Date: 01-05-2024
Document not for resale
HomeWiseDocs

### Merit Carson Homeowners' Association Dues Allocation

			Per Month		2024	2023	Dollar	Percent
Unit	%	Variable	Fixed	Total	Per Quarter	Per Quarter	Change	Change
215	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
216	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
217	1.200%	166.49	260.15	426.64	1,279.92	1,218.00	61.92	5.083%
218	1.334%	185.08	260.15	445.23	1,335.69	1,269.00	66.69	5.255%
219	1.345%	186.61	260.15	446.76	1,340.27	1,275.00	65.27	5.119%
220	1.200%	166.49	260.15	426.64	1,279.92	1,218.00	61.92	5.083%
221	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
222	1.345%	186.61	260.15	446.76	1,340.27	1,275.00	65.27	5.119%
223	1.150%	159.55	260.15	419.70	1,259.10	1,197.00	62.10	5.188%
224	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
225	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
226	1.295%	179.67	260.15	439.82	1,319.46	1,254.00	65.46	5.220%
227	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
228	1.187%	164.68	260.15	424.84	1,274.51	1,212.00	62.51	5.157%
229	1.150%	159.55	260.15	419.70	1,259.10	1,197.00	62.10	5.188%
230	1.358%	188.41	260.15	448.56	1,345.68	1,278.00	67.68	5.296%
231	1.295%	179.67	260.15	439.82	1,319.46	1,254.00	65.46	5.220%
232	1.200%	166.49	260.15	426.64	1,279.92	1,218.00	61.92	5.083%
233	1.358%	188.41	260.15	448.56	1,345.68	1,278.00	67.68	5.296%
234	1.265%	175.51	260.15	435.66	1,306.97	1,242.00	64.97	5.231%
235	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
236	1.334%	185.08	260.15	445.23	1,335.69	1,269.00	66.69	5.255%
237	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
238	1.200%	166.49	260.15	426.64	1,279.92	1,218.00	61.92	5.083%
239	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
240	1.370%	190.07	260.15	450.22	1,350.67	1,284.00	66.67	5.193%
241	1.200%	166.49	260.15	426.64	1,279.92	1,218.00	61.92	5.083%
242	1.309%	181.61	260.15	441.76	1,325.28	1,260.00	65.28	5.181%
78	100.000%	13,874.00	20,291.75	34,165.75	102,497.25	97,443.00	5,054.25	5.187%

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

# Reserve Disclosure

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

### Assessment and Reserve Funding Disclosure Summary

### Prepared For Fiscal Year 2023

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	(per month)	(per unit per month)
Reserve Allocation:	\$6,250.00	Varies (see Note 2)
Total Assessment (Dues):	\$30,682.00	Varies (see Note 2)

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

Date Special Assessment will be due	Amount Per Year (see Note 2)	Purpose of the assessment
Total:	\$0.00	

(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?

_		_	
	Vac		No
	1 69	•	

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

Approximate date additional assessments or other contributions will be due (FY):	Amount Per Year (see Note 2)
2028	\$95,887.00
2029	\$447,703.00
Total	\$543,590.00

- (5) All major components are included in the reserve study and are included in its calculations.
- (6) The following is based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 and reserve study information applicable to the fiscal year indicated above in subtitle:

Last Reserve Study or Update Prepared By:	Strategic Reserves Corporation	
Date of Last Reserve Study or Update:	08/22/2022	
Fully Funded Balance:	\$1,207,883	
Projected Reserve Fund Cash Balance:	\$482,469	
Percent Funded:	40%	
Current Deficiency in Reserve Funding:	\$725,414	(see Note 2)

Order: HJHSHTQ4Z

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# Assessment and Reserve Funding Disclosure Summary Prepared For Fiscal Year 2023

(7) Based on the method of calculation in Paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is A, the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is B, leaving the reserve at C percent funded. If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be D, leaving the reserve at E percent funded.

Funding Plan (proposed per study)	Estimated Amount Required	Cash Balance (projected)	Percent Funded
	A	В	C
Year 1	\$1,207,883	\$482,469	40%
Year 2	\$1,181,333	\$484,845	41%
Year 3	\$1,036,610	\$376,530	36%
Year 4	\$892,054	\$275,173	31%
Year 5	\$1,011,804	\$437,447	43%

Funding Plan (approved/adopted by board)		Cash Balance (projected)	Percent Funded
		D	E
Year 1		\$482,469	40%
Year 2	1	\$417,296	35%
Year 3	1	\$238,257	23%
Year 4	-	\$62,871	7%
Year 5		\$147,676	15%

Note 1 - The financial representations set forth in this summary are based on the best estimates of the reserve study preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumend long-term before-tax interest rate earned on reserve funds was 1.0 % per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 3.0 % per year.

Note 2 - If assessments vary by size or type of ownership interest, then the association shall calculate the respective amount per ownership interest in a manner that reflects the variation & provide with the accompanying budget documents.

Note 3 - The association's Board of Directors has relied on information, opinions, reports and statements presented to it by vendors, contractors, reserve study specialists, CPAs and/or other professionals and is relying upon this information, financial data and reports pursuant to Corporations Code 7231 in providing the association membership the information contained in this Assessment and Reserve Funding Disclosure Summary. The information contained within the reserve study includes estimates of replacement value and life expectancies of the components and includes assumptions regarding future events based on information supplied to the Association's Board of Directors from said professionals. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this disclosure summary. Therefore, the actual replacement cost and remaining life may vary from the reserve study and the variation may be significant. Additionally, inflation, interest and other economic events may impact the reserve study, particularly over a thirty (30) year period of time which could impact the accuracy of the reserve study and the funds to meet the association's obligation for repair and/or replacement of major components during the next thirty (30) years. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods or other acts of God cannot be accounted for and are excluded when assessing life expectancy of the components. The reserve study only includes items that the Association has a clear and expressed responsibility to maintain pursuant to the Association's CC&R's. The Board understands the need to update the reserve study report annually.

Note 4 - The Board agrees that by disclosing this form to its membership, that all information found on this form is deemed to be accurate to the best of their knowledge, & that it assumes full responsibility for any inacurrate information found on the form that was disclosed, & shall not hold the reserve study preparer/company or the software company (Global Reserves, Inc.) responsible for any inaccurate information

Order: HJHSHTQ4Z

# Assessment and Reserve Funding Disclosure Summary (Cash Flow Analysis/Funding Plan- with adopted Reserve Allocation)

•	•	_
	Prepared for	Fiscal Year 2023

				Allocation the	e Rate	*		Fully Funded Bala.	ð <sub>l</sub>
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Fiscal v.	FY Start Balance	Interest Earned	Reserve Alloco	/Nocal	Special Assessm	Disbursement	FY End Balance		Porcent Funded
2022	,	_~	~	/ V	~	\$0	\$482,469	\$1,092,515	
2023	\$482,469	\$3,377	\$75,000	0.0%	\$0	\$143,550	\$417,296	\$1,207,883	40%
2024	\$417,296	\$2,921	\$78,000	4.0%	\$0	\$259,960	\$238,257	\$1,181,333	35%
2025	\$238,257	\$1,668	\$81,120	4.0%	\$0	\$258,174	\$62,871	\$1,036,610	23%
2026	\$62,871	\$440	\$84,365	4.0%	\$0	\$0	\$147,676	\$892,054	7%
2027	\$147,676	\$1,034	\$87,739	4.0%	\$0	\$0	\$236,449	\$1,011,804	15%
2028	\$236,449	\$1,655	\$91,249	4.0%	\$95,887	\$425,240	\$0	\$1,137,927	21%
2029	\$0	\$0	\$94,899	4.0%	\$447,703	\$542,602	\$0	\$832,676	0%
2030	\$0	\$0	\$98,695	4.0%	\$0	\$0	\$98,695	\$400,357	0%
2031	\$98,695	\$691	\$102,643	4.0%	\$0	\$0	\$202,029	\$516,994	19%
2032	\$202,029	\$1,414	\$106,748	4.0%	\$0	\$0	\$310,191	\$640,249	32%
2033	\$310,191	\$2,171	\$111,018	4.0%	\$0	\$57,983	\$365,397	\$770,443	40%
2034	\$365,397	\$2,558	\$115,459	4.0%	\$0	\$317,810	\$165,604	\$848,203	43%
2035	\$165,604	\$1,159	\$120,077	4.0%	\$0	\$43,386	\$243,454	\$664,032	25%
2036	\$243,454	\$1,704	\$124,881	4.0%	\$0	\$1,985	\$368,054	\$760,574	32%
2037	\$368,054	\$2,576	\$129,876	4.0%	\$0	\$0	\$500,506	\$906,290	41%
2038	\$500,506	\$3,504	\$135,071	4.0%	\$0	\$27,052	\$612,029	\$1,062,131	47%
2039	\$612,029	\$4,284	\$140,474	4.0%	\$0	\$148,557	\$608,230	\$1,198,638	51%
2040	\$608,230	\$4,258	\$146,093	4.0%	\$0	\$149,704	\$608,877	\$1,218,103	50%
2041	\$608,877	\$4,262	\$151,936	4.0%	\$0	\$0	\$765,075	\$1,241,077	49%
2042	\$765,075	\$5,356	\$158,014	4.0%	\$0	\$28,446	\$899,999	\$1,423,131	54%
2043	\$899,999	\$6,300	\$164,334	4.0%	\$0	\$10,204	\$1,060,429	\$1,585,710	57%
2044	\$1,060,429	\$7,423	\$170,908	4.0%	\$0	\$436,825	\$801,935	\$1,776,410	60%
2045	\$801,935	\$5,614	\$177,744	4.0%	\$0	\$114,784	\$870,509	\$1,538,041	52%
2046	\$870,509	\$6,094	\$184,854	4.0%	\$0	\$5,027	\$1,056,430	\$1,628,952	53%
2047	\$1,056,430	\$7,395	\$192,248	4.0%	\$0	\$33,184	\$1,222,889	\$1,840,551	57%
2048	\$1,222,889	\$8,560	\$199,938	4.0%	\$0	\$75,001	\$1,356,386	\$2,034,506	60%
2049	\$1,356,386	\$9,495	\$207,935	4.0%	\$0	\$979,983	\$593,833	\$2,196,410	62%
2050	\$593,833	\$4,157	\$216,253	4.0%	\$0	\$0	\$814,243	\$1,436,357	41%
2051	\$814,243	\$5,700	\$224,903	4.0%	\$0	\$196,158	\$848,688	\$1,668,455	49%
2052	\$848,688	\$5,941	\$233,899	4.0%	\$0	\$8,163	\$1,080,365	\$1,711,104	50%

1.0% - Interest Rate 3.0% - Inflation

Order: HJHSHTQ4Z

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Address: 2943/5 W Carson St Unit 205 Strategic Reserves Corporation Order Date: 01-05-2024

August 22, 2022

Document not for resale

### Reserve Disclosures

	Reserve Component		Current Cost	Useful Life	Remaining Life
	Coat/Paint/Stain				
01.01	interior,clubhouse,paint		\$4,131	12	1
01.02	stucco,paint		\$122,850	10	2
01.03	trim,paint		\$45,045	5	2
01.04	wrought iron,paint		\$20,692	5	2
	Deck Compound				
02.01	deck inspection/report,engineer		\$15,750	9	2
02.02	deck/stairs,coat/rehab		\$24,145	5	2
	Equipment				
03.01	appliances,clubhouse		\$2,396	15	3
03.02	fixtures,light,bldg		\$6,032	25	23
03.03	fixtures,light,pagoda		\$7,311	20	3
03.04	gate operators,slide		\$7,327	10	6
03.05	hvac-baseboard heaters		\$2,473	30	24
03.06	mailbox,CBUs		\$13,302	20	2
03.07	sump pumps(1)		\$1,421	12	6
03.08	sump pumps(2)		\$2,843	12	1
03.09	water heater, clubhouse		\$1,312	12	2
03.10	water heater, laundry-North		\$1,942	12	6
03.11	water heater,laundry-South		\$1,942	10	2
03.12	water shut-off valves,main		\$16,980	40	36
04 F	Fencing				
04.01	vinyl fence		\$67,488	40	29
04.02	wrought iron,pedestrian entries,rplc		\$5,485	30	21
04.03	wrought iron,perimeter-3' hgt,rplc		\$2,880	30	6
04.04	wrought iron,railing,replace		\$113,161	30	1
04.05	wrought iron,vehicular entries,rplc		\$14,948	30	6
	Pavement				
05.01	concrete,repairs(15%)		\$31,121	20	3
	Restoration				
06.01	bathrooms,rehab		\$8,225	20	12
06.02	blinds,rec room		\$9,531	20	16
06.03	building,rehab		\$69,615	30	3
06.04	clubhouse,rehab		\$10,359	30	1
06.05	flooring,carpet,clubhouse		\$4,097	12	1
06.06	flooring,linoleum,clubhouse		\$4,778	12	1
06.07	irrigation/landscape,rehab	Order: HJHSHTQ4Z	\$13,696	10	3

ID:488-Merit Carson HOA JN:15791-A-2 Address: 294/5 W Carson St Unit 205 Strategic Reserves Corporation Order Date: 01-05-2024

August 22, 2022

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### Reserve Disclosures

Reserve Component	Current Cost	Useful Life	Remaining Life
06 Restoration			
06.08 utility-electric sub-panels, clubhouse	\$2,389	40	34
06.09 utility-electrical wiring system	\$18,437	30	3
06.10 utility-waste lines,rehab	\$81,900	65	6
06.11 utility-water lines,rehab(50%)	\$245,700	65	6
07 Roofs			
07.01 gutter system	\$11,517	30	3
07.02 low slope roof,carports	\$26,139	15	11
07.03 low slope roof,units	\$351,294	20	7
08 Termite			
08.01 termite treatment/fumigation	\$82,178	15	3

*Grand Total:* 39 \$1,472,832

Order: HJHSHTQ4Z

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ID:488-Merit Carson HOA

JN:15791-A-2

## Insurance Disclosure

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



0107-ST-0001

STATE FARM GENERAL INSURANCE COMPANY

A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 2915 Bloomington IL 61702-2915

Named Insured

AT2

001779 3125 M-23-7089-FB2C F V

MERIT CARSON OWNERS ASSN C/O PARTNERS COMMUNITY MGMT 1107 FAIR OAKS AVE # 107 S PASADENA CA 91030-3311

Ուվիկյեզոհոկցինին|||||իրուպեհիցրեկլիկյիկեր||||

RENEWAL DECLARATIONS

**Policy Number** 

92-04-8780-9

**Policy Period** 12 Months

**Effective Date** MAY 3 2023 Expiration Date MAY 3 2024

The policy period begins and ends at 12:01 am standard time at the premises location.

Agent and Mailing Address
JOHN OLSEN INSURANCE AGCY INC
22730 HAWTHORNE BLVD STE 200
TORRANCE CA 90505-3690

PHONE: (310) 373-0079 (310) 373-9130

#### Residential Community Association Policy

Automatic Renewal - If the policy period is shown as 12 months, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Entity: CONDOMINIUM

Earthquake premium of \$23,008.00 is included in your annual premium.

NOTICE: Information concerning changes in your policy language is included. Please call your agent if you have any questions.

POLICY PREMIUM

55,887.00

Discounts Applied: Renewal Year Claim Record

Prepared FEB 22 2023 CMP-4000

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Residential Community Association Policy for MERIT CARSON OWNERS ASSN Policy Number 92-04-8780-9

#### SECTION I - PROPERTY BLANKET

Coverage A - Buildings Coverage B - Business Personal Property Limit of Insurance\* \$ 16,999,400 \$ 107,000

Location Number	Location of Described Premises
001	2940 W CARSON ST TORRANCE CA 90503-6061
002	2940 W CARSON ST TORRANCE CA 90503-6061
003	2940 W CARSON ST TORRANCE CA 90503-6061

#### **AUXILIARY STRUCTURES**

Location Number	Description	
001A	Garage or Carport	

\* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

Prepared FEB 22 2023 CMP-4000



### Residential Community Association Policy for MERIT CARSON OWNERS ASSN Policy Number 92-04-8780-9



#### SECTION I - INFLATION COVERAGE INDEX(ES)

Inflation Coverage Index:

254.1

#### SECTION I - DEDUCTIBLES

**Basic Deductible** 

\$1,000

Special Deductibles:

Earthquake

20%

Money and Securities

\$250

Employee Dishonesty

\$250

Equipment Breakdown

\$1,000

Other deductibles may apply - refer to policy.

#### SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

COVERAGE	LIMIT OF INSURANCE
Collapse	Included
Damage To Non-Owned Buildings From Theft, Burglary Or Robbery	Coverage B Limit
Debris Removal	25% of covered loss
Equipment Breakdown	Included
Fire Department Service Charge	\$5,000
Fire Extinguisher Systems Recharge Expense	\$5,000
Glass Expenses	Included

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### Residential Community Association Policy for MERIT CARSON OWNERS ASSN Policy Number 92-04-8780-9

Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis)	10%
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)	\$100,000
Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)	\$250,000
Ordinance Or Law - Equipment Coverage	Included
Preservation Of Property	30 Days

#### SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH COMPLEX

The coverages and corresponding limits shown below apply separately to each complex as described in the policy.

COVERAGE	11.	LIMIT OF INSURANCE
Accounts Receivable On Premises Off Premises		\$50,000 \$15,000
Arson Reward		\$5,000
Forgery Or Alteration		\$10,000
Money And Securities (Off Premises)		\$5,000
Money And Securities (On Premises)		\$10,000
Money Orders And Counterfeit Money		\$1,000
Outdoor Property		\$5,000
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)		\$2,500
Personal Property Off Premises		\$15,000
Pollutant Clean Up And Removal		\$10,000
Property Of Others (applies only to those premises provided Coverage B - Business Personal Property)		\$2,500

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0307-ST-000

# State Farm

#### RENEWAL DECLARATIONS (CONTINUED)

### Residential Community Association Policy for MERIT CARSON OWNERS ASSN Policy Number 92-04-8780-9

Signs

\$2,500



Valuable Papers And Records On Premises Off Premises

\$10,000 \$5,000

#### SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY

The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.

COVERAGE

LIMIT OF INSURANCE

Back-Up of Sewer or Drain

Included

**Employee Dishonesty** 

\$50,000

Loss Of Income And Extra Expense

Actual Loss Sustained - 12 Months

#### SECTION II - LIABILITY

COVERAGE	LIMIT OF INSURANCE
Coverage L - Business Liability	\$1,000,000
Coverage M - Medical Expenses (Any One Person)	\$5,000
Damage To Premises Rented To You	\$300,000
Directors And Officers Liability	\$2,000,000
AGGREGATE LIMITS	LIMIT OF INSURANCE
Products/Completed Operations Aggregate	\$2,000,000

Prepared FEB 22 2023 CMP-4000

### Residential Community Association Policy for MERIT CARSON OWNERS ASSN Policy Number 92-04-8780-9

General Aggregate

\$2,000,000

Directors and Officers Aggregate

\$2,000,000

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

#### FORMS AND ENDORSEMENTS

CMP-4101	Businessowners Coverage Form
FE-6999.3	*Terrorism Insurance Cov Notice
CMP-4814	Directors & Officers Liability
CMP-4719.1	Earthquake Volcanic Eruption
CMP-4696	Residential Community Assoc
CMP-4746.1	Hired Auto Liability
CMP-4710	Employee Dishonesty
CMP-4508	Money and Securities
CMP-4705.2	Loss of Income & Extra Expense
CMP-4860.1	Al Design Person Org
CMP-4260.1	Amendatory Endorsement-CA
CMP-4261	Amendatory Endorsement
FD-6007	Inland Marine Attach Dec
	* New Form Attached

#### SCHEDULE OF ADDITIONAL INTERESTS

Interest Type:

Addl Insured-Section II

Endorsement #: CMP48601

Loan Number: N/A

TOP NOTCH PROPERTY MGMT SERV

PO BOX 1489

TORRANCE CA

905050489

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Add Continued on Next Pageson St Unit 205



#### Residential Community Association Policy for MERIT CARSON OWNERS ASSN **Policy Number** 92-04-8780-9



This policy is issued by the State Farm General Insurance Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm General Insurance Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

Thomas Couley

#### IMPORTANT NOTICE:

California law requires us to provide you with information for filing complaints with the State Insurance Department regarding the coverage and service provided under this policy.

Your agent's name and contact information are provided on the front of this document. Another option is to reach out by mail or phone directly to:

State Farm® Executive Customer Service PO Box 2320 Bloomington IL 61702 Phone # 1-800-STATEFARM (1-800-782-8332)

Department of Insurance complaints should be filed only after you and State Farm or your agent or other company representative have failed to reach a satisfactory agreement on a problem.

California Department of Insurance **Consumer Services Division** 300 South Spring Street Los Angeles, CA 90013

Phone # 1-800-927-HELP (4357) or visit www.insurance.ca.gov/01-consumers

Prepared FEB 22 2023 CMP-4000

Residential Community Association Policy for MERIT CARSON OWNERS ASSN Policy Number 92-04-8780-9

#### NOTICE TO POLICYHOLDER:

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date. If, during the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

#### Your coverage amount....

It is up to you to choose the coverage and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your structure. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc. using information you provide about your structure. We can accept the type of estimate you choose as long as it provides a reasonable level of detail about your structure. State Farm does not guarantee that any estimate will be the actual future cost to rebuild your structure. Higher limits are available at higher premiums. Lower limits are also available, as long as the amount of coverage meets our underwriting requirements. We encourage you to periodically review your coverages and limits with your agent and to notify us of any changes or additions to your structure.

Prepared FEB 22 2023 CMP-4000

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> Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024



#### STATE FARM GENERAL INSURANCE COMPANY

A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 2915 Bloomington IL 61702-2915

Named Insured

M-23-7089-FB2C F V

MERIT CARSON OWNERS ASSN C/O PARTNERS COMMUNITY MGMT 1107 FAIR OAKS AVE # 107 S PASADENA CA 91030-3311

#### **INLAND MARINE ATTACHING DECLARATIONS**

Policy Number 92-04-8780-9

Policy Period 12 Months Effective Date MAY 3 2023

Expiration Date MAY 3 2024

The policy period begins and ends at 12:01 am standard time at the premises location.



0507-ST-000

#### ATTACHING INLAND MARINE

**Automatic Renewal** - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

**Annual Policy Premium** 

Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

#### Forms, Options, and Endorsements

FE-8739 FE-6271 Inland Marine Conditions Amendatory Endorsement

FE-8745

Inland Marine Computer Prop

See Reverse for Schedule Page with Limits

Prepared FEB 22 2023 FD-6007

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Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024

012817

#### ATTACHING INLAND MARINE SCHEDULE PAGE

#### ATTACHING INLAND MARINE

ENDORSEMENT NUMBER	COVERAGE	LIMIT OF INSURANCE	DEDU( AMOU		ANNUAL PREMIUM
FE-8745	Inland Marine Computer Prop Loss of Income and Extra Expense	\$ 10,000 10,000	\$	500	Included Included

OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY

Prepared FEB 22 2023 FD-6007

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Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024

Page 1 of 1



In accordance with the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program



Coverage for acts of terrorism is not excluded from your policy. However your policy does contain other exclusions which may be applicable, such as an exclusion for nuclear hazard. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury-in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under this policy, any covered losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. Under the formula, the United States Government generally reimburses 80% beginning on January 1,

Reauthorization Act of 2019, this disclosure is part of your policy.

2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no separate premium charged to cover insured losses caused by terrorism. Your insurance policy establishes the coverage that exists for insured losses. This notice does not expand coverage beyond that described in your policy.

THIS IS YOUR NOTIFICATION THAT UNDER THE TERROR-ISM RISK INSURANCE ACT. AS AMENDED. ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UN-DER YOUR POLICY MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUB-JECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE.

FE-6999.3

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Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

**92-04-8780-9 012818** M 12813

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

State Farm

#### 553-4370 CA

### IMPORTANT NOTICE **Anti-Fraud Disclosure**

For your protection California law requires notification of the following disclosure:

Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

553-4370 CA

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205





#### CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY) 10/31/2023

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.

COVERAC	GES CERTI	FICATE NUMBER:		RFV	ISION NUMBER:	
	S PASADENA,	CA 91030-3	3311 INSURE	RF:		
			INSURE	RE:		
			INSURE	RD:		
	C/O PARTNERS COMMUNITY M	GMT 1107 FAIR OAKS AVE	# 10 INSURE	RC:		
	MERIT CARSON OWNERS ASSN		INSURE	RB:		
INSURED	MEDIT CARCON OWNERS ACC	ı	INSURE	RA: State Farm General Insuran	ce Company	25151
	Torrance,	CA 90505-3	3690	INSURER(S) AFFORDING	COVERAGE	NAIC#
			PRODU CUSTO			_
	22730 Hawthorne Blvd Ste 20	00	E-MAIL ADDRE		n.com	
State Farm	John Olsen		PHONE (A/C, No	, Ext): (310) 373-0079	FAX (AC, NO): (310)	373-7740
PRODUCER			CONTA NAME:	John Olsen		
	•					

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
REFER TO ACORD 101.

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.

SR TR	TYPE O	F INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)		COVERED PROPERTY	LIMITS
	PROPERTY						BUILDING	\$
(	CAUSES OF LOS	S DEDUCTIBLES					PERSONAL PROPERTY	\$
	BASIC	BUILDING \$1,000.00					BUSINESS INCOME	\$ SEE ACORD 10
	BROAD	CONTENTS	-				EXTRA EXPENSE	\$ SEE ACORD 10
	SPECIAL		92-04-8780-9	05/03/2023	05/03/2024		RENTAL VALUE	\$ SEE ACORD 10
	EARTHQUA	ke 20	92-04-6760-9	05/05/2023	05/03/2024	X	BLANKET BUILDING	\$ \$16,999,400
	WIND						BLANKET PERS PROP	\$
	FLOOD						BLANKET BLDG & PP	\$
								\$
								\$
	INLAND MA	RINE	TYPE OF POLICY					\$
(	CAUSES OF LOS	S					]	\$
	NAMED PER	RILS	POLICY NUMBER				]	\$
								\$
	CRIME							\$
	TYPE OF POLICY							\$
								\$
		ACHINERY / BREAKDOWN						\$
	EQUIPMEN	BREARDOWN						\$
		_						\$
								\$

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
REFER TO ACORD 101.

CERTIFICATE HOLDER		CANCELLATION
		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
MERIT CARSON OWNERS HOA 2940 W Carson St	Order: HJH	AUTHORIZED REPRESENTATIVE
Torrance,	CA 90503-6061	IF SIGNATURE IS REQUIRED, PLEASE CONTACT AGENT.

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AGENCY CUSTOMER ID:	
LOC #:	



#### ADDITIONAL REMARKS SCHEDULE

Page	1	_ of _	1

AGENCY		NAMED INSURED	
John Olsen		MERIT CARSON OWN	NERS ASSN
POLICY NUMBER			
92-04-8780-9			
CARRIER	NAIC CODE		
State Farm General Insurance Company	25151	EFFECTIVE DATE:	05/03/2023

#### **ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS	S FORM IS A SCHEDULE TO ACORD FORM.
FORM NUMBER: 24	FORM TITLE: Certificate of Property Insurance

#### **Unit Owner:**

MERIT CARSON OWNERS ASSN - 2940 W Carson St - Torrance, - CA - 90503-6061 - Unit Loan Number: 0 - Number Of Units: 0078

**Association Type:** Residential Community Association Policy

#### Forms, Options and Endorsements:

#### Forms, Options and Endorsements:

CMP-4101	Businessowners Coverage Form	CMP-4814	Dir & Officers \$2,000,000
CMP-4719.1	Earthquake Volcanic Eruption	FE-6999.3	Terrorism Insurance Cov Notice
CMP-4696	Residential Community Assoc	CMP-4710	Emp Dishonesty \$50,000
CMP-4508	Money and Securities	CMP-4705.2	Loss of Income & Extra Expense
CMP-4260.1	Amendatory Endorsement-Ca	CMP-4261	Amendatory Endorsement

#### Coverages:

Business Liability	\$1,000,000
Medical Payments	\$5,000
Products-Completed Operations	\$2,000,000
General Aggregate	\$2,000,000

#### Coverage

Unless otherwise endorsed, this policy provides replacement cost coverage on described property and common areas detailed within the Association Covenants, Conditions, and Restrictions (CC&Rs) including the following types of property within a unit, regardless of ownership:

1. Fixtures, improvements and alterations that are a part of the building or structure; and

2. Appliances such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

Replacement cost coverage is subject to the terms and conditions of the policy and any endorsements.

Coverage under this policy may have been modified to provide actual cash value coverage rather than replacement cost coverage, or to remove specified property from coverage, if any endorsement containing in its title "ACV" or "Actual Cash Value," or "Additional Property Not Covered" is identified on this Certificate of Insurance.

Endorsements: FE-3650, FE-3653, FE-3658, and FE-3659 (Actual Cash Value) - These endorsements describe what the term "actual cash value" means where used in the policy. *However, these endorsements do not change any replacement cost coverage provided by the policy.* 

This policy provides coverage on a standalone/individual condominium association.

#### **Commercial General Liability**

State Farm refers to this coverage as Business Liability Coverage. Coverage amount shown is Per Occurrence.

#### Loss of Rents, Loss of Income and Extra Expense

If this coverage is shown, limits are "Actual Loss Sustained". Contact the agent to confirm the number of day's coverage.

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

# Rules Disclosure

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

#### **ARTICLE XIV**

#### **ENFORCEMENT OF GOVERNING DOCUMENTS**

- 14.1 <u>Association's Authority to Enforce Governing Documents</u>. Any Director, Officer, or agent of the Association, including a property manager, has the authority to demand, orally or in writing, that any Member or resident bring himself/herself into compliance with the Governing Documents.
- 14.2 <u>Disciplinary Hearing</u>. When the Board is to meet to consider or impose discipline upon a Member, the Board shall notify the Member in writing, by either personal delivery or first-class mail, at least ten (10) days prior to the meeting. The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a Member may be disciplined, and a statement that the Member has a right to attend and may address the Board at the meeting. The Board shall meet in executive session if requested by the Member being disciplined.
- 14.3. <u>Disciplinary Action</u>. If the Board imposes discipline on a Member, the Board shall provide the Member a written notification of the disciplinary action, by either personal delivery or first-class mail, within fifteen (15) days following the action. A disciplinary action shall not be effective against a Member unless the Board fulfills the requirements of applicable law.

#### **ARTICLE XV**

#### INDEMNIFICATION AND ETHICS

- 15.1 Indemnification of Association. Each Owner shall be liable to the Association for any damage to the Common Areas caused by the negligence or willful misconduct of the Owner or his or her family, guests, invitees or lessees, to the extent that the damage shall not be covered by insurance. Each Owner shall indemnify, hold harmless, and pay any costs of defense of each other Owner from claims for personal injury or property damage occurring within any Unit owned by the indemnitor, provided that this protection shall not extend to any indemnitee whose negligence or willful misconduct caused or contributed to the injury or damage. This section is not intended to be for the benefit of any insurer and shall not affect nor limit the duty of any insurer to pay any claim which would be payable by said insurer but for this section.
- 15.2 <u>Indemnification by Association</u>. To the fullest extent permitted by law, the Association shall indemnify its current and former directors, officers, employees, committee members, and other agents as defined by applicable law, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding by reason of the fact that such person is or was a person so described. As used in this section, "expenses" shall have the meaning defined by applicable law pertaining to indemnity of directors, and "proceeding" shall have the meaning defined by applicable law and shall include an action by or on behalf of the Association.

Order: HJHSHTQ47

#### SCHEDULE OF FINES AND MONETARY PENALTIES

Description of Violations	Fine/Monetary Penalty
Each governing document violation constituting an actual or potential threat to life or safety	Up to \$200.00 (at the discretion of the Board of Directors)
First violation of any governing document provision (other than any violation involving an actual or potential threat to life or safety)	Up to \$100.00 (at the discretion of the Board of Directors)
Second violation of same governing document provision (other than any violation involving an actual or potential threat to life or safety)	Up to \$150.00 (at the discretion of the Board of Directors)
Third violation of same governing document provision (other than any violation involving an actual or potential threat to life or safety)	Up to \$200.00 (at the discretion of the Board of Directors)
Additional (after third) violations of same governing document provision (other than any violation involving an actual or potential threat to life or safety)	Up to \$250.00 (at the discretion of the Board of Directors)
Continuing violations of any governing document provision	Up to \$20 per day (at the discretion of the Board of Directors)

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205

# **Collection Policy**

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

### Merit Carson Homeowners' Association Assessment Collection Policy

In compliance with the law, the purpose of this Collection Policy ("Policy") is to inform the members of the policies and practices in enforcing its legal right to collect assessments from members. This Policy also describes the members' obligations and rights regarding assessments. In this document, the terms "member" and "owner" are used interchangeably.

- 1. Assessments. Regular assessments are due on the first day of each month. Billing statements are sent as a courtesy. Timely payment of assessments is required even if a billing statement is not received. Special assessments are due according to the terms of the special assessment imposed pursuant to the Association's Declaration of Covenants, Conditions, and Restrictions ("CC&Rs"). Regular and Special assessments are received by the Association's collection agent, Partners Community Management at their business office at the address specified in paragraph 4(a) below.
- 2. Delinquent Assessments. Assessments are delinquent Fifteen (15) days after they are due. A late fee of Ten Dollars (\$10.00) or 10%, whichever is greater, of the delinquent assessment will be charged if payment is not received by Partners Community Management at their business office on or before the 15th of the month. In addition, assessments delinquent for more than 30 days are subject to interest at the rate of 12% per annum, compounded monthly. Interest on all sums, including assessments, late charges, fees and costs of collection, and attorneys' fees shall accrue from the time the delinquent assessment is 30 days past due, and shall continue to accrue until the account is paid in full.
- 3. <u>Association's Right to Suspend Common Area Privileges and Voting Rights</u>. The Board of Directors ("Board") may suspend the common area privileges and voting rights of any member who is more than 30 days delinquent in paying any assessment. Common area privileges and voting rights will remain suspended until the delinquency, including any accumulated penalties, interest and cost of collection has been paid in full.
- 4. Member's Obligation to Pay Assessments and Charges. Regular and special assessments, together with late charges, fees and costs of collection, attorneys' fees, and interests, as determined in accordance with Civil Code, are a debt of the owner of the separate interest at the time that the assessment or other sums are levied. (Civil Code §5650 (a) Because these assessments and related charges constitute a personal obligation of each owner, the Association has a right to look to the owner, personally, to pay the debt and may pursue collection of that debt in a court action. If an owner becomes delinquent in the payment of assessment obligations and a lien is recorded against the property, the Association may seek recovery of the delinquent assessment from the sale of the property in foreclosure.

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale HomeWiseDocs a) Address for Overnight Payment. The Association's address for overnight payment of assessments is as follows:

Merit Carson H.O.A. C/O PCM - Payment Processing PO Box 52930 Phoenix AZ 85072-2390

- b) Receipt of Payment. When an owner makes a payment, the Association shall provide a receipt upon an owner's request.
- c) Returned Checks. Returned checks are subject to a service fee.
- <u>5.</u> <u>Pre-Lien Notice</u>. When assessments become 30 days delinquent, the Association will send the member a pre-lien notice advising the owner of the delinquency and requesting immediate payment.
  - *a)* Cost to Prepare and Send Pre-Lien Notice. The owner will be charged a fee for preparing and sending this pre-lien notice.
  - b) Service of Notice. The pre-lien notice shall be sent by certified mail to the owner's last known mailing address provided to the Association. If the delinquent owner has provided a written notice to the Association of a secondary address, all notices shall be sent to that address also. Otherwise, the unit address shall be deemed the correct address for all purposes.
  - c) Contents of Notice. The pre-lien notice will include the following information:
    - i. A general description of the collection and lien enforcement procedures of the Association and the method of calculation of the amount that is claimed to be owed;
    - ii. A statement that the notified owner has the right to inspect the Association's records pursuant to Civil Code Section 5205.
    - iii. A statement in 14-point boldface type (or capital letters if typed): "IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION;"
    - iv. An itemized statement of the charges owed by the owner, including items on the statement that indicate the amount of any delinquent

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

- assessments, the fees and costs of collection, attorneys' fees, late charges, and interest;
- v. A statement that the owner shall not be liable to pay the late fees, interest and costs of collection if it is later determined that the assessment was paid on time to the Association;
- vi. A statement that the notified owner has a right to meet with the Board (as more fully described in paragraph 7, below);
- vii. A statement that the owner has the right to dispute the assessment debt by submitting a written request for dispute resolution to the Association pursuant to the Association's "meet and confer" program required by Civil Code §§5900 5920; and
- viii. A statement that the owner has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code §5925 5965 before the Association may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.
- <u>Application of Payments</u>. When an owner makes any payments on account of delinquent assessments and other amounts claimed as due and owing, the Association will first apply the payment in reduction of the amount of oldest delinquent assessments, and only after the assessment delinquency is paid in full can payments be applied to the fees and other costs. (Civil Code §5655)
- 7. Owner's Rights. On receipt of the pre-lien notice described in paragraph 5, the noticed owner has four possible courses of action that can be taken, namely:
  - a) Pay the Total Amount Due.
  - b) Submit a Proposed Payment Plan. Within 15 days of the date of the postmark of the pre-lien notice, the noticed owner may submit a written, proposed payment plan accompanied by a written request to meet with the Board to discuss the payment plan for the debt noticed.
    - i. One or more designated Board members will meet with the owner in executive session within 45 days of the postmark of the request. Any plan agreed upon at this meeting must be ratified by the full Board.
    - ii. Payment plan requests shall be considered on a case-by-case basis. The Board reserves the right to decline an owner's request.
    - iii. Payment plans must incorporate any assessments that accrue during the payment plan period. Additional late fees shall not accrue during

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

- the payment plan period if the owner is in full compliance with the terms of the payment plan.
- iv. In the event of a default on any provision of an approved payment plan, the Association may resume its efforts to collect the delinquent assessments from the time before entering into the payment plan.
- v. Payment plans shall not impede the Association's ability to record a lien on the owner's separate interest to secure payment of delinquent assessments.
- c) Request to Meet with the Board. The noticed owner may dispute the assessment debt by submitting a written request for dispute resolution to the Association pursuant to the Association's "meet and confer" program (Internal Dispute Resolution); if none exist, the following dispute resolution procedures pursuant to Civil Code § 5915 of the shall apply.
  - i. The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
  - ii. A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
  - iii. The Association's Board shall designate one or more members of the Board to meet and confer.
  - iv. The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
  - v. A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.
  - vi. An agreement reached by the parties in the meet and confer shall bind the parties and is judicially enforceable if both the following conditions are satisfied: (a) the agreement is not in conflict with law or the governing documents of the Association; and (b) the agreement is either consistent with the authority granted by the Board to its designee or the agreement is ratified by the Board.
  - vii. A member of the Association may not be charged a fee to participate in the process.
- d) Request for Alternative Dispute Resolution. The noticed owner has the right to request alternative dispute resolution with a neutral third party pursuant to the Association's alternative dispute resolution notice; if none exist, Civil Code

Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024 Document not for resale HomeWiseDocs §5925 - 5965 shall apply. The costs of the alternative dispute resolution shall be borne equally by the parties.

- 8. <u>Association's Right to Record Lien</u>. If the account is not paid in full by 30 days after the date of the pre-lien notice, the debt collection procedures are as follows:
  - a) Assessment Less Than \$1,800. If the amount of any unpaid regular or special assessments is less than \$1,800, exclusive of any late charges, fees, costs of collection, attorneys' fee, or interests, the Association may record a lien but may not initiate foreclosure on the lien until the amount is \$1,800 or more, or the delinquency is 12 months old or older. The Association may collect the delinquent assessments, late fees, interest, and all costs of collection by filing a legal action. Judgment in favor of the Association may be recorded and may affect the owner's credit.

Assessment of at Least \$1,800. If the amount of the unpaid regular or special assessments is \$1,800 or more exclusive of any late charges, fees, costs of collection, attorney fee, or interest, the Association is permitted to record a lien and to initiate foreclosure on the lien if the delinquent assessments, late charges, interest, and all costs of collection are not paid in full within thirty (30) days of the recording of the lien. The Association may use either judicial or non-judicial foreclosure proceedings, at its sole discretion.

Board Decision to Record. The decision to record a lien, also known as a Notice of Delinquent Assessment, shall be made by the Board by a majority vote in an open meeting. The Board shall record the vote in the minutes of that meeting (referring to the property by lot/tract or parcel number, not the owner's name). (Civil Code §5673)

- b) Fee Incurred to Prepare and Record Lien. The owner will be charged for the costs and fees incurred for preparing and recording the lien. This amount includes the cost of releasing the lien upon verification of payment in full.
- c) Notice of Lien. If the Association records a lien against the property, a copy of the lien must be sent by certified mail to all record owners of the property within 10 calendar days after its recordation. The recorded notice of lien must include the following information:
  - i. An itemized statement of charges owed by the owner of the separate interest (as described in paragraph 5(c)(iv), above);
  - ii. The amount of the assessment and the other sums imposed in accordance with Civil Code §5675(a);
  - iii. A legal description of the owner's separate interest against which the lien is being imposed;

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

- iv. The name of the record owner of that separate interest;
- v. In order for the lien to be enforced by non-judicial foreclosure the name and address of the trustee authorized by the Association to enforce the lien by sale (Civil Code§5675(c); and
- vi. The lien must be signed by the person designated in the Association's Declaration of Covenants, Conditions, and Restrictions as having that authority, by the president of the Association, or by a person who is designated by the Association as having authority to sign and record the Notice on behalf of the Association. (Civil Code §5675(d)
- 9. Release of Lien Upon Verification of Payment. Within 21 days of verification of payment in full of all delinquent sums and costs, the Association shall record a lien release.
- 10. Pursuit of Non-judicial Foreclosure to Collect Assessments. Subject to the limitations of Civil Code §5720 et seq., after the expiration of 30 days following the recording of the lien, the Association is authorized to enforce the lien through any means permitted by law, including sale by the court, sale by the trustee designated in the lien, or sale by a trustee substituted pursuant to Civil Code § 2934a. Any sale by a trustee in a non-judicial foreclosure must be conducted in accordance with Civil Code § 2924 et seq. applicable to the exercise of powers of sale in mortgages or deeds of trust. The fees of a trustee may not exceed the amounts prescribed in Civil Code §§ 2924c and 2924d, plus the cost of service as authorized by Civil Code § 5700 et seq.
  - a) Record Notice of Default. The Association may record a notice of default 30 days after the recording of the lien. A copy of the notice of default will be served on the owners of record of the property and other persons who have recorded a request for a copy of any notice of default. (Civil Code § 2924b)
  - b) Notice of Sale. Three months must elapse before a Notice of Sale can be recorded and served. The trustee may give a notice of sale for a date that is at least 20 days after in accordance with very specific publication, posting, and recording requirements imposed by Civil Code § 2924f(b). During that period, the delinquent owner has a right to stop the process by paying the amounts in default in full. (Civil Code § 2924(c)(a))
  - c) Right of Redemption. The nonjudicial foreclosure by Association to collect upon a debt for delinquent assessment shall be subject to a right of redemption for a period of 90 days following the sale in the foreclosure action. (Civil Code § 5715(b)
- Alternative of Pursuing Collection in a Small Claims Court Proceeding. Instead of pursuing lien and foreclosure remedies, the Association may sue delinquent owners personally, or take a deed in lieu of foreclosure on account of delinquent assessments. (Civil Code §§ 5700 (b) and 5720(b)

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12. Annual Notice to Members of Assessment and Assessment Collection Rules. The Association shall distribute its collection policy to each member during the 60-day period immediately preceding the beginning of the Association's fiscal year. The collection policy shall be printed in 12-point type.

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# **Architectural Disclosure**

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3/

6.16 <u>No Offsets</u>. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (I) the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Common Areas; or (iii) any construction or maintenance performed or not performed by the Association shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

#### **ARTICLE VII**

#### ARCHITECTURAL CONTROL

- 7.1 <u>Creation of ARC</u>. The Board is vested with the right and power to appoint an Architectural Request Committee ("ARC"). Said committee shall consist of three (3) persons. Members appointed to the ARC shall be from the membership of the Association. Members of the ARC shall serve for one (1) year terms, unless removed earlier therefrom by the vote of a majority of the Board of Directors or unless unable to serve due to death, illness, termination of membership, or other such similar occurrence.
- 7.2 <u>Improvements in General</u>. No "Improvement" (as defined in Article II) of any kind shall be commenced, erected or maintained within the Property, nor shall any exterior addition to or change or alteration be made in or to any portion of the Common Area, any Unit, any Common Facility structure, or to any Exclusive Use Common Area until the plans and specifications showing the nature, color, kind, shape, height (including front, side and rear elevations), materials, and location of the same shall have been submitted to and approved in writing by the ARC, if any, or the Board of Directors as to quality of workmanship and materials, harmony of external design and location in relation to surrounding structures, setback lines, topography and finish grade elevation.
- 7.3 <u>Submission of Plans; Action by Board</u>. The Association shall fairly, reasonably and expeditiously render decisions regarding Owners' requests for architectural approval. Plans and specifications for the proposed improvement shall be submitted to the ARC or Board of Directors by personal delivery, or certified mail, to the Secretary of the Association.
- 7.4 <u>Approval or Disapproval</u>. In the event the Board or ARC fails to approve or disapprove such plans within forty-five (45) days after said plans and specifications have been submitted to it, the request shall be deemed to have been denied. Under such circumstances, the written request may be resubmitted. Approval of the Board may contain conditions or requests for modification of particular aspects of the Owner's plans and specifications.

The Board may condition its approval of proposals or plans and specifications for any improvement (1) upon the Applicant furnishing the Association with security acceptable to the Association against any mechanic's lien or other encumbrance which may be recorded against the Project as a result of such work, (2) on such changes therein as it deems appropriate, (3) upon the Applicant's agreement to grant appropriate rights of entry

Address: 2940 W Carson St Unit 205



to the Association for the maintenance of the improvements, (4) upon the agreement of the Applicant to reimburse the Association for any increase in common expenses attributable to the Applicant's Unit as a result of such Improvement, (5) upon the Applicant's agreement to install (at its sole cost) water, gas, electrical, or other utility meters to measure any increased consumption, or (6) upon the Applicant's agreement to complete the proposed work within a stated period of time.

The Board may require such detail in plans and specifications submitted for its review as it deems proper, including without limitation, floor plans, site plans, drainage plans, elevation drawings and description or samples of exterior material and colors.

A decision regarding proposed changes shall be in writing. If a proposed change is disapproved, the written decision reflecting same shall include both an explanation of why the proposed change is disapproved and a description of the procedure for reconsideration of the decision by the Board of Directors, at an open meeting. This paragraph does not require reconsideration of a decision that is made by the Board of Directors or a body/committee that has the same membership as the Board of Directors.

- Architectural Rules. The Board may from time to time adopt, amend and repeal rules and regulations to be known as "Architectural Rules," or the like. Said rules shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for the review and approval of proposed Improvements and guidelines for architectural design, placement of any work of Improvement or color schemes, exterior finishes and materials and similar features which are recommended for use within the Property, provided that said rules shall not be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Rules and this Declaration, the Declaration shall prevail.
- Enforcement. In the event of an architectural violation, the Board shall have 7.6 the right to suspend the right to use recreational facilities, suspend the Owner's voting rights, and levy fines, after notice and the opportunity to be heard is first provided to the violating Owner or Tenant. The Board may also pursue such legal remedies as the Board deems appropriate, including, but not limited to, a lawsuit for a temporary restraining order and/or an injunction to compel the Owner or Tenant to bring his/her Condominium into compliance with the Governing Documents, including architectural decisions made by the Board pursuant to this Section. The court may award to the prevailing party in any such action such attorney's fees and other costs as the court deems just and reasonable.
- Variances. The Board, in its sole discretion, shall be entitled to allow 7.7 reasonable variances in order to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardships.
- Limitation on Liability. Neither the Association, its ARC, if any, nor any 7.8 member thereof, shall be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any mistakes in judgment, negligence or nonfeasance arising out of (a) the approval or disapproval of any plans, drawings and specifications, whether or not

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defective; (b) the construction or performance of any work of Improvement, whether or not pursuant to approved plans, drawings or specifications.

- 7.9 <u>Compliance With Governmental Regulations</u>. Review and approval by the Board of any proposals, plans or other submittals pertaining to Improvements shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Owner who desires to construct, install or modify the Improvement.
- 7.10 No Waiver of Future Approvals. The approval of the Board in any matter requiring the approval and consent of the Board shall not be deemed to constitute a waiver of any right to withhold approval or consent to any similar matter subsequently submitted for approval.

#### **ARTICLE VIII**

#### RESTRICTIONS ON USE OF CONDOMINIUMS AND COMMON AREA

In addition to the restrictions established by law and Association Rules, which are not inconsistent with this Declaration, the following restrictions are hereby imposed upon the use of Condominiums, Common Areas, and Exclusive Use Common Area within the Property.

- 8.1 <u>Residential Use</u>. The use of the Condominiums within the Property is restricted to Residential Use, as defined in Article II hereof. No more than two (2) persons per bedroom, plus one, are permitted to reside in a Condominium, except as expressly permitted in writing by the Board of Directors and applicable governmental agency.
- 8.2 <u>Time Sharing.</u> No unit or units or any portion thereof in the Project shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time-sharing agreement, plan, program, or arrangement, including, without limitation, any so-called "vacation license," "travel club," "extended vacation," or other membership or time-interval ownership arrangement. The term "time-sharing" as used herein shall be deemed to include, but shall not be limited to, any agreement, plan, program, or arrangement under which the right to use, occupy, or possess the unit or units or any portion thereof in the Project rotates among various persons, either corporate, partnership, individual, or otherwise, on a periodically recurring basis for value exchanged, whether monetary or likekind use privileges, according to a fixed or floating interval or period of time of twenty-five (25) consecutive calendar days or less. Provided, this section shall not be construed to limit the personal use of any unit or any portion thereof in the Project by any Unit Owner of his or her or its social or familial guests.
- 8.3 <u>Interior Improvements</u>. No interior Improvement to any Condominium involving structural components of the building structure, other than non-load-bearing interior walls, shall be commenced without the prior written approval of the Board. Under no circumstances shall any Owner undertake any activity or work with respect to the

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- person who is allowed on the complex with said Owner's express or implied permission or with the express or implied permission of any tenant in the Owner's Unit.
- 2. Each Owner must provide the Management Company in writing with their home address (if the Owner is not residing in the complex), with their home and business telephone numbers, with their emergency telephone number, with their email address, as well as with the names, home and emergency telephone numbers, and email addresses of all tenants in the Owner's Unit. Each Owner must notify the Management Company immediately in writing of any changes to any of the foregoing information.
- 3. Each Owner shall keep their carport cabinet doors closed when not in use in order to prevent any accidents.
- 4. Unacceptable exposed window coverings include, but are not limited to, coverings which are constructed from materials such as newspapers, blankets and foil.
- 5. Each Owner is responsible for their respective water heaters, heater units, and mail box lock/keys.

#### **ARCHITECTURAL**

- 1. Subject to CC&R Article III, absolutely no changes, alterations, additions or modifications to the Common Areas, landscaping, exterior surfaces of the building and/or in carport spaces shall be made by person or persons without the Board's prior written approval of the plans and specifications.
- 2. Subject to CC&R Article III, no changes, alterations, additions or modifications to the plans and specifications approved in writing by the Board pursuant to paragraph 7 herein may be made without the prior written approval of the Board.
- 3. Subject to CC&R Article III, any changes, alterations, additions or modifications which are made to the Common Areas, landscaping, exterior surfaces of the building and /or in carport spaces pursuant to paragraph 7 without the Board's prior written approval may result in restoration of said areas to their original condition at the Unit Owner's expense.
- 4. Changes, alterations, additions or modifications made to the Common Areas, landscaping, exterior surfaces of the building and /or in carport spaces which were made pursuant to paragraph 7 must be inspected by the Board or its appointee upon notification of completion.

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October 12, 2021

#### MERIT-CARSON HOA

All Owners

Re: Rule revision

Dear Owners:

The Board of Directors voted to adopt the Rule Revisions noted below during an open session meeting held on October 11, 2021. Below is a copy for your records.

#### Architectural

#### 5. Fencing Guidelines:

Requests to install any type of fencing in exclusive use or common areas must be presented in writing to the Board for review and approval prior to installation. The request must include sufficient information for the Board to determine that the requested fence will match existing fence (style, color: white, material: vinyl fencing), etc. Specifications, and vendor information (such as license and insurance) will need to be provided.

If patio is to be enclosed completely, an unlocked gate must be installed to allow access for landscaping and other common area maintenance.

Owners are responsible for paying for all materials and labor.

#### 6. Security Doors

The installation of security doors requires prior written Board approval. Going forward, Security doors shall be black in color.

Sincerely, On Behalf of the Board of Directors Carmen Harper, CMCA, AMS

> Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205

#### Consent to Receive Association Documents by Electronic Means

Merit Carson H.O.A. (5309)

Many notices, disclosures and documents may be delivered electronically to any member who has agreed to that method of delivery. This is a savings in postage and mailing costs for the Association which affects the annual assessment budget.

Before an association can electronically distribute documents, notices and disclosures, it must receive the recipient's unrevoked written consent. The consent must comply with all the requirements of Civil Code, which includes a clear written statement to the recipient as to:

Any right of the recipient to have the record provided or made available on paper or in non-electronic form

Whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation

The procedures the recipient must use to withdraw consent.

#### **Electronic Delivery Defined**

The Davis-Stirling Act defines electronic delivery to mean "e-mail, facsimile, or other electronic means," Other electronic means include posting on an electronic message board or network which the association has designated for those communications, together with a separate notice to the recipient of the posting. If a document is delivered by electronic means, delivery is complete at the time of transmission.

#### **Approved Documents**

As provided for in Civil Code, the following documents may be distributed electronically, subject to member approval:

Summarv Pro Forma Operating Budget or Pro Forma Operating Budget Summary Assessment Collection Policy Notice/Assessments and Foreclosure Insurance Coverage Summary

Rights Internal Dispute Resolution (IDR) Rights **Board Minutes Access** Architectural Changes Notice Secondary Address Notification Request Monetary Penalties Schedule Reserve Funding Plan (summary)

Review of Financial Statement Annual Update of Reserve Study Notice of proposed rule changes Notice of adopted rule changes Notice of the results of an election to reverse a rule change Other such Notices as may be issued

If you wish to withdraw this consent at any time, you must submit a written or electronic request to the association allowing at least ten (10) business days for the request to be implemented.

The purpose of this form is to allow you to give your consent to receive all association notices, disclosures and documents by electronic means using the e-mail address you have provided below or may provide in the future, subject to the provision of the Civil Code. The e-mail address provided will be used for authorized association business and will be added to the records of the Association.

I, the undersigned member of the Association, on behalf of all owners of record of my unit, agree to receive all association notices, disclosures and documents by electronic means to the email address below for this purpose.

Signature:			
Print Name:		Date:	
Email:			
You will be automatically enrolled in Paperless Statements using the email address above. Check here to opt out:			
Property Address:			

Return form to our office by Email (Preferred) or Mail

Accounting@partnerscm.com son St Unit 205 rder Date: 01-05

1107 Fair Oaks Ave #107 S Pasadena CA 91030

#### **TENANT INFORMATION FORM**

Please complete this form if you rent your property to a 3rd party. If you reside in your home, you do not need to complete this form. This form is available as a fillable pdf online.

\*\*\*Completion and submittal of this form does not constitute approval to rent.\*\*\*

Section 1: Proper	ty Information		
Association Name:	Merit Carson H.O.A.	(5309)	
Property Address:			
City, State, Zip			
Section 2: Tenant	Contact Information		
Provide name, email add paper.	ress and phone number(s) for all tenants	s. If you require more space, you may continue	e on a separate piece of
Tenant 1:		Phone 1:	☐ Cell☐ Home☐ Work
Email:		Phone 2:	☐ Cell ☐ Home ☐ Work
Tenant 2:		Phone 1:	Cell
Email:		Phone 2:	─────────────────────────────────────
Tenant 3:		Phone 1:	Cell
Email:		Phone 2:	Cell
Section 3: Lease	Information		vork
Complete the lease infor	mation below and include a copy of the le	ease with this form.	
		Lease End Date:	
Rental Agent (if applicable):  Phone:			
Section 4: Miscel	laneous Information		
A. Vehicle Information (Y	ear, Color, Make, Model, License Plate #	# and Parking Space #, Parking Permit # if app	olicable):
B. Other Information (Per	Info, Key/Fob #, Storage Space #, Gard	en Plot #, etc.)	
Section 5: Author	ized Signature(s)		
The Owner(s) and Tenar	t(s) have read and agree to comply with	the Rules and Regulations and the CC&R's of	the Association.
Owner's Signature:		Date:	
Tenant's Signature:		Date:	
	Email com	pleted form to:	

Accounting@partnerscm.com

Addrescretting W Carson St Unit 205

Partners Community Management 1407 Fair Oaks Ave., #107, South Pasadena, CA 91030

# Articles of Incorporation (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



# State Of California OFFICE OF THE SECRETAR

I, MARCH FONG EU, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

> IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

> > OCT 1 3 1983



March Foreg Eu

Secretary of State

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024

#### ENDORSED FILED In the office of the Secretary of State of the State of California

#### ARTICLES OF INCORPORATION

OF

OCT 12 1983

#### MERIT CARSON HOMEOWNERS' ASSOCIATION

MARCH FORG EU, Secretary of State Belinda Faustinas

Deputy

- I. The name of the corporation (hereinafter called the "Association") is MERIT CARSON HOMEOWNERS' ASSOCIATION.
- This corporation is a Nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Corporation Law.

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the Nonprofit Mutual Benefit Corporation Law of the State of California.

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific primary purposes is formed are to provide for management, for which it architectural administration, maintenance, preservation and control of the residence units and common area within that certain tract of property situated in the City of Torrance, County of Los Angeles, California, more commonly described as 2940 West Carson, Torrance, California 90503, a map of which was filed for record in the Office of the Recorder of Los Angeles County, California, in Book 7359 of Maps, page 23, Parcel 37, and to promote the health, safety and welfare of all the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose and to exercise all of the powers and privileges and to perform all of the duties and obligations of the corporation as set forth in the Declaration of Covenants, Conditions, and Restrictions for the aforementioned residential units, and recorded or to be recorded in the Office of the Recorder of Los Angeles County, California.

- The name and address of the Association's initial agent for service of process is: Millie Krueger, 2940 West Carson Street, Suite 109, Torrance, California 90503.
- This Association is intended to qualify as a Homeowners' Association under the applicable provisions of the Internal Revenue Code, and of the Revenue and Taxation Code of California. No part of the net earnings of this organization shall inure to the Benefit of any private individual, except as expressly provided in those Sections with respect to the

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acquisition, construction, or provision for management, maintenance, and care of the Association property, and other than by a rebate of excess membership dues, fees, or assessments. So long as there is any unit or parcel for which the Association is obligated to provide management, maintenance, preservation or control, the Association shall not transfer all or substantially all of its assets or file a certificate of dissolution without the approval of one hundred percent (100%) of the members. In the event of the dissolution, liquidation, or winding-up of the Association, upon or after termination of the project, in accordance with provisions of the Declaration, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Association, shall be divided among and distributed to the members in accordance with their respective rights therein.

V. The name of the unincorporated association which is being incorporated is MERIT CARSON OWNERS' ASSOCIATION.

VI. The unincorporated association whose name is set forth in Article V of these Articles of Incorporation is being incorporated by the filing of these Articles.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of California, the undersigned have executed these Articles of Incorporation on this 5th day of August, 1983.

Millie E. Krueger

George Davis

Yvonne M. Shanta

Marie T. Millon

Full !

Frank L. Snarey

Florence Menzel

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We hereby declare that we are the persons who executed the foregoing Articles of Incorporation, which execution is our act and deed.

Millie K. Krueger

Millie K. Krueger

Deorge L. Davis

George L. Davis

Wonne M. Shanta

Wonne M. Shanta

Marie T. Millon

Earl Lang

Frank Snarey

Florence Menzel

#### DECLARATION

MILLIE E. KRUEGER and YVONNE M. SHANTA declare under penalty of perjury that they are the president and secretary, respectively, of MERIT CARSON OWNERS' ASSOCIATION, the unincorporated association referred to in the Articles of Incorporation to which this declaration is attached, and that said association has duly authorized its incorporation by means of said articles.

1983.

Executed at Torrance, California on September 28,

MILLIE E. KRUEGER

WONNE M. SHANTA

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### Bylaws (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

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## AMENDED AND RESTATED BYLAWS OF MERIT CARSON HOMEOWNERS' ASSOCIATION

a California Non-Profit Mutual Benefit Corporation

Order: HJHSHTQ4Z

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## AMENDED AND RESTATED BYLAWS OF MERIT CARSON HOMEOWNERS' ASSOCIATION

a California Non-Profit Mutual Benefit Corporation

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#### Amended and Restated Bylaws of

#### MERIT CARSON HOMEOWNERS' ASSOCIATION

a California Non-Profit Mutual Benefit Corporation

All provisions of any and all prior Bylaws of this corporation are hereby amended and restated, and the following new provisions shall supersede said original Bylaws:

#### **ARTICLE I**

#### INTRODUCTION

- 1.1 <u>Purpose of Association</u>. The purpose of this Association is to provide for management, administration, maintenance, preservation, and architectural control of the Units and Common Area within the Project, and to promote the health, safety, and welfare of all the residents within the Property and any additions to the Property as may be brought within the jurisdiction of the Association for this purpose, all according to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions of Merit Carson Homeowners' Association ("Declaration") recorded or to be recorded with respect to the property in the Office of the Recorder of Los Angeles County, California.
- 1.2 <u>Purpose of Bylaws</u>. The purpose of these Bylaws is to set forth the administrative rules for the day-to-day operation and management of the Association.

#### ARTICLE II

NAME, PRINCIPAL OFFICE, GOVERNING DOCUMENTS, DEFINITIONS

- Name. The name of the corporation is MERIT CARSON HOMEOWNERS' ASSOCIATION.
- 2.2 <u>Location of Principal Office</u>. The principal office of the Association will be located at such place within the County as the Board may from time to time designate by resolution.
- 2.3 <u>Governing Documents</u>. The Association's governing documents shall consist of the Declaration and any other documents, such as these Bylaws, operating rules and regulations, Articles of Incorporation, or any other such documents duly adopted by the Association.
- 2.4 <u>Definitions</u>. The words used in the Bylaws shall be given their normal, commonly understood definitions. The definitions set forth in Article II of the Declaration shall be incorporated herein and made a part of these Bylaws.

#### **ARTICLE III**

#### **MEMBERSHIP**

- 3.1 <u>Members of the Association</u>. Every Owner of a Unit within the Property is a Member of the Association. Membership in the Association may not be separated from ownership of any Unit. No Owner shall hold more than one membership in the Association even though such Owner may own, or own an interest in, more than one Condominium.
- A. Joint Ownership. Each person or entity who is an Owner of an interest in a Unit, as reflected in the Official Records of Los Angeles County, shall be considered a Member, except for interests held solely as security for an obligation or in shares of less than ten percent (10%).
- B. Entity Ownership. If a Unit is owned by any trust, corporation, LLC, partnership, or other impersonal entity, the entity shall be deemed the Member.
- 3.2 <u>Term of Membership</u>. Each Owner who is a Member shall remain a Member until the sale, conveyance, or other transfer of an Owner's interest in a Unit. Upon the sale, conveyance, or other transfer of an Owner's interest in a Unit, the Owner's membership interest appurtenant to the Unit shall automatically transfer to the Unit's new Owner(s).
- 3.3 <u>Multiple Ownership of Units</u>. Ownership of a Unit shall give rise to a single membership vote in the Association. Accordingly, if more than one person owns a Unit, all of these persons shall be deemed to be one Member for voting and election purposes, although all such Owners shall have equal rights as Members to use and enjoy the Common Areas and Common Facilities. If the multiple Owners of a Unit attempt to vote the membership attributable to said Unit in an inconsistent fashion, the Secretary or election inspectors may refuse to count any ballot or proxy pertaining to the Unit.
- 3.4 <u>Furnishing Evidence of Membership</u>. A person shall not be entitled to exercise the rights of a Member until such person has advised the secretary in writing that he or she is qualified to be a Member under these Bylaws and, if requested by the secretary, has provided the secretary with evidence of such qualification in the form of a certified copy of a recorded grant deed or a currently effective policy of title insurance. Exercise of membership rights shall be further subject to the rules regarding record dates for notice, voting and actions by written ballot and eligibility for voting as set forth in these Bylaws.
- 3.5 <u>Membership Rights</u>. Membership rights include the right to use and enjoy the Common Areas and Common Facilities; to attend and participate in meetings of the Board and of the Members as provided herein; to participate in Association business, including service as a director, officer, or committee member; to receive notice of meetings of the Members and of the Board; to receive Association disclosures; to inspect Association records; or to exercise any other right or privilege of a Member, as provided by and except as otherwise limited by applicable law, the Declaration, or these Bylaws.

- A. <u>Exercise of Membership Rights</u>. A person or entity may exercise membership rights only after notifying the Secretary in writing of his, her, or its qualification to be a Member, and (if requested by the Secretary) providing evidence of said person's or entity's interest in, or authority to represent, the Unit. Such evidence may include, but is not limited to, a legally effective deed, policy of title insurance, trust instrument, corporate charter, or corporate resolution.
- B. <u>Limitations on Exercise of Rights</u>. Each Membership is entitled to only one vote in any Association election or ballot measure; only one representative on the Board of Directors; and only one distribution of required Association notices, annual disclosures, meeting notices, agendas or minutes, or similar records. Rights to use and enjoy the Common Areas and Common Facilities may be limited or delegated, as provided herein or in the Declaration.
- C. <u>Suspension of Membership Rights</u>. Membership rights and privileges, including voting rights, may be suspended by the Association as provided in these Bylaws.

#### **ARTICLE IV**

#### **MEMBERSHIP VOTING**

- 4.1 <u>Single Class of Membership</u>. The Association shall have one class of voting membership.
- 4.2 <u>Eligibility To Vote</u>. Only Members in good standing shall be entitled to vote on any issue or matter presented to the Members for approval. "Good standing" means that all Assessments and related charges are current, the Owner is not in violation of the Governing Documents, and there are no outstanding fines against the Owner. The Association shall not be obligated to conduct a hearing in order to suspend a Member's voting privileges on the basis of the nonpayment of assessments. "Voting Power" shall be defined as all members in "Good Standing" who are entitled to vote (e.g., whose voting privileges have not been suspended).

#### 4.3 Manner of Casting Votes.

- A. <u>Proxy Voting</u>. Members otherwise eligible to vote at a meeting may do so in person or by proxy, except for voting on matters where the use of a proxy is strictly prohibited or a secret ballot is required by statute. Proxies used for the purposes of conducting Association business must comply with applicable law.
- B. <u>Secret Ballot Voting</u>. The secret ballot process must be used when voting on the following issues: assessments; election and removal of board of directors; amendments to the governing documents; and the grant of exclusive use of Common Area property.
- (1) <u>Definition of Secret Ballot</u>. A "secret ballot" is a ballot that is mailed or otherwise distributed to every Member entitled to vote on the matter that complies

with the requirements of this section, at least thirty (30) days prior to the vote or election. Voters may not be identified by name, address, lot, unit or parcel number. The term "secret ballot" does not include a ballot distributed to Members for purposes of voting on matters other than assessments, election and removal of board of directors, amendments to the governing documents and the grant of exclusive use of Common Area property.

- (2) <u>Content of Secret Ballots</u>. Any secret ballot distributed to the Members to vote on any issue, including the election of directors, must conform to current law.
- (3) <u>Balloting Time Requirements</u>. All secret ballots shall provide a reasonable time within which to return the written ballot to the Association. The time fixed for the return of secret ballots may be extended for reasonable intervals at the discretion of the Board, without notice to the Members.
- (4) <u>Revocation of Ballots</u>. A secret ballot may not be revoked once submitted for vote in accordance with the ballot.
- C. <u>Voting by Written Ballot</u>. Any matter or issue requiring the vote of the Members, other than matters requiring the use of secret ballot, may be submitted for vote by written ballot without the necessity of calling a meeting of the Members, so long as the Association fulfills the requirements for action by written ballot pursuant to applicable law.
- 4.4 <u>Majority Vote Required</u>. If a quorum is present, the affirmative vote of the majority of the Voting Power of Members represented at the meeting, entitled to vote and voting on any matter, shall be the act of the Members, unless the vote of a greater number is required by law or by the Governing Documents. In the case of director elections, the candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected to the vacant director positions.
- 4.5 <u>Cumulative Voting</u>. Cumulative voting shall not be permitted for any vote of the membership.
- 4.6 Action by Unanimous Written Consent. Any action required or permitted to be taken by the Members at a meeting may be taken without a meeting (and without complying with the formalities of a written ballot) if all Members individually or collectively consent in writing to the action. When an action is taken by written consent, the consent(s) shall be filed with the Association's Secretary and recorded in the minutes.

#### 4.7 Record Dates for Member Notice; Voting and Giving Consents.

A. <u>Record Dates Established by the Board of Directors</u>. For the purpose of determining which Members are entitled to receive notice of any meeting, to vote, to act by written ballot without a meeting, or exercise any rights in respect to any other lawful action, the Board of Directors may fix, in advance, a "record date" and only Members of record on the date so fixed are entitled to notice, to vote, or to take action by written ballot

or otherwise, as the case may be, notwithstanding any transfer of any membership on the books of the Association after the record date, except as otherwise provided in the Articles of Incorporation, by agreement, or in the California Nonprofit Mutual Benefit Corporation Law. The record dates established by the Board pursuant to this section shall be as follows:

- (1) Record Date for Notice of Meetings. In the case of determining those Members entitled to notice of a meeting, the record date shall be no more than ninety (90) nor less than ten (10) days before the date of the meeting;
- (2) Record Date for Voting. In the case of determining those Members entitled to vote at a meeting, the record date shall be no more than sixty (60) days before the date of the meeting;
- (3) Record Date for Action by Written Ballot Without Meeting. In the case of determining Members entitled to cast written ballots, the record date shall be no more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and
- (4) Record Date for Other Lawful Action. In the case of determining Members entitled to exercise any rights in respect to other lawful action, the record date shall be no more than sixty (60) days prior to the date of such other action.
- B. <u>Failure of Board to Fix a Record Date</u>. If the Board, for any reason, fails to establish a record date, the following rules shall apply:
- (1) Record Date for Notice of Meetings. The record date for determining those Members entitled to receive notice of a meeting of Members shall be the business day preceding the day on which notice is given, or, if notice is waived, the business day preceding the day on which the meeting is held.
- (2) <u>Record Date for Voting</u>. The record date for determining those Members entitled to vote at a meeting of Members shall be the day of the meeting, or in the case of an adjourned meeting, the day of the adjourned meeting.
- (3) Record Date for Action by Written Ballot Without Meeting. The record date for determining those Members entitled to vote by written ballot on proposed Association actions without a meeting, when no prior action by the Board has been taken, shall be the day on which the first written ballot is mailed or solicited. When prior action of the Board has been taken, it shall be the day on which the Board adopts the resolution relating to that action.
- (4) Record Date for Other Lawful Action. The record date for determining those Members entitled to exercise any rights in respect to any other lawful action shall be Members at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later.

(5) <u>"Record Date" Means as of Close of Business.</u> For purposes of this subparagraph B, a person holding a membership as of the close of business on the record date shall be deemed the Member of record.

#### **ARTICLE V**

#### MEMBERSHIP MEETINGS

- 5.1 <u>Place of Meeting</u>. Meetings of the Members shall be held within the Property or at such other reasonable place within the County and at such time as may be designated by the Board in the notice of the meeting.
- 5.2 <u>Annual Meeting</u>. There shall be an annual meeting of the Members in November of each year or in any event within fifteen (15) months after the preceding annual meeting. The date, time, and location of the meeting shall be established by the Board and set forth in the notice of meeting sent to the Members.

#### 5.3 Special Meetings.

- A. <u>Persons Entitled To Call Special Meetings</u>. A majority of the Board, the President, or five percent (5%) or more of the Members may call special meetings of the Members at any time to consider any lawful business of the Association.
- B. Procedures for Calling Special Meetings Requested by Members. If a special meeting is called by Members, other than the Board of Directors or President, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the President, any Vice President, or the Secretary of the Association. The officer receiving the request shall cause notice to be given to the Members entitled to vote that a meeting will be held, and the date, time, and purpose for such meeting, which date shall be not less than ten (10) nor more than ninety (90) days following the receipt of the request. If notice of the meeting is not given within twenty (20) days after receipt of the request, the persons requesting the meeting may give the notice.

#### 5.4 Notice of Members' Meetings.

- A. <u>Requirement That Notice Be Given</u>. Notice of all regular and special meetings of the Members shall be sent in writing by first-class mail, postage prepaid or personally delivered in writing to each Member who is eligible to vote at the meeting. Notice shall be deemed given when deposited in the mail or personally delivered.
- B. <u>Time Requirements for Notice</u>. The notice of membership meetings shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting. If the notice is given by mail and the notice is not given by first-class, registered, or certified mail, the notice shall be given not less than twenty (20) days before the meeting.

- C. <u>Minimum Requirements Regarding Content of Notice</u>. The notice of any membership meeting shall specify the place, date, and hour of the meeting. In the case of a special meeting, the notice shall also state the general nature of the business to be transacted, and no other business may in that case be transacted at the special meeting. In the case of a regular meeting, the notice shall also describe those matters that the Board of Directors, at the time of giving the notice, intends to present for action by the Members; but any proper matter may be presented at the meeting for such action so long as a quorum is present.
- D. <u>Specification of Certain Significant Actions</u>. If any action is proposed to be taken at any membership meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice or consent states the general nature of the proposal(s):
  - (1) Removing a director without cause;
- (2) Filling vacancies on the Board of Directors under those circumstances where a vote of the Members is required pursuant to these Bylaws;
- (3) Amending the Articles of Incorporation of this Association, these Bylaws or the Declaration in any manner requiring approval of the Members;
- (4) Approving a contract or transaction between the Association and one or more of its directors, or between the Association and any corporation, firm, or association in which one or more of its directors has a material financial interest:
- (5) Approving any change in the Association's assessments in a manner requiring membership approval under the Declaration; or
- (6) Voting upon any election to voluntarily terminate and dissolve the Association.

#### 5.5 Quorum Requirements.

- A. <u>Quorum Requirements Generally</u>. The following quorum requirements must be satisfied in order to take valid action at any meeting of the Members or by written ballot in accordance with these Bylaws:
- (1) <u>Quorum for Votes on Assessment Increases.</u> Removal of <u>Directors From Office, and Other Matters</u>. The quorum requirement for valid action on any proposal shall be a majority of the Voting Power of the Members.
- (2) Reduction in Quorum Percentage for Adjourned Meetings. If the minimum quorum percentage is not satisfied, the meeting may be adjourned to another time and/or place not more than forty-five (45) days after the initial meeting date and, at the

reconvened meeting, the quorum percentage shall be reduced to twenty-five percent (25%) of the Voting Power of the Members.

- B. <u>Members Represented by Proxy</u>. Members present at a membership meeting in person or by proxy shall be counted toward satisfaction of the quorum requirements specified herein.
- C. <u>Effect of Departure of Members From Meeting</u>. The Members present in person or by proxy at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, so long as any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

#### 5.6 Adjourned Meeting.

- A. <u>Adjournment Generally</u>. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned to another place and/or time (but not for more than forty-five (45) days) by the vote of the majority of Members present at the meeting either in person or by proxy. Unless there is an absence of a quorum (in which case no business other than adjournment may be transacted), the reconvened meeting may take any action that might have been transacted at the original meeting.
- B. <u>Notice Requirements for Adjourned Meetings</u>. When a Members' meeting is adjourned to another time or place, notice need not be given of the new meeting if the time and place are announced at the meeting at which the adjournment is taken.
- 5.7 <u>Parliamentary Procedure.</u> Meetings of the Members shall be conducted in accordance with Roberts Rules of Order, a recognized system of parliamentary procedure, or any parliamentary procedures the Association may adopt.

#### **ARTICLE VI**

#### **BOARD OF DIRECTORS**

6.1 General Association Powers. Subject to the provisions of the California Nonprofit Corporation Law (Corporations Code Sections 5000-5080), the California Nonprofit Mutual Benefit Corporation Law (Corporations Code Sections 7110 et seq.) the Davis-Stirling Common Interest Development Act (Civil Code Sections 1350-1378), and any limitations in any of the Governing Documents relating to action required to be approved by the Members, the business and affairs of the Association shall be vested in and exercised by the Association's Board of Directors. Subject to the limitations expressed in Article VIII, Section 8.2, the Board may delegate the management of the activities of the Association to any person or persons, management company, or committee, provided that notwithstanding any such delegation the activities and affairs of the Association shall continue to be managed and all Association powers shall continue to be exercised under the ultimate direction of the Board.

- 6.2 <u>Number and Qualification of Directors</u>. The Board of Directors shall consist of five (5) persons, who shall be Owners of Units within the Property whose memberships are in good standing. "Good standing" means that all Assessments and related charges are current, the Owner is not in violation of the Governing Documents or in litigation against the Association, and there are no outstanding fines against the Owner. No members of the Board of Directors shall be a convicted felon or a realtor engaged in listing and sales of Units in the Association. Only one Owner per Unit shall be eligible to serve on the Board at any time. An amendment of the Articles of Incorporation or the Bylaws may change the number of directors; however, an amendment reducing the number of directors to a number less than five (5) cannot be adopted if the votes cast against its adoption at a meeting, or the members not consenting in the case of action by written consent, are equal to more than sixteen and two-thirds percent (16 2/3%) of the members entitled to vote.
- A. <u>Unit Ownership Qualification</u>. Only one Owner per Unit shall be eligible to serve on the Board at any time. If a Unit is owned by an impersonal entity, including without limitation any trust, corporation, or partnership, the entity shall designate one (1) individual person with authority to exercise the Unit's interests, who must be an officer, partner, majority owner, trustee, or general counsel for that entity, and in that event both the entity and the individual person so designated must each meet the qualifications of Section 5.2. No person is eligible to serve as a director unless that person, or the entity he or she represents, owns at least a ten percent (10%) interest in a Unit, nor on the basis of any interest which is merely security for an obligation.
- B. <u>Disqualifications</u>. No person may serve as a director, and no entity may designate a representative as a director, if he, she, or it, has been convicted of a felony, or is engaged as an opponent in any legal proceeding against the Association.
- 6.3 <u>Term of Office</u>. The directors shall be elected at each annual meeting of members. All directors shall hold office until their successors are elected. The directors of this Association shall serve for a term of one (1) year.
- 6.4 <u>Nomination of Directors</u>. Individuals can become candidates for election to the Board of Directors in any of the following ways:
- A. <u>Petition Procedure</u>. A Member can become a candidate for election to the Board by filing with the Secretary a Candidate Nomination Form for his or her candidacy. Candidate Nomination Forms must be filed with the Secretary no later than forty-five (45) calendar days prior to the annual election.
- B. <u>Nominations From the Floor</u>. Any Member present in person or by proxy at a meeting to elect directors may place names in nomination.
- 6.5 <u>Determination of Election Results and Succession to Office</u>. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected as directors and shall take office immediately following their election. In the event there is a tie vote between those candidates who receive the lowest number of votes necessary to qualify the candidate for election, the tie shall be broken by lot.

#### 6.6 Vacancies on Board of Directors.

- A. <u>Vacancies Generally</u>. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of any of the following: (I) the death, resignation, or removal of a director under paragraphs B, C and D below; (ii) an increase of the authorized number of directors; or (iii) the failure of the Members, at any meeting of Members at which any director or directors are to be elected, to elect the number of directors to be elected at such meeting.
- B. <u>Resignation of Directors</u>. Except as provided in this paragraph, any director may resign, and such resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective.
- Authority of Board to Remove Directors. The Board of Directors shall have the power and authority to remove a director and declare his or her office vacant if he or she: (I) has been declared of unsound mind by a final order of court; (ii) has been convicted of a felony; (iii) has been found by a final order or judgment of any court to have breached any duty under *Corporations Code* Sections 7233 through 7236 (relating to the standards of conduct of directors) or the equivalent; (iv) fails to attend three (3) consecutive regular meetings of the Board of Directors that have been duly noticed in accordance with these Bylaws and California law; or (v) fails to meet the qualifications of a director.
- D. <u>Removal of Directors by Members</u>. Except as set forth in Section 6.6, paragraph C, only the Members may remove Directors from the Board as follows:
- (1) <u>Required Vote</u>. Members constituting the Majority of a Quorum of the Members may vote to remove Directors from the Board.
- (2) <u>Procedures</u>. Any membership action to recall or remove a director shall be conducted in accordance with the following procedures:
- (I) A petition must be presented in person to the president, vice president or secretary of the Association that carries the signatures of Members in good standing who represented at least five percent (5%) of the Voting Power of the Association. Such petition must set forth the reason(s) the petitioners are seeking the director's removal; the signature and Lot number(s) of each petitioner in his or her own handwriting; the name(s) of the sponsor(s) of the petition; and fulfill all other requirements required by law.
- (ii) Within twenty (20) days after receipt of such petition, the Board shall either call a special meeting or announce the procedures for conducting a written ballot of the Members to vote upon the requested recall. Such meeting or written ballot shall be conducted not less than thirty five (35) nor more than ninety (90) days after the petition is presented. If the Board fails to set a date for, and give the Members notice of, such meeting or written ballot within twenty (20) days, the Members initiating the petition

(iii) The director whose removal is being sought shall have the right to rebut the allegations contained in the petition orally, in writing or both. If in writing, such rebuttal shall be mailed by the Association or otherwise provided to all Members, together with the recall ballot.

(iv) If the quorum requirement for a valid membership action is not satisfied or if the recall vote results in a tie, the removal action will have failed.

- (3) <u>Removal By Court Action</u>. The County Superior Court may, in response to a suit filed by any director or the lesser of twenty (20) Members or five percent (5%) of the Members, remove any director determined to be guilty of fraudulent or dishonest acts or gross abuse of authority or discretion with reference to the Association. The Association shall be made a party to any such action.
- E. <u>Filling Vacancies</u>. Vacancies on the Board of Directors shall be filled by a majority vote of the remaining directors though not less than a quorum, or by a sole remaining director unless the vacancy is created through removal of a director, in which case the vacancy shall be filled by the affirmative vote of a majority of the Members represented in person or by proxy at a duly held meeting of the Members (at which a quorum is present). The Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors by an election at a duly held meeting of the Members or written ballot. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected to the vacant director positions.
- F. Reduction in Number of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.
- 6.7 <u>Supervision of Election Process.</u> In order to ensure secrecy of ballots and fairness in the conduct of director elections, the Board may utilize the services of inspectors of election (either one (1) or three (3)), who must be independent Members, the Association's community manager, legal counsel, or a Certified Public Accountant, or any other person or entity that receives compensation from the Association for services provided, or any combination of same, to receive and tabulate the ballots (both absentee ballots and ballots cast in person by Members attending the meeting at which the election takes place). Any such persons retained to perform such services shall have the full powers and obligations of an inspector of elections appointed by the Board pursuant to *Civil Code* Section 1363.03 and *Corporations Code* Section 7614.

#### **ARTICLE VII**

#### **BOARD MEETINGS**

- 7.1 <u>Place of Board Meetings</u>. Regular and special meetings of the Board of Directors may be held at any place within the County that has been designated from time to time by resolution of the Board and stated in the notice of the meeting.
- 7.2 <u>Annual Board Meeting</u>. Immediately following each annual meeting of the Members, the Board shall convene a regular meeting for purposes of organization, appointment of officers, and transaction of other business. Notice of this meeting shall not be required separately from the notice of the annual meeting, but agenda requirements must be satisfied.
- 7.3 <u>Regular Board Meetings</u>. Regular meetings shall be held at least quarterly. Other regular meetings of the Board shall be held at such time as shall be fixed by the Board and communicated to all directors and all Members.
- 7.4 <u>Special Board Meetings</u>. Special meetings of the Board may be called for any purpose at any time by the President or by any two directors.
- A. <u>Notice to Directors</u>. Notice of the time, place, and general purpose of special meetings of the Board shall be given to each director at least four (4) days in advance of the meeting by first-class mail, postage prepaid, or by forty-eight (48) hours' notice delivered personally, or to the director's contact address as reflected in the Association records, or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means. Notice of a special Board meeting need not be given to any director who signed a written waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof.

#### 7.5 Action by the Board at a Meeting.

A. <u>Meeting Requirement</u>. The Board shall not take action on any item of business outside of a meeting, except as provided herein. Further, the Board shall not conduct a meeting via a series of electronic transmissions, including, but not limited to, electronic mail, except to conduct an emergency meeting if all members of the Board unanimously consent in writing to that action, and if the written consent or consents are filed with the minutes of the meeting. Written consent to conduct an emergency meeting may be transmitted electronically.

As used herein, "item of business" means any action within the authority of the Board, except actions the Board has validly delegated (including, without limitation, to its managing agent or an officer); and "meeting" means any congregation of a majority of the Board at the same time to hear, discuss, or deliberate upon any item of business that is within the authority of the board, whether at the same place or by a teleconference in which a majority of Board members are connected electronically through

audio or video or both, conducted in compliance with applicable law. Except for a meeting solely in executive session, the notice of such a teleconference meeting shall identify a physical location where Members of the Association may attend, and at least one member of the Board shall be present at that location, and Board members participating in the meeting must be able to hear one another and any Members of the Association speaking at the meeting.

- Agenda Requirement, Except as described below, the Board may not B. discuss or take action on any item at a meeting, except an emergency meeting, unless the item was placed on the agenda included in the notice that was posted and distributed for the meeting. However, a member who is not on the Board may speak on issues not on the agenda, and a member of the Board, or a managing agent or other agent or employee of the Association, may do any of the following:
- (1) Briefly respond to statements made or questions posed at a meeting;
- (2)Ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities, whether in response to questions posed by a Member of the Association or on his or her own initiative;
- (3)Provide a reference or other resources for factual information to Association agents or employees;
- Request agents or employees to report to the Board at a (4) later meeting concerning any matter, or direct Association agents or staff to place a matter of business on a future agenda:
- (5) Direct Association agents or staff to perform administrative tasks that are necessary to carry out any of the above;
- Take action on an item of business not on the agenda if (i) a majority of the Board determines at the meeting that an emergency situation exists, as described herein, or (ii) if two-thirds of the Board members at the meeting (or, if less than two-thirds of the Board is present, then all Board members present) decide that there is a need to take immediate action and that the need for action came to the attention of the Board after the agenda was posted and distributed, or (iii) the item appeared on an agenda for a prior meeting of the Board that occurred not more than 30 calendar days previously and, at the prior meeting, action on that item was continued to the current meeting.
- C. Quorum and Vote. A majority of the authorized number of directors. except any directorships deemed vacant, shall constitute a quorum for the transaction of any Board business, except to adjourn. Every act or decision done or made by a majority of the directors present at any meeting at which a quorum is initially present shall be deemed a valid act or decision of the Board. The Board may continue to transact business at a duly held meeting, where a quorum was initially present, notwithstanding the withdrawal, recusal, or departure of directors; however, any action must be approved by

at least a majority of those directors initially present for that meeting, unless otherwise required herein, or by the Articles, or by law.

- (1) <u>Conflicts and Recusal</u>. A personal or financial interest as to an item of business before the Board may, in certain circumstances, cause a director to be unable, or be perceived to be unable, to vote on that item of business in keeping with such director's fiduciary duties to the Association. In any circumstance in which a director is either presumed by law, or reasonably believed by a majority of the Board, to be unable to vote by reason of such a conflict, such director may voluntarily recuse himself or herself from voting on the matter, or if he or she refuses to do so, may be involuntarily recused from voting on that matter by the vote of a majority of the Board.
- 7.6 Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of adjournment to any other time or place shall be given prior to the time of the adjourned meeting to the Directors who are not present at the time of the adjournment.

#### 7.7 Attendance by Members.

- A. <u>Board Meetings in Open Session</u>. With the exception of any meeting held in executive session, any Member of the Association may attend all Board meetings. Any Member may speak at any Board meeting subject to reasonable regulation of time limits and protocols established by the Board, and provided that the Member does not interrupt or interfere with the transaction of scheduled Board business.
- B. Board Meetings in Executive Session. Members may not attend meetings of the Board in executive session except as permitted by law or by the Board. The Board may convene exclusively in executive session or, by vote of a majority of the directors present at a meeting at which a quorum is present, may adjourn a meeting in open session at any time for purposes of reconvening in executive session to discuss: (I) litigation in which the Association is or may become a party; (ii) matters relating to the formation of contracts with third parties; (iii) Member discipline; or (iv) personnel matters. The Board must meet in executive session if requested by a Member who may be subject to the collection of delinquent assessments, a fine, penalty, or other form of discipline and the Member who is the subject of the disciplinary proceeding shall be entitled to attend the executive session. Any matter discussed in executive session shall be generally noted in the minutes of the meeting, taking into consideration the need to maintain confidentiality.
- C. <u>Board Meeting Minutes</u>. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board of Directors, other than minutes of an executive session, shall be available to the Members within thirty (30) days following the meeting. The minutes, proposed minutes, or summary of the minutes shall be distributed to any Member on request and on reimbursement of the Association's costs of making that distribution. Members shall be notified in writing at the time that the pro forma budget is distributed, or at the time of any

general mailing to the entire membership, of the Members' right to have copies of the minutes of any Board meeting and how and where those minutes may be obtained.

- D. <u>Members' Right to Notice of Meetings</u>. Members shall be given notice of the time and place of Board meetings in open session, except for "emergency meetings," at least four (4) days prior to the meeting. Members shall be given notice of the time and place of Board meetings in executive session only, except for "emergency meetings," at least two (2) days prior to the meeting. All meeting notices shall include an agenda as set forth in Section 7.5(B) hereof. Notice shall be given by posting the notice in a prominent place or places within the Common Area, by mail or by facsimile transmission. Notice may also be given by delivery of the notice to each Unit in the development, or by newsletter or similar means of communication. For purposes of this Section, an "emergency meeting" of the Board means a meeting called by the President or by any one Member of the Board under circumstances that could not have been reasonably foreseen that require immediate attention and possible action by the Board and that of necessity make it impracticable to provide prior notice to the Members as required by applicable law.
- 7.8 Action Without Meeting by Unanimous Written Consent. To the extent that applicable law prohibits the Board from doing so, the Board may not take any action without a meeting. However, the Board may unanimously consent in writing to holding an emergency meeting by electronic communication, in compliance with these Bylaws and applicable law. If any other action is permitted by law to be taken by unanimous written consent, nothing herein shall be deemed to prohibit the same. Any such written consent(s) shall comply with applicable law and shall be filed with the Secretary and recorded in the minutes, and in such case the action by written consent shall have the same force and effect as a unanimous vote of the directors.

#### **ARTICLE VIII**

#### DUTIES AND POWERS OF THE BOARD

- 8.1 <u>Specific Powers</u>. Without prejudice to the general powers of the Board of Directors set forth in these Bylaws, and in the Declaration, the Directors shall have the power to:
- A. Exercise all powers vested in the Board under the Governing Documents and under the laws of the State of California. The Board may not delegate the ultimate oversight of the Association's affairs.
- B. Appoint and remove all Officers of the Association, any Manager of the Association, if any, and other Association employees; prescribe any powers and duties for such persons that are consistent with law, the Articles of Incorporation, and these Bylaws; and fix their compensation. The Board may not delegate this power.
- C. Appoint such agents and employ such other employees, including attorneys and accountants, as it sees fit to assist in the operation of the Association, and

to fix their duties and to establish their compensation. The Board may not delegate this power.

- D. Adopt and establish Rules and Regulations subject to the provisions of the Declaration, governing the use of the Common Areas, the Common Facilities and roads within the Properties, and the personal conduct of the Members and their tenants and quests thereon, and take such steps as it deems necessary for the enforcement of such Rules and Regulations, including the imposition of monetary penalties and/or the suspension of voting rights and the right to use any Common Areas or Common Facilities. except for ingress and egress; provided notice and a hearing are given. The Board may not delegate these powers, except that it may direct its agents, including the Manager, to carry out its enforcement decisions.
- E. Enforce all applicable provisions of the Governing Documents relating to the control, management, and use of the Units within the Property and the Common Areas, Common Facilities, and the roads within the Property.
- Contract for and pay premiums for fire, casualty, liability, and other insurance and bonds (including indemnity bonds) that may be required from time to time by the Association.
- G. Contract for and pay for maintenance, landscaping, utilities, materials, supplies, labor, and services that may be required from time to time in relation to the Common Areas and other portions of the Property which the Association is obligated to maintain.
- Pay all taxes, special assessments and other assessments, and Η. charges that are or would become a lien on any portion of the Common Areas.
- Contract for and pay for construction or reconstruction of any portion I. or portions of the Properties that have been damaged or destroyed and that are to be rebuilt by the Association.
- Delegate its duties and powers hereunder to the Officers of the Association or to committees established by the Board.
- Levy and collect Assessments from the Members of the Association in accordance with the Declaration and establish and collect reasonable use charges for any or all of the recreational Common Facilities as the Board may deem necessary or desirable from time to time for the purpose of equitably allocating among the users the cost of maintenance and operation thereof. The Board may not delegate the decision to levy Assessments, nor the decision to record a lien or to initiate foreclosure proceedings on the basis of delinquency.
  - Perform all acts required of the Board under the Declaration. L.

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- M. Prepare budgets, financial reports and maintain a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles.
- N. Appoint such committees as it deems necessary from time to time in connection with the affairs of the Association.
- O. Fill vacancies on the Board of Directors or in any committee, except a vacancy created by the removal of a Board Member.
- P. Open bank accounts and borrow money on behalf of the Association and designate the signatories to such bank accounts. The Board shall have the power to pledge assessments in connection with borrowing funds and to make an assignment of assessments which are then payable or will become payable to the Association. The assignment shall allow the Association to continue to collect the assessments unless and until the Association shall default in the repayment of the loan for which the assignment is made. The Board may delegate the power to open bank accounts, subject to its direction, but may not delegate the decisions to borrow money or to pledge or assign assessments or other security.
- Q. Bring and defend actions on behalf of more than one Member or the Association to protect the interests of the Members or the Association, as such, as long as the action is pertinent to the operations of the Association, and assess the Members for the cost of such litigation. The Board may not delegate the decision to bring or defend an action, nor the decision to assess the Members.
- R. Enter Units as necessary, subject to the notice requirements of the Declaration, in connection with construction, maintenance, or emergency repairs for the benefit of the Common Areas, Common Facilities or the Owners in common, or to enforce the provisions of these Bylaws and the Declaration.
- 8.2 <u>Limitations on Powers</u>. Without the vote or written assent of a majority of the Voting Power of the Members, the Board of Directors shall not take any of the following actions:
- A. Enter into a contract with a third party for the furnishing of goods or services to the Common Area or the Association for a term longer than one year. This restriction shall not apply to: (i) FHA or VA approved management contracts; (ii) public utility contracts in which the rates charged for materials or services are regulated by the Public Utilities Commission, provided that the term of the contract may not exceed the shortest term for which the supplier will contract at the regulated rate; (iii) prepaid casualty or liability insurance policies not to exceed three years' duration, provided that the policies provide for short-rate cancellation by the insured; (iv) agreements for cable television services and equipment, satellite dish television services and equipment, and telecommunications services and equipment all not to exceed five years' duration; or (v) agreements for sale or lease of burglar alarm and fire alarm equipment, installation, and services not to exceed five years' duration.

- B. Incur aggregate expenditures for capital improvements to the Common Areas in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, provided, however, that this limitation shall not apply to the expenditure of any funds accumulated in a reserve fund for capital replacement or new capital improvements so long as the expenditure is for the purpose for which the fund was established.
- C. Sell during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that year; provided, however, that this limitation shall not apply to the sale or other disposition of Units acquired by the Association in foreclosure proceedings.
- D. Fill any vacancy on the Board of Directors created by the removal of a Director.
- E. Impose a special assessment or to increase the regular assessment under circumstances requiring Member approval.
- F. Amend these Bylaws (unless the Board is empowered pursuant to law to amend certain portions of the Bylaws without Members' consent), any Articles of Incorporation or the Declaration.
- G. Grant a Member exclusive use of any portion of Common Area held by the Association in fee. The vote for transfer of Common Area for said use must be done as proscribed by applicable law. The voting materials used must advise whether or not the Association will be compensated for granting the exclusive easement and whether the Member receiving the grant will be providing insurance coverage for the area in question. Notwithstanding anything to the contrary, membership approval is not needed under the following circumstances:
  - (1) If the grant of an exclusive easement is to correct errors; or
- (2) If the grant of an exclusive easement is to transfer the responsibility of maintenance on "inaccessible" Common Area(s).

#### **ARTICLE IX**

#### **OFFICERS**

9.1 Officers. The Officers of the Association shall be a President, a Secretary, and a Chief Financial Officer or Treasurer. The Association may also have, at the discretion of the Board, a Vice President, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 9.2. One person may hold two or more offices, except that neither the Secretary nor the Treasurer may serve concurrently as President.

- 9.2 Election of Officers. Except as otherwise provided herein, the Officers of the Association shall be chosen annually by majority vote of the Board at its first regular meeting following the annual meeting of the Members or the election of Directors, and each shall hold his or her office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.
- 9.3 Removal of Officers. Any Officer may be removed by the Board with or without cause, at any duly noticed regular or special meeting of the Board.
- 9.4 Resignation of Officers. Any Officer may resign at any time by giving written notice to the Board, or to the President, or to the Secretary. Any such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.
- 9.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.
- President. The President shall be elected by the Board from among the 9.6 Directors. He or she shall be the Chief Executive Officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the affairs and Officers of the Association. He or she shall preside at all meetings of the Board, and shall have the general power and duties of management usually vested in the office of President of a corporation, together with such other powers and duties as may be prescribed by the Board or the Bylaws.
- 9.7 Vice President. The Vice President may be elected by the Board from among the Directors. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. He or she shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or the Bylaws.
- 9.8 Secretary. The Secretary shall be elected by the Board from among the Directors. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of Directors and Members. The Secretary shall keep, or cause to be kept, appropriate current records showing the Members of the Association, together with their addresses. He or she shall give, or cause to be given, notice of all meetings of the Board required by the Bylaws or by law, and shall have such other powers and perform such other duties as may be prescribed by the Board or by the Bylaws.
- 9.9 Chief Financial Officer or Treasurer. The Chief Financial Officer shall be elected by the Board from among the Directors. The Chief Financial Officer, who shall be known as the Treasurer, shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the

Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. He or she shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and Directors, whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws. If required by the Board, the Treasurer shall give the Association a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his or her office and for restoration to the Association of all its books, papers, vouchers, money, and other property of every kind in his or her possession or under his or her control on his or her death, resignation, retirement, or removal from office.

#### **ARTICLE X**

#### COMMITTEES

- 10.1 <u>Committees of Directors</u>. In addition to any committees required by these Bylaws and the Declaration, the Board may, by resolution adopted by a majority of the Directors then in office, designate one or more committees, each consisting of two (2) or more Members (who may also be Directors), to serve at the pleasure of the Board. Committees shall have all the authority of the Board with respect to matters within their area of assigned responsibility, except that no committee, regardless of Board resolution, may:
- A. Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the Members.
- B. Fill vacancies on the Board of Directors or on any committee that has been delegated any authority of the Board.
  - C. Amend or repeal Bylaws or adopt new Bylaws.
- D. Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.
- E. Appoint any other committees of the Board of Directors or the members of those committees.
  - F. Expend Association funds without prior Board approval.
- G. Make a distribution to the members of the Association except at a rate or in a periodic amount or within a price range determined by the Board.

- H. Approve any transaction (I) to which the Association is a party and one or more Directors have a material financial interest; or (ii) between the Association and one or more of its Directors or between the Association or any person in which one or more of its Directors have a material financial interest.
- 10.2 Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of these Bylaws, concerning meetings of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee with decision making authority and shall be filed with the Secretary and placed in the Association's records. The Board of Directors may adopt rules not inconsistent with the provisions of these Bylaws for the governance of any committee.
- 10.3 Effect of Committee Actions. Unless otherwise expressly provided in the Governing Documents or in the Board resolution authorizing and empowering a committee, all actions of any committee shall be considered advisory to the Board and shall be scheduled on the agenda of the Board meeting next following the committee's action or decision for affirmation, rescission, or modification, as the Board in its discretion deems appropriate.

#### ARTICLE XI

#### ASSOCIATION FINANCES

- 11.1 <u>Checks</u>. All checks or demands for money and notes of the Association shall be signed by the President and Treasurer, or by such other Officer or Officers or such other person or persons as the Board of Directors may from time to time designate. Notwithstanding the foregoing, any withdrawal of funds from Association reserve accounts shall require the signature of at least two (2) Directors.
- 11.2 Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all Regular and Special Assessments as fixed and determined for all Members. Disbursements from such account shall be for the general need of the Association's operation including, but not limited to, wages, repairs, betterments, maintenance, and other operating expenses of the Property.
- 11.3 Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes, including "Reserve Accounts" and the equivalent for replacement of capital improvements. All Association books of account shall be maintained in accordance with generally accepted accounting principles.

- 11.4 <u>Budget</u>. Each year, the Board shall prepare an estimated operating budget for the next fiscal year, which shall include the following, as required by Section 1365 of the *Civil Code* or comparable superseding law:
  - A. Estimated revenue and expenses on an accrual basis;
- B. A summary of the Association's reserves based upon the most recent review or study conducted, based only on assets held in cash or cash equivalents, which shall be printed in boldface type and include (a) the current estimated replacement cost, estimated remaining life, and estimated useful life of each major component; (b) the current estimate of the amount of cash reserves necessary to repair, replace, restore, or maintain the major components; (c) the funding of reserves expressed as that percentage of the estimated costs in (a) above which are satisfied by the estimated reserves in (b) above; (d) the current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain major components as of the end of the fiscal year in which the last study was prepared; (d) the current deficiency in reserve funding on a per unit basis; and (e) the amount and disposition of any funds received by award or settlement resulting from any claim of construction or design defect;
- C. A statement as to (a) whether the Board has determined to defer repairs or replacement of a major component with a remaining life of 30 years or less, and if so, a justification for the decision; (b) whether the Board has determined or anticipates the levy of any Special Assessment(s) for repair or replacement of major components or to provide for reserves, and if so, the estimated amount, date, and duration thereof; (c) the mechanism for funding reserves for repair or replacement of major components, including without limitation assessments, borrowing, or deferral of other expenses; and (d) information regarding any outstanding loans with original terms of more than one year; and
- D. A general statement of procedures for calculation and establishment of reserves for future repair, replacement, or additions to major components the Association is obligated to maintain.
- 11.5. <u>Revised Budget</u>. The Board may, in the exercise of its reasonable discretion, adjust or modify the Budget during the course of the fiscal year. If so, copies of the revised Budget shall be sent to all Members within thirty (30) days of its adoption by the Board.
- 11.6. Quarterly Review of Accounts. At least quarterly, the Board shall cause to be prepared, and shall review, all of the following. To the extent one document provides the information required in more than one of the below listed items, these requirements may be satisfied by reviewing the same document.
  - A current reconciliation of the operating accounts;
  - B. A current reconciliation of the reserve accounts:

- C. The current year's actual reserve revenues and expenses compared to the current year's budget;
- D. The latest account statements prepared by the financial institution(s) with whom the operating and reserve accounts are lodged; and
- E. The income and expense statement for the operating and reserve accounts.
- 11.7 <u>Year-End Report</u>. A review of the financial statement of the Association shall be prepared annually in accordance with generally accepted accounting principles by a licensee of the State Board of Accountancy for any fiscal year in which the gross income of the Association exceeds \$75,000. If the annual report is not prepared by such a licensee, it shall be accompanied by the certificate of an authorized Officer of the Association that the statement was prepared without an audit from the books and records of the Association.
- 11.8 Required Reserve Studies. At least once every three years, the Board must cause to be conducted a competent and diligent study of the reserve requirements of the Association, including a visual inspection of the major components, if the current replacement value of the major components that the Association is obligated to repair, replace, restore, or maintain is equal to or greater than one-half of the gross budget of the Association for any fiscal year. The Board shall review any reserve study required under this section on an annual basis and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review. The reserve study shall include the minimum requirements of any applicable laws.

#### **ARTICLE XII**

#### PERIODIC DISCLOSURES

- 12.1 <u>Budget</u>. A copy of the pro forma operating budget for each fiscal year shall be distributed to all Members not less than thirty (30) days nor more than ninety (90) days prior to the beginning of the fiscal year.
- A. <u>Summary</u>. In lieu of distributing the complete budget, the Board may distribute a summary of the budget (within the same time limits), together with a notice that the complete budget is available at the Association's principal office and that copies will be furnished, upon request, to any Member at the Association's expense. If a Member requests a copy of the complete budget, the Association shall mail the material, via first-class mail, within five business days.
- 12.2 <u>Year-End Report</u>. Within 120 days after the close of the fiscal year, a copy of the Association's year-end report shall be distributed to Members.

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### 12.3 Notification of Insurance Coverage.

- A. Required Summary Disclosures. In accordance with applicable law, and at the times specified in paragraph C hereof, the Association shall prepare and distribute to all Members a summary of the general liability and property insurance maintained by the Association. In addition, if the Association also maintains a policy of earthquake, fidelity or flood insurance, a summary of that insurance shall also be distributed. As to all types of insurance coverage, the disclosure shall include the name of the insurer, the type of coverage, the policy limits of the insurance and the amount of deductibles, if any. The summary shall contain, in at least 10-point bold type, the statement required by Section 1365 of the *Civil Code* or any comparable superseding law.
- B. <u>Use of Policy Declaration Page</u>. The summary disclosure requirement of paragraph A hereof may be satisfied by distributing to all Members a copy of the policy declaration page, if that page presents the information specified above.
- C. <u>Timing of Insurance Summary Disclosures</u>. Insurance summaries required by this section shall be provided to each Member at the following times:
- (1) With the first newsletter, annual budget or financial disclosure, or other general mailing to all Members by the Association following the adoption of these Bylaws;
- (2) As soon as reasonably practicable by first-class mail following any lapse or cancellation of the policies which are not immediately renewed, restored or replaced or if there is a significant change in any of the Association's policies, such as a reduction in coverage or an increase in the deductible.
- (3) Annually, within sixty (60) days prior to the beginning of the fiscal year.
- (4) If the Association receives any notice of nonrenewal of a policy, the Association shall immediately notify its Members if replacement coverage will not be in effect by the date the existing coverage will lapse.
- D. <u>Delivery of Insurance Summaries and Cancellation Notices</u>. Any insurance summary delivered pursuant to these Bylaws or applicable law shall be mailed by prepaid first-class mail or personally delivered to each Member. All mailings shall be to the Members at their respective addresses as shown in the records of the Association.
- 12.4 <u>Disclosure of Collection Policy</u>. The Board shall annually distribute, within sixty (60) days prior to the beginning of the fiscal year, a description of the Association's policies and practices in enforcing its remedies against Members for defaults in the payment of Regular and Special Assessments, including the recording and foreclosing of liens against Members' units. The notice shall be printed in at least 12-point type.

### Disclosure of Dispute Resolution Policies.

Alternative Dispute Resolution (ADR). The Board shall annually provide each Member a summary of any provisions required by applicable law relating to the subject matter of ADR proceedings. If required by applicable law, the ADR summary shall be provided to the Members as part of the annual budget materials sent to the Members. The ADR disclosure shall include the following language, or other language as required by applicable law:

"Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 1369.520 of the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law."

- B. Internal Dispute Resolution (IDR). The Board shall annually provide each Member a description of the IDR procedure adopted by the Association, if any, or the IDR procedure described in Section 1363.840 of the Civil Code or comparable superseding law. This disclosure shall be included with the ADR disclosure described in paragraph A hereof.
- 12.6. <u>Disclosure of Schedule of Fines or Monetary Penalties</u>. If the Association adopts a schedule of fines for commonly recurring infractions of the Governing Documents or any other policy imposing a monetary penalty or a fee on any Member for violation of any Governing Document or the Association Rules, including any monetary penalty relating to the activities of a tenant, quest or invitee of a Member, the Board shall distribute the schedule or policy to the Members by either personal delivery or by first-class mail. This distribution obligation shall arise whenever such a schedule or policy is adopted or subsequently amended.

### **ARTICLE XIII**

### MAINTENANCE AND INSPECTION OF RECORDS

- 13.1 Keeping of Records. The Association, under the supervision of the Secretary and Treasurer as described in Article VIII hereof, shall keep or cause to be kept the following records of the Association:
- A membership register prepared on the basis of information provided by the Members, setting forth the names, addresses for mailing, telephone numbers, and any other contact information of all Members.
- The Governing Documents and amendments thereto; agendas and minutes of all meetings of the Members; agendas and minutes of all meetings of the Board in open session; agendas (and, if required by law or by these Bylaws, minutes) of all

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meetings of the Board in executive session; agendas and minutes (if any) of meetings of committees; and resolutions and other formal acts of the Board or Membership; all of which shall be maintained in perpetuity.

- C. Financial records and books of account; chronological records of receipts and expenditures, and a separate account for each Unit's Regular and Special Assessment(s) showing the dates when such assessments were levied and when the same are due, the amounts paid or credited to such account, and the balance thereof.
- D. Any documents required to be made available to Members pursuant to applicable law or these Bylaws, which shall be maintained for at least that entire period for which Members shall be entitled to inspect them pursuant to these Bylaws or applicable law.

### 13.2 Inspection of Books and Records.

A. <u>Member Inspection Rights</u>. Any Member or his or her duly appointed representative may inspect or copy Association books, records and documents as provided by applicable law. Inspection or copying of such documents shall be during reasonable business hours, at the designated offices of the Association, for any purpose reasonably related to the Member's interest. Members shall make a written request on the Association, which request shall state the purpose for which the inspection or copying rights are requested and the person designated by the Member to inspect and/or copy the records on the Member's behalf, if any.

The Association may charge the requesting Member for its actual, reasonable costs for copying and mailing the requested documents. The Association shall inform the Member of the amount of copying and mailing costs, and the requesting Member shall agree in writing, before sending the requested documents.

The Association may withhold or redact information from the requested documents, if such information is privileged by law, or if the release of such information is reasonably likely to lead to identity theft or fraud in connection with the Association or any Member, or for any other reason permitted by applicable law.

- B. <u>Director Inspection Rights</u>. Every Director shall have an absolute right at any reasonable time to inspect all books, records, documents, and minutes of the Association, except for Members' Ballots, and the physical properties owned by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents.
- C. <u>Adoption of Reasonable Inspection Rules</u>. The Board of Directors may establish reasonable rules with respect to: (i) notice of inspection; (ii) hours and days of the week when inspection may be made; and (iii) payment of any and all costs of reproducing copies of documents requested by the Member.

### ARTICLE XIV

### **ENFORCEMENT OF GOVERNING DOCUMENTS**

- 14.1 <u>Association's Authority to Enforce Governing Documents</u>. Any Director, Officer, or agent of the Association, including a property manager, has the authority to demand, orally or in writing, that any Member or resident bring himself/herself into compliance with the Governing Documents.
- 14.2 <u>Disciplinary Hearing</u>. When the Board is to meet to consider or impose discipline upon a Member, the Board shall notify the Member in writing, by either personal delivery or first-class mail, at least ten (10) days prior to the meeting. The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a Member may be disciplined, and a statement that the Member has a right to attend and may address the Board at the meeting. The Board shall meet in executive session if requested by the Member being disciplined.
- 14.3. <u>Disciplinary Action</u>. If the Board imposes discipline on a Member, the Board shall provide the Member a written notification of the disciplinary action, by either personal delivery or first-class mail, within fifteen (15) days following the action. A disciplinary action shall not be effective against a Member unless the Board fulfills the requirements of applicable law.

### **ARTICLE XV**

### INDEMNIFICATION AND ETHICS

- 15.1 <u>Indemnification of Association</u>. Each Owner shall be liable to the Association for any damage to the Common Areas caused by the negligence or willful misconduct of the Owner or his or her family, guests, invitees or lessees, to the extent that the damage shall not be covered by insurance. Each Owner shall indemnify, hold harmless, and pay any costs of defense of each other Owner from claims for personal injury or property damage occurring within any Unit owned by the indemnitor, provided that this protection shall not extend to any indemnitee whose negligence or willful misconduct caused or contributed to the injury or damage. This section is not intended to be for the benefit of any insurer and shall not affect nor limit the duty of any insurer to pay any claim which would be payable by said insurer but for this section.
- 15.2 <u>Indemnification by Association</u>. To the fullest extent permitted by law, the Association shall indemnify its current and former directors, officers, employees, committee members, and other agents as defined by applicable law, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding by reason of the fact that such person is or was a person so described. As used in this section, "expenses" shall have the meaning defined by applicable law pertaining to indemnity of directors, and "proceeding" shall have the meaning defined by applicable law and shall include an action by or on behalf of the Association.

- A. Approval of Indemnity by Association. On written request to the Board by any person seeking indemnity under this Article, the Board shall promptly determine in accordance with any applicable laws, whether the standard of conduct set forth in such applicable law has been met, and if it has, the Board shall authorize indemnification. Any director seeking such indemnity shall not be entitled to vote on such request. If this prevents the formation of a quorum of directors, the Board shall promptly call a meeting of Members to determine whether the standard of conduct set forth by applicable law has been met, and if it has, the indemnity shall be deemed authorized.
- B. <u>Advancement of Expenses</u>. To the fullest extent permitted by law and unless otherwise determined by the Board, expenses incurred by a Director, Officer, committee member, employee, or agent in defending any proceeding described herein shall be advanced by the Association before final disposition of the proceeding. The Association may, however, require an undertaking by or on behalf of that person that the advance will be repaid if it is ultimately determined that the person is not entitled to indemnity for those expenses.
- 15.3 <u>Code of Ethics: Duty of Care</u>. The services provided by the Association's Officers and Directors require honesty, impartiality, fairness and equity, and must be dedicated to the protection of the public health, safety, and welfare. Officers and Directors must perform under a standard of professional behavior that requires adherence to the highest principles of ethical conduct. Therefore, they should be eager to maintain and improve the standards of their calling and share with their fellow homeowners a common responsibility for its integrity and honor.

Officers and Directors identify and take measures, through enforcement of this Code of Ethics and by assisting appropriate regulatory bodies, to eliminate practices which may damage the Members or which might discredit or bring dishonor to the Association. Any Officer or Director having direct personal knowledge of conduct in violation of the Code of Ethics involving misappropriation of Association funds or property, willful discrimination, or fraud resulting in substantial economic harm, hereby agrees to bring such matters to the attention of the appropriate authority, Board, or the Association.

- A. <u>Duties to Members and Association</u>. Officers and Directors pledge themselves to protect and promote the interests of the Members and Association. Although the obligation of absolute fidelity to the Association's interests is primary, Officers and Directors remain obligated to treat all parties fairly and honestly, and adhere to the following duties of care:
- (1) The duties the Code of Ethics imposes are applicable whenever an Officer or Director acts on behalf of the Association or with respect to Association business, however this Code of Ethics does not incorporate any duty imposed exclusively by law or regulation.
- (2) Officers or Directors shall not knowingly, during or following their services to the Association: (a) reveal confidential information of the Members or other

residents obtained in the course of such services; nor (b) use confidential information of the Members or other residents to the disadvantage of said Members or other residents.

- Officers and Directors shall, consistent with the generally accepted duties of their office, competently manage the Association's Properties with due regard for the rights, responsibilities, benefits, safety and health of residents and others lawfully on the Properties, and shall exercise due diligence and make reasonable efforts to protect the investment property of the Members and the Association against reasonably foreseeable contingencies and losses.
- When entering into contracts or agreements, Officers and Directors shall exercise due diligence and care to protect the Association, and shall assure whenever possible that contracts or agreements shall be in writing, and shall be in clear and understandable language expressing the specific terms, conditions, obligations and commitments of all the parties.
- (5) Officers and Directors shall not accept any commission, rebate, or profit in any way on expenditures or activities made for and in behalf of the Association. When recommending services or products such as homeowner's insurance, projects, maintenance or landscape contracts, Officers and Directors shall disclose any financial benefits or fees that may be derived from such activities, or any direct interest in any project, organization, or business entity involved in the proposed transaction.
- (6)Officers and Directors shall keep in a special account, in an appropriate and insured financial institution, separate and exclusive from their own funds, monies coming into their possession or control for the Association, such as homeowner's dues or other monies, and like items.
- Officers and Directors shall not deny equal professional services to, nor otherwise discriminate against, any person for reasons of race, color, religion, sex. handicap, familial status, or national origin. Officers or Directors shall not volunteer or provide information regarding the racial, religious or ethnic composition of any homeowner or resident.
- (8) Officers and Directors shall not undertake to provide specialized professional services concerning matters or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of matters or service.
- If charged with malfeasance or asked to present evidence or to cooperate in any other way, in defense of his or her conduct, including in any professional standards proceeding or investigation, an Officer or Director shall place all pertinent facts before the proper tribunals or council and shall take no action to disrupt or obstruct such processes.

- (10) The Board of Directors shall not knowingly or recklessly make false or misleading statements about Members or other residents.
- (11) The Board of Directors shall not engage in any practice or take any action inconsistent with the Association.
- B. <u>Code of Ethics: Construction with Current Law.</u> While this Code of Ethics may establish higher obligations than those mandated by law, in any instance where the Code of Ethics and the law conflict, the obligations of the law supersede.

### **ARTICLE XVI**

### **GENERAL PROVISIONS**

- 16.1 <u>Conflicts</u>. In the event of any conflict, the Declaration shall supersede these Bylaws, and these Bylaws shall supersede the Articles and Rules, and all of which shall be subject to applicable law.
- 16.2 <u>Amendment or Repeal of Bylaws by Members</u>. Except as otherwise expressly provided herein, these Bylaws may be amended or repealed, and new Bylaws adopted, only by the affirmative vote or assent by written ballot of at least a majority of the eligible Voting Power of the Members of the Association.
- 16.3 Construction and Definitions. Unless the context requires otherwise or a term is specifically defined herein, or in the Declaration or applicable law, the words used in these Bylaws shall be given their usual and ordinary definitions, and general rules of construction shall govern the interpretation of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, and singular number includes the plural and the plural number includes the singular. All captions and titles used in these Bylaws are intended solely for the reader's convenience of reference and shall not affect the interpretation or application of any of the terms or provisions contained herein.
- 16.4 <u>Fiscal Year</u>. The fiscal year of the Association shall be from the first (1<sup>st</sup>) day of January to the thirty-first (31<sup>st</sup>) day of December every year unless and until a different fiscal year is adopted by the Board.
- 16.5 <u>Dissolution</u>. Unless otherwise provided in the Articles or Declaration, this corporation may be dissolved by any procedure provided by applicable law for dissolution of non-profit mutual benefit corporations; however, in no event shall the corporation be dissolved except with the affirmative vote by secret ballot of at least a majority of the eligible Members to repeal these Bylaws, unless any higher requirement is otherwise required by the Governing Documents.

Order: HJHSHTO47

IN WITNESS WHEREOF, the Restated Bylaws have been adopted as provided above effective this 20th day of hours, 2012: 2013

MERIT CARSON HOMEOWNERS' ASSOCIATION

By: Laine Channel, President

By: Laine Channel
, Secretary

CERTIFICATE

I, the undersigned, the duly elected and acting Secretary of MERIT CARSON

I, the undersigned, the duly elected and acting Secretary of MERIT CARSON HOMEOWNERS' ASSOCIATION, a California non-profit corporation, do hereby certify that the foregoing Restated Bylaws was adopted on January 26, 2012, and that the same does now constitute the Restated Bylaws of the Association.

This Certificate is executed under penalty of perjury on Tuncary 20, 2012, in Jarrance, California.

Herin Bernaug

Secretary

### CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California	
County of Los Angeles	
the within instrument and acknowledged to me to	idence to be the person(s) whose name(s) is/are subscribed to hat he/she/they executed the same in his/her/their authorized ) on the instrument the person(s), or the entity upon behalf of
I certify under PENALTY OF PERJURY under this true and correct.	he laws of the State of California that the foregoing paragraph
WITNESS my hand and official seal. Signature of Rotary Public	DONALD COURTNEY Commission # 1851809 Notary Public - California Los Angeles County My Comm. Expires May 31, 2013
ADDITIONAL O	PTIONAL INFORMATION
DESCRIPTION OF THE ATTACHED DOCUMENT  Amended Condo By/accs  (Title or description of attached document)  Merit Cason HOX  (Title or description of attached document continued)	INSTRUCTIONS FOR COMPLETING THIS FORM  Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California, in such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is itlegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.
Number of Pages Document Date	<ul> <li>State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.</li> <li>Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.</li> </ul>
(Additional information)	<ul> <li>The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).</li> <li>Print the name(s) of document signer(s) who personally appear at the time of notarization.</li> </ul>

- CAPACITY CLAIMED BY THE SIGNER
  - ☐ Individual (s)
  - ☐ Corporate Officer

(Title)

- ☐ Partner(s)
- ☐ Attorney-in-Fact

Trustee(s)

Other HOA Board Members

- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they; is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - Indicate title or type of attached document, number of pages and date.
  - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).

Order: HJH Securely attach this document to the signed document

2008 Version CAPA v12.10.07 800-873-9865 www.NotaryClasses.com Date: 01-05-2024

### **Merit Carson Homeowners' Association**

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

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

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

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

Property Addre	ss: 2940 W Carson St Ur	nit: Unit 205, Torrance, CA 90503-	6082
Owner of Prope	erty: thd thd		
Owner's Mailing	g Address:		
	(if known or	different from property address)	
Provider of the	Section 4525 Items:		
Barbara Kan	Escrow Coordinator	Partners Community Management	01-09-2024
Print Name	Position or Title	Association or Agent	Date Form Completed

Check or Complete Applicable Column or Columns Below:

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Articles of Incorporation (or			
statement that not	Section <b>4525(a)(1)</b>	\$35.00	
incorporated)			
CC&Rs	Section <b>4525(a)(1)</b>	\$50.00	
Bylaws	Section <b>4525(a)(1)</b>	\$35.00	
Operating Rules	Section <b>4525(a)(1)</b>	\$30.00	
Age Restrictions, if any	Section <b>4525(a)(2)</b>	·	Refer to Demand
Rental Restrictions, if any	Section <b>4525(a)(9)</b>	\$0.00	Refer to CC&Rs
Annual Budget Report (or summary, including Reserve Study)	Sections <b>5300</b> and <b>4525</b> (a)(3)	\$45.00	
Assessment and Reserve Funding Disclosure Summary	Sections <b>5300</b> and <b>4525</b> (a)(4)		Included in Budget
Financial Statement Review	Sections <b>5305</b> and <b>4525(a)(3)</b>	\$40.00	
Assessment Enforcement Policy	Sections <b>5310</b> and <b>4525(a)(4)</b>		Included in Budget
Insurance Summary	Sections <b>5300</b> and <b>4525</b> (a)(3)		Included in Budget
Regular Assessment	Section <b>4525(a)(4)</b>		Refer to the Demand
Special Assessment	Section <b>4525(a)(4)</b>	\$0.00	Refer to the Demand
Emergency Assessment	Section <b>4525(a)(4)</b>	70.00	Refer to the Demand

### **Merit Carson Homeowners' Association**

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App)
Other Unpaid Obligations of Seller	Sections <b>5675</b> and <b>4525(a)(4)</b>		Refer to the Demand
Approved Changes to Assessments	Sections <b>5300</b> and <b>4525(a)(4)</b> , <b>(8)</b>		Included in Budget
Settlement Notice Regarding Common Area Defects	Sections 4525(a)(6), (7) and 6100		Refer to the Demand
Preliminary List of Defects	Sections 4525(a)(6), 6000 and 6100		Refer to the Demand
Notice(s) of Violations	Sections <b>5855</b> and <b>4525(a)(5)</b>		Refer to the Demand
Required Statement of Fees	Section 4525	\$260.00	aka Demand
Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested)	Section 4525(a)(10)	\$70.00	
Total fees fo	or these documents:	\$ \$565.00	

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

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

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

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

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

## CC&Rs (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

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### **NOTICE:**

If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

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### AND WHEN RECORDED MAIL TO:

Jeffrey A. Beaumont, Esq. BEAUMONT GITLIN TASHJIAN 21650 Oxnard Street, Suite 1620 Woodland Hills, California 91367



Space above for Recorder's Office Only

### Title of Document

## AMENDED AND RESTATED DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS

OF

MERIT CARSON HOMEOWNERS' ASSOCIATION, a California Non - Profit Mutual Benefit Corporation

**ORIGINAL** 

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

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## AMENDED AND RESTATED DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS

OF

MERIT CARSON HOMEOWNERS' ASSOCIATION, a California Non-Profit Mutual Benefit Corporation

Order: HJHSHTQ4Z

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# AMENDED AND RESTATED DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS OF MERIT CARSON HOMEOWNERS' ASSOCIATION, a California Non-profit Mutual Benefit Corporation

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EXHIBIT "B" - Summary of Association/Owner Maintenance, Repair & Replacement Responsibility

## AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF MERIT CARSON HOMEOWNERS' ASSOCIATION

A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

### **RECITALS**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions of Merit Carson Homeowners' Association, a condominium development, is made this 19 day of November, 2012, by the undersigned with reference to the following facts:

A. A Declaration of Establishment of Covenants, Conditions, and Restrictions ("Original Declaration") was executed on September 13, 1988 by Merit Carson Homeowners Association, a California nonprofit mutual benefit corporation, and recorded with the Los Angeles County Recorder on September 27, 1988, as Instrument No. 88-1552036, encumbering the real property commonly known as Merit Carson Condominiums (the "Project"), and legally described as:

Lot 1 of Tract No. 10777, in the City of Torrance, County of Los Angeles, State of California, as per Map recorded in Book 184, Pages 30-31 of Maps, in the Office of the County Recorder of Los Angeles County (the "Property").

- B. A First Amendment to Declaration of Covenants, Conditions and Restrictions ("First Amendment") was recorded with the Los Angeles County Recorder on July 16, 1999, as Instrument No. 99-1316479, for said Property.
- C. The undersigned have confirmed and placed in the Association's records the signatures representing the necessary percentage of the Owners of the Condominiums covered by said Declaration, as amended, reflecting their approval and confirmation of the Amended and Restated Declaration which follows.
- D. All provisions of the Original Declaration and any Amendments described above are hereby deleted, canceled, and revoked in their entirety, and the following new provisions inserted in their place to supersede the same.
- E. All real property in the Project shall be held, conveyed, leased, rented, used, occupied, hypothecated, encumbered, and improved, subject to the covenants, conditions, restrictions, and easements set forth in this Declaration, for the purpose of enhancing and protecting the value, desirability and attractiveness of the Project, all of which shall run with the Property and be binding on all parties having or acquiring any right, title or interest in

<del>-Order: HJHSHTQ4Z</del>

the Property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

### ARTICLE I

### **GOVERNING DOCUMENTS**

- 1.1 Merit Carson Homeowners' Association's Governing Documents consist of:
- A. This Declaration and Recorded Supplemental and Amended Declarations;
- B. Merit Carson Homeowners' Association's Articles of Incorporation and Bylaws;
  - C. Architectural Guidelines described in Article VII; and
  - D. Board resolutions, rules and regulations, all as they may be amended.
- 1.2 <u>Conflicting Provisions</u>. In the case of any conflict between this Declaration and the Articles or the Bylaws, this Declaration shall control. In the event of any conflict between the Articles and the Bylaws, the Articles shall control.
- A. The Governing Documents create a general plan of development for the Project which may be supplemented and/or amended by additional covenants, restrictions, and easements applicable to particular areas within the Project.
- B. Nothing in this Section shall preclude any Supplemental or Amended Declaration or other recorded covenants applicable to any portion of the Project from containing additional restrictions or provisions which are more restrictive than the provisions of this Declaration, and, in such case, the more restrictive provisions shall control. The Association may, but shall not be required to, enforce any such covenants, restrictions, or other instruments applicable to any portion of the Project.
- 1.3 <u>Application</u>. The Governing Documents apply to all owners and to all occupants of their Units, as well as their respective tenants, guests, and invitees. Any lease or rental agreement on a Unit shall provide that the lessee/tenant and all occupants of the leased or rented Unit shall be bound by the terms of the Governing Documents.
  - 1.4 Construction of Declaration.
- A. <u>Restrictions Construed Together</u>. All of the covenants, conditions, and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property, as set forth in the Recitals of this Declaration.

B. <u>Restrictions Severable</u>. Notwithstanding the provisions of Paragraph A above, the covenants, conditions, and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

### ARTICLE II

### DEFINITIONS

- 2.1 "Assessment" means any Regular, Special, or Special Individual Assessment made or assessed by the Association against an Owner and his or her Condominium in accordance with the provisions of this Declaration.
- 2.2 "Association" means MERIT CARSON HOMEOWNERS' ASSOCIATION, a California non-profit mutual benefit corporation, and its successors and assigns. The Association is an "association" as defined in California *Civil Code* Section 1351(a). The Association's Members are the record owners of each of the seventy-eight (78) condominium units which are located on the Property.
- 2.3 "Association Rules" means the rules, regulations, and policies adopted by the Board of Directors of the Association, pursuant to this Declaration, as the same may be in effect from time to time.
- 2.4 "Board of Directors" or "Board" means the Board of Directors of the Association.
- 2.5 "Bylaws" means the Bylaws of the Association, as such Bylaws may be amended from time to time.
- 2.6 "Common Area" means the entire Project except all Units, as defined and shown on the Condominium Plan, but shall include the one (1) rental unit owned by the Association. Unless the context clearly indicates a contrary intent, any reference herein to the "Common Areas" shall also include any Common Facilities located thereon.
- 2.7 "Common Expense" means any use of Common Funds authorized by this Declaration, by law, or by the Bylaws, including but not limited to costs, expenses and charges in connection with the administration, management, operation, insurance, maintenance, improvement, replacement, repair, addition, alteration or reconstruction of all or any portion of the Common Area, and any amounts estimated to be reasonably necessary for reserves for anticipated long-term maintenance, repair, and replacement of capital improvements upon the Common Area (the cost of which would not ordinarily be incurred on an annual basis), contingencies, and the service obligations of the Association. Common Expenses, however, shall not include the cost of any new construction, or unanticipated repair or replacement of a capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto.



- 2.8 "Common Facilities" means the storage spaces, trees, hedges, plants, lawns, shrubs, landscaping, fences, lines, lighting fixtures, buildings, laundry rooms, recreation room, walkways, driveways, structures, furniture and equipment serving same, and other facilities constructed or installed, or to be constructed or installed, or currently located within the Common Area.
- 2.9 "Common Funds" means all funds collected or received by or on behalf of the Association and/or due and payable to the Association, including but not limited to the proceeds from insurance carried or obtained by the Association which are payable to or received by the Association for the benefit of the Owners or otherwise.
- 2.10 "Condominium" means an estate in real property as described in *Civil Code* Sections 783 and 1351(f) consisting of an undivided interest as a tenant-in-common in all or any portion of the Common Area, together with a separate fee interest in a Unit and any other separate interests in the real property as are described in this Declaration, in the Condominium Plan, or in the deed conveying the Condominium.
- 2.11 "Condominium Plan" means the Condominium Plan recorded on March 15, 1985, as Instrument No. 85-286710, respecting the Property, and any recorded amendments to the plan, pursuant to *Civil Code* Section 1351, subsection (e).
- 2.12 "Declarant" means Merit Carson Homeowners' Association, a corporate condominium association, and such of its successors in title to all or a portion of the remainder of the covered property as may be designated as "Declarant" in a recorded instrument executed by the Declarant of the Original Declaration described in Recital A.
- 2.13 "Declaration" means this instrument, as it may be supplemented, amended, or restated from time to time.
- 2.14 "Exclusive Use Common Area" means a portion of the Common Area designated for the exclusive use of one or more, but fewer than all, of the Owners of the Units, including, but not limited to, balcony, deck, and patio areas as identified on the Condominium Plan; window boxes, doorsteps, stoops, porches, exterior doors, door frames, and hardware incident thereto, screens and windows or other fixtures, if any, as well as pipes, utility installations, electrical outlets, or other such outlets, when located within a Unit or otherwise exclusively servicing one Unit. In interpreting the boundary or an Exclusive Use Common Area, it shall include the surface of said area. Outlet shall mean the end of a pipe, wire, or similar utility installation which is located within a Unit, where such pipe, wire or utility installation either terminates or is capped by a valve or enter any appliance or device. By way of example only, the outlet of the pipe leading to the kitchen sink is the valve beneath the cabinet; or the outlet of the sewer pipe (toilet) is the entire pipe leading up to where it meets the toilet.
- 2.15 "Governing Documents" is a collective term that means and refers to this Declaration and to the Articles of Incorporation, the Bylaws, the Association Rules and Regulations, and any Architectural Guidelines, as set forth in Section 1.1 above.

- "Improvement" includes, without limitation, the construction, installation, alteration, or remodeling of any buildings, walls, fences, landscaping, landscape structures, solar heating equipment, spas, saunas, utility lines, or any structure of any kind. In no event shall the term "Improvement" be interpreted to include improvement projects that are restricted entirely to the interior of any Units and which involve no modification of or entry into the roof, floor/slab, or wall or ceiling cavities.
- "Member" means every person or entity who holds a membership in the Association and whose rights as a Member are not suspended pursuant to this Declaration.
- "Owner" or "Owner of Record" and "Member of the Association" mean any person, firm, corporation, or other entity in which title to a Condominium is vested as shown by the Official Records of the Office of the County Recorder.
- "Project" means the Property and the improvements located thereon which are intended to create a condominium project as described in Civil Code Section 1351(f).
- "Property" means all land described in Recital A, together with all buildings, structures, utilities, Common Facilities, and other improvements located thereon, and all appurtenances thereto.
- "Residential Use" means occupation and use of a Condominium Unit for 2.21 dwelling purposes in conformity with this Declaration and the requirements imposed by applicable zoning or other applicable laws or governmental regulations limiting the number of persons who may occupy residential dwellings.
- "Tenant" means any person occupying a Unit other than the Owner of Record or his or her immediate family members (including grandchildren and grandparents of the Owner of Record), whether the person pays rent or not.
- "Unit" means the elements of a Condominium that are not owned in common with the Owners of other Condominiums in the Project, such Units and their respective boundaries being shown and particularly described in the Condominium Plan, deeds conveying Condominiums, and this Declaration. In interpreting the deeds and plans, the existing physical boundaries of the Unit, or of a Unit reconstructed in substantial accordance with the original plans, shall be conclusively presumed to be its boundaries rather than the description expressed in the deed or plan, regardless of a minor variance between boundaries shown on the plan or in the deed and those of the building and regardless of settling or lateral movement of the building. Whenever reference is made in this Declaration, in the Condominium Plan, in any deed or elsewhere to a Unit, it shall be assumed that such reference is made to a Unit as a whole, including each of its component elements, and to any and all exclusive easements appurtenant to such Unit over Common Area, if any.
- 2.24 "Voting Power" means all members in good standing who are entitled to vote. "Good standing" means that all Assessments and related charges are current, the Owner

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is not in violation of the Governing Documents, and there are no outstanding fines against the Owner. No Owner shall hold more than one membership in the Association even though such Owner may own, or own an interest in, more than one Condominium.

2.25 "Civil Code", "Corporations Code", "Davis-Stirling Common Interest Development Act," and any other references to provisions of law shall mean those code sections so referenced and any and all comparable superseding and amended codes and/or laws.

### **ARTICLE III**

### PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

- 3.1 <u>Property Subject to the Declaration</u>. All Property in the Project shall be subject to this Declaration, for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and all of which shall run with the Property and be binding on all parties having or acquiring any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.
- 3.2 Persons Subject to Governing Documents. All present and future Owners, Tenants, and guests within the Property shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same or any of them shall be amended from time to time. The acceptance of a deed to any Condominium, the entering into a lease, sublease, rental agreement, or contract of sale with respect to any Unit, or the occupancy of any Unit shall constitute the consent and agreement of such Owner or Tenant that each and all of the provisions of this Declaration, as the same or any of them may be amended from time to time, shall be binding upon said person and that said person will observe and comply with the Declaration and Governing Documents.
- 3.3 <u>Elements of Condominium</u>. Ownership of each Condominium within the Project includes a Unit; an undivided interest in the Common Area which is specified in the deed to each Owner; a membership in the Association; and any exclusive or nonexclusive easement or easements appurtenant to such Condominium over the Common Area as described in the Declaration, the Condominium Plan and the deed to the Condominium.
- 3.4 Owners' Nonexclusive Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Areas within the Property, including ingress and egress to and from his or her Condominium, which shall be appurtenant to and shall pass with the title to every Condominium, subject to the following rights and restrictions:
- A. The right of the Association to assign, rent, lease, and to otherwise designate and control the use of any unassigned parking, storage spaces, and rental units owned by the Association, within the Common Area and to limit the number of guests of

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Members who may use any recreational Common Facilities, as provided in the Rules and Regulations, as may be adopted by the Board of Directors from time to time.

- B. The right of the Association to adopt Association rules and regulations regulating the use and enjoyment of the Property for the benefit and well-being of the Owners in common, and, in the event of the breach of such rules or any provision of any Governing Documents by any Owner or Tenant, to impose discipline and/or fines and to temporarily suspend the voting rights and/or right to use the Common Facilities, other than parking and roads, by any Owner and/or the Owner's Tenants and quests, subject to compliance with due process requirements.
- The right of the Association to enter upon and have access to Exclusive Use Common Areas and Units when such access is essential for the maintenance of the Common Area or to enforce the provisions of the Governing Documents.
- D. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and Common Facilities and in aid thereof to mortgage said property; provided, however, that the rights of any such Mortgagee in said properties shall be subordinate to the rights of the Owners hereunder; and further provided that any such indebtedness shall be considered an expense of the Association for purposes of the Special Assessment provisions of this Declaration.
- E. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed by the Owners; provided, however, that no such dedication or transfer shall be effective unless an instrument, approved by at least two-thirds of the voting power of the Members, and their First Mortgagees, consenting to such dedication or transfer has been recorded. Furthermore, no dedication shall be permitted that impairs the ingress and egress to any Unit. Said instrument may be executed in counterparts so long as each counterpart is in recordable form.
- F. The right of the Architectural Review Committee, if any, or Board of Directors to approve any proposed alteration or modification to the Common Area or any Unit.
- 3.5 Payment of Assessments and Compliance With Rules. Each Owner shall pay when due each Regular, Special, and Special Individual Assessment levied against the Owner and his or her Unit and shall observe, comply with and abide by any and all rules and regulations set forth in, or promulgated by, the Association pursuant to any Governing Document for the purpose of protecting the interests of all Owners or protecting the Common Area and Common Facilities.
- 3.6 Discharge of Assessment Liens. Each Owner shall promptly discharge any Assessment lien that may hereafter become a charge against his or her Unit.

- Joint Ownership of Units. In the event of joint ownership of any Unit, the obligations and liabilities of the multiple Owners under the Governing Documents shall be joint and several. Without limiting the foregoing, this Section shall apply to all obligations, duties and responsibilities of Owners as set forth in this Declaration, including, without limitation, the payment of all Assessments.
- Prohibition on Avoidance of Obligations. No Owner, by non-use of the Common Area or Common Facilities, abandonment of the Owner's Unit, or otherwise, may avoid the burdens and obligations imposed on such Owner by the Governing Documents, including, without limitation, the payment of Assessments levied against the Owner and his or her Unit pursuant to this Declaration.
- Termination of Obligations. Upon the conveyance, sale, assignment or other transfer of a Unit to a new Owner, the transferor-Owner shall not be liable for any Assessments levied with respect to such Unit which become due after the date of recording of the deed evidencing said transfer and, upon such recording, all Association membership rights possessed by the transferor by virtue of the ownership of said Unit shall cease.

### **ARTICLE IV**

### LEASING OF CONDOMINIUMS

- 4.1 Delegation of Use and Leasing of Units. Any Owner may delegate the Owner's rights to use and enjoy the Common Area and Common Facilities to members of the Owner's family or to the Owner's Tenants or contract purchasers who reside in the Owner's Unit, provided that any rental or lease may only be for Residential Use and for a term not less than one (1) year.
- Α. During any period when a Unit has been rented or leased, the Owner-lessor, his or her family, quests and invitees shall not be entitled to use and enjoy the Common Areas or Common Facilities of the Properties, except to the extent reasonably necessary to perform the Owner's responsibilities as an Owner of a Unit, and provided that this restriction shall not apply to an Owner-lessor who is contemporaneously residing in his or her Unit or another Unit within the Property.
- Any lease, rental agreement or contract of sale entered into between an Owner and a tenant or contract purchaser of a Unit shall be in writing and shall require the agreement by the tenant or contract purchaser to comply with the Governing Documents, all of which shall be deemed incorporated by reference in the lease or rental Lessor/Owner shall provide to the Association or the Association's agreement. management company a copy of the written lease or rental agreement. Lessor/Owner shall require Tenant to maintain renter's insurance and shall provide proof of such insurance to the Association or the Association's management company prior to Tenant's taking possession. Each Owner shall provide any Tenant with a current copy of all Governing Documents and shall be responsible for compliance by the Owner's Tenant with all of the provisions of the Governing Documents during the Tenant's occupancy and use of the Unit.

- C. Any delegated rights of use and enjoyment are subject to suspension to the same extent as are the rights of Owners. No such delegation shall relieve an Owner from liability to the Association or to other Owners for payment of assessments or performance of the covenants, conditions and restrictions contained in this Declaration.
- Association's Power to Evict. Subject to Section 4.8 below, in the event that any Tenant fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or appropriate under the circumstances, which may include initiation of an eviction proceeding in accordance with Section 4.8 below or the imposition of fines and penalties against the Owner and/or Tenant.
- Whether or not such right is stated in any lease or rental agreement, every Owner who leases or rents his or her Unit, or any portion thereof, automatically grants to the Association the right to determine a Tenant's default under the Governing Documents and of terminating the tenancy and evicting the Tenant for such default. If the Board takes such eviction action, either in its own name or in the Owner's name, the Owner shall be responsible for all costs thereof, including reasonable attorney's fees, and shall reimburse the Association upon demand for the entire amount of such costs. If the Owner refuses to make such reimbursement, the sums shall be levied as a Special Individual Assessment.
- B. The Association's right to maintain an eviction action hereunder is derived from Sections 1165 and 374 of the California Code of Civil Procedure and shall only arise if the Tenant's or lessee's conduct involves damage to or destruction of Common Areas or Common Facilities, improvements or personal property of the Association or constitutes a nuisance or unreasonable interference with the quiet enjoyment of other residents, or if such Tenant has occupied the premises without Owner's permission and consent or without a written lease or rental agreement entered into between an Owner and his or her Tenant.
- Power to Compel Owner to Evict Violating Tenant. If the Association determines that it will not exercise its power to evict a tenant due to the tenant causing a nuisance or damage to the Common Area or any Owner's or occupant's property, the Association shall have the right to bring an action against the Owner to compel the Owner to evict the tenant. In any action, whether for injunctive relief, damages, or both, brought because of any alleged breach or default of these lease or rental provisions or any other provisions of the Governing Documents by any Owner, his/her tenants, family members, guests, the court may award to the prevailing party in any such action such attorneys' fees and other costs as the court deems just and reasonable.
- 4.4 Security Deposit. Through its rule-making power, the Board of Directors is hereby authorized and empowered to establish and implement an Association security deposit procedure to protect the Association, the Common Area, and Common Facilities from negligence, damage and/or destruction caused by the Tenants, renters, or lessees of any Owner, their families and guests. Said security deposit, if required, shall be payable by the Owner and shall be fixed in an amount not to exceed the greater of \$500 or one (1)

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month's Regular Assessment and need not be held by the Association in a separate, interest bearing security deposit fund. Within two weeks following receipt of notice from the Owner that the Owner's Unit is no longer being leased or rented, the Association shall furnish the Owner with an itemized statement indicating the basis for, and the amount of, any security received and the disposition of the security and shall return the remaining portion of the security to the Owner, if any.

- 4.5 Recoverable Costs and Expenses. In the event of: (i) damage to, or destruction of, Common Areas or Common Facilities by a Tenant or lessee or the Owner of a leased Unit; (ii) the imposition of a fine or penalty against an Owner-lessor as a result of any act or omission of the Owner's Tenant or lessee; or (iii) expenses incurred by the Association in the successful prosecution of an eviction proceeding pursuant to this Declaration, the Association shall be entitled to apply the security deposit to recover its costs and expenses. The Owner-lessor shall thereupon immediately reimburse the security deposit fund in an amount equal to the sums thus applied. Upon termination of the lease or rental agreement and notification to the Association of such termination, the security deposit, or the balance thereof, if any, shall be refunded to the Owner without interest. As a condition to the Association's right to apply security deposit funds in the manner provided in Section 4.4 above, the Association must give the Owner-lessor the notice and hearing rights specified in this Declaration.
- Assignment of Rents. In the event of a default by the Owner in the payment of assessments, late charges, fines, and collection costs, the Owner-lessor grants, gives and confers to the Association the right, power and authority to collect the rents from the Tenant, renter, or lessee and assigns such rents to the Association to be retained by the Association to pay assessment arrearage and current assessments. This provision shall not become effective until after the Association has provided the Owner with notice and hearing rights specified in this Declaration. After complying with the notice and hearing provisions, the Association shall give written notice to the Tenant, renter, or lessee that all future rental payments shall be made to the Association until the assessment arrearage is paid in full and, thereafter, the Tenant, renter, or lessee shall deduct from the rent the current assessments due for each month and pay that amount directly to the Association to be credited to Owner's account.
- A. Prior to any default in the payment of assessments, late charges, and fines, the Owner shall retain the right, power and authority to collect and retain all rents collected from his/her/their Unit.
- B. The Association may exercise its right to collect rents through its Board, managers, agents, attorneys, or through a receiver to be appointed by the Court.
- 4.7 <u>Discipline of Tenants</u>. Subject to Paragraph 4.8 below, in the event that any Tenant fails to honor the provisions of any Governing Document, the Association may, but shall not be obligated to, take such corrective action as it deems necessary or appropriate under the circumstances, which may include, but is not limited to suspension of the

Tenant's privileges to use any recreational Common Facilities, or the imposition of fines and penalties against the Owner or Tenant.

Any fine or penalty levied pursuant to this Section shall be considered a Special Individual Assessment, but shall not be enforced by foreclosure of a lien. If a Special Individual Assessment is imposed as a result of the conduct of a Tenant, the Tenant agrees to be personally obligated for the payment of such assessments in the event the Owner fails to pay the assessments prior to the delinquency date. This provision, however, shall not be interpreted to release the Owner from any obligation, including the obligation to pay any duly imposed Special Individual Assessments for which such Owner would otherwise be responsible. Any Tenant, renter, or lessee charged with a violation of the Governing Documents is entitled to the same notice and hearing rights to which the Owner is entitled as provided in Section 4.8 below. Any Owner who shall lease or rent his or her Unit, or any portion thereof, shall be responsible for assuring compliance by the Tenant, renter, or lessee with the Governing Documents.

- 4.8 <u>Due Process Requirements for Disciplinary Action</u>. Except for circumstances in which immediate corrective action is necessary to prevent damage or destruction to the Property or to preserve the rights of quiet enjoyment of other Owners and Tenants, the Association shall have no right to initiate disciplinary action against an Owner or Tenant on account of the misconduct of the Tenant unless and until the following conditions have been satisfied:
- A. The Owner has received written notice from the Board or the Association's property manager or authorized representative detailing the nature of the Tenant's alleged infraction or misconduct and advising the Owner of his or her right to a hearing on the matter. Such written notice shall be deemed satisfied by sending it to Owner's last known address, as it appears in the Association's records.
- B. The Owner has been given a reasonable opportunity to take corrective action on a voluntary basis or to appear at a hearing, not less than ten (10) days from the date of the notice.
- C. The Owner has failed to prevent or correct the Tenant's objectionable actions or misconduct or evict the Tenant.
- 4.9 Owner's Duty to Notify Association of Tenants, Contract Purchasers and Owner's Intent to Sell. Each Owner shall notify the Association in writing of his intention to sell and shall provide the Association with the name of any escrow company and buyer for a pending or proposed sale of a Condominium. Each Owner shall notify the Secretary of the Association or the Association's property manager, if any, of the names of any contract purchaser or Tenant of the Owner's Condominium and of the address and telephone number where such Owner may be contacted. Each Owner, contract purchaser or Tenant shall also notify the Secretary of the Association of the names of all persons to whom such Owner, contract purchaser or Tenant has delegated any rights to use and enjoy

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the Property and the relationship that each such person bears to the Owner, contract purchaser or Tenant.

### **ARTICLE V**

### MERIT CARSON HOMEOWNERS' ASSOCIATION

- 5.1 <u>Association Membership</u>. Every Owner of a Condominium shall be a Member of the Association and shall hold one membership in the Association even though the Owner may own, or own an interest in, more than one Condominium. The membership shall be appurtenant to the Condominiums.
- 5.2 <u>One Class of Membership</u>. The Association shall have one class of membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents.
- 5.3 <u>Voting Rights of Members</u>. Each Member of the Association shall be entitled to one vote even though such Owner may own, or own an interest in, more than one Condominium. When more than one person holds an interest in any Condominium, all such persons shall be Members, although in no event shall more than one vote be cast with respect to any Condominium. Voting rights may be temporarily suspended pursuant to the provisions of the Governing Documents for non-payment of Assessments and other violations of the Governing Documents.
- 5.4 <u>Assessments</u>. The Association shall have the power to establish, fix and levy Assessments against the Owners of Condominiums within the Property and to enforce payment of such Assessments in accordance with the provisions of this Declaration.
- transfer of Memberships. Membership in the Association shall not be transferred, encumbered, pledged or alienated in any way, except upon the sale or encumbrance of the Condominium to which it is appurtenant and then only to the purchaser. In the case of a sale, membership passes automatically to the purchaser upon recording of a deed evidencing transfer of title to the Condominium. In the case of an encumbrance of such Condominium, a Mortgagee does not have membership rights until he or she becomes an Owner by foreclosure or deed in lieu thereof. Tenants who are delegated rights of use pursuant to this Declaration do not thereby become Members, although the Tenant and Members of the Tenant's family shall, at all times, be subject to the provisions of all Governing Documents. Any attempt to make a prohibited transfer is void. In the event the Owner of any Unit should fail or refuse to transfer the membership registered in the Owner's name to the purchaser of his or her Unit, the Association shall have the right to record the transfer upon its books and thereupon any other membership outstanding in the name of the seller shall be null and void.



#### 5.6 Powers and Authority of the Association.

- A. Powers Generally. The Association shall have the responsibility of managing and maintaining the Common Areas and Common Facilities and discharging the other duties and responsibilities imposed on the Association by the Governing Documents. In the discharge of such responsibilities and duties, the Association shall have all of the powers of a non-profit corporation organized under the laws of the State of California in the ownership and management of the Property and the discharge of its responsibilities hereunder for the benefit of its Members, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Governing Documents. The Association and its Board of Directors shall have the power to do any and all lawful acts which may be authorized, required or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for. or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. The specific powers of the Association and the limitations thereon shall be as set forth in the Bylaws.
- В. Association's Limited Right of Entry. The Association, and/or its agents, shall have the right, when necessary, to enter any Unit to perform the Association's obligations under this Declaration, including: (i) exterior maintenance or repair obligations; (ii) obligations to enforce the Governing Documents; (iii) any obligations with respect to construction, maintenance and repair of adjacent Common Facilities; or (iv) to make necessary repairs that an Owner has failed to perform which, if left undone, will pose a threat to, or cause an unreasonable interference with, Association property or the other Owners.

The Association's rights of entry under this paragraph B shall be immediate in case of an emergency originating in or threatening the Unit where entry is required, or any adjoining Units or Common Area, and the Association's work may be performed under such circumstances whether or not the Owner or his or her Tenant or Lessee is present.

in all non-emergency situations, the Association or its agents shall furnish the Owner or his or her Tenant or Lessee with at least twenty-four (24) hours' written notice of its intent to enter the Unit, specifying the purpose and scheduled time of such entry and shall make every reasonable effort to perform its work and schedule its entry in a manner that respects the privacy of the persons residing within the Unit. In no event shall the Association's right of entry, for non-emergency situations, be construed to permit the Association or its agents to enter any Unit without the Owner's express permission.

#### 5.7 Association Rules.

Rule-Making Power. The Board may, from time to time and subject to the provisions of this Declaration, by a majority vote of the Board propose, enact and amend or repeal reasonable rules and regulations of general application to the Owners and Tenants and Lessees of Condominiums within the Property. Such rules may concern, but are not be limited to: (i) matters pertaining to the management and use of the Common

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Area and Common Facilities by Owners, their Tenants, Lessees, guests and invitees, or any other person(s) who have rights of use and enjoyment of such Common Area and Common Facilities; (ii) use of a separate interest, including any aesthetic or architectural standards and control; (iii) Member discipline, including any schedule of monetary penalties for violation of the governing documents, and any procedure for the imposition of penalties and the conduct of disciplinary proceedings; (iv) standards for delinquent assessment payment plans and procedures for resolution of assessment disputes; (v) regulation of parking, pet ownership and use of the Common Facilities; (vi) restrictions on the type or types of vehicles which may be permitted to park on the Common Areas or the Property; and (vii) any other subject or matter within the jurisdiction of the Association as provided in the Governing Documents.

Notwithstanding the foregoing grant of authority, the Association Rules shall not be inconsistent with or materially alter any provision of the other Governing Documents. Rules may, however, clarify and interpret the Governing Documents. In the event of any material conflict between any Association Rule and any provision of the other Governing Documents, the conflicting provisions contained in the other Governing Documents shall be deemed to prevail.

### B. Adoption and Amendment of Rules.

- (1) <u>Notice</u>. The Board shall provide written notice of a proposed rule change to the Members at least thirty (30) days before making the rule change. The notice shall include the text of the proposed rule change and a description of the purpose and effect of the proposed rule change. Notice is not required under this subdivision if the Board determines that an immediate rule change is necessary to address an imminent threat to public health or safety or imminent risk of substantial economic loss to the Association.
- (2) <u>Adoption</u>. A decision on a proposed rule change shall be made at a meeting of the Board, after consideration of any comments made by Association Members.
- (3) <u>Distribution of Rules</u>. As soon as possible, but not more than fifteen (15) days, after making a rule change, the Board shall mail or otherwise deliver notice of the rule change to each Owner and Tenant or Lessee. If the rule change was an emergency rule change made under paragraph (4) below, the notice shall include the text of the rule change, a description of the purpose and effect of the rule change, and the date that the rule change expires.
- (4) <u>Emergency Rule Change</u>. If the Board determines that an immediate rule change is required to address an imminent threat to public health or safety, or an imminent risk of substantial economic loss to the Association, it may make an emergency rule change without prior notice to the Members. An emergency rule change is effective for one hundred twenty (120) days, unless the rule change provides for a shorter effective period. An emergency rule change made may not be re-adopted.



### C. Reversal of Rule Change.

- (1) Five percent (5%) or more of the Members may call a special meeting of the Members to reverse a rule change, other than an emergency rule change made under paragraph B(4) above.
- (2) A special meeting of the Members for the purpose of reversing a rule change may be called by delivering a written request to the President or Secretary of the Board not more than thirty (30) days after notification of the rule change, after which the Board shall deliver notice of the meeting to the Members and hold the meeting in conformity with *Corporations Code* Section 7511.
- (3) The rule change may be reversed by the affirmative vote of a majority of the votes represented and voting at a duly held meeting at which a quorum is present. In lieu of calling a special meeting, the Board may distribute a written ballot to each Member in conformity with the Bylaws.
- (4) A rule change reversed under this section may not be readopted for one year after the date of the meeting or vote by written ballot reversing the rule change. The Board may adopt a different rule on the same subject as the rule change that has been reversed.
- (5) As soon as possible, but not more than fifteen (15) days, after the close of voting, the Board shall mail or otherwise deliver notice of the results to each Owner and Tenant or Lessee.
- D. All rules must be in writing. Any duly adopted rule or amendment to the Rules shall become effective immediately following the date of adoption and distribution by the Board to the Owners and Tenants or Lessees.
- 5.8 <u>Breach of Rules or Restrictions</u>. Any breach of the Association Rules or of any other Governing Document provision shall give rise to the rights and remedies set forth in this Declaration.

### 5.9 <u>Limitation on Liability of Association's Directors and Officers.</u>

A. <u>Claims Regarding Breach of Duty</u>. No director or officer of the Association shall be personally liable to any of the Association's Members, or to any other person, including the Association, for any error or omission in the discharge of their duties and responsibilities or for their failure to provide any service required hereunder or under the Bylaws, provided that such director or officer has, upon the basis of such information as may be possessed by the director or officer, acted in good faith, in a manner that such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

- B. Other Claims Involving Tortious Acts and Property Damage. No person who suffers bodily injury (including, without limitation, emotional distress or wrongful death) and/or property damage as a result of the tortious act or omission of a volunteer member of the Board or volunteer officer of the Association shall recover damages from such Board member or officer if all of the following conditions are satisfied:
- (1) The act or omission was performed within the scope of the volunteer Board member's or officer's Association duties;
  - (2) The act or omission was performed in good faith;
  - (3) The act or omission was not willful, wanton, or grossly negligent;
- (4) The Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made one or more policies of insurance that include coverage for general liability of the Association in a sum not less than two million dollars (\$2,000,000.00) and individual liability of the officers and directors of the Association for negligent acts or omissions in their official capacities, with minimum coverage of insurance being not less than five hundred thousand dollars (\$500,000.00).
- (a) The reimbursement of actual expenses incurred by a Board member or officer in the execution of that person's Association duties shall not affect that person's status as a volunteer Board member or officer for the purposes of this section.
- (b) The provisions of this paragraph B are intended to reflect the protections accorded to volunteer directors and officers of community associations under *Civil Code* Section 1365.7. In the event that *Civil Code* Section 1365.7 is amended or superseded by another, similar provision of the California statutes, this paragraph B shall be deemed amended, without the necessity of further Member approval, to correspond to the amended or successor *Civil Code* provision.

#### ARTICLE VI

#### ASSESSMENTS

6.1 <u>Covenant to Pay Assessments</u>. Each Owner, by acceptance of the deed to the Owner's Unit, is deemed to covenant and agree to pay to the Association Regular, Special and Special Individual Assessments levied pursuant to the provisions of this Declaration. Each such Assessment shall be established and collected as hereinafter provided. The Owner may not waive or otherwise escape liability for these assessments by non-use of the Common Area or abandonment of the Owner's Unit.

All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, shall be a debt and a personal obligation of the persons who were the Owners of the Unit at the time the

Assessment was levied. Each Owner who acquires title to a Unit (whether at judicial sale, trustee's sale or otherwise) shall be personally liable only for Assessments attributable to the Unit so purchased which become due and payable after the date of such sale, and shall not be personally liable for delinquent Assessments of prior Owners unless the new Owner expressly assumes the personal liability. Any unpaid Assessment of a previous Owner shall remain the debt of such previous Owner against whom assessed.

All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which such Assessment is made. Any lien for unpaid Assessments created pursuant to the provisions of this article may be subject to foreclosure as provided in this Declaration.

Purpose of Assessments. The assessments levied by the Association shall 6.2 be used exclusively to promote, protect, enhance and maintain the recreation, health, safety and welfare of the residents in the Project and for the improvement, maintenance, replacement, repair and operation of the Common Area and the improvements and personal property in the Common Area that are owned or maintained by the Association, as set forth in this Declaration, and to further any other purpose that is for the common benefit of the Owners in their use and enjoyment of the Project.

#### Regular Assessments. 6.3

Preparation of Annual Budget: Establishment of Regular Assessments. A. Not less than thirty (30) nor more than ninety (90) days prior to the beginning of the Association's fiscal year, the Board shall estimate the total amount required to fund the Association's anticipated Common Expenses for the next succeeding fiscal year (including additions to any reserve fund established to defray the costs of future repairs, replacement or additions to the Common Facilities) by preparing and distributing to all Association Members a budget satisfying the requirements of the Bylaws and this Declaration. If the Board fails to distribute the budget for any fiscal year within the time period provided for in this section, the Board shall not be permitted to increase Regular Assessments for that fiscal year unless the Board first obtains the approval of Owners, constituting a quorum, casting a majority of the votes at a meeting or election of the Association conducted in accordance with the Bylaws.

Establishment of Assessments; Membership Approval Requirements. The total annual expenses estimated in the Association's budget (less projected income from sources other than assessments) shall become the aggregate Regular Assessment for the next succeeding fiscal year, provided that, except as provided in this Declaration otherwise, the Board of Directors may not impose a Regular Assessment that is more than twenty percent (20%) greater than the Regular Assessment for the Association's immediately preceding fiscal year without the vote or written assent of Members, constituting a quorum, casting a majority of the votes at a meeting or election of the Association, conducted in accordance with Chapter 5 (commencing with Section 7510) of Part 3 of Division 2 of Title 1 of the Corporations Code and Section 7613 of the Corporations Code. Order: HJHSHTQ4Z

- C Assessments to Address Emergency Situations. The requirement of a membership vote to approve Regular Assessment increases in excess of twenty percent (20%) of the previous year's Regular Assessment shall not apply to assessment increases necessary to address emergency situations. For purposes of this subparagraph (c), an "emergency situation" is defined in Civil Code Section 1366(b), which includes the following:
  - (1) An extraordinary expense required by an order of a court.
- An extraordinary expense necessary to repair or maintain the **(2)** Common Areas, Common Facilities or any portion of the separate interests which the Association is obligated to maintain where a threat to personal safety is discovered.
- An extraordinary expense necessary to repair or maintain the Common Areas, Common Facilities or any portion of the separate interests which the Association is obligated to maintain, including insurance costs, that could not have been reasonably foreseen by the Board in preparing and distributing the budget pursuant to subparagraph (a) above, provided that, prior to the imposition or collection of an assessment under this paragraph (iii), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The Board's resolution shall be distributed to the Members together with the notice of assessment.
- Mailing Notice of Assessment. The Board of Directors shall mail to each 6.4 Owner at the street address of the Owner's Condominium, or at such other address as the Owner may from time to time designate in writing to the Association, notice of any increase or decrease in the amount of the Regular or Special Assessments for the next succeeding fiscal year no less than thirty (30) days nor more than ninety (90) days prior to the increased assessment becoming due.
- Failure to Make Estimate. If, for any reason, the Board of Directors fails to make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made for that year, shall be assessed against each Owner and his or her Condominium on account of the then current fiscal year, and installment payments (as hereinafter provided) based upon such automatic Assessment shall be payable on the regular payment dates established by the Association.
- Reserve Funds. Each annual regular assessment shall include a portion for 6.6 reserves in such amounts as the Board in its discretion considers appropriate to meet the cost of the future repair, replacement, or additions to the major components of the Common Area Improvements and Common Facilities that the Association is obligated to maintain and repair. Reserve funds shall be deposited in a separate account and the signatures of at least two persons who shall either be Members of the Board, or one officer who is not a Member of the Board and a Member of the Board, shall be required to withdraw money from the reserve account. Except as provided below, no money shall be transferred from a reserve fund to the Association's general operating fund and reserve funds may not be



expended for any purpose other than the repair, restoration, replacement, or maintenance of major components that the Association is obligated to maintain or as otherwise permitted in the Davis-Stirling Common Interest Development Act.

Notwithstanding the foregoing, the Board may authorize the temporary transfer of money from a reserve fund to the Association's general operating fund to meet short term cash flow requirements or other expenses, provided the Board has made a written finding, recorded in the Board's minutes, explaining the reasons that the transfer is needed and describing when and how the money will be repaid to the reserve fund. The transferred funds shall be restored to the reserve fund within one (1) year of the date of the initial transfer, except that the Board may, on the making of a finding supported by documentation that a temporary delay is in the best interest of the Association, temporarily delay the restoration. The Board shall exercise prudent fiscal management in delaying restoration of these funds and in restoring the expended funds to the reserve accounts, and shall, if necessary, levy a Special Assessment to recover the full amount of the expended funds within the time limits required by California Civil Code Section 1365.5. This special assessment is subject to the limitation imposed by California Civil Code Section 1366 and the restrictions imposed hereinbelow. The Board may, at its discretion, extend the date the payment on the Special Assessment is due. Any extension shall not prevent the Board from pursuing any legal remedy to enforce the collection of any unpaid special assessment.

When the decision is made to use reserve funds or to temporarily transfer money from the reserve fund to pay for litigation, the Association shall notify the Members of the Association of that decision in the next available mailing to all Members pursuant to Section 5016 of the *Corporations Code*, and of the availability of an accounting of those expenses. Unless the Governing Documents impose more stringent standards, the Association shall make an accounting of expenses related to the litigation on at least a quarterly basis. The accounting shall be made available for inspection by Members of the Association at the Association's office.

- 6.7 <u>Installment Payment of Assessments</u>. The Regular Assessment levied against each Owner and his or her Condominium shall be due and payable in advance to the Association in equal quarterly installments on the first day of the month. Installments of Regular Assessments shall be delinquent if not paid by the 15th day of the month in which the Assessment is due.
- 6.8 <u>Allocation</u>. All assessments for the reserve fund and for fire, liability, and earthquake insurance shall be charged to and divided among the Owners in the percentage interests as indicated on **Exhibit "A."** All other assessments, both annual and special, shall be charged to and divided among the Owners 1/78 each.

#### 6.9 Special Assessments.

A. <u>Purposes for Which Special Assessments May Be Levied</u>. Subject to the membership approval requirements set forth in paragraph B below, the Board of Directors shall have the authority to levy Special Assessments against the Owners and their Condominiums for the following purposes, among others:

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- (1) Regular Assessment Insufficient in Amount, If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared for said fiscal year, then the Board of Directors shall levy and collect a Special Assessment, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder.
- Capital Improvements. The Board may levy Special Assessments for capital improvements within the Common Area. "Capital Improvements" shall be defined as (I) a substantial discretionary addition or improvement to the Common Area, (ii) a discretionary upgrade to Common Area components or parts thereof, or(iii) discretionary material alterations to the appearance of the Association which may enhance or add to the value of the Association.
- (3)Loan Repayments. The Board may levy Special Assessments to repay disaster loans or loans obtained for the purpose of repairing Common Area facilities or financing litigation.
- Litigation. The Board may levy Special Assessments to fund (4) litigation.
- В. Special Assessments Requiring Owner Approval. No Special Assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for the fiscal year in which the Special Assessment(s) is levied shall be made without the vote or written assent of Owners, constituting a quorum, casting a majority of the votes at a meeting or election of the Association, provided that this membership approval requirement shall not apply to any Special Assessment levied to address "emergency situations" as defined above.
- Separate Debt of Owner. Special Assessments for purposes described in this Section shall be due as a separate debt of the Owner and a lien against his or her Condominium.

#### 6.10 Special Individual Assessments.

- Circumstances Giving Rise to Special Individual Assessments. In addition to the Special Assessments levied against all Owners in accordance with Section 6.7, above, the Board of Directors may impose Special Individual Assessments against an Owner in any of the following circumstances, after the Owner has been given the notice and hearing rights to which the Owner is entitled, and, if appropriate, has been given a reasonable opportunity to comply voluntarily with the Association's Governing Documents.
- Damage to Common Area or Common Facilities. In the event (1) that any damage to, or destruction of, any portion of the Common Area or the Common Facilities, including any portion of the Unit structure which the Association is obligated to repair and maintain is caused by the willful misconduct or negligent act or omission of any Owner, any member of his or her family, or any of his or her Tenants, guests, servants,

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employees, or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

- (2)Expenses Incurred in Gaining Member Compliance. In the event that the Association incurs any costs or expenses to accomplish: (A) any repair, maintenance or replacement to any portion of the Property that the Owner is responsible to maintain under the Governing Documents but has failed to undertake or complete after at least fifteen (15) days' written notice; or (B) to otherwise bring the Owner, the Owner's Tenant or Lessee, family members, guests, invitees, and/or his or her Condominium into compliance with any provision of the Governing Documents, the amount incurred by the Association [including fines and penalties, accounting fees, management fees, court costs and attorney's fees (including any incurred prior to filing a lawsuit) shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.
- B. Levy of Special Individual Assessment and Payment. Once a Special Individual Assessment has been levied against an Owner for any reason described, notice of such Special Individual Assessment shall be mailed to the affected Owner and the Special Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the Association within thirty (30) days after the mailing of notice of the Assessment, or within such other time period as the Board may determine.
- 6.11 Maintenance of Assessment Funds. All sums received or collected by the Association from Assessments, together with any interest or late charges thereon, shall be promptly deposited in one or more insured checking, savings or money market accounts in a bank or savings and loan association selected by the Board of Directors which has offices located within the State of California, County of Los Angeles. In addition, the Board shall be entitled to make prudent investment of reserve funds in insured certificates of deposit, money market funds or similar investments consistent with the investment standards normally observed by trustees.

#### 6.12 Collection of Assessments; Enforcement of Liens.

Α. Delinquent Assessments. If any installment payment of a Regular Assessment or lump sum or installment payment of any Special Assessment or Special Individual Assessment assessed to any Owner is not paid within fifteen (15) days after the same becomes due, such payment shall be delinquent and may, at the Board's election, bear interest at the rate of twelve percent (12%) per annum, or any other percentage provided by law, beginning thirty (30) days after the due date until the same is paid. In addition to the accrual of interest, the Board of Directors is authorized and empowered to impose a late charge for any delinquent Assessments not exceeding ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater, or such other amount as provided by law.

#### B. Effect of Nonpayment of Assessments.

- As more particularly provided in *Civil Code* Section 1367, the amount of any delinquent Regular Assessment, Special Assessment, Special Individual Assessment (pursuant to Section 6.13 of this Article), or Emergency Assessment, together with any late charges, interest and costs (including reasonable attorneys' fees) shall become a lien upon the Condominium of the Owner so assessed when the Association causes to be recorded, in the Office of the County Recorder, a Notice of Delinquent Assessment (or equivalent) executed by the Board or an representative of the Association authorized by the Board. The Association shall record the lien in accordance with and pursuant to applicable statutory law.
- (2) Remedies Available to the Association to Collect Assessments. After the expiration of the statutory time period, prescribed by applicable law, following the recording of Notice of Delinquent Assessment, the Association may initiate legal action against the Owner personally obligated to pay the delinquent Assessment for a money judgment and/or foreclosure of said lien against the Owner's Condominium, or accept a deed in lieu of foreclosure, in a manner consistent with applicable statutory law. Foreclosure by the Association of said lien may be by judicial or non-judicial foreclosure.
- 6.13 <u>Limitation on Right to Lien Units for Special Individual Assessments.</u> A Special Individual Assessment imposed by the Association as a means of reimbursing the Association for costs incurred by the Association in the repair or damage to Common Areas and Common Facilities for which the Member or the Member's guests or tenants were responsible may become a lien against the Member's Unit enforceable by the sale of the Unit pursuant to *Civil Code* Sections 2924, 2924b, and 2924c. However, other Special Individual Assessments imposed by the Association pursuant to Section 6.10A(2), as a disciplinary measure for failure of a Member to comply with the Governing Documents, such as for fines, levied pursuant to this Declaration and/or *Civil Code* Section 1363(h), except for late payment penalties for delinquent Assessments, may not be characterized nor treated as an Assessment that may become a lien against the Member's Unit that is enforceable by sale pursuant to *Civil Code* Sections 2924, 2924b or 2924c. Special Individual Assessments relating to delinquent Assessments shall be subject to imposition of a lien and enforceable through foreclosure or sale under a power of sale for failure of an Owner to pay such Assessment, all as more particularly provided in herein.
- 6.14 <u>Waiver of Exemptions</u>. Each Owner, to the extent permitted by law, waives, to the extent of any liens created pursuant to this Article, the benefit of any homestead or exemption law of California in effect at the time any Assessment or installment thereof becomes delinquent or any lien is imposed against the Owner's Condominium.
- 6.15 <u>Prohibition on Avoidance of Obligations</u>. No Owner, by non-use of the Common Area or Common Facilities, abandonment of the Owner's Condominium or otherwise may avoid the burdens and obligations imposed on such Owner by the Governing Documents, including, without limitation, the payment of Assessments levied against the Owner and his or her Condominium pursuant to this Declaration.

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No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (I) the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Common Areas; or (iii) any construction or maintenance performed or not performed by the Association shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

#### **ARTICLE VII**

#### ARCHITECTURAL CONTROL

- Creation of ARC. The Board is vested with the right and power to appoint an 7.1 Architectural Request Committee ("ARC"). Said committee shall consist of three (3) persons. Members appointed to the ARC shall be from the membership of the Association. Members of the ARC shall serve for one (1) year terms, unless removed earlier therefrom by the vote of a majority of the Board of Directors or unless unable to serve due to death, illness, termination of membership, or other such similar occurrence.
- Improvements in General. No "Improvement" (as defined in Article II) of any kind shall be commenced, erected or maintained within the Property, nor shall any exterior addition to or change or alteration be made in or to any portion of the Common Area, any Unit, any Common Facility structure, or to any Exclusive Use Common Area until the plans and specifications showing the nature, color, kind, shape, height (including front, side and rear elevations), materials, and location of the same shall have been submitted to and approved in writing by the ARC, if any, or the Board of Directors as to quality of workmanship and materials, harmony of external design and location in relation to surrounding structures, setback lines, topography and finish grade elevation.
- 7.3 Submission of Plans; Action by Board. The Association shall fairly, reasonably and expeditiously render decisions regarding Owners' requests for architectural approval. Plans and specifications for the proposed improvement shall be submitted to the ARC or Board of Directors by personal delivery, or certified mail, to the Secretary of the Association.
- Approval or Disapproval. In the event the Board or ARC fails to approve or disapprove such plans within forty-five (45) days after said plans and specifications have been submitted to it, the request shall be deemed to have been denied. Under such circumstances, the written request may be resubmitted. Approval of the Board may contain conditions or requests for modification of particular aspects of the Owner's plans and specifications.

The Board may condition its approval of proposals or plans and specifications for any improvement (1) upon the Applicant furnishing the Association with security acceptable to the Association against any mechanic's lien or other encumbrance which may be recorded against the Project as a result of such work, (2) on such changes therein as it deems appropriate, (3) upon the Applicant's agreement to grant appropriate rights of entry

to the Association for the maintenance of the improvements, (4) upon the agreement of the Applicant to reimburse the Association for any increase in common expenses attributable to the Applicant's Unit as a result of such Improvement, (5) upon the Applicant's agreement to install (at its sole cost) water, gas, electrical, or other utility meters to measure any increased consumption, or (6) upon the Applicant's agreement to complete the proposed work within a stated period of time.

The Board may require such detail in plans and specifications submitted for its review as it deems proper, including without limitation, floor plans, site plans, drainage plans, elevation drawings and description or samples of exterior material and colors.

A decision regarding proposed changes shall be in writing. If a proposed change is disapproved, the written decision reflecting same shall include both an explanation of why the proposed change is disapproved and a description of the procedure for reconsideration of the decision by the Board of Directors, at an open meeting. This paragraph does not require reconsideration of a decision that is made by the Board of Directors or a body/committee that has the same membership as the Board of Directors.

- 7.5 Architectural Rules. The Board may from time to time adopt, amend and repeal rules and regulations to be known as "Architectural Rules," or the like. Said rules shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for the review and approval of proposed Improvements and guidelines for architectural design, placement of any work of Improvement or color schemes, exterior finishes and materials and similar features which are recommended for use within the Property, provided that said rules shall not be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Rules and this Declaration, the Declaration shall prevail.
- 7.6 Enforcement. In the event of an architectural violation, the Board shall have the right to suspend the right to use recreational facilities, suspend the Owner's voting rights, and levy fines, after notice and the opportunity to be heard is first provided to the violating Owner or Tenant. The Board may also pursue such legal remedies as the Board deems appropriate, including, but not limited to, a lawsuit for a temporary restraining order and/or an injunction to compel the Owner or Tenant to bring his/her Condominium into compliance with the Governing Documents, including architectural decisions made by the Board pursuant to this Section. The court may award to the prevailing party in any such action such attorney's fees and other costs as the court deems just and reasonable.
- 7.7 <u>Variances</u>. The Board, in its sole discretion, shall be entitled to allow reasonable variances in order to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardships.
- 7.8 <u>Limitation on Liability</u>. Neither the Association, its ARC, if any, nor any member thereof, shall be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any mistakes in judgment, negligence or nonfeasance arising out of (a) the approval or disapproval of any plans, drawings and specifications, whether or not

defective; (b) the construction or performance of any work of Improvement, whether or not pursuant to approved plans, drawings or specifications.

- 7.9 <u>Compliance With Governmental Regulations</u>. Review and approval by the Board of any proposals, plans or other submittals pertaining to Improvements shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Owner who desires to construct, install or modify the Improvement.
- 7.10 No Waiver of Future Approvals. The approval of the Board in any matter requiring the approval and consent of the Board shall not be deemed to constitute a waiver of any right to withhold approval or consent to any similar matter subsequently submitted for approval.

#### **ARTICLE VIII**

#### RESTRICTIONS ON USE OF CONDOMINIUMS AND COMMON AREA

In addition to the restrictions established by law and Association Rules, which are not inconsistent with this Declaration, the following restrictions are hereby imposed upon the use of Condominiums, Common Areas, and Exclusive Use Common Area within the Property.

- 8.1 <u>Residential Use</u>. The use of the Condominiums within the Property is restricted to Residential Use, as defined in Article II hereof. No more than two (2) persons per bedroom, plus one, are permitted to reside in a Condominium, except as expressly permitted in writing by the Board of Directors and applicable governmental agency.
- 8.2 <u>Time Sharing.</u> No unit or units or any portion thereof in the Project shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time-sharing agreement, plan, program, or arrangement, including, without limitation, any so-called "vacation license," "travel club," "extended vacation," or other membership or time-interval ownership arrangement. The term "time-sharing" as used herein shall be deemed to include, but shall not be limited to, any agreement, plan, program, or arrangement under which the right to use, occupy, or possess the unit or units or any portion thereof in the Project rotates among various persons, either corporate, partnership, individual, or otherwise, on a periodically recurring basis for value exchanged, whether monetary or like-kind use privileges, according to a fixed or floating interval or period of time of twenty-five (25) consecutive calendar days or less. Provided, this section shall not be construed to limit the personal use of any unit or any portion thereof in the Project by any Unit Owner of his or her or its social or familial guests.
- 8.3 <u>Interior Improvements</u>. No interior Improvement to any Condominium involving structural components of the building structure, other than non-load-bearing interior walls, shall be commenced without the prior written approval of the Board. Under no circumstances shall any Owner undertake any activity or work with respect to the

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Owner's Condominium that will impair the structural soundness or integrity of another Condominium or impair any easement.

- Damage to Common Area. No Owner, Tenant, invitee, guest, or contractor 8.4 employed by anyone other than the Board may make any improvement to the Common Area or Common Area Facilities or remove or alter any furnishings, structure or landscaping materials. The Common Area shall not be obstructed by any person. Each Owner shall be liable to the remaining Owners for any damage to the Common Area and Common Facilities that may be sustained by reason of the negligent or intentional conduct of that Owner, that Owner's family members, contract purchasers, Tenants, guests, or invitees. Each Owner, by acceptance of his or her deed, agrees personally and for family members, contract purchasers, Tenants, guests, and invitees, to indemnify each and every other Owner, and to hold such other Owner harmless from, and to defend him or her against any claim of any person for personal injury or property damage occurring within the Condominium of the Owner, including Exclusive Use Common Area, except to the extent that the injury or damage occurred by reason of the willful or negligent act or omission of the Association or another Owner or Tenant.
- 8.5 Prohibition of Noxious Activities. No illegal, noxious or offensive activities shall be carried on or conducted upon any Condominium or Common Area nor shall anything be done within the Property which is or could become an unreasonable annoyance or nuisance to other residents. Without limiting the foregoing, no Owner shall permit unreasonable noise, including, but not limited to, the operation of excessively noisy air conditioners, stereo amplifier systems, television systems, motor vehicles or power tools, to emanate from an Owner's Unit or from activities within the Common Area, which would unreasonably disturb any other Owner's or Tenant's enjoyment of his or her Unit or the Common Area.
- Pets. No animals, livestock, or poultry of any kind, shall be raised, bred or kept in any Unit or Exclusive Use Common Area, except that domesticated dogs, cats, birds and aquatic animals kept within a cage or an aquarium, or other animal as agreed to between the Association and the Owner, may be kept in the Units or Exclusive Use Common Areas, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers or sizes as determined by the Board in its sole and absolute discretion. Notwithstanding the foregoing, no animals or fowl may be kept on the properties which result in an annoyance or are a nuisance or obnoxious to residents in the vicinity, in the sole and exclusive opinion of the Board. The Association, in its sole discretion, shall have the right to determine what are reasonable numbers and what constitutes a threat or nuisance. Pet owners shall be responsible for the prompt disposal of pet wastes deposited by their pets in the Common Areas. Every Owner shall be solely liable to each and all remaining Owners, their families, guests, invitees, and Tenants, for any damages and unreasonable noise or odors to person or property caused by any animals brought or kept upon the Property by an Owner or by members of his or her family, Tenants, guests, and invitees.
- Leash Required. No Owner who possesses a dog or other animal Α. shall permit, allow, or cause the dog or other animal to run, stray, be uncontrolled or in any

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manner be in, upon, or at large upon any part of the Common Area, unless it is restrained by a substantial leash and under the control of a responsible adult.

#### B. <u>Dangerous Dogs</u>.

- (1) Notwithstanding the foregoing, no domestic dogs shall be within the Common Area that are deemed by the Board to be vicious or potentially dangerous dogs. All vicious and potentially dangerous dogs must be kept indoors or in a securely fenced area within the Owner's Exclusive Use Common Area from which it cannot escape, and into which children or other individuals cannot trespass. A dog shall also be deemed "vicious" for purposes of this Section if, when unprovoked: 1) it has bitten a person (however, a dog may be vicious even though it is not proven to have bitten any person); 2) in an aggressive manner, it inflicts severe injury on or kills a human being; or 3) it is previously determined to be and currently listed as a potentially dangerous dog (as determined by the Board of Directors or local governmental authority) and, after its owner or keeper has been notified of this determination, it continues to engage in behavior deemed potentially dangerous. For purposes of determining if a dog is "vicious," "severe injury" means any physical injury to a human being that results in muscle tears, disfiguring lacerations, or requires multiple sutures or corrective or cosmetic surgery.
- (2) A dog shall be deemed "potentially dangerous" for purposes of this Section if, when unprovoked: 1) on two separate occasions within the prior 36-month period, it engages in any behavior that requires a defensive action by any person to prevent bodily injury when the person and the dog are off the property of the owner or keeper of the dog; 2) it bites a person causing a less "severe injury" than as defined above; or 3) on two separate occasions within the prior 36-month period, it has killed, seriously bitten, inflicted injury, or otherwise caused injury attacking a domestic animal off the property of the owner or keeper of the dog.

#### 8.7 Signs

A. <u>Commercial Signs</u>. No advertising signs or billboards shall be displayed on any building containing Units or posted within or upon any portion of the Common Area, except that Owners may display one sign which advertises their condominiums "For Rent," "For Lease", "For Sale", or "For Exchange" or advertise directions to the condominium on a common sign post to be reasonably located in plain view of the public, if provided by the Association. The sign shall be of reasonable dimensions and design.

#### B. Noncommercial Signs.

- (1) Noncommercial signs, posters, flags, or banners may be posted or displayed on or in an Owner's Unit, except as required for the protection of public health or safety or if the posting or display would violate a local, state, or federal law.
- (2) For purposes of this section, a noncommercial sign, poster, flag, or banner may be made of paper, cardboard, cloth, plastic, or fabric, and may be posted



or displayed from the window, door, balcony, or outside wall of the Owner's Unit, but may not be made of lights, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component, or include the painting of architectural surfaces.

- Noncommercial signs and posters may not be more than nine (3) (9) square feet in size and noncommercial flags or banners may not be more than fifteen (15) square feet in size.
- C. The Board may adopt reasonable rules and regulations governing placement and display of signs, including address and separate interest/Unit locator signs, consistent with the law and this Declaration.
- 8.8 Business Activities. No business or commercial activities of any kind whatsoever shall be conducted in any Unit, carport, or building. No restrictions contained in this Section shall be interpreted in such a manner so as to prohibit any Owner or Tenant from maintaining a home office, which is defined as a business operated as an accessory use by the person residing in that Unit, unless other residents are disturbed by an unreasonable number of visitors to the Property, excessive noise, or additional traffic and provided further there shall be no signs advertising their home office.
- Garbage. No rubbish, trash, or garbage shall be allowed to accumulate within or outside of any Unit. No Owner or Tenant shall allow an accumulation of trash, debris, paper, or other items which would create a fire or health hazard. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and Improvements), as determined at the Board's discretion, shall be removed from the Property to a public dump or trash collection area by the Owner or Tenant at his or her expense.
- 8.10 Storage. Storage of personal property shall be outside the view of the common area within a Unit; within the storage lockers in the carports; within storage lockers located in patios and balconies, provided there are no more than two (2) storage lockers in any given patio or balcony, provided the storage lockers are not attached in any way to the building structure, and provided that the storage lockers comply with the dimensions set forth by the Board of Directors: within the carports themselves, as permitted by the Board of Directors and as conditioned by the Board of Directors; or within such other areas as may be determined by the Board from time to time. The Board may regulate storage in the Owners' carport subject to conditions determined by the Board and included in the Rules and Regulations. Under no circumstances may personal property be stored in carports or parking spaces.
- Clotheslines. No exterior clothesline shall be erected or maintained and there shall be no drying or laundering of clothes in any Unit or Exclusive Use Common Area in a manner which is visible from any neighboring Unit, the street or the Common Area.
- 8.12 Window Covers. Only curtains, drapes, blinds, shutters, and shades may be installed as interior window covers. No window shall be covered by paint, foil, sheets or Order: HJHSHTQ4Z



similar items. The Board may adopt rules regulating the type, color and design of window covers. Absolutely no sunshades, awnings, canvass, ornamental screens, or any other window covering shall be installed on the exterior of the building, including the exterior walls within the patio or balcony areas, with the sole exception of those awnings that were installed prior to the adoption of this Declaration.

- 8.13 Antennas and Similar Devices. In order to ensure adequate aesthetic controls and to maintain the general attractive appearance of the Property, no Owner or Tenant shall place or maintain any objects, such as masts, towers, poles, television and radio antennas, or television satellite reception dishes on or about the exterior of any building or on any Common Area within the Property, except as permitted by law. A satellite dish may not be installed on Common Area walls or roofs. The Board may establish guidelines on the placement of satellite dishes which are consistent with the law.
- 8.14 <u>Machinery and Equipment</u>. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Unit or the Common Area except such machinery or equipment as is usual or customary in connection with the use, maintenance or repair of a Unit or appurtenant structures within the Property. No hobby or carpenter shops are permitted on the Property. No automobile overhaul, repair or maintenance work, other than emergency work, is permitted on the Property. The Board may establish rules and regulations regarding the washing of vehicles on the Property, including a prohibition against such activity.
- 8.15 <u>Parking and Vehicle Restrictions</u>. The following parking and vehicle restrictions shall apply within the Property:
- A. No automobile trailer, recreational vehicle, camper, boat or other similar type vehicle shall be permitted to remain on any portion of the Common Area. No Owner shall park his vehicle or allow his guests or tenants to park their vehicles in any space other than those permanently assigned to the Owner.
- B. The Board shall have the authority to make reasonable rules and restrictions regarding parking and vehicles within the Property as may be deemed prudent and appropriate.
- C. The Board shall have the authority to tow, at the Owner's expense, any vehicle parked or stored in violation of this section. The Board shall post such notices or signs within the Common Area as may be required by law to effectuate this towing provision. The Board shall not be liable to the owner or operator of such vehicles as removed except in the event of gross negligence.
- 8.16 <u>Behavior of Persons on the Property</u>. Each Owner and Tenant shall be accountable to the remaining Owners and Tenants, their families, guests and invitees, for the conduct and behavior of all persons residing in or visiting the Owner or Tenant and for any property damage caused by such persons.



- 8.17 Activities Affecting Insurance. Nothing shall be done or kept within any Unit, Exclusive Use Common Area, or the Common Area which will increase the rate of insurance on any policy maintained by the Association without the prior written consent of the Association and no Owner shall permit anything to be done or kept within his or her Unit, Exclusive Use Common Area, or the Common Area which would cause any Improvements to be uninsurable against loss by fire or casualty or result in the cancellation of insurance on any Unit or any part of the Common Area.
- Variances. Upon application by any Owner, the Board of Directors shall be authorized and empowered to grant reasonable variances from the property use restrictions set forth in this Article, if specific application of the restriction will, in the sole discretion of the Board, either cause an undue hardship to the affected Owner or Tenant or fail to further or preserve the common plan and scheme of development contemplated by this Declaration.
- 8.19 Walkway, Hall and Stairway Obstructions. There shall be no obstruction of the pedestrian walkways, halls or stairways or any interference with free use thereof except such obstruction as may be reasonably required in connection with repairs of such. The members, their tenants, licensees, and guests are granted nonexclusive easements to use all such areas within the property. The Board shall promptly take such action as may be necessary to abate or enjoin any interference or obstruction contrary to the provisions hereof and shall have a right of entry for purposes of removing the same, and any costs incurred by the Board in connection with such abatement, injunction, or corrective work shall be specially assessed to the Owner or Owners responsible therefor.
- Laundry Facilities. Laundry facilities are to be maintained on the premises for the use and benefit of the occupants of the Units. All occupants shall leave the laundry and equipment therein in a clean and usable condition when they finish, in strict conformity with the rules adopted from time to time by the Board and posted in said laundry facilities. With the exception of the Units over the carports, no washing machines are permitted in the Units other than the small portable type that do not weigh in excess of thirty-five (35) pounds, unless approved by a vote of the Board of Directors.
- 8.21 Water Beds. No water beds or other liquid-filled furniture is permitted on the premises.
- 8.22 Plants and Outside Furniture. All plants, furniture or other decorations placed upon the balcony deck must be placed on or within a protective guard to prevent the marking or staining of the surface. Plants may be placed in any ceramic or other nonporous or non-staining receptacles. Owners may, with prior written approval of the Board and at his own expense, remove the small plants or ivy in the Exclusive Use Common Area or Common Area adjacent to the Owner's Unit and replace with other ground cover or plants.
- 8.23 Barbeques. There shall be no exterior fires except within the confines of an outdoor grill (commonly known as a "barbeque") with a covered or detachable hood over



the grill area and fire area. The Board of Directors reserves the right to implement reasonable Rules regulating the use of covered or detachable hood grills or barbeques.

#### 8.24 Recreation Room.

- A. The recreation room is available by reservation only.
- B. The recreation room may be reserved for private parties of Owners and their guests or invitees. Reservations may be made for any time except for New Year's Eve, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day.
- C. Said reservations must be made in advance through the Board member currently in charge of recreation room reservations. The name and contact information for this Board member will be posted on the bulletin board outside the recreation room.
- D. When reservations are made, a fee is required, as set forth in the rules and regulations pertaining to the use of the recreation room. Such fee schedule will be determined by the Board and will be posted on the bulletin board outside the recreation room.
- E. Reservations will be posted on the bulletin board outside the recreation room.
- F. The recreation room may not be rented to or for the benefit of non-owners, nor may any type or kind of vending machine be installed.
- G. Owners may not store personal property in the recreation storage room.
- H. Guests, or children of guests, who are under sixteen (16) years of age are not permitted, without the supervision of adults, to use or participate in using any recreational game facilities (darts, pool table, ping pong, shuffleboard, exercise equipment, etc.).
- I. The person making a reservation must be in constant attendance during the entire party.
- 8.25 <u>Balcony Dividers</u>. Dividers between Units shall not be cut, lowered or removed by any Owner; nor may any objects be placed or hung in a manner that may hinder emergency openings of those dividers on upper balconies.

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#### ARTICLE IX

#### MAINTENANCE RESPONSIBILITIES

- 9.1 <u>Association's Responsibilities</u>. The Association shall be solely responsible for all maintenance, repair, upkeep and replacement of the Common Area and Common Facilities, as set forth in California *Civil Code* Section 1364. The Association's maintenance, repair and replacement obligations, which may differ from California *Civil Code* Section 1364, are specifically set forth, in detail, in the Maintenance Responsibility Check List, attached hereto as **Exhibit "B."** In the event of any ambiguities or conflicts in regards to the Association's maintenance, repair or upkeep obligations, as set forth herein, the Maintenance Responsibility Check List (**Exhibit "B"**) shall control.
- A. The Association shall maintain, repair, and replace sewer, water, telephone, plumbing, and electrical lines located under or within the Common Area.
- B. The Association shall be responsible for the repair and maintenance of the Common Area occasioned by the presence of wood-destroying pests or organisms, and for all pest eradication services within the Common Area.

#### 9.2 Owner Maintenance, Repair and Replacement Responsibilities.

- A. Each Owner of a Condominium shall be responsible for the maintenance, repair, and upkeep of his or her Unit. Each Owner of a Condominium shall be responsible for his or her Unit within the interior surfaces of the perimeter walls, windows, doors, ceilings, and floors thereof. In addition, each Owner shall be responsible for the maintenance of any and all Exclusive Use Common Areas, including any and all Improvements therein, appurtenant to his or her Unit, in a clean, sanitary, workable, and attractive condition, as set forth in California *Civil Code* Section 1364. Each Owner's maintenance, repair, and replacement obligations, which may differ from California *Civil Code* Section 1364, are specifically set forth, in detail, in the Maintenance Responsibility Check List, attached hereto as Exhibit "B." In the event of any ambiguities or conflicts in regards to the each Owner's maintenance, repair or upkeep obligations, the Maintenance Responsibility Check List (Exhibit "B") shall control.
- B. Each Owner of a Condominium shall be responsible for the maintenance, repair, upkeep of plumbing, electrical, telephone, and heating and air conditioning systems, including air conditioning compressors and equipment, within and/or servicing only his or her Unit.
- (i) With respect to said systems within the Common Area, the Association shall maintain, repair and/or replace same and assess the costs to the Owner of the Unit that is so serviced by way of a Special Individual Assessment, unless any other Unit Owner, or his or her pets, tenants, invitees, or family members are responsible for the required maintenance, repair or replacement, in which case the Board may instead assess the costs to the responsible Unit Owner as a Special Individual Assessment pursuant to Section 6.10(A) hereof.

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- (ii) Each Owner shall also be responsible for maintaining in an open and unobstructed condition all sewer and drainage pipes and lines serving only his or her Unit. If an Owner utilizes one of the Association's pre-approved plumbers, and if said plumber determines that the blockage was in a common line servicing more than one (1) Unit, the Association will reimburse the Owner for the cost of clearing said blockage.
- C. From and after the effective date of this Declaration, no Owner may install hard surface flooring (including, without limitation, hardwood, tile, parquet, stone and marble) in a Unit, except the kitchen and bathroom(s), unless the Owner has received prior written approval of the ARC, if any, or the Board of Directors. Should any Units have hardsurface flooring at the time of recordation of this Declaration, any such Unit is permitted to retain such flooring, but subject to the following terms and conditions. As a condition to approving the installation or replacement of any hard-surface flooring, the Owner shall submit to the ARC, if any, or the Board of Directors, plans (including without limitation, construction drawing, plans and specifications) clearly indicating the type of flooring material to be installed and the underlayment material to be provided to mitigate against impact noises. The submission must clearly identify all materials, their thickness, composition and include a report by an accredited acoustical testing laboratory showing results of a test specimen essentially identical to the proposed assembly achieving a specific Sound Transmission Class ("STC") rating and an Impact Insulation Class ("IIC") rating not to be less than a specific number to be set from time to time by the Board under its rule-making authority. Following approval and installation of the replacement flooring assembly for any Unit which already has hard-surface flooring, a field test conducted under the supervision of a person experienced in the field of acoustical testing shall be performed in each room in which the flooring is installed to determine compliance with the Project requirements of Noise Isolation Class ("NIC") and Field Impact Insulation Class ("FIIC") numbers to set from time to time by the ARC, if any, or Board of Directors under its rulemaking authority. The required field test shall be completed within thirty (30) days after substantial completion of the work, subject to any extensions granted by the ARC or Board of Directors. Non-compliant systems must be removed and/or replaced with compliant materials and assemblies. Finally, Owners are only required to comply with such standards set by the ARC, Board of Directors, under its rule-making authority at the time such installation is being sought.
- D. Owners shall be responsible for the cost to repair any damage to any property caused by any component within and/or servicing his or her Unit, whether or not said damage was foreseeable to occur.
- 9.3 Obligation To Permit Entry by Association and Adjacent Owners. Each Owner shall be obligated to permit the Owners of adjacent Units or the representatives of such adjacent Owners to enter the Owner's Unit for purposes of performing installations, alterations, maintenance or repairs to utilities, mechanical or electrical services, which are reasonably necessary for the use and enjoyment of his or her Unit, provided that requests for entry are made at least twenty-four (24) hours in advance and that entry is at a time convenient to the Owner whose Unit is being entered upon, except in the event of an emergency when no notice shall be required. Each Owner shall also honor the right of the

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024 Association and its agents to enter his or her Unit as provided in this Declaration for maintenance, repairs and/or to gain compliance with this Declaration.

- 9.4 <u>Cooperative Maintenance Obligations</u>. To the extent necessary or desirable to accomplish the Association's maintenance and repair obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of its work.
- 9.5 Non-Responsibility for Consequential Damages / Mold Remediation / Reconstruction. Except for damages for which the Association has insurance, neither the Association nor its Board of Directors, officers, manager or its employees or agents shall be liable to any Owner, or any other person, for injury, damage or loss to any Owner or any Owners' property, or any other persons or property, in the Properties resulting from any casualty, or from any water, rain, dust, sand, or any other element which may leak or flow from outside of any Unit or from any part of the building, or from any pipes, drains, conduits, appliances or equipment or from any other place or cause, provided the Association, such Board Members or other persons have, upon the basis of such information as may be possessed by them, acted in good faith, and without willful or intentional misconduct. The Association's Non-Responsibility for Consequential Damages, as herein stated, includes, but is not limited to, fixtures, cabinets, paint, wall coverings, window coverings and floor coverings, costs necessary to test for the presence of mold, abate the same, and reconstruct Units damaged by said damages.

#### ARTICLE X

#### **EASEMENTS**

- 10.1 <u>Encroachment Easements</u>. If any portion of the Common Area encroaches on any Unit or if any portion of a Unit encroaches on the Common Area, regardless of the cause, a valid easement exists for such encroachment and for the maintenance of it as long as it remains, and all Units and the Common Area are made subject to such easements.
- Blanket Utility Easement. There is hereby created a blanket easement upon, across, over and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas, telephones, drainage and electricity and the master television antenna or cable television system, if any. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment and underground facilities on the Common Area. Notwithstanding the foregoing, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on said Property except as initially designed and approved by the Declarant or thereafter approved by the Association's Board of Directors. The easements provided for in this Section shall in no way effect any other recorded easement on the Property.
- 10.3 Other Easements. Each Unit and its Owner, and the Association as to the Common Area, are hereby declared to be subject to all the easements, dedications and



rights-of-way granted or reserved in, on, over and under the Property and each Unit and Common Area.

10.4 <u>Maintenance Easements</u>. An easement is hereby granted to the Association, its officers, agents, employees, and to any management company and contractor selected by the Association to enter in or to cross over the Common Area and any Unit to perform the duties of maintenance and repair of the Condominiums, Common Area or Common Facilities, provided that any entry by the Association or its agents shall only be undertaken in strict compliance with Article III, Section 3.4(C) and Article IX, Section 9.3.

#### **ARTICLE XI**

#### INSURANCE

- 11.1 <u>Fire and Casualty Insurance</u>. The Association shall obtain and maintain a policy of fire and casualty insurance naming as parties insured the Association, and containing the standard extended coverage and replacement cost endorsements and, in the Board's discretion, such other or special endorsements as will afford protection and insure, for the full insurable, current replacement cost, all Common Area and Common Facilities that the Association is required to repair or restore in the event of partial or total destruction thereof and, also in the Board's discretion, all or portions of the Units that the Association is responsible to maintain pursuant to this Declaration, and the personal property of the Association, for or against the following:
- (a) Loss or damage by fire or other risks covered by the standard extended coverage endorsement;
  - (b) Loss or damage from theft, vandalism or malicious mischief; and
- (c) Such other risks, perils or coverage as the Board of Directors may determine.

Such policy or the endorsement made a part thereof shall, to the extent available, provide that the insurer issuing the policy agrees to abide by the decision of the Association made in accordance with the provisions of this Declaration as to whether or not to repair, reconstruct or restore all or any damaged or destroyed portion of the Common Facilities. If available for a reasonable cost, the insurance policy shall include building code upgrade coverage.

The insurance shall be kept in full force and effect at all times and the full replacement value of the insured property shall be redetermined on an annual basis.

11.2 <u>General Liability and Property Damage Insurance</u>. The Association shall obtain and maintain a policy of comprehensive general liability and property damage insurance naming as parties insured the Association, each member of the Association's Board of Directors, any manager, the Owners of all Units, and such other persons as the Board may determine. The policy shall insure each named party against liability incident

to the ownership, maintenance, and use of the Common Area and any other Associationowned or maintained real or personal property. The limits of such insurance shall not be less than two million dollars (\$2,000,000.00) covering all claims for death, personal injury, and property damage arising out of a single occurrence, or in such other minimum amount as required by *Civil Code* Section 1365.9, to protect Owners from civil liability arising solely by reason of their ownership interest in the Common Area.

11.3 <u>Directors and Officers Liability Insurance</u>. The Association shall obtain and maintain Directors and Officers Liability Insurance covering prior acts in order to ensure that past Board Members are protected for decisions made during their term of service. The policy shall name as insureds not only the current Board Members but also volunteer committee members, if such insurance is available. The limits of such insurance shall not be less than five hundred thousand dollars (\$500,000.00), or in such other minimum amount as required by *Civil Code* Section 1365.7, to protect volunteer officers or directors from personal liability in excess of the insurance coverage.

#### 11.4 Fidelity Bond and Other Insurance.

- A. The Board shall obtain and maintain fidelity bonds or insurance.
- B. To the extent such insurance is reasonably obtainable or required by any institutional First Mortgagee, the Association may also purchase with Common Funds such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limitation, demolition insurance, flood insurance, worker's compensation, commercial umbrella coverage, and boiler and machinery coverage.
- 11.5 <u>Coverage Not Available</u>. If any insurance policy or endorsement required herein is for any reason not available, then the Association shall obtain such other or substitute policy or endorsement as may be available which provides, as nearly as possible, the coverage described above. The Board shall also notify the unit owners of any material adverse changes in the Association's insurance coverage.
- 11.6 <u>Copies of Policies</u>. Copies of all insurance policies shall be retained by the Association and shall be available for inspection by any Unit Owner at any reasonable time.
- 11.7 <u>Individual Fire, Casualty and Other Insurance Limited</u>. The Association's blanket insurance policy maintained pursuant to Section 11.1 above shall be the primary coverage in the event of a loss covered by the Association's insurance. If any Unit Owner maintains insurance coverage which results in a reduction in insurance proceeds otherwise payable to the Association pursuant to policies obtained by the Association, the Association shall specially assess the Owner to the extent of any reduction.

#### 11.8 Individual Assessment Loss Coverage and Other Individual Coverage.

A. Each Owner shall obtain and maintain assessment loss coverage for fire, earthquake, and other casualties with a minimum limit of \$25,000.00, if available for

a reasonable cost. In the event of fire, earthquake, or other casualty which results in each Owner becoming responsible for the payment of a special or emergency assessment, each Owner with Assessment Loss Coverage shall instruct the insurance carrier to pay the proceeds directly to the Association to pay for services, labor and materials provided to the Association for repair and/or reconstruction or to replenish reserve funds.

- B. Each Owner shall also carry the following insurance (any premises liability and property damage insurance policy shall include a waiver of subrogation clause as to the Association, other Owners, and any institutional First Mortgagee of such Unit, and shall cover damages caused by Owner's Tenant, if any):
- (1) Coverage on portions of the structure not covered by the Master Policy of the Association. ("Tenant's Improvements" coverage).
  - (2) Loss of use coverage for living expenses.
  - (3) Personal property coverage.
  - (4) Premises liability coverage.
- C. The Association shall have no responsibility for the adequacy or extent of any such insurance coverage outlined herein.
- 11.9 <u>Trustee</u>. All insurance proceeds payable pursuant to policies maintained by the Association may, in the discretion of the Board of Directors, be paid to a trustee to be held and expended for the benefit of the Owners, Mortgagees and others, as their respective interests appear. Said trustee shall be a commercial bank, escrow company, title company, or other person or institution with trust powers within the County that agrees in writing to accept such trust.
- 11.10 <u>Adjustment of Losses</u>. The Board is appointed attorney-in-fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried by the Association. The Board is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.
- 11.11 <u>Board's Discretion to Submit Insured Losses</u>. The Board shall have the discretion as to whether or not it is in the best interests of the Association to submit an insurance claim to its insurer.
- 11.12 <u>Losses Solely Attributable to a Unit; Deductibles</u>. Each Owner shall be responsible to pay the deductible for any claims made under the Association's policies of insurance for losses solely attributable to the respective Owner's Unit.

#### **ARTICLE XII**

#### DAMAGE OR DESTRUCTION

- 12.1 <u>Destruction; Proceeds Exceed 75% of Reconstruction Costs.</u> If there is a total or partial destruction of the improvements in the Project, and if the available proceeds of the insurance carried by the Association are sufficient to cover not less than seventy-five percent (75%) of the costs of repair and reconstruction, the improvements shall be promptly rebuilt unless, within ninety (90) days from the date of destruction, Owners then holding at least fifty-one percent (51%) of the total Voting Power of Owners object in writing to rebuilding.
- A. If at least twenty-five percent (25%) of the total Voting Power of Owners object in writing to rebuilding, the Board shall call a meeting of Owners or conduct a vote by written ballot in order to determine whether repair and reconstruction shall take place. If a majority of the Owners, in person or by proxy, at a duly constituted meeting or voting by written ballot determine that repair and reconstruction shall not take place, the Board shall proceed as set forth below in this Article.
- B. If the repair and reconstruction shall take place, the Association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at a meeting. If repair and reconstruction is to take place the Association shall be required to execute, acknowledge, and record in the office of the County Recorder of the County not later than one hundred twenty (120) days from the date of destruction, a certificate declaring the intention of the Owners to rebuild.
- 12.2 <u>Destruction</u>; <u>Proceeds Less Than 75% of Reconstruction Costs</u>. If the proceeds of insurance carried by the Association are less than seventy-five percent (75%) of the costs of repair and reconstruction, a majority of the Owners, at a duly constituted meeting or by written ballot, shall determine whether repair and reconstruction shall take place. If such repair and reconstruction is approved, the Association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at the meeting. If repair and reconstruction are to take place, the Association shall execute, acknowledge, and record in the office of the County Recorder not later than one hundred twenty (120) days from the date of destruction a certificate declaring the intention of the Owners to rebuild.
- 12.3 Apportionment of Assessments. If the Owners determine to rebuild, each Owner shall be obligated to contribute an equal share to the cost of reconstruction or restoration over and above the available insurance proceeds. If any Owner fails or refuses to pay his or her proportionate share, the Association may levy a special assessment against the Condominium of such Owner, which may be enforced under the lien provisions provided in this Declaration.

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#### 12.4 Procedure If Rebuilding is Not Approved.

- A. The Board or Trustee shall collect all available insurance proceeds and arrange for the sale of the Property, with or without the buildings.
- B. If the Board determines that a higher sales price will result from a sale of the Property without the Improvements, the Board shall arrange for the demolition of the Improvements. After paying all common expenses relative to the sale and for the operation of the Association prior to the date of sale, the Board or Trustee shall divide the remaining insurance proceeds among the Units according to either the square footage of each Unit, the relative fair market value of each Unit determined by the original purchase price or comparable sales data, or in equal shares. The method of distribution shall be determined by the vote of a majority of the Owners. The Association shall have the duty, within one hundred twenty (120) days from the date of destruction, to execute, acknowledge, and record in the office of the County Recorder of the County, a certificate declaring the intention of the Owners not to rebuild.
- C. After paying common expenses, the share of insurance proceeds for each Unit shall be first applied to reduce or eliminate any outstanding Mortgages. As to those Units without mortgages, the Board or Trustee shall pay the Unit's share of the insurance proceeds to the Owner. Any insurance proceeds remaining after payments to the Mortgagee of a Unit shall be distributed to the Owner of the Unit to which the proceeds are allocated.
- 12.5 <u>Rebuilding Contract</u>. If the Owners determine to rebuild, the Board or its authorized representative shall, after obtaining bids from at least two contractors, award the repair and reconstruction work to the most qualified contractor. The Board shall have the authority to enter into a written contract with the contractor for the repair and reconstruction, and the insurance proceeds shall be disbursed to this contractor according to the terms of the contract. It shall be the obligation of the Association to take all steps necessary to assure the commencement and completion of authorized repair and reconstruction at the earliest possible date.

#### **ARTICLE XIII**

#### CONDEMNATION

or a portion of the Property is proposed or threatened by any governmental agency having the right of eminent domain, then, on unanimous written consent of all of the Owners and after written notice to all institutional Mortgagees, the Property, or a portion thereof may be sold and conveyed to the condemning authority by the Board or its designees acting as the attorney-in-fact of all Owners under an irrevocable power of attorney, which each Owner by accepting a deed to a Condominium in the Property hereby grants and which shall be coupled with the interest of all other Owners, for a price deemed fair and equitable by the Board. If the requisite number of Owners or institutional Mortgagees do not consent to a

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sale of all or a portion of the Property, and the condemning authority institutes condemnation proceedings, the court shall fix and determine the condemnation award.

#### 13.2 <u>Distribution and Sale Proceeds of Condemnation Award.</u>

- A. <u>Total Sale or Taking</u>. A total sale or taking of the Property is a sale or taking that: (I) renders more than fifty percent (50%) of the Condominiums uninhabitable (such determination to be made by the Board in the case of a sale and by the court in the case of a taking); or (ii) renders the Property as a whole uneconomical as determined by the vote or written consent of sixty-six and two-thirds percent (66-2/3%) of those Owners and their respective institutional Mortgagees whose Condominiums will remain habitable after the taking. However, any determination that a sale or taking is total must be made before the proceeds from any sale or award are distributed. The proceeds of any such total sale or taking of the Property, after payment of all expenses relating to the sale or taking, shall be paid to all Owners and to their respective Mortgagees in the proportion that the fair market value of each Condominium bears to the fair market value of all Condominiums on the Property. The fair market value of Units shall be determined in the condemnation action, if such be instituted, or by an appraiser.
- B. Partial Sale or Taking. In the event of a partial sale or taking of the Properties, meaning a sale or taking that is not a total taking, as determined in section 13.2, paragraph A, above, the proceeds from the sale or taking shall be paid or applied in the following order of priority and any judgments of condemnation shall include the following provisions as part of its terms:
- (1) To the payment of expenses of the Association in effecting the sale or to any prevailing party in any condemnation action to whom such expenses are awarded by the Court to be paid from the amount awarded; then
- (2) To Owners and to their respective Mortgagees, as their interests may appear, of Condominiums on the Property whose Condominiums have been sold or taken, an amount up to the fair market value of such Condominiums as determined by the court in the condemnation proceeding or by an appraiser, less such Owners' share of expenses paid pursuant to section 13.2, subparagraph B(1) (which share shall be in proportion to the ratio that the fair market value of each Owner's Condominium bears to the fair market value of all Condominiums.
- (3) To any remaining Owner(s) and to his or her Mortgagees, as their interests may appear, whose Condominium has been diminished in value as a result of the sale or taking disproportionate to any diminution in value of all Condominiums, as determined by the Court in the condemnation proceeding or by an appraiser, an amount up to the total diminution in value; then
- (4) To all remaining Owners and to their respective Mortgagees, as their interests may appear, the balance of the sale proceeds or award in proportion to the ratio that the fair market value of each remaining Owner's Condominium bears to the fair market value of all remaining Owners' Condominiums as of a date immediately prior

to commencement of condemnation proceedings, as determined by the Court in the condemnation proceeding or by an appraiser.

13.3 Appraiser. Wherever in this Article reference is made to a determination of the value or fair market value of one or more Condominiums by an appraiser, this shall mean an appraisal by an independent appraiser selected by the Board, who shall be a member of the Society of Real Estate Appraisers (SREA) or other nationally recognized appraiser organization and who shall apply the SREA or other national appraisal organization's standards in determining the value or fair market value of each Condominium. The costs of such appraisals shall be paid from the condemnation proceeds as an expense of the Association.

#### **ARTICLE XIV**

#### PARTITION OF COMMON AREA

- 14.1 <u>Suspension of Right of Partition</u>. Except as expressly provided in this Article, an Owner shall have no right to partition or divide his or her ownership of the Common Area. Partition of the Common Area can be had on a showing that the conditions to such partition as stated in the Articles relating to damage or destruction, condemnation or in California *Civil Code* Section 1359 have been met. Nothing in this Declaration shall prevent partition of a co-tenancy in a Condominium.
- 14.2 Power of Attorney. Pursuant to California Civil Code Section 1359, each of the Owners irrevocably appoints the Association as attorney-in-fact and irrevocably grants to the Association full power in the name and stead of such Owner to sell the entire Project, and to execute deeds and conveyances to it, in one or more transactions, for the benefit of all Owners when partition of the Project may be had under Civil Code Section 1359 and under the circumstances authorizing partition under this Declaration. The power of attorney shall: (a) be binding on all Owners, whether they assume the obligations under this Declaration or not; (b) be exercisable by a majority of the Board acting on behalf of the Association, subject to obtaining the prior approval by vote or written consent of a majority of the Owners and a majority of all institutional first Mortgagees; and (c) be exercisable only after recordation with the County Recorder of a certificate executed by those who have power to exercise the power of attorney that the power of attorney is properly exercisable under Civil Code Section 1359. This certificate shall be conclusive evidence of proper exercise in favor of any person relying on it in good faith. Each Owner shall cooperate in executing a Power of Attorney form to the Board if a title company requires it for the sale of the Property.

#### ARTICLE XV

#### BREACH AND DEFAULT

15.1 Remedy at Law Inadequate. Except for the nonpayment of any Assessment, it is hereby expressly declared and agreed that the remedy at law to recover damages for the breach, default or violation of any of the covenants, conditions, restrictions, limitations,



reservations, grants of easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration are inadequate and that the failure of any Owner or Tenant of any Unit, or any portion of the Common Area or Common Facilities, to comply with any provision of the Governing Documents may be enjoined by appropriate legal proceedings instituted by any Owner, the Association, its officers or Board of Directors, or by their respective successors in interest.

- 15.2 <u>Nuisance</u>. Without limiting the generality of the foregoing section, the result of every act or omission whereby any covenant contained in this Declaration is violated in whole or in part is hereby declared to be a nuisance, and every remedy against nuisance, either public or private, shall be applicable against every such act or omission.
- 15.3 <u>Costs and Attorneys' Fees</u>. In any action brought because of any alleged breach or default of any Owner, Tenant or Lessee of any Unit, the court may award to the prevailing party in any such action such attorneys' fees and other costs as the court deems just and reasonable. An Owner shall be responsible for attorneys' fees and costs incurred by the Association to cure the Owner's defaults and Owner's Tenants' or Lessees' defaults.
- 15.4 <u>Cumulative Remedies</u>. The respective rights and remedies provided by this Declaration or by law shall be cumulative, and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach or for the same or any different failure of any Owner or Tenant or others to perform or observe any provision of this Declaration.
- 15.5 <u>Failure Not a Waiver</u>. The failure of any Owner, the Board of Directors, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association or the Board, or any of its officers or agents.

#### 15.6 Rights and Remedies of the Association.

- A. <u>Rights Generally.</u> In the event of a breach or violation of any Association Rule or of any of the restrictions contained in any Governing Document by an Owner, his or her family, or the Owner's Tenants, guests, employees, invitees, or contractors, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited to, the hiring of legal counsel, the imposition of fines and monetary penalties, the pursuit of legal action, or the suspension of the Owner's right to use recreational Common Facilities or suspension of the Owner's voting rights as a Member of the Association.
- B. <u>Schedule of Fines: Due Process</u>. The Board may implement a schedule of reasonable fines and penalties for particular offenses that are common or

recurring in nature and for which a uniform fine schedule is appropriate (such as fines for illegally parked vehicles). The Board shall distribute to each Owner, by personal delivery or first-class mail, a schedule of the monetary penalties that may be assessed for those violations, or any changes thereto. Such fines may not be levied unless the Board first provides written notice to the Owner, by either personal delivery or first-class mail, at least ten (10) days prior to the meeting to consider or impose discipline upon an Owner, and provides the Owner an opportunity for a hearing before the Board. The notice shall contain the date, time, and place of the meeting, the nature of the alleged violation for which the Owner is subject to discipline, and a statement that the Owner has a right to attend and may address the Board at the meeting. The Board shall meet in executive session if requested by the Owner being disciplined. No penalty or temporary suspension of rights shall be imposed pursuant to this Section unless the Owner alleged to be in violation is given, by either personal delivery or first-class mail, at least fifteen (15) days prior written notice of the penalty imposed or temporary suspension.

- C. Notwithstanding the foregoing, under circumstances involving conduct that constitutes: (1) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners; (2) a traffic or fire hazard; (3) a threat of material damage to, or destruction of, the Common Area or Common Facilities; or (4) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as parking violations), the Board of Directors or its duly authorized agents may undertake immediate corrective or disciplinary action and, upon request of the offending Owner, or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.
- D. <u>Rules Regarding Disciplinary Proceedings</u>. The Board shall be entitled to adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, shall become a part of the Association Rules and shall provide for notices and procedures satisfying the alternative dispute resolution requirements of the *Davis-Stirling Common Interest Development Act*.
- E. <u>Court Actions</u>. Before initiating any court action seeking solely declaratory or injunctive relief to interpret or enforce the Governing Documents or declaratory or injunctive relief in conjunction with a claim for monetary damages not in excess of \$5,000.00, the Association or Owner shall first comply with the provisions of the *Davis-Stirling Common Interest Development Act* relating to alternative dispute resolution, except in the case of an emergency in which a temporary restraining order is necessary.
- 15.7 <u>Dispute Resolution</u>. Unless otherwise provided to the contrary herein or in any Election Notice or other recorded instrument binding upon the Association or any Owner, the Association and each Owner shall each have the right, but not the obligation, to enforce by any proceeding at law, in equity, or as otherwise available hereunder, all of the protective covenants, conditions, and restrictions now and hereafter imposed by the provisions of this Declaration and the Governing Documents as amended, if at all, from time to time.

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205 Order Date: 01-05-2024

#### **ARTICLE XVI**

#### AMENDMENT OF DECLARATION

- 16.1 <u>Amendment in General</u>. This Declaration may be amended or revoked by the vote or assent of more than fifty percent (50%) of all Owners, in person at a meeting or by written ballot. The percentage of Owners necessary to amend a specific clause or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.
- 16.2 Effective Date of Amendment. The amendment will be effective upon the recording in the Office of the Recorder of Los Angeles County a Certificate of Amendment, duly executed and certified by the President and Secretary of the Association setting forth in full the amendment so approved and that the approval requirements of Section 16.1, above, have been duly met and the distribution of a copy of the Amendment to each Owner of record. Notwithstanding anything to the contrary herein contained, no such amendment shall affect the rights of the holder of any first deed of trust or Mortgage recorded prior to the recording of such amendment.

#### **ARTICLE XVII**

#### **GENERAL PROVISIONS**

17.1 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Condominiums and the Common Area as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors, and its officers and agents, and their respective successors in interest, for a term of sixty (60) years from the date of the recording of this Declaration, after which time the same shall be automatically extended for successive periods of ten (10) years each unless, within six (6) months prior to the expiration of the initial 60-year term or any such 10-year extension period, a recordable written instrument, approved by seventy-five percent (75%) of all Owners terminating the effectiveness of this Declaration shall be filed for recording in the Office of the County Recorder of Los Angeles County, California.

#### 17.2 Construction of Declaration.

A. <u>Restrictions Construed Together</u>. All of the covenants, conditions, and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the Recitals of this Declaration.

- Restrictions Severable. Notwithstanding the provisions of paragraph B. A above, the covenants, conditions, and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.
- Interpretation of the Governing Documents. In the event that any C. provision contained in this Declaration or the Governing Documents is at issue, the Board of Directors may determine the meaning of said provision, which meaning shall be binding and enforceable until said provision is properly amended.
- Failure of Mortgagee to Respond. Any Mortgagee and/or governmental agency who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

IN WITNESS WHEREOF, this Restated Declaration of Covenants, Conditions and Restrictions has been adopted as provided above effective this thin day of Inuary, 2012.

> **MERIT CARSON HOMEOWNERS'** ASSOCIATION, INC.

By:

#### CERTIFICATE

I, the undersigned, the duly elected and acting Secretary of MERIT CARSON HOMEOWNERS' ASSOCIATION, a California non-profit mutual benefit corporation, do hereby certify that the foregoing RESTATED DECLARATION\_OF COVENANTS, CONDITIONS & RESTRICTIONS were duly adopted on 20th January, 2012.

This Certificate is executed under penalty of perjury on 20 Junuary, 2012, in Elecine Olonney, Secretary Jordance \_ California.

Order: HJHSHTQ4Z

STATE OF CALIFORNIA )
)ss
COUNTY OF LOS ANGELES $\wp$ )
)ss  COUNTY OF LOS ANGELES (a)  On 1-20, 2012, before me, Donald Court new, NOTAR  PUBLIC, personally appeared Borbara R. Endo who proved to me on the basis of
PUBLIC, personally appeared Borbara R. Endo who proved to me on the basis
satisfactory evidence to be the person(s) whose names is/are subscribed to the with
instrument and acknowledged to me that he/she/they executed the same in his/her/the authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument
I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Fair ratio and official sear.

STATE OF CALIFORNIA

)ss

**COUNTY OF LOS ANGELES** 

DONALD COURTNEY
Commission # 1851809
Notary Public - California
Los Angeles County
My Comm. Expires May 31, 2013

On /- 20 , 2012, before me, longle Courles, NOTARY PUBLIC, personally appeared Elong Olong who proved to me on the basis of satisfactory evidence to be the person(s) whose names is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

DONALO COURTNEY
Commission # 1851809
Notary Public - California
Los Angeles County
My Comm. Expires May 31, 2013

WITNESS my hand and official seal.

Notaly Public in and for Said County and State

Notary Public in and for Said County and State

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

### **EXHIBIT "A"**

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



### <u>Exhibit A</u> Unit Percentage Ownership

<u>Unit No.</u>	<u>Percentage</u>
001	1.474%
002	1.402%
	1.427%
003	1.417%
004	1.467%
005	
006	1.442%
007	1.474%
008	1,402%
009	1.427%
010	1.489%
011	1.417%
	1,417%
012	1.330%
101	1.143%
102	
103	1.172%
104	1.172%
105	1.265%
106	1.172%
107	1.172%
108	1.143%
109	1.417%
110	1.279%
111	1.345%
	1.250%
112	1.330%
113	1.143%
114	1,172%
115	
116	1.172%
117	1.315%
118	1. <b>172</b> %
119	1.172%
120	1.143%
121	1.345%
122	1.279%
123	1.345%
123	1.250%
	1.345%
201	1,150%
<b>20</b> 2	1.187%
203	
204	1.187%
205	1.295%
206	1.187%
207	1.187%
208	1.175%
209	1.365%
210	1.295%
211	1.225%
	1,365%
212	1.265%
213	1.20570

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Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

1.309%

### <u>Exhibit A</u> Unit Percentage Ownership

<u>Unit No.</u> 215 216	<u>Percentage</u> 1.309% 1.309%
217	1.200% 1.334%
218	1,345%
219 220	1.200%
221	1.309%
222	1.345%
223	1.150%
224	1.187%
225	1.187%
<b>226</b> .	1.295%
227	1.187%
228	1.187%
229	1.150%
230	1.358% 1.295%
231	1.295%
232	1.358%
233	1.265%
234	1.309%
235 236	1.334%
237	1.309%
238	1.200%
239	1.309%
240	1.370%
241	1.200%
242	1,309%

Order:Page 2 of 2 Q4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



### **EXHIBIT "B"**

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

#### **EXHIBIT B**

## Summary of Association/Owner Maintenance, Repair & Replacement Responsibility

**MERIT CARSON HOMEOWNERS' ASSOCIATION** 

Component	OWNER	OWNER Duty to	OWNER	HOA	HOA	HOA
	Duty to	Duty to	Duty to	Duty to	Duty to	Duty to
	<u>Maintain</u>	Repair	R <u>eplace</u>	<u>Maintain</u>	Repair	Replace
Unit Component			· — · —	,		<del>,</del>
Air Conditioning System	<b>/</b>	<b>√</b>				<u> </u>
Air Heating System	<b>√</b>	<b>4</b>	· · · · ·			
Air Conditioning and		[	_			
Heating System Parts and	✓	<b>√</b>	1			
Equipment		l				
Awnings	<b>V</b>	<b>Y</b>			<u> </u>	
Balconies - exterior	1	✓	✓			
surfaces only		·			·	
Balconies - all except				1		
exterior surfaces					_ <b>`</b>	
Balcony Railings				1	<b>√</b>	<b>/</b>
Beams				<b>V</b>	<u> </u>	✓
Bearing Walls				<b>V</b>	<b>/</b>	<b>√</b>
Ceilings - interior surfaces	<b>√</b>	<b>✓</b>	✓			
only	<b>~</b>	<b>*</b>	Ť			
Ceilings - all except interior						<b>√</b>
surfaces				· /	✓	<b>~</b>
Chutes				<b>V</b>	1	<b>*</b>
Columns				7	· ·	1
Conduits						<b>-</b>
Decks - exterior surfaces						
only	<b>*</b>	· ·	· •	ŀ		i
Decks - all except exterior						
surfaces			i	✓	<b>~</b>	✓
Dishwashers				· · · · · · · · · · · · · · · · · ·		
Disposals	<del></del>	<del></del>	<del></del>			
Doors, including Rolling		<del></del>		·		
Doors	✓ /	<b>✓</b> [	<b>✓</b> [		i	
Door Frames	<del></del>					
Door Hardware	<del></del>			<del></del> -		<del></del>
Doorsteps	<del>-</del>	<del></del>	<del>  </del>	<del></del> -	<del></del>	
Driveways Driveways			<del>-</del>	<del>,-</del> -	<del></del>	
Ducts				<del> +</del>	<del></del> -	<del></del>
Exclusive Use Common				<del></del>	<u>`</u>	· ·
Area	✓	✓	✓			
Exterior Doors	<del></del>	<del></del>	<del>- , -  </del>			
Fixtures	<del></del>	<del></del>	<del></del>		<del></del>	
loors - interior surfaces		<del>-</del>	<del></del>	··		
	✓	<b>✓</b>	· /			
only			_ <del></del>		· · · · ·	_ <del>-</del>
loors - all except interior	ŀ	i	ľ	1	✓	✓
surfaces				<del></del>		
lues		<del>Order: HJ</del>	HSHTO4			
oundations	<del> </del>			- V	101 20E	✓
Furnishings	<b>✓</b>	Address:	e: 01-05-2	arson St L	7111L ZU5	

Order Date: 01-05-2024 Document not for resale

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### **EXHIBIT B**

	OWNER	OWNER	OWNER	HOA	HOA	HOA
Component	Duty to	Duty to	Duty to	Duty to	Duty to	Duty to
	Maintain	Repair	Replace	Maintain	Repair	Replace
Garages - interior surfaces	<b>✓</b>	/	/		1	
only	ļ	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
Garages - all except		}		1 /	1	<b>√</b>
interior surfaces	<del> </del>	<del> </del> _		<del>[</del>	ļ	
Glass	· · ·	<b>Y</b>		<u> </u>	<del> </del>	
Glass Doors	<b>√</b>	<b>V</b>	<b>Y</b>	<u> </u>	<u> </u>	
Interior Fixtures	✓	<b>*</b>	<b>V</b>	<u> </u>		
Interior Plumbing - outlets	/		/		j	•
and fixtures only		<u> </u>				
Interior Plumbing - except						
outlets and fixtures	J	1	J	✓	✓	✓
	<u> </u>				<u> </u>	<u> </u>
Interior Staircases	<b>V</b>	/	<b>√</b>	1	<u></u>	
Interior Surface of	/	/				1
Windows			_	<u> </u>	<u> </u>	
Kitchen Appliances	<b>/</b>		<b>√</b>		<u></u>	
Lighting Fixtures	<b>V</b>	<b>✓</b>	<u> </u>			
Non-Perimeter Doors	<b>✓</b>	7		<u> </u>	<u></u>	<u> </u>
Non-Perimeter Walls	<b>4</b>	✓	<b>/</b>			
Ovens	1	<b>√</b>	<b>V</b>		<u></u>	<u> </u>
Parking Spaces - Assigned	1	1	i	<u> </u>		
to Individual Owners/Units		/	/			
surfaces only	]	1	'			
surfaces Office		<u> </u>	l	i	<u> </u>	
Parking Spaces - Assigned		1				
to Individual Owners - all				l 🗸	<b>√</b>	· /
except surfaces		i	}	ł	} `	·
L						
Patios - exterior surfaces	/	1	/			
only	,		<u> </u>	<u> </u>	<u> </u>	
Patios - all portions except		ŀ	]	/	<b>√</b>	✓
exterior surfaces	<u>-</u> .					
Patio Fences	<u> </u>	 	L	✓	<b>✓</b>	<b>√</b>
Perimeter Unit Doors -	<b>√</b>	<b>4</b>	<b>✓</b>		:	-
interior surfaces only			<u> </u>			
Perimeter Unit Doors - all		}		/	/ /	· /
except interior surfaces				<u>.                                    </u>		<u> </u>
Perimeter Unit Walls -		<b>*</b>	<b>V</b>			
interior surfaces only	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·				
Perimeter Unit Walls - all				<b>*</b>	<b>√</b>	
except interior surfaces	<u>-</u>				<u> </u>	, <u>,</u>
Pipes/Plumbing - outlets					<del></del>	
and pipes/plumbing within	✓	✓	<b>✓</b>			
and servicing unit			<u>.</u>			
Pipes/Plumbing - all except	Keep Clear					
	reep Clear of			<b>√</b>	· /	/
pipes/plumbing within &				, ,	<b>*</b>	¥
servicing unit	Obstructions	<u> </u>		L		
Porches			LICHTOA	7		
Ranges	· •	order. Hu	113111 Q42			
Refrigerators	✓	Address: 1	2940/W C	arson St l	Jnit 205	
Roofs		Order Dat	e: 01-05-2	2024	<b>V</b>	· · · · · ·
<del></del>						

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### EXHIBIT B

Component	OWNER	OWNER	OWNER	HOA	HOA	HOA
Component	Duty to Maintain	Duty to Repair	Duty to Replace	Duty to Maintain	Duty to Repair	Duty to Replace
Screens	√	<b>√</b>	√ /	Widthtant	порин	Ropidoo
Shutters	<u> </u>	<b>√</b>	<b>V</b>			
Slabs				1	✓	
Stoops	<b>√</b>	<b>√</b>		T	-	
Storage Area - interior		,		<del></del>		
surfaces only	✓	✓	✓			
Storage Area - all except interior surfaces			•	✓	✓	✓
Telephone Wires - internal and external serving single separate interest	·	*	<b>V</b>			
Termite and other wood destroying pest damage to	<b>√</b>	✓	<b>✓</b>			
unit	<b>✓</b>	<b>√</b>		<del>  </del>		
Unit	· · ·	<b></b>			- <del></del> -	
Utility Installations - outlets only	<b>4</b>	✓	<b>V</b>			·
Utility Installations - except outlets				<b>*</b>	✓	✓
Vertical Supports				<b>√</b>	1	4
Washers and Dryers	1	✓	1			
Water Heaters	V	1	1	<u> </u>		
Windows	<i>V</i>	1	·			
Window Boxes	7	<b>√</b>	~			
Window Frames and Equipment	1	1	✓			
Wires - within and servicing unit only	<b>√</b>	<b>√</b>	<b>✓</b>			
Wires - all except within and/or servicing unit				Unless maintained by Utility Co.	<b>V</b>	<b>~</b>
II. Common Area a	na Exterio	r Compone	กรร	· · · · · · · · · · · · · · · · · · ·	<del> </del>	
Bearing Walls				<b>V</b>		
Chutes				<b>V</b>	<b>√</b>	
Columns				· ·		<b>√</b>
Common Area				<b>/</b>		✓
Common Recreational Facilities				<b>*</b>	✓	✓
Common Area				1	<b>√</b>	<u> </u>
Landscaping				*	*	•
Common Area Plumbing,	j					
Electrical, Heating, and				· /	✓	✓
Lighting	1	Į				1
Conduits				<b>√</b>	<del>/</del>	<b>4</b>
Drainage Facilities and	<del></del> -			1	<b>√</b>	
Easements		<del>Order: HJ</del>	HSHTQ4:	7		···· <del></del>
Ducts		Artonee f	294A-W-A	- arsnia St	Init 205	<b>-</b> ✓
Elevators		Audress. L	20 10 00	arson St.L	/III 4/00	✓

Order Date: 01-05-2024 Document not for resale



#### **EXHIBIT B**

	OWNER	OWNER	OWNER	HOA	HÖA	HOA
Component	Duty to	Duty to	Duty to	Duty to	Duty to	Duty to
1	Maintain	Repair	Replace	Maintain	Repair	Replace
Gas Pipes - except outlets		<u> </u>		1	<b>/</b>	<b>√</b>
in units					<b>,</b>	ļ v
Landscaping				<b>√</b>	<b>V</b>	<b>V</b>
Open Parking Areas				<b>√</b>	✓	<b>V</b>
Paved Surfaces			_	<b>V</b>	<b>√</b>	✓
Pests and other organisms - monthly treatment and eradication programs to common area				<b>*</b>	<b>~</b>	~
Private Driveways				<b>√</b>	<b>/</b>	7
Private Sewer Lines				1		- ·
Private Storm Drains				1	<u> </u>	
Private Streets		<u></u>			· ·	<b>V</b>
Private Street Lighting				· ·	<b>✓</b>	/
Systems				, v	•	•
Private Walkways				<b>V</b>	7	~
Roofs				<b>V</b>	<b>4</b>	✓
Sauna				7	1	1
Sewer Pipes				1	<b>V</b>	1
Slabs				✓	<b>√</b>	<b>*</b>
Spa				<b>*</b>	<b>√</b>	<b>√</b>
Stairways				<b>V</b>	<b>/</b>	1
Storage Spaces				<b>V</b>	<b>✓</b>	<b>-</b>
Street Lights				<b>V</b>	<b>√</b>	✓
Streets, Pavements &		-		1	<b>√</b>	<b>√</b>
Walks						
Swimming Pool				·	<u> </u>	<u> </u>
Swimming Pool Area,				/	<b>√</b>	/
Furniture, and Equipment				<u>_</u>	·	<del>-</del>
Termites and Wood				· · · · · · · · · · · · · · · · · · ·		
Destroying Pests -				· /	1	/
treatment and eradication	}		}	· ]	•	<u>-</u>
program	<u>l</u> 1					
Walkways				<b>√</b>	1	
Waste Pipes - except				<b>✓</b>	<b>√</b>	1
outlets located in units						<u> </u>
Water Pipes - except		- ·		<b>~</b>	<b>√</b>	✓
outlets located in units						_
Whirlpool				<b>√</b>	✓	<b>*</b>

Note: The Association shall maintain, repair and replace sewer, water, telephone, plumbing and electrical lines located under or within the Common Area, including said lines within the walls of the Units. However, the cost to maintain, repair and replace any such lines, when servicing only one Unit, shall be assessed to the Owner of the Unit that is so serviced and the cost of which shall be deemed a Special Individual Assessment. (CC&Rs, Section 9.1(A).)

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

# Financial Statement Review (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

This document is currently either not available or not applicable for this association.

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Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

# Insurance Dec Page (Non Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



#### CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY) 06/06/2023

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.

PRODUCER				CONTACT NAME:	John Olsen		
State Farm	John Olsen			PHONE (A/C, No, Ext)	: (310) 373-0079	FAX (AC, NO): (310	0) 373-7740
	22730 Hawthorne Blvd Ste 200			E-MAIL ADDRESS:	john.olsen.b8gi@statefarm.com		
0				PRODUCER CUSTOMER I	D		
	Torrance,	CA	90505-3690		INSURER(S) AFFORDING COVERAGE		NAIC#
INSURED				INSURER A :	State Farm General Insurance Compa	ny	25151
	MERIT CARSON OWNERS ASSN			INSURER B :			
	C/O PARTNERS COMMUNITY MGMT 1107	FAIR O	AKS AVE # 10	INSURER C :			
				INSURER D :			
				INSURER E :			
	S PASADENA,	CA	91030-3311	INSURER F :			

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
REFER TO ACORD 101.

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.

NSR _TR		TYPE OF IN	SURANCE	POLICY NUMBER		POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
		PROPERTY					BUILDING	\$
	CAL	JSES OF LOSS	DEDUCTIBLES				PERSONAL PROPERTY	\$
		BASIC	BUILDING \$1,000.00				BUSINESS INCOME	\$ SEE ACORD 101
		BROAD	CONTENTS	-			EXTRA EXPENSE	\$ SEE ACORD 101
		SPECIAL		02.04.8780.0	05/03/2023	05/03/2024	RENTAL VALUE	SEE ACORD 101
Ī		EARTHQUAKE	20	92-04-8780-9	05/03/2023	05/03/2024	BLANKET BUILDING	\$ \$16,999,400
Ī		WIND					BLANKET PERS PROP	\$
		FLOOD					BLANKET BLDG & PP	\$
Ī								\$
Ī								\$
		INLAND MARINE		TYPE OF POLICY				\$
İ	CAL	JSES OF LOSS						\$
İ		NAMED PERILS		POLICY NUMBER				\$
İ								\$
		CRIME						\$
	TYF	PE OF POLICY						\$
								\$
		BOILER & MACH						\$
İ		EQUIPMENT BR	EAKDOWN					\$
								\$
							1	\$

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
REFER TO ACORD 101.

CERTIFICATE HOLDER		CANCELLATION
		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
PARTNERS COMMUNITY MGMT 1107 Fair Oaks Ave # 107	Order: HJF	AUTHORIZED REPRESENTATIVE
S Pasadena,	CA 91030-3311	IF SIGNATURE IS REQUIRED, PLEASE CONTACT AGENT.

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AGENCY CUSTOMER ID:	
LOC #:	



#### ADDITIONAL REMARKS SCHEDULE

Dogo	1	۰£	1
Page	ı	of	- 1

NAMED INSURED
MERIT CARSON OWNERS ASSN
CODE
1 EFFECTIVE DATE: 05/03/2023

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARI	KS FORM IS A SCHEDULE TO ACORD FORM.
FORM NUMBER: 24	FORM TITLE: Certificate of Property Insurance

#### **Unit Owner:**

PARTNERS COMMUNITY MGMT - 1107 Fair Oaks Ave # 107 - S Pasadena, - CA - 91030-3311 - Unit Loan Number:0 - Number Of Units: 0078

**Association Type:** Residential Community Association Policy

#### Forms, Options and Endorsements:

#### Forms, Options and Endorsements:

CMP-4101	Businessowners Coverage Form	CMP-4814	Dir & Officers \$2,000,000
CMP-4719.1	Earthquake Volcanic Eruption	FE-6999.3	Terrorism Insurance Cov Notice
CMP-4696	Residential Community Assoc	CMP-4710	Emp Dishonesty \$50,000
CMP-4508	Money and Securities	CMP-4705.2	Loss of Income & Extra Expense
CMP-4260.1	Amendatory Endorsement-Ca	CMP-4261	Amendatory Endorsement

#### Coverages:

Business Liability	\$1,000,000
Medical Payments	\$5,000
Products-Completed Operations	\$2,000,000
General Aggregate	\$2,000,000

#### Coverage

Unless otherwise endorsed, this policy provides replacement cost coverage on described property and common areas detailed within the Association Covenants, Conditions, and Restrictions (CC&Rs) including the following types of property within a unit, regardless of ownership:

1. Fixtures, improvements and alterations that are a part of the building or structure; and

2. Appliances such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

Replacement cost coverage is subject to the terms and conditions of the policy and any endorsements.

Coverage under this policy may have been modified to provide actual cash value coverage rather than replacement cost coverage, or to remove specified property from coverage, if any endorsement containing in its title "ACV" or "Actual Cash Value," or "Additional Property Not Covered" is identified on this Certificate of Insurance.

Endorsements: FE-3650, FE-3653, FE-3658, and FE-3659 (Actual Cash Value) - These endorsements describe what the term "actual cash value" means where used in the policy. *However, these endorsements do not change any replacement cost coverage provided by the policy.* 

This policy provides coverage on a standalone/individual condominium association.

#### **Commercial General Liability**

State Farm refers to this coverage as Business Liability Coverage. Coverage amount shown is Per Occurrence.

#### Loss of Rents, Loss of Income and Extra Expense

If this coverage is shown, limits are "Actual Loss Sustained". Contact the agent to confirm the number of day's coverage.

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024

## Operating Rules (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

### MERIT CARSON HOMEOWNERS ASSOCIATION RULES AND REGULATIONS

### Revised and Adopted at the October 11, 2021 Board of Directors Meeting

In accordance with Article IV, Section 4 of the Covenants, Conditions and Restrictions ("CC&RS") of Merit Carson Homeowners Association, the Board of Directors of the Association have drafted these Rules and Regulations ("Rules") for all Owners, tenants, residents, guests and invitees. The Board has determined that these Rules are reasonable and necessary for the proper management of the Association. These Rules are in addition to previously adopted Rules relating to Election Procedures, Recreation Room and Garden Plots, which are attached as separate sections.

If any provision of these Rules conflicts or is inconsistent with any provision of the Association's Articles of Incorporation, CC&Rs or Bylaws, the latter shall govern.

If there are any infractions of any of the rules contained within, the responsible party may be fined as per Rules Enforcement and Fine Schedules outlined in the below rules.

#### **DEFINITIONS**

- 1. **Resident** Any person living at Merit Carson.
- 2. **Owner** Any person owning a unit at Merit Carson.
- 3. **Guest** Any person visiting a Unit Owner, tenant or resident.
- 4. **Common Area** All areas outside the interior walls of each unit.
- 5. **Fire Lanes** Driveways in garage areas of Merit Carson.

#### **BOARD OF DIRECTORS**

The Board of Directors ("Board") is made up of five Homeowners All Board members are unpaid volunteers who give of their time to govern Merit Carson Homeowners Association ("the Association"). The Directors are neither employees nor on-site managers. They are your neighbors who are helping to protect your investment and to make Merit Carson a pleasant place to live. No Owner, tenant, resident, guest or invitee shall harass any Board member.

#### MANAGEMENT COMPANY

The Management Company is an independent contractor retained by the Association. The Management Company, under the ultimate supervision of the Board of Directors, runs the day to day operations of the Association. Owners shall direct all requests to the Management Company. No Owner, tenant, resident, guest or invitee shall interfere with work being conducted by the Management Company, nor shall any Owner, tenant, resident, guest or invitee harass any employee or agent of the Management Company. All requests or complaints made to the Management Company shall be followed up in writing, giving complete details and explanation of the concern.

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#### **RULES OF CONDUCT**

- 1. Smoking is prohibited in all common areas where signs are posted, such as the laundry rooms. Smoking within the interior of a Unit is permitted; provided however, that any such smoking within the interior of a Unit must not unreasonably interfere with, annoy or disturb any person within another Unit, within a Restricted Common Area, or on the Common Area. For purposes of this Rule, "smoking" shall include inhaling, exhaling, burning or having in one's possession: i) any lighted tobacco product, or ii) any other lighted item giving off smoke and/or an odor.
- 2. Noise within the complex must be maintained at a reasonable level at all times. Nothing shall be done (including but not limited to playing of TVs, radios or sound systems) within the complex which unreasonably interferes with, unreasonably annoys, or unreasonably disturbs any resident. Unreasonably loud talking, intimidating behavior, or threatening behavior is strictly prohibited anywhere within the complex.
- 3. There shall be no slamming of interior or exterior doors.
- 4. Everyone shall observe common courtesy with respect to interactions with persons within the complex.
- 5. No person shall litter the Common Area, nor shall any person sweep litter into the Common Area.
- 6. No person shall store or use flammable or explosive substances or articles anywhere within the complex, including within their own units, in Common Areas, on patios, in carport spaces or in carport storage cabinets.
- 7. All persons shall comply with all governmental orders, laws, ordinances and statutes with respect to the occupancy and/or use of any Unit, Restricted Common Area, and the Common Area. No person shall do anything within their Unit, within the Restricted Common Area, or within the Common Area which is unsightly, which causes damage or injury to another person, which causes damage to real or personal property, or which is or is likely to become a safety hazard.

#### **OWNER'S RESPONSIBILITIES**

1. Each Owner is responsible for all damage to Association real or personal property which is caused by said Owner's actions and omissions, which is caused by the actions and omissions of said Owner's guests, tenants and invitees, which is caused by the actions and omissions of any resident in said Owner's Unit, or which is caused by the actions and omissions of any other

person who is allowed on the complex with said Owner's express or implied permission or with the express or implied permission of any tenant in the Owner's Unit.

- 2. Each Owner must provide the Management Company in writing with their home address (if the Owner is not residing in the complex), with their home and business telephone numbers, with their emergency telephone number, with their email address, as well as with the names, home and emergency telephone numbers, and email addresses of all tenants in the Owner's Unit. Each Owner must notify the Management Company immediately in writing of any changes to any of the foregoing information.
- 3. Each Owner shall keep their carport cabinet doors closed when not in use in order to prevent any accidents.
- 4. Unacceptable exposed window coverings include, but are not limited to, coverings which are constructed from materials such as newspapers, blankets and foil.
- 5. Each Owner is responsible for their respective water heaters, heater units, and mail box lock/keys.

#### ARCHITECTURAL

- 1. Subject to CC&R Article III, absolutely no changes, alterations, additions or modifications to the Common Areas, landscaping, exterior surfaces of the building and/or in carport spaces shall be made by person or persons without the Board's prior written approval of the plans and specifications.
- 2. Subject to CC&R Article III, no changes, alterations, additions or modifications to the plans and specifications approved in writing by the Board pursuant to paragraph 7 herein may be made without the prior written approval of the Board.
- 3. Subject to CC&R Article III, any changes, alterations, additions or modifications which are made to the Common Areas, landscaping, exterior surfaces of the building and /or in carport spaces pursuant to paragraph 7 without the Board's prior written approval may result in restoration of said areas to their original condition at the Unit Owner's expense.
- 4. Changes, alterations, additions or modifications made to the Common Areas, landscaping, exterior surfaces of the building and /or in carport spaces which were made pursuant to paragraph 7 must be inspected by the Board or its appointee upon notification of completion.

- 5. Fencing Guidelines Requests to install any type of fencing in exclusive use or common areas must be presented in writing to the Board for review and approval prior to installation. The request must include sufficient information for the Board to determine that the requested fence will match existing fence (style, color: white, material: vinyl fencing), etc. Specifications, and vendor information (such as license and insurance) will need to be provided.
  - If patio is to be enclosed completely, an unlocked gate must be installed to allow access for landscaping and other common area maintenance. Owners are responsible for paying for all materials and labor.
- 6. Security Doors The installation of security doors requires prior written Board approval. Going forward, Security doors shall be black in color.

#### **GENERAL RULES**

- 1. Absolutely no washer/dryer machines shall be installed inside any unit, other than the units over the carports and those without a bottom unit underneath that have been specially plumbed to accommodate such fixtures.
- 2. Absolutely no fireplaces shall be installed or placed inside or outside of any Unit.
- 3. Absolutely no hot tubs, Jacuzzis, or spas shall be installed or placed inside or outside of any Unit or within any Restricted Common Area.
- 4. No television/radio antennas or wires or similar equipment (except Board approved cable TV wires and equipment) will be allowed on the Common Area without the Board's prior written approval.
- 5. No satellite dishes, wires or equipment may be installed or placed on or through any Common Areas without the Board's prior written approval.
- 6. No painting of the building exterior, its trim, fences, rails, or fixtures is allowed without the Board's prior written approval.
- 7. Subject to Article III, Section 8, no soliciting or advertisements, other than "For Sale" or "Open House" signs, may be placed in the unit window or by the Common Area entrances.
- 8. No solicitation or peddling is permitted on the complex.
- 9. Balcony areas by the fire doors must be kept clear of obstruction to enable clear access and escape in case of fire and other disasters.

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205

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10. Patios and balconies only shall be furnished with usual and customary outdoor items, including, but not limited to barbecues, patio chairs, chaise lounges, patio tables and playpens (all of which must actually be in use for their designed purpose), living plants in pots or planter boxes, and door mats (approximately 2' x 3'). No planters or potted plants shall be placed on top of railings.

#### **COMMON AREAS**

- 1. Anything visible from the Common Area that is unsightly is not permitted.
- 2. No part of the Common Area can be used for storage, except in storage units on patios or balconies. Two storage units are allowed per unit, not to exceed these dimensions: Vertical 36" x 18" x 72", or Horizontal 36" x 48" x 28", and not attached to the building.

- 3. No drying of laundry shall occur on railings or furniture, nor on drying apparatus visible from the street or Common Area, other than on clotheslines that are provided in the Common Area behind the carports.
- 4. Common Area walkways, stairways and driveways, must not be obstructed or used for any other purpose than for entrance and exit.
- 5. Garage/lawn sales are not allowed.
- 6. No person shall interfere with the lighting fixtures, equipment or wiring which is located within the Common Area.
- 7. No person shall interfere with the Common Area sprinkler control system.
- 8. No person shall be allowed on the roof without the prior written consent of the Association. All repairs and inspections of any roof must be done by licensed and bonded companies hired by the Board.
- 9. No freezers, refrigerator, appliances, boxes, furniture and/or toilets shall be placed in the carports, nor be abandoned by the trash dumpsters or recycling bins.
- 10. Use of Common Area electricity is strictly prohibited by any Owner, resident, tenant or guest or by any invitee of an Owner, resident, tenant or guest.
- 11. No spray painting is allowed in the driveways, parking spaces, or any other portion of the Common Area.
- 12. Equipment and other personal property which is owned by the Association cannot be removed from the Common Area.
- 13. No one shall litter or store items, including trash bins, in the Common Areas, balconies, patios or parking spaces, nor shall they cause any obstruction therein.
- 14. For safety reasons, no games which use a ball, including but not limited to football, baseball, or handball, can be played on any portion of the Common Area.

#### BICYCLES AND OTHER PERSONAL PROPERTY

1. For safety reasons, bicycles, skateboards and similar items shall not be used on the walkways or driveways. Absolutely no "jump ramps" may be constructed in the Common Area.

Order: HJHSHTQ4Z Address: 2940 W Carson St Unit 205

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- 2. No bicycles, skateboards or other items of personal property shall be left unattended upon or obstruct the walkways, driveways, or planter areas.
- 3. Bicycles, tricycles and other items of personal property may not be chained to the trees, mailboxes, fences, posts inside the carports and other common structures. All bicycles and tricycles may be chained to the bike racks located by the recreation room; otherwise, they must be stored inside of a Unit.

#### **MOTOR VEHICLES**

- 1. No vehicle shall exceed the 5-miles per hour speed limit.
- 2. No vehicle horn blowing (except in an emergency), racing of vehicle engines or letting engines idle excessively shall take place in the carport area.
- 3. No vehicle painting in the carports is allowed.
- 4. Vehicles may not be washed inside the carports, on the driveways or on the entry gate entrances to the carport areas.
- 5. Motor vehicles may not be used to store items of personal property, including but not limited to hazardous materials, inflammable materials, old wood or junk.

#### PARKING – CARPORT AREA

- 1. Each unit has their assigned parking space(s). Each resident, owner or tenant shall park their vehicles in their assigned spaces only.
- 2. Owners must not permit their guests, tenants, or members of their respective family to use parking spaces of other Units.
- 3. No vehicle shall be parked in such a manner as to impede or prevent access to another owner's parking space or any access to trash bins, driveway, or other portion of the Common Area.
- 4. Residents, owners and tenants, as well as their guests and invitees, must obey all parking regulations and parking signs.
- 5. Subject to applicable law, vehicles parked in the fire lanes may be towed at the owner's expense.
- 6. Vehicles and motorcycles may not park on the driveways. Guests should be directed to park on the street.

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- 7. No vehicle shall be left standing in a parking space in a non-operative and/or unregistered condition for more than 30 days.
- 8. Parking spaces shall be kept free of trash, personal property and other obstructions. For safety reasons, each Owner must keep their parking spaces clean of waste buildup, including oil and grease. All personal storage items (non-hazardous) should be secured in carport storage cabinets.
- 9. Dumping of litter bags, storage cans, storage drums and appliances, such as refrigerators and televisions, in the carport area is prohibited.
- 10. There shall be no recreational activities in the carport area. The carport area shall be used for its intended purpose only (e.g., bike riding, skateboarding, exhibition riding or pleasure riding are prohibited activities).
- 11. No flammable substances are to be stored in the carports or any other portion of the Common Areas at any time. Subject to applicable law, the Board or its designee shall be entitled to inspect any item in the carport or on the Common Area for the purpose of enforcing this Rule.

#### **LANDSCAPING**

- 1. Residents may not interfere with, add, remove or alter in any way the Common Area landscaping without prior written Board approval. All landscaping requests shall be made to the Association's Management Company. Any such planting that is so approved by the Board shall automatically become the property of the Association and will be maintained by the Association.
- 2. Any resident may utilize pots on their respective patio or balcony for gardening purposes without Board approval. All such potted plants should be placed on or within a protective stand, and will be cared for by the applicable resident.
- 3. No resident shall climb upon or abuse any of the Common Area trees, shrubs or plants.
- 4. Board-approved changes to the Common Area may be rescinded if the change creates a problem or a financial burden to the Association.

#### **REFUSE**

1. The scheduled trash pick-up days for the Association are Monday, Wednesday and Saturday mornings. Recycling bin pick-up day is Wednesday.

- 2. Disposal into the dumpster of electronic items, including but not limited to televisions, monitors, computers and printers, as well as items such as batteries, halogen bulbs and fluorescent tubes are strictly prohibited. Disposal of all items into the dumpster should strictly comply with federal state and local laws.
- 3. All trash shall be placed inside the dumpster and not alongside it. All containers and plastic bags must be tightly closed to avoid spillage and odors. Clean up of broken or spilled bags/containers is the responsibility of the resident.
- 4. Expenses incurred by refuse being left in the Common Area will be charged to the offending Owner.

#### **PETS**

- 1. For purposes of this section, "pet" shall mean domesticated birds, cats and dogs. No more than one cat or one dog per Unit shall be allowed, in addition to small quiet birds kept in cages, and aquatic animals within an aquarium. Any pet which is kept within a Unit shall not weigh more than 35 pounds.
- 2. No other animals other than ordinary household pets and aquatic animals within an aquarium shall be allowed in the complex. All animals brought onto the complex are the responsibility of the applicable Unit Owner.
- 3. No animal within the complex shall be a nuisance, shall make excessive noise, or shall unreasonably annoy or disturb any other person.
- 4. All dogs shall be kept on a leash and under control at all times while in the Common Areas. The City of Torrance leash law applies to dogs inside the complex.
- 5. Cats are not allowed to roam free in the complex.
- 6. Dogs and cats may not be left tied up on ropes or leads in front of Units, or left unattended on patios or balconies at any time.
- 7. Pets should not be taken into the laundry rooms or recreation room.
- 8. Pets should not be allowed to relieve themselves on the Common Area at any time. Pet potty/training pads are not allowed on the patios, balconies or Common Area at any time. Pet owners are responsible for, and required to, clean up immediately when accidents occur.
- 9. Pet waste must be securely bagged and discarded only in the dumpsters, and not in the laundry room trash container.

- 10. Pet litter and litter box sand may be discarded in the dumpster on trash day provided it is double plastic bagged and tightly closed to avoid spillage and odors.
- 11. Each animal owner and the applicable Unit Owner will be jointly responsible for any damage the animal causes to the Common Areas, including but not limited to damage to the buildings, landscaping, fences and Association personal property.
- 12. Animals must be kept free of fleas, parasites and other infectious diseases.
- 13. Any violation of these pet rules may result in revocation of the privilege to keep any pet within the complex, revocation of the privilege to keep a particular pet within the complex, as well as all other appropriate orders, fines, suspensions and other civil judicial remedies.

#### **LAUNDRY ROOM RULES**

- 1. Laundry room operating hours are 7:00 a.m. to 10:00 p.m. Monday through Sunday.
- 2. Cleanliness of the laundry is the responsibility of each person who is using the laundry room facilities. All spills must be cleaned up immediately. All instructions posted on the laundry common board must be followed.
- 3. Common courtesy shall be observed at all times with respect to other residents. Leave your laundry basket on top of the machine you are using. If your cycle ends and someone else wants to use the machine, they can remove your clothes and put them in your basket.

#### **SALE OF A UNIT**

- 1. Owners must give their selling agent a copy of these Rules at the time the listing agreement is executed, and are responsible for their agent's compliance with these Rules.
- 2. "For Sale" signs are prohibited on the Common Area, unless the Board has given its prior written approval. One (1) uniform "Open House" sign will be allowed in front of the building. If more than one unit is having open house, all Units shall share the single sign. During the Open House, each unit may have one sign near its door directing Open House traffic to the Unit. No "For Sale" or "Open House" flags, banners or posters shall be permitted at any time on the Common Area.

- 3. Lock boxes are permitted only near the front entry door of each Unit. Any damage or injury resulting from the use of the lock box is the responsibility of the Unit Owner. Lock boxes must be removed by the applicable Unit Owner after the escrow has been opened.
- 4. Each Owner must inform the Management Company in writing immediately upon the opening of escrow.

#### **LEASE OF A UNIT**

- 1. "For Rent" signs are prohibited on the Common Area, unless the Board has given its prior written approval. No "For Rent" flags, banners or posters shall be permitted at any time on the Common Area.
- 2. Each Owner must furnish a copy of the current Association Governing Documents, including the Rules and Regulations, to every new tenant immediately upon the tenant's taking possession of the Unit. The Owner is responsible for their tenant's full compliance with the Governing Documents, including the Rules.

#### **MOVE IN CHARGE / MODIFICATION CHARGE**

- 1. The cost to repair, replace or restore damaged Association real or personal property which was caused by moving in or moving out of a Unit shall be paid for by the Owners of the Unit which is subject to the move.
- 2. Any Management Company retained by the Association is authorized to charge the unit owner for any incurred costs related to new resident administrative expenses.

### SCHEDULE OF FINES AND MONETARY PENALTIES

Description of Violations	Fine/Monetary Penalty
Each governing document violation constituting an actual	<b>Up to \$200.00</b> (at the
or potential threat to life or safety	discretion of the Board
	of Directors)
First violation of any governing document provision	<b>Up to \$100.00 (at the</b>
(other than any violation involving an actual or potential	discretion of the Board
threat to life or safety)	of Directors)
Second violation of same governing document provision	Up to \$150.00 (at the
(other than any violation involving an actual or potential	discretion of the Board
threat to life or safety)	of Directors)
Third violation of same governing document provision	Up to \$200.00 (at the
(other than any violation involving an actual or potential	discretion of the Board
threat to life or safety)	of Directors)
Additional (after third) violations of same governing	Up to \$250.00 (at the
document provision (other than any violation involving an	discretion of the Board
actual or potential threat to life or safety)	of Directors)
Continuing violations of any governing document	Up to \$20 per day (at
provision	the discretion of the
	<b>Board of Directors</b> )

# Rental Restrictions (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale



### Merit Carson Homeowners' Association Managed by Partners Community Management

#### D. Disclosure and Accounting of Reserves Borrowed for Litigation

As required by Civil Code section 5520, we are disclosing that the Association has not, as of the date of this document, made a decision to transfer funds temporarily from the reserve fund as provided in Civil Code section 5510(b). If any such transfer would be made, a quarterly accounting of the expenses of litigation is available for inspection by members of the Association at the Association's office upon reasonable advance notice.

#### E. Disclosure of Rental Restrictions

AB 3182 effective January 1, 2021 limits the ability of Homeowners Association to restrict rentals, except for the following: 1) HOA can still limit rentals not to exceed 25% of the total number of units in a community and; 2) HOA can still prohibit rentals of less than 30 days and/or for hotel and transient purposes.

#### F. Disclosure of Senior Community Status

As provided by Civil Code section 4525, this is your notice that there are no restrictions in the governing documents limiting the occupancy, residency, or use of a separate interest on the basis of age.

#### III. Optional Disclosures

#### 1. Architectural Modifications for Persons with Disabilities.

Apparent Architectural Violations or other Alleged Violations of our Governing Documents May Not Be Violations Due to Compliance with the Federal Fair Housing Act and/or the California Fair Employment and Housing Act.

Occasionally residents may see something that appears to be a violation of our governing documents and rules. Appearances can be deceiving! Sometimes what seem to be "violations" are, in fact, "accommodations" required by law to be given to disabled residents. This is necessary to give disabled residents an equal opportunity to use and enjoy the premises. Please recognize that some disabilities may not be apparent just by looking at the person who has a disability. Also, the type of architectural change made may seem as if it is unrelated to any form of disability, but that is because there are so many different types of disabilities that require many different types of accommodations. These accommodations should not be interpreted as meaning the Association is not serious about enforcing community standards and rules, only that the Association is mindful of its legal duty to comply with disability protection laws.

You probably already know from your dealings with doctors and pharmacies that they are required to be very protective of each patient's medical information. Article I, Section 1 of the California Constitution also includes a personal right to privacy. Thus, even if you ask about an apparent architectural or other violation, we may not be able to tell you very much, if anything, about it. About all we can say is that we are aware of it, and the Association authorized it to make an accommodation required by law. We trust you will understand. If you have questions about this issue, please contact management.

Order: HJHSHTQ4Z

# Special Assessment (Required Civil Code Sec. 4525) Merit Carson Homeowners' Association

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205

Order Date: 01-05-2024 Document not for resale

This document is currently either not available or not applicable for this association.

\*\*\*\*REMAINDER OF PAGE LEFT INTENTIONALLY BLANK.\*\*\*\*

Order: HJHSHTQ4Z

Address: 2940 W Carson St Unit 205