

November 15, 2024

San Lorenzo Community Homeowners Association
Board of Directors

2025 Annual Budget, Reserve Study, Information, and Disclosures

San Lorenzo Community Homeowners Association, Yorba Linda

Dear Homeowners:

Please find the enclosed 2025 San Lorenzo Community Homeowners Association (Corporation) Disclosure Statements, Annual Budget, and Reserve Study Executive Summary for your review and use.

The Association is increasing the 2025 monthly operating and reserve budget assessments by 20% to provide a balanced Association budget which covers projected increases in inflation, utility rates, insurance costs, and partially funds reserve replacement fund requirements. A 5% special assessment for reserve roof replacement funding is included. Assessments for 2025 are:

- Monthly Association assessment per unit = \$592.87
- Annual special assessment per unit = \$355.72
 - This assessment may be paid in one payment of \$355.72
 - This special assessment may be paid in 12 monthly installments of \$29.64

A dramatic 198% increase in cost for the Association's master insurance policy forced the board of directors to impose an emergency special assessment of \$134,432.71. The Board had to borrow \$202,047.71 from the Reserve Replacement Fund to pay the insurance premiums upon signing the policy agreements. The Reserve loan must be repaid by October 31, 2025, consistent with State law requirements to repay Reserve loans within 12 months. The emergency special assessment per unit is:

- One time per unit assessment of \$772.60
 - This assessment may be paid in one payment of \$772.60
 - This assessment may be paid in 10 monthly installments of \$77.26
 - This assessment must be completely paid prior to October 31, 2025

The Board began the process of bringing assessments in line with Operational and Reserve budget spending projections under California law in 2021, and made additional adjustments in 2022, 2023, and 2024 to ensure the community is funded for regular, planned Reserve infrastructure maintenance.

Over the course of 2024, it became known that the current cost to replace the defectively constructed and unfunded roofs ranges from \$4.5 to \$6.0 Million and will take approximately three years to complete once started. Since 2017, the Association has spent more than \$560,000 on roof related repairs to our buildings. Additionally, the wildfire risk to the Community may force the Association to remove trees, install ember resistant building

dormers and install ember resistant gutter guards to increase resilience to the wildfire threat from the Chino Hills.

The 2025 annual Reserve Study identified an approximate \$5 Million shortfall in Reserve Funding and recommended sending a vote to the membership requesting approval of a \$1,131,000 special assessment (\$6,500 per unit) to address Reserve underfunding and borrowing over many years. The board is reviewing the procedures to bring this to the membership for a vote. In 2025, the Association will only be able to fund the Reserve at approximately 69.5% of the recommended level \$65,500 per month.

Protecting your investment

During 2024, the Association:

- Repaired a significant number of leaking roofs and damage to owners' units.
- Repaired or replaced additional rotted ground level back yard gates
- Made additional repairs to fire sprinkler system monitoring and control systems where old components are failing with age.
- Continued negotiations with the City Building Department on stucco construction defect repair project to enable a restart of the repairs.
- Completed the replacement of more than \$100,000 in dry rotted or termite damage wood components across the 45 residential buildings and Clubhouse area.
- Completed most of the community-wide re-painting project as scheduled in the Reserve Study to protect stucco, wood, metal, and concrete board siding.
- Completed repairs in areas of potential slope failures on the Association's Black Gold Golf Course 15th Fairway.
- Completed pool deck repairs and refreshed the pool deck seal to extend its life
- Completed mandatory California Civil Code §5551 elevated structure (deck) inspections prior to January 1, 2025, deadline and reviewed the licensed engineer's report that identified almost \$300,000 in needed repair work.

During 2025, the Association will:

- Complete building repairs on opened buildings and repair remaining buildings with severely degraded and rusting galvanized sheet metal exposing wood framing.
- Conduct limited repairs required from the elevated structure engineering report. The board will evaluate funding availability for all recommended maintenance.
- Evaluate funding for deferred maintenance in the community and prioritize repairs and replacement of components commensurate with funding and safety requirements.
- Take actions required by insurance underwriters to improve Community wildfire hardening and resilience to wildfires.

Deferred Maintenance, Repair, or Replacement:

When an Association defers maintenance, repair, or replacement of components and infrastructure, this is considered a liability against the Association. Since 2021, the Association has been working to catch up on the repair, replacement, maintenance, and refinishing of failing and beyond end-of-life infrastructure components leaving fewer items for future year repair or replacement. The Association has completed more than \$2,579,798

in scheduled and unscheduled maintenance, repair, or replacement of reserve component items including work on repairing defectively constructed buildings.

The Association is currently deferring more than \$300,000 of required maintenance (\$1,724 per unit) to preserve limited Reserve Replacement Funds for the most urgent tasks. All Reserve repairs, replacements, or refurbishment will be reviewed by the board and approved on an urgency of need and case by case basis. Fannie Mae and Freddie Mac underwriting of home loans (approximately 70 percent nationwide) require associations to report accurately any deferred maintenance. This is an outcome of not only the condo building collapse in Florida but other major losses in poorly maintained condominiums nationwide.

We look forward to working with all owners and residents in 2025 to keep the San Lorenzo Community a place of beauty and a great place to live.

Sincerely,

San Lorenzo Community Association Board of Directors

SAN LORENZO COMMUNITY ASSOCIATION

San Lorenzo Community Association Required Disclosure Statements

2025 Operating Budget: effective January 1, 2025, please find the enclosed budget for the period January 1, 2025 - December 31, 2025.

- 1. The monthly dues will increase to \$592.87 per home per month.**
- 2. An annual special assessment of \$355.72 per unit, the annual special assessment may be paid over 12 monthly installments of \$29.64.**
- 3. An emergency special assessment of \$772.60 per unit, the emergency special assessment may be paid over 10 monthly installments of \$77.26.**

Interim HOA Fees This budget, as approved by the Board, is based upon anticipated costs for the next year. California Civil Code allows Board of Directors, without a vote of the membership, to increase HOA fees up to 20% over the annual HOA fee of the prior year and to impose a 5% special assessment of the current year's budgeted annual expenses. If the budget as adopted is insufficient to meet the association's actual expenses, the board reserves the right to make an interim adjustment in the HOA fees, up to the annual limits allowed by civil code.

Special Assessment At the present time, the Board will be assessing an annual special assessment and emergency special assessment, please see the schedule above.

Cash Position As of October 31, 2024, there was \$98,089.05 in operating cash and \$1,557,252.99 in reserves.

Reserves The reserves will be funded at \$61,410.72 per month. A copy of the most recent reserve study summary is enclosed. This reserve study estimates that the reserves are currently 26.4% funded and recommends funding next year of \$65,500.00 per month. Also enclosed is the "Assessment and Reserve Study Funding Disclosure." The full reserve study and funding plan is available to any member upon request.

Reserve Funding Plan, Special Assessment The Board of Directors is assessing a special assessment as part of the Reserve Funding Plan. The reserve funding plan is attached.

Delinquency Policy The delinquency policy is enclosed. Please refer to the Association's CC&Rs for additional information.

Schedule of Fines for Violating Governing Documents or Association Rules The policy regarding fines is outlined in the "Rules and Regulations."

Security Disclaimer Members should notify the Association of any dangerous or insecure areas. Residents are reminded that they are responsible for the safety and security of their property and their persons and should not rely on the Association. It is hoped that the systems to limit access to the property provide some deterrence to crime. However, no matter what steps are taken, property can never be completely safe and secure. For

example, it is possible for someone to enter the property under false pretenses to commit crimes, for residents to commit crimes against their own neighbors, for guests of residents to commit crimes. As a result, the property is not and can never be free of crime and we cannot guarantee your safety or security. Accordingly, you should NOT rely on the association to protect you from loss or harm. Instead, you should provide for your own security by taking common sense precautions such as carrying insurance against loss; keeping your doors locked; keeping your personal property secure; refusing to open the door to strangers; asking workers for identification; avoiding dangerous situations; locking your vehicles.

Internal Dispute Resolution and Alternative Dispute Resolution The California Legislature has adopted guidelines for resolution of disputes between associations and members and between members, prior to taking disputes to court. The procedures adopted by the Association are enclosed.

Overnight Payments The Association's mailing address for overnight payment of assessment is: 22722 Old Canal Rd., Ste B, Yorba Linda, CA 92887.

Written Communication The name and address of the person designated to receive official communications for the Association: StoneKastle Community Management, 22722 Old Canal Rd., Ste B, Yorba Linda, CA 92887. Association members may submit a written request to StoneKastle Community Management in order to have notices sent to up to two different addresses, to change and/or update their contact information on file, request all general notice items be provided by individual delivery, opt out of the membership list, or receive all reports in full. Written requests may be mailed to 22722 Old Canal Rd., Ste B, Yorba Linda, CA 92887, faxed to 866-575-0549 or emailed to info@stonecastle.com. (Civil Code 4040)

Secondary Address California Civil Code gives members the right to submit a request for collection notices to be sent to a secondary address. Send such request by certified mail to StoneKastle Community Management, Inc., Attn: Secondary Address request, 22722 Old Canal Rd., Ste B, Yorba Linda, CA 92887.

General Notices and Meeting Notices

General notices and meeting notices from the Association to the members will be posted at the following location in the community (Civil Code 4045): At the mailboxes Notices will also be posted on the Association website <http://myhoa.com/sanlorenzo/index.htm>
Meeting agendas are posted also at <http://myhoa.com/sanlorenzo/agendas.htm>
Meeting Minutes are posted at <http://myhoa.com/sanlorenzo/minutes.htm>

Modifications to Units and Yards

Some improvements, changes, or modifications to owner's exclusive use area require review and approval by the Association Design Review Committee. General information is

provided at http://myhoa.com/sanlorenzo/rules_regulations/arcapp.pdf . If owners have questions, they should contact the StoneKastle community manager for assistance.

Annual Policy Statement

An association may distribute a summary of the Annual Policy Statement to members. To request a full copy of the Annual Policy Statement, please send a written request to StoneKastle Community Management
Attn: Board of Directors, San Lorenzo Community Association

Federal Housing Administration Certification

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

This common interest development **is** a condominium project.

The Association of this common interest development **is** certified by the Federal Housing Administration (FHA). Certification is on file at StoneKastle Community Management.

Veteran's Administration Certification

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

This common interest development **is** a condominium project.

The Association of this common interest development **is** certified by the Department of Veterans Affairs (VA). Certification is on file at StoneKastle Community Management.

San Lorenzo Community Association Community Handbook (May 2018)

The San Lorenzo Community Association Community Handbook of May 2018 is available to members on the Association website at <http://myhoa.com/sanlorenzo/documents/misc/communityhandbook.pdf>

Association Water Intrusion Policy & Procedures (2022)

<http://myhoa.com/sanlorenzo/documents/misc/waterintrusionpolicy.pdf>

Association Newsletters

The Association mails newsletters to owners with the monthly statement. The newsletter is also posted on the website at <http://myhoa.com/sanlorenzo/newsletters.htm>

Association Certificate of Liability Insurance

The annual certificate of liability insurance required by lenders and owner's insurance companies may be found at http://myhoa.com/sanlorenzo/documents_menu.htm The Association does not carry Earthquake or Flood insurance.

- Owners are required to carry an HO6 insurance policy for their Unit.
- Tenants should be encouraged by owners to purchase a Renter's Insurance Policy.

- 2021-2022 Insurance Certificate, Policy Changes, Information, and definitions
<http://myhoa.com/sanlorenzo/documents/misc/2021insurancemailer.pdf>

- 2022-2023 Certificate of Association Liability Insurance
<http://myhoa.com/sanlorenzo/documents/misc/insurancecertificate.pdf>

Personal and Property Insurance

The San Lorenzo Community Association does not provide a security service to homeowners. Residents are empowered to install alarm services at their expense and are encouraged to contact Yorba Linda Police Services provided by the Orange County Sheriff's Office if they see a crime.

Assessments and Foreclosure Policy

The San Lorenzo Community Association Assessment and Foreclosure Policy is available in the San Lorenzo Community Association Community Handbook pages 46-48 at: <http://myhoa.com/sanlorenzo/documents/misc/communityhandbook.pdf>

Association Living Educational Information

<http://myhoa.com/sanlorenzo/education.htm>



MANAGING AGENT DISCLOSURE

In Accordance with Section 11504 of the Business & Professions Code, Agent hereby discloses the following:

1. Your community Manager Christie Alviso **is** a certified common interest development manager.
2. This manager has been certified through CACM as of February 7, 2014 and is active and in good standing.
3. This common interest manager's office location is at StoneKastle Community Management; 22722 Old Canal Rd., Unit B, Yorba Linda, CA 92887.
4. This manager doesn't hold an active real estate license.

STONEKASTLE
Community Management, Inc.

22722 Old Canal Road, Unit B, Yorba Linda, Ca. 92887 Ph: 714-395-5245 Fax: 866-575-0549



San Lorenzo Community Assoc.

Report #: 1613-0

Yorba Linda, CA

of Units: 174

Level of Service: Update "With-Site-Visit"

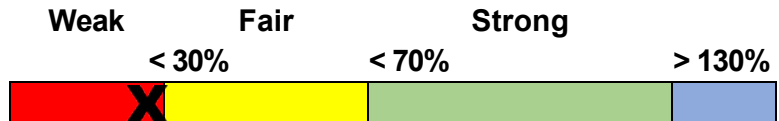
January 1, 2025 through December 31, 2025

Findings & Recommendations

as of January 1, 2025

| | |
|---|-------------|
| Projected Starting Reserve Balance | \$1,711,417 |
| Current Full Funding Reserve Balance | \$6,493,394 |
| Average Reserve Deficit (Surplus) Per Unit | \$.27,483 |
| Percent Funded | 26.4 % |
| Recommended 2025 "Monthly Full Funding Allocation" | \$65,500 |
| Alternate minimum allocations to keep Reserve above \$0 | \$58,500 |
| Recommended 2025 Special Assessments for Reserves | \$1,131,000 |
| Most Recent Reserve Allocation Rate | \$.53,135 |
| Monthly Rate of Deterioration | \$.44,632 |

Reserve Fund Strength: 26.4%



Risk of Special Assessment:

High Medium Low

Economic Assumptions:

| | |
|---|--------|
| Net Annual "After Tax" Interest Earnings Accruing to Reserves | 3.00 % |
| Annual Inflation Rate | 3.00 % |

This is an Update "With-Site-Visit", and is based on a prior Report prepared by another Reserve Study company for your 2024 Fiscal Year. We performed the site inspection on 8/28/2024.

This Reserve Study was prepared by a credentialed Reserve Specialist, Sean Erik Andersen, PRA, RS #68.

The Association is townhome style community.

The Reserve Fund is below the 30% funded level at **26.4 % funded**, which is a weak position for the fund to be in. This means that the association's special assessment & deferred maintenance risk is currently high. The objective of this multi-year Funding Plan is to Fully Fund Reserves and ultimately achieve a position of strength in the fund, where associations enjoy a low risk of Reserve cash flow problems.

Due to current project funding needs, a one-time Special Assessment of \$1,131,000 is needed.

The Deterioration rate for your Reserve Components is **\$44,632**.

Based on this starting point, your annual deterioration rate, your anticipated future expenses, and your historical Reserve allocations rate, our recommendation is to **increase** your Reserve allocations to **\$65,500, in addition to the recommended Special Assessment.**

*The Alternative Allocation rate, also called Baseline Funding will keep the Reserve Funds above \$0. This figure for your association is \$58,500, **in addition to the recommended Special Assessment.**

To receive a copy of the full Reserve Study, contact the Association.

| # | Component | Useful Life (yrs) | Rem. Useful Life (yrs) | Current Average Cost |
|--------------------------|--|-------------------|------------------------|----------------------|
| Paved Surfaces | | | | |
| 2100 | Concrete - Repair/Replace | 1 | 0 | \$2,000 |
| 2200 | Street & Walkway Pavers - Repair/Replace | 10 | 2 | \$12,000 |
| 2220 | Asphalt - Resurface | 28 | 14 | \$756,000 |
| 2230 | Asphalt - Repair/Seal | 4 | 2 | \$52,000 |
| Painting Projects | | | | |
| 2300 | Stucco - Repaint | 10 | 4 | \$192,000 |
| 2310 | Wood Surfaces - Repaint | 5 | 4 | \$322,000 |
| 2330 | Interior Surfaces - Repaint | 10 | 4 | \$8,000 |
| 2340 | Metal Surfaces - Repaint | 5 | 4 | \$191,000 |
| 2520 | Wood Surfaces - Repair | 5 | 4 | \$62,000 |
| Roofing | | | | |
| 2400 | Tile Roof - Replace | 35 | 5 | \$4,500,000 |
| 2480 | Gutter System - Replace | 35 | 17 | \$310,000 |
| Buildings | | | | |
| 2500 | Waterproof Decks - Resurface | 16 | 5 | \$450,000 |
| 2505 | Waterproof Decks - Seal/Repair | 5 | 0 | \$130,000 |
| 2510 | Elevated Structure Evaluation | 9 | 8 | \$23,000 |
| 2515 | Elevated Structure - Repair | 9 | 0 | \$218,000 |
| 2600 | Doors - Replace | 5 | 4 | \$40,000 |
| 2675 | Garage Doors - Replace | 25 | 7 | \$209,000 |
| 2750 | (2028) Major Termite Treatment | 15 | 3 | \$60,000 |
| 2750 | (2029) Major Termite Treatment | 15 | 4 | \$60,000 |
| 2750 | (2030) Major Termite Treatment | 15 | 5 | \$60,000 |
| 2750 | (2031) Major Termite Treatment | 15 | 6 | \$60,000 |
| 4820 | Fire Extinguisher Cabinet - Replace | 5 | 0 | \$14,600 |
| 4821 | Fire Extinguishers - Replace | 5 | 0 | \$10,000 |
| 4840 | Fire System 5 Year - Testing | 5 | 3 | \$55,000 |
| Clubhouse | | | | |
| 3040 | Clubhouse Tile Floor - Replace | 30 | 12 | \$40,000 |
| 3200 | Furniture/Furnishings - Replace | 20 | 12 | \$30,000 |
| 3245 | Built-in Cabinet - Replace | 30 | 12 | \$6,000 |
| 3310 | Kitchen Cabinet/Counter - Replace | 30 | 12 | \$35,000 |
| 3320 | Kitchen Appliances - Replace | 20 | 2 | \$8,500 |
| 4210 | Audio-Video Equipment - Replace | 10 | 3 | \$5,500 |
| 4570 | Water Heater - Replace | 20 | 19 | \$2,200 |
| 4600 | HVAC Systems - Replace | 20 | 2 | \$12,000 |
| 4800 | Fire Alarm System - Replace | 20 | 15 | \$8,000 |

| # | Component | Useful Life (yrs) | Rem. Useful Life (yrs) | Current Average Cost |
|---|--------------------------------------|-------------------|------------------------|----------------------|
| 5700 | Restrooms - Major Refurbish | 20 | 12 | \$50,000 |
| 5750 | Pool Shower & Walkway Tile - Re-tile | 30 | 12 | \$12,500 |
| Pool Area & Equip Room | | | | |
| 2145 | Concrete Deck Coating - Seal/Repair | 5 | 0 | \$22,400 |
| 5810 | Pool - Resurface & Re-tile | 12 | 0 | \$20,000 |
| 5812 | Pool Filter - Replace | 10 | 6 | \$2,800 |
| 5815 | Pool Heater - Replace | 10 | 0 | \$6,000 |
| 5817 | Pool Pump - Replace | 10 | 8 | \$3,000 |
| 5820 | Spa - Resurface & Re-tile | 8 | 4 | \$11,000 |
| 5822 | Spa Filter - Replace | 10 | 0 | \$2,300 |
| 5825 | Spa Heater - Replace | 10 | 7 | \$6,000 |
| 5827 | Spa Pumps - Replace | 10 | 5 | \$4,800 |
| 5848 | Chemical Controllers - Replace | 10 | 4 | \$7,000 |
| 5860 | Pool/Spa Skimmers - Replace | 24 | 0 | \$9,450 |
| 5870 | Pool & Spa Lights - Replace | 12 | 8 | \$4,500 |
| 5950 | Pool Area Mastic - Replace | 4 | 0 | \$8,000 |
| 5990 | Pool Furniture - Replace | 8 | 5 | \$25,500 |
| 6160 | Drinking Fountains - Replace | 20 | 12 | \$5,500 |
| 6210 | Gas BBQ Inset - Replace | 10 | 4 | \$6,600 |
| 6211 | BBQ Tile Counter Top - Replace | 24 | 7 | \$4,100 |
| 6300 | Wood Trellis/Shade Structure | 20 | 10 | \$43,500 |
| Walls, Fencing, Railings & Gates | | | | |
| 5520 | (2029) Iron Fence - Repair/Replace | 20 | 4 | \$273,000 |
| 5520 | (2044) Iron Fence - Repair/Replace | 20 | 19 | \$273,000 |
| 5545 | View Fencing - Replace | 30 | 12 | \$60,600 |
| 5548 | Wood Patio Gates - Replace | 20 | 4 | \$82,800 |
| Lighting Projects | | | | |
| 5005 | Large Pole Lights - Replace | 25 | 7 | \$12,500 |
| 5030 | Wall Lights - Replace | 20 | 4 | \$125,000 |
| 5050 | Interior Lights & Fans - Replace | 30 | 12 | \$12,600 |
| 5054 | Monument Lights | 12 | 3 | \$6,300 |
| Landscape & Irrigation | | | | |
| 6900 | Irrigation Controllers - Replace | 12 | 5 | \$30,000 |
| 6910 | Controller Enclosures - Replace | 30 | 5 | \$10,500 |
| 6920 | Backflow Devices - Replace | 25 | 5 | \$7,500 |
| 6940 | Irrigation Pumps - Replace | 25 | 5 | \$24,000 |
| 7010 | Landscape - Refurbish | 5 | 3 | \$50,000 |
| Grounds & Miscellaneous | | | | |
| 4690 | Storm Drain Filters - Replace | 5 | 4 | \$9,100 |
| 4692 | Annual Storm Drain Maintenance | 1 | 0 | \$2,600 |
| 6275 | Mailbox Kiosk - Refurbish | 14 | 14 | \$4,000 |
| 6280 | Mailboxes - Replace | 25 | 7 | \$30,000 |

| # | Component | Useful Life (yrs) | Rem. Useful Life (yrs) | Current Average Cost |
|------|-----------------------------------|----------------------|------------------------------|----------------------------|
| 6810 | Monument Letters - Replace/Refurb | 10 | 5 | \$3,000 |
| 6890 | Bulletin Boards - Replace | 15 | 14 | \$2,250 |

72 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

Policy and Procedures for Collection of Delinquent Assessments, Fees, Charges and Costs

Policy- The previously adopted policy has been amended to comply with the California Civil Code effective January 1, 2006 regarding the payment and collection of Delinquent Assessments, Fees, Charges and Costs as follows:

Assessments- Assessments subject to this Policy include the monthly regular assessment and any levied special assessments or lienable monetary penalties.

Collection Fees and Costs- The costs of collection of delinquent assessments, including late charges and other costs, and reasonable attorney fees and costs, are included as a charge against a member's assessment account and are included in the amount of any lien recorded against the property and any recovery actions by the Association.

Delinquency- The term "delinquency" shall include any delinquent unpaid regular or special assessments, late charges, interest, and costs of collection incurred.

Foreclosure- A legal process which results in the sale of the property to satisfy the payment of assessments, fees and costs owed on the account.

Partial Payments- If a partial payment is received which is less than the lienable unpaid balance owed on the member's account, including the collection charges, the Association may elect to accept the partial payment. If the partial payment is accepted, it shall not act as a waiver of the Association's right to require payment of all sums.

Payments- Payments received after a delinquent account is assigned to the Association's attorney for collection shall be forwarded by the Association directly to the attorney. If the partial payment is accepted, it shall be credited first to outstanding principal balances on the member's account pursuant to California Civil Code 5665-5725(a) and the remaining unpaid balance shall be subject to this Policy.

Payment Plans- The homeowner may request a payment plan. This request must be made within fifteen (15) days from the postmark date of the prelien notice. The Board of Directors shall meet with/respond to the homeowner within forty-five (45) days from the postmark date of the homeowner request. Payment plans may be approved at the sole discretion of the Board of Directors based upon the circumstances of each delinquent account.

Personal Liability- All assessments, late charges, interest and costs of collection, including attorney fees, are the personal obligation of the Owner of the Property at the time of the assessment or other sums are levied according to Civil Code section 5665-5725(a).

Returned Check Charges- The bank charge (currently \$25.00) shall be added to the account of any member whose check to the Association is returned dishonored by the member's bank.

Statements- Monthly statements are a courtesy to the members and not an invoice for payment. Monthly statements may not reflect any or all collection costs incurred on a delinquent account, including attorney or trustee fees and costs which have been charged to the account.

Waiver of Charges- If a member's account becomes delinquent and the Association is required to incur certain charges due to the member's delinquency, the Association's policy is to not waive the delinquent member's payment of these charges. Other Association Members should not have to pay for the collection charges incurred due to an individual member's delinquency.

Restriction of Privileges - Without prejudice to its right to continue with and/or take other collection action, an owner's membership rights, including, but not limited to voting rights, or rights of use and enjoyment of the recreational common areas and common facilities may be suspended after notice and a hearing pursuant to CC §4820 and Corporations Code §7341 for assessments in arrears for at least 60 days. The Association will not deny an owner or occupant physical access to his or her separate interest by way of any such suspension of privileges.

PROCEDURE:

Due Date- Regular Monthly Assessments are due on the first (1st) day of each month. All other assessments are due on the date levied, and late charges, costs of collection, attorney fees and costs are due upon the date incurred.

Delinquencies-

15 Days Past Due:

The account becomes delinquent and a late charge equal to Ten Dollars (\$10.00) is charged to the delinquent homeowner's account.

30 Days Past Due:

Interest commences at the rate of twelve (12%) percent per annum on all regular and special assessments, late charges, and costs of collection (the "Delinquency") and will be charged to the homeowner's account and appear on their Statement.

Two Months Past Due:

A Prelien package and letter is sent to the homeowner by Certified Mail pursuant to California Civil Code 5665-5725(a) informing them of their right to participate in dispute resolution under the Association's "meet & confer" program and that the Association shall record a lien against the homeowner's property in the event full payment of lienable assessments is not received within thirty (30) days. The delinquent homeowner's account shall be charged for issuance of the Prelien letter.

Three Months Past Due:

Upon Board approval, the Association shall proceed to have a Notice of Delinquent Assessment Lien prepared and recorded against the homeowner's property on behalf of the Association. The delinquent homeowner's account shall be charged for the fees and costs

associated with the preparation and recording of the assessment lien. A copy of the Notice of Delinquent Assessment Lien shall be mailed to the delinquent owner by Certified and First Class Mail.

Pre-foreclosure- Upon Board approval, if the amount of the delinquent regular or special assessments exceeds \$1,800.00 or the assessments are more than 12 months delinquent, the delinquent account is assigned to the Association's attorney to prepare an Intent to Foreclose letter to be sent to the delinquent homeowner advising that the attorney shall initiate foreclosure upon the assessment lien unless full payment is received with fifteen (15) days. This letter shall also advise the delinquent homeowner of their right to participate in dispute resolution under the Association's "meet and confer" program or by alternative dispute resolution.

Foreclosure- If not paid at the expiration of the fifteen (15) day period, the attorney shall commence a non-judicial foreclosure of the assessment lien by recording a Notice of Default and serving it upon the delinquent homeowner with a copy of the Board's decision to foreclose. The foreclosure shall be conducted pursuant to California Civil Code 5705(a), 5715(a) and 5720(a) for the foreclosure of deeds of trust. In lieu of proceeding with foreclosure of the assessment lien, the Board may elect to proceed with a judicial suite for collection of the delinquency.

San Lorenzo Community Association
Compliance Policy
Adopted August 2008

1. Basic Policy on Compliance.

The objective of this Compliance Policy shall be to promote and seek voluntary compliance by owners with respect to the recorded Declaration of Covenants, Conditions and Restrictions (commonly referred to as the “CC&Rs”), the Bylaws, the Design Guidelines, and the Rules and Regulations. These documents are collectively referred to in this policy as the “Governing Documents.”

2. Initial Complaint and Due Process Requirements.

Persons who believe a violation of the Governing Documents has occurred may advise the management company. Potential violations may be reported by a homeowner, a Board member, a Committee member, or a management representative.

In the event of an alleged violation of the Governing Documents, the Board may, in its discretion, issue one or two violation letters and/or set a hearing as described below. In lieu of, or in addition to, sending violation or hearing letters, the Association may seek to obtain compliance through other means as provided by law (including, without limitation, IDR, ADR, and/or civil action). The Board may direct the community manager to assist the Board in any of the steps the Board chooses to take in enforcing the Governing Documents except that decisions made at hearings must be made by the Board.

A hearing before the Board to determine whether a sanction should be imposed may be initiated by the Board after receipt of at least one notice of potential violation. To initiate a hearing, the Board must deliver to the owner (“respondent”) a notice which includes the following:

Statement of Alleged Violation. A written statement setting forth in ordinary and concise language the acts or omissions with which the respondent is charged.

Basis for Violation. A reference to the specific provisions of the Governing Documents which the respondent is alleged to have violated.

Hearing Schedule. The date, time and place of the scheduled hearing.

Sanctions. The sanction(s) which may be imposed at the hearing.

Time to Correct. The length of time the respondent has to remedy the violation if the date is prior to the scheduled hearing.

The date for the hearing may be no less than fifteen (15) days after the date the notice of hearing is mailed or delivered to the respondent. The respondent is entitled to attend the hearing, submit a statement of defense to the Board in advance of the hearing, or present a statement of defense and supporting witnesses at the hearing. If the respondent does not attend the hearing, the respondent waives these rights.

The Board shall conduct the hearing in executive session, affording the respondent a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard must be placed in the minutes of the meeting. Such proof is adequate if a copy of the notice together with a statement of the date and manner of delivery is included in the minutes. The record of the meeting must contain a written statement of the results of the hearing and the sanction, if any, imposed.

After affording the respondent an opportunity for a hearing before the Board, the Board may impose any one or more of the following sanctions: (a) levy a Special Assessment as authorized in the Declaration; (b) suspend or condition the respondent's right to use any recreational facilities the Association owns, operates or maintains commencing on a date in the future selected by the Board; (c) suspend the respondent's voting privileges established under the Declaration; (d) enter upon a Condominium to perform maintenance which, according to the Declaration, is the responsibility of the respondent; or (e) record a notice of noncompliance if allowed by law. Any suspension of Membership privileges may not be for a period of more than thirty (30) days for any non-continuing infraction, but in the case of a continuing infraction (including nonpayment of any assessment after the same becomes delinquent) may be imposed for so long as the violation continues. Written notice of any sanctions to be imposed must be delivered to the respondent personally, by any system or technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means, via first class mail or certified mail return receipt requested, or any combination of the foregoing. No action against the respondent arising from the alleged violation may take effect prior to five (5) days after the hearing.

3. Fine Schedule

Following an opportunity to be heard by the Board, the initial monetary penalty shall be \$100.00, and in the event the non-compliance continues thereafter, the monetary penalty shall be \$150.00 for the second month and \$200.00 for each month thereafter for as long as the non-compliance continues. The second and subsequent monetary penalties for any given violation may be imposed without additional hearings, provided the owner is given due notice of a hearing prior to the imposition of the initial monetary penalty, and provided the owner is notified in writing following the first hearing that penalties will continue to accrue for as long as the non-compliance continues. The Board of Directors may, at its discretion, waive any penalty in the event the Owner demonstrates good cause for the delay in compliance.

4. Non-Waiver.

As set forth in Section 7.5 of the Association's Bylaws, the Board's failure to enforce the governing documents does not waive the right to enforce them. The remedies provided by the Governing Documents are cumulative and not exclusive. However, any individual owner must, as set forth within Section 7.5 of the Bylaws, exhaust all available internal Association remedies prescribed by the Governing Documents before that owner may resort to a court of law for relief with respect to any alleged violation of the Governing Documents by another owner.

**SAN LORENZO COMMUNITY ASSOCIATION
INSURANCE DISCLOSURE 2024-2025**

Property Coverage:

Name of Insurer: California Fair Plan
Policy Limits: \$20,000,000
Deductible: \$75,000
Policy Period: 10/28/2024-10/28/2025

Name of Insurer: Bridgeway Insurance Company
Policy Limits: \$20,000,000
Deductible: \$75,000
Policy Period: 10/28/2024-10/28/2025

General Liability:

Name of Insurer: Covington Specialty Insurance Company
Policy Limits: \$1,000,000/2,000,000
Deductible: None
Policy Period: 10/28/2024-10/28/2025

Commercial Umbrella:

Name of Insurer: Scottsdale Insurance Company
Policy Limits: \$2,000,000
Deductible: \$10,000
Policy Period: 10/28/2024-10/28/2025

Directors & Officers Liability:

Name of Insurer: Philadelphia Insurance Company
Policy Limits: \$1,000,000
Deductible: \$10,000
Policy Period: 10/28/2024-10/28/2025

Fidelity/Crime:

Name of Insurer: Hartford Insurance Company
Policy Limits: \$3,000,000
Deductible: \$30,000
Policy Period: 10/28/2024-10/28/2025

Workers Compensation:

Name of Insurer: Technology Insurance Company
Policy Limits: \$1,000,000/\$1,000,000/\$1,000,000
Deductible: None
Policy Period: 10/28/2024-10/28/2025

In accordance with section 5300 of the Civil Code:

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 request and obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the associations 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 be responsible for paying all or part of any deductible that applies. Association members should consult with their individual insurance agent for appropriate additional coverage.

San Lorenzo Community Association

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

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

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

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

Property Address: _____

Owner of Property: _____

Owner's Mailing Address: _____

(if known or different from property address)

Provider of the **Section 4525** Items:

| | | | |
|-------------------------------|-------------------|--|---------------------|
| StoneKastle Escrow Department | Administrator | StoneKastle Community Management, Inc. | 11-20-2024 |
| 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 incorporated) | Section 4525(a)(1) | \$35.00 | |
| CC&Rs | Section 4525(a)(1) | \$55.00 | |
| Bylaws | Section 4525(a)(1) | \$35.00 | |
| Operating Rules | Section 4525(a)(1) | \$25.00 | |
| Age Restrictions, if any | Section 4525(a)(2) | | Refer to the Demand |
| Rental Restrictions, if any | Section 4525(a)(9) | \$10.00 | Refer to CC&Rs |
| Annual Budget Report (or summary, including Reserve Study) | Sections 5300 and 4525 (a)(3) | \$75.00 | |
| Assessment and Reserve Funding Disclosure Summary | Sections 5300 and 4525 (a)(4) | | Included in Budget |
| Financial Statement Review | Sections 5305 and 4525(a)(3) | \$85.00 | |
| Assessment Enforcement Policy | Sections 5310 and 4525(a)(4) | | Included in Budget |
| Insurance Summary | Sections 5300 and 4525 (a)(3) | | Included in Budget |
| Regular Assessment | Section 4525(a)(4) | | Refer to the Demand |
| Special Assessment | Section 4525(a)(4) | \$10.00 | Refer to the Demand |
| Emergency Assessment | Section 4525(a)(4) | | Refer to the Demand |

San Lorenzo Community Association

| Document | Civil Code Section Included | Fee for Document | Not Available (N/A) or Not Applicable (N/App) |
|---|--|--------------------|---|
| Other Unpaid Obligations of Seller | Sections 5675 and 4525(a)(4) | | Refer to the Demand |
| Approved Changes to Assessments | Sections 5300 and 4525(a)(4), (8) | | 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 5855 and 4525(a)(5) | | Refer to the Demand |
| Required Statement of Fees | Section 4525 | \$202.00 | aka Demand |
| Minutes of Regular Board Meetings (conducted over the previous 12 months, if requested) | Section 4525(a)(10) | \$85.00 | |
| Total fees for these documents: | | \$ \$617.00 | |

*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.

SAN LORENZO COMMUNITY ASSOCIATION

To: San Lorenzo Community Association Homeowners
From: Christie Alviso, Manager of StoneKastle Community Management
Ref: Alternative and Internal Dispute Resolution Procedures

Dear Association Member:

For approximately the last (9) years, California Community Associations and their homeowners have been required to participate in certain Alternative Dispute Resolution (“ADR”) procedures prior to initiating certain types of litigation between them. Beginning on January 1, 2005, newly-enacted Civil Code Sections 5900 require that, in addition to ADR, Associations also offer an Internal Dispute Resolution (“IDR”) procedure for most disputes that may arise between the Association and a homeowner.

The following is an overview of the now statutorily-required ADR and IDR procedures/requirements. Please be advised that the referenced Civil Code Section may be subject to varying interpretations. As such, this summary represents the current interpretation of one industry law firm based upon currently available information. Each homeowner should consult with his/her own attorney regarding appropriate compliance with the requirements in the newly-enacted Civil Code Sections if/when any disputes arise.

i. INTERNAL DISPUTE RESOLUTION (“IDR”) PROCEDURES

Civil Code Section 5900 requires that Community Associations provide a fair, reasonable, and expeditious procedure for resolving disputes between an Association and any homeowner involving the Member’s rights, duties, or liabilities under the Davis-Stirling Act, the Nonprofit Mutual Benefit Corporation Law, or under the governing documents of the Common Interest Development or Association. Unless you are notified otherwise, the Association will continue to provide fair, reasonable and expeditious procedures for resolving disputes by adopting the IDR procedure set forth in California Civil Code Section 5915, which is summarized as follows:

- A. Either party to the dispute (either the Member or the Association), may deliver a written request to the other party seeking to meet and confer in an effort to resolve the dispute. A homeowner may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
- B. The Association’s Board of Directors shall designate a member of the Board of Directors to meet and confer.

- C. 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.
- D. A resolution of the dispute agreed to by all parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.
- E. An agreement reached using these procedures will bind 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, and (2) The agreement is either consistent with the authority granted by the Board of Directors to its designee or the agreement is ratified by the Board of Directors.
- F. A member of the Association may not be charged a fee to participate in this process.

II. ALTERNATIVE DISPUTE RESOLUTION (“ADR”)

If the parties cannot resolve a dispute through the use of IDR procedures referenced above (or elect not to initiate those procedures), the parties, under many circumstances, are required to attempt to resolve the dispute via ADR. Pursuant to California Civil Code Section 5925, California Community Association and their individual Members are required to participate in ADR prior to initiating certain types of lawsuits. In accordance with California Civil Code Section 5965, you are advised that The 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 your right to sue the Association or another Member of the Association regarding enforcement of the governing documents or the applicable law.

A. WHAT IS ADR?

“Alternative Dispute Resolution” or “ADR” means mediation, arbitration, conciliation, or other non-judicial procedure that involves a neutral party in the decision-making process. The form of ADR is established by/through the voluntary consent of the parties.

B. SCOPE OF ADR REQUIREMENTS

The ADR provisions of Civil Code Section 5925-5965 apply only to enforcement actions filed by either homeowners of the Community Association against the other which (1) seek the enforcement of the Davis-Stirling Act, The Association’s governing documents, or enforcement of the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the

Corporations Code), and (2) seek only the declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of Five Thousand Dollars (\$5,000.00). It does not apply to a small claims action, and except as otherwise provided by law, does not apply to assessment disputes.

C. ADR COMPLIANCE PROCEDURES:

1. The Request of Resolution.

An Association or an owner or Member of a Common Interest Development may not file an enforcement action in the Superior Court unless the parties have endeavored to submit their dispute to ADR. Any party to a dispute may initiate the process by serving a Request for Resolution on all other parties to the dispute. The Request for Resolution shall include all of the following:

- a) A brief description of the dispute between the parties;
- b) A request for ADR;
- c) A notice that the party receiving the Request for Resolution is required to respond within thirty (30) days of receipt or the request will be deemed rejected; and;
- d) If the party on whom the request is served is the owner of a separate interest, a copy of the applicable Civil Code sections.

2. Service of the Request for Resolution.

The request for Resolution must be served 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.

3. Response to a Request for Resolution.

A party served with a Request for Resolution has thirty (30) days following service to accept or reject the request. If a party does not accept or request within that period, the request is deemed rejected. If the party served accepts the request, the parties are required to complete the ADR within ninety (90) days after the party initiating the request receives the acceptance, unless this period is extended by written stipulation signed by both parties. The costs of the ADR are shared by the parties.

4. Tolling.

If a request for resolution is served before the end of the applicable time limitation for commencing an enforcement action, the time limitation to file the

enforcement action is filed during (a) the period provided for the response to the Request for Resolution (thirty (30) days after service), and (b) if the Request for Resolution is accepted during the period provided for completion of ADR (ninety (90) days), including any extension of time agreed to by the parties.

5. Requirements for Filing a Lawsuit.

At the time of commencement of an enforcement action (lawsuit), the party commencing the action must file, with the initial pleading, a certificate stating that one or more of the following conditions is satisfied: a) ADR has been completed in compliance with the article, b) One of the other parties of the dispute did not accept the terms offered for ADR, or c) preliminary or temporary injunctive relief is necessary. Failure to file a certificate 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.

D. RAMIFICATIONS OF A REFUSAL TO PARTICIPATE IN ADR:

If a party refuses to participate in ADR before the lawsuit is filed, the Court may, pursuant to Civil Code Section 5960, take that refusal into consideration in determining the amount of attorney's fees and costs which may ultimately be awarded to the prevailing party at the conclusion of any subsequent lawsuit.

San Lorenzo Community Association

Architectural Application and Design Review Guidelines

The 2005 Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for San Lorenzo at Vista Del Verde are binding on all owners of units in the San Lorenzo Community Association. Specific sections requiring a Design Review Committee approval of an architectural application include but are not limited to:

2.9 IMPROVEMENTS

2.9.1 OUTDOORS

2.9.2 INDOORS

2.9.3 NOISE MITIGATION IN ATTACHED RESIDENCES

2.12 DRAINAGE

2.13 WATER SUPPLY SYSTEM (includes water softeners)

2.16 POST TENSION CONCRETE SLABS

2.17 FUEL MODIFICATION ZONES

2.19 INSTALLATION OF LANDSCAPING

3.12 SUB-SLAB PASSIVE VENTING SYSTEMS AND METHANE BARRIERS

3.4 EFFECT OF EXPANSIVE SOIL (3.4.1 and 3.4.2)

3.5 GRADING

5.3. REVIEW OF PLANS AND SPECIFICATIONS

5.7 INSPECTION OF WORK

6.4 RIGHT OF ENTRY

Each Owner shall obtain all permits necessary and shall comply with all requirements of the City of Yorba Linda. Building Permits must be pulled for any work the City requires permits for under City public law and rulemaking authority. (see the City Permit Process information at: <https://www.yorbalindaca.gov/477/Permit-Process>)

GENERAL GUIDELINES:

- San Lorenzo Community condominium owners and/or tenants may not modify, alter, build, or construct any improvements inside or outside your unit or exclusive use easement area until you have submitted plans, specifications, and obtained approval from the Association's Design Review Committee (DRC) and/or Board of Directors.
- The Design Review Committee has the right to require a reasonable security deposit with each application. The security deposit may be increased or decreased from time to

time at the discretion of the Design Review Committee.

- The Design Review Committee may also require submission of additional plans and specifications or other information before approving or disapproving material submitted.
- The Applicant shall meet any review or permit requirements of the City and/or County before making any construction, installation or alterations permitted under the CC&Rs.
- Improvements requiring approval prior to installation include but are not limited to:

OUTDOORS:

- clotheslines, balcony, patio or deck covers (e.g., pergolas), wiring, air conditioning equipment, water softeners, other machines and other similar improvements
- drainage improvements, if any, shall not be altered, removed, blocked, or replaced without first making alternative drainage arrangements approved by the Board
- installation or updating of landscaping on the rear yard of such owner's unit including concrete and masonry improvements such as masonry walls and planters, concrete patio slabs, etc.
- installation, maintenance, or modification of any landscaping improvements in fuel modification zones which are inconsistent with any landscape palette required by the Orange County Fire Authority are prohibited.
- the Design Review Committee may require such detail in plans and specifications submitted for its review as it deems proper, including landscape plans, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior material and colors.

INDOORS:

- Nothing may be done in any Condominium or in, on or to the Common Property which may impair the structural integrity of any building, or which structurally alters any such building, except as otherwise expressly provided in the CC&Rs. No Owner may pierce or otherwise modify any wall separating attached Units.
- No Owner may take any actions that may interfere with structural noise mitigation Improvements installed in the Units by the builder.
- No Owner shall replace any builder installed noise mitigation Improvements unless the replacement offers the same or substantially similar noise mitigation as the Improvements originally installed by the builder prior to installation. The Owner shall present the Design Review Committee with written evidence that the proposed material is the same or substantially similar to the material installed by the builder. The 2005 City of Yorba Linda building permit for the builder specified a Sound

Transmission Class (STC) of 50 or greater and Impact Insulation Class (or IIC) of 50 or greater.

- Currently, the CC&Rs limit the placement of hard surface flooring in units. Consult the CC&Rs Exhibit G for specific limitations based on floorplan model.
- Certain interior improvements require a City of Yorba Linda building permit. Examples include electrical, plumbing, and movement of walls and attached structures. Owners may not waive permit requirements when planning work that interacts with or impacts Association owned components. See <https://www.yorbalindaca.gov/477/Permit-Process> for more information.
- Any changes to any of the entry door hardware must be approved by the DRC prior to installation.
- The Design Review Committee or its duly authorized representative may inspect any work for which approval of plans is required. The right to inspect includes the right to require any Owner to take such action as may be necessary to remedy any noncompliance with the Design Review Committee-approved plans for the Work or with the requirements of the CC&Rs.
- Jacuzzi tubs are not permitted in the interior or exterior of the building.

FEES AND DEPOSITS:

Architectural applications through the Community Management Company to the Design Review Committee must be accompanied by a \$25.00 administrative processing fee.

The Design Review Committee has the power, but not the duty, to retain subject matter experts to advise its members in connection with architectural application decisions. All fees, costs and expenses associated with the consultant in support of the application process will be borne by the applicant. These costs will vary based on expertise required.

The Board and DRC reserve the right to require additional deposits for certain types of construction. Such deposits are required 30 days prior to commencement of any work.

PLAN SUBMITTAL AND RE-SUBMITTAL:

One copy of the architectural application request is requested to be submitted as an Adobe Portable Document Format (PDF) electronic file to StoneKastle's Community Manager for San Lorenzo Community HOA. If the application request is submitted on paper, it will be scanned by StoneKastle administrative staff for electronic transmission to the DRC. The DRC members will review the Architectural Application Package as expeditiously as possible. While the review process of an initial application may take up to 30 days, the goal is to review and approve or reject the package (for additional information) within two business weeks after the package is transmitted to the DRC.

1. All technical and engineering matters are the responsibility of the owner.
2. Construction Drawings: Plans and specifications for works of improvement must be prepared in accordance with the applicable building codes, and with sufficient clarity and completeness to enable the Committee to make an informed decision on your request.
3. Information related to any plan to temporarily disconnect the unit's fire monitoring system (shut off of sprinkler system is included): The Owner must post a 24 hour/day-fire watch during any disconnection. This must be a security employee of the building, and the Owner must pay all expenses (including overtime) when using the employee.
4. If your Unit has any restrictions, it is your responsibility to ensure you are abiding by those restrictions. The Association (DRC or Board) cannot approve or supersede any type of restriction on your Unit: therefore, if such restriction is accidentally approved it is the Owner's responsibility to advise of such and approval for such plans will be deemed denied by the Association.
5. If plans are denied by the DRC, plans may be resubmitted with the appropriate changes or modifications. Re-submittal may require an additional 30 days if changes are substantial. If you are not satisfied with the denial or request for changes, you have the right to appeal the DRC decision to the Board of Directors. You must submit your request, in writing, to appeal the DRC's denial, within 30 days of the denial by the DRC. Your request will be placed on the agenda at the next scheduled regular board meeting session. The Board will review your request at that time.

CONTRACTOR GUIDELINES:

All contractors must adhere to the Association Rules and Design Review Guidelines.

Owners are responsible for ensuring that all sub contractors and workers are informed of the proper procedures.

All contractors must hold appropriate licensing for the type of work being performed, insurance, and not have prohibitions on working in a condominium project.

All Owners are responsible for any damage caused by their contractor or their employees.

FIRE AND SAFETY SYSTEMS:

Contractors or owners must not remove any permanent smoke detectors, sprinklers, security speakers or fire safety devices anywhere in the unit or the common areas.

If spray paint or sanding work might set off the smoke detectors or fire sprinkler, it is permissible to cover the detector or sprinkler with plastic only, but it must be removed at the end of the day.

A fine of \$250 will be charged for each smoke detector or fire sprinkler left covered overnight. Fire exits must not be blocked. A fine of \$250 will be charged for blocking fire exits.

INSPECTIONS:

The Association and management have the authority to demand work stoppage until compliance is obtained from the owner and the contractor.

SOUNDPROOFING:

No changes or alterations may be made to the soundproofing systems. Any modifications that may impact sound levels in other units must be submitted with an “Application for Architectural Approval”, reviewed by a sound engineer, at the Board’s discretion and approved by the DRC or Board.

LIABILITY:

Any damage resulting from work being performed in a unit will be billed to the unit owner. This is the reason it is important for the owner to ensure the contractors have adequate general liability insurance, workers compensation insurance and vehicle liability insurance.

SUPERVISION:

The owner must supply supervision for any major renovation involving demolition, relocation or removal of walls or any other major alteration.

Tools and Equipment:

Tools and equipment are to be used and stored in the unit or removed each day. The Association is not responsible for the disappearance of any tools, equipment or materials that are left in the common area.

SUBMITTAL REQUIREMENTS:

Plan requirements for all submittals:

- Completed “Architectural Request Form” One (1) complete sets of plans
- Date on plans
- House/Property Street address, phone number, & email address
- Proper scale (Site plan @ 1/8” — Floor plans @ 1/4” — Elevations at 1/4” — Landscape @ 1/8”) Name, address & phone number of entity that prepared the drawing

Special note- see end of check list

SITE AND/OR LANDSCAPE PLAN:

- Show all property lines accurately as to length, angles and amount of curve. Show existing building(s)/structure(s)

- Show existing walls, fences, gates, sidewalks, paving, planters and other constructed or hardscape elements that impacts the design
- Show all applicable utilities & improvements Show proposed planting areas
- Dimensions (In feet and inches) Grade changes
- Locations of new area drains and drainpipe routing Grading & Drainage Notes
- Construction Notes
- Mechanical equipment including all motors, pumps, filters, controllers, timers, compressors & air conditioner condensers, etc.
- Lighting fixtures
- Photos of project site depicting existing site conditions and adjacent property relationships Special note- see end of check list

GENERAL DEVELOPMENT GUIDELINES:

Fences and Walls:

- Retaining walls blend in and compliment style of home planter walls blend in and compliment style of home
- No exposure of structural framing and/or unfinished sides to public right of way, common area or other unit Stucco finishes are to match the house in color and finish/texture

Special note — see end of checklist.

Exterior Lighting:

- Lighting fixture locations, heights & sizes with bulb type and wattage noted on plan Lighting is indirect and shielded from adjacent properties
- Lighting is compatible with house design and is simple in design and color No exposed wires or cables
- No exterior lighting placed so as to cause an unreasonable glare or illumination on any other private property or common area
- Lamp source is not high-pressure sodium, metal halide or other inappropriate type

Paving Materials

- Paving materials to be compatible with house color & style Special note- see end of checklist

LANDSCAPE REVIEW ITEMS:Sprinklers:

- Irrigation head layout shown on plan
- Overspray shall not contact neighboring dwelling unit, property line walls/fences, or off property. Special note- see end of check list

Planting:

- Be an appropriate selection based upon ground space, horizontal and vertical clearance at reasonable level of maturity
- Botanical & common names of proposed plant material Plant sizes & locations on the plans

Special note- see end of check list

Water Features- Fountains:

- Must not damage existing walls or fences
- All equipment must be completely screened from off-site view
- All equipment noise impact on neighbors must be minimized with sound attenuation devices (i.e., masonry walls, metal enclosures, etc.)
- Water features do not exceed the height of the adjacent property line wall/fence
- Construction of Water Features must not disturb the neighbor's yards, property or improvements Construction of Water Features must not disturb the Association's property or improvements

Special note- see end of check list

Drainage:

- All plant beds and paved areas must slope to drain at a minimum rate of 1% or 1/8" per foot with a slope of 2% or 1/4" per foot preferred
- All drainpipes must drain at a minimum of 1/2% or 1/16" per foot with a slope of 1% or 1/8" per foot preferred All grades in plant beds must be held a minimum of 6 inches below adjacent finish floor and 4 inches below the adjacent metal house screed
- All grades in plant beds must be held a minimum of 6 inches below the top of adjacent planter or retaining wall
- All plant bed grades adjacent to existing walls or fences are not to be changed
- All finish surfaces of paving elements are to be held below the adjacent metal house

screed All plant beds and paving are to slope and rain away from the house

- Utilize domed grates on catch basins in plant bed areas

Special Notes from Previous Sheets:

SAN LORENZO COMMUNITY ASSOCIATION ARCHITECTURAL REQUEST FORM

Return to: StoneKastle Community Management Inc.

22722 Old Canal Rd, Unit B, Yorba Linda, CA, 92887 Phone (714) 395-5245

Name: _____ Date: _____

Property Address: _____

Mailing Address (if different from above): _____

Email address: _____

Home Phone: _____ Business Phone: _____

I. Proposed Project Information

Describe the proposed improvement in detail:

II. Neighbor Advisement

You must advise either your adjoining or affected (in the line of sight) neighbors of any proposed improvement to your property. Please have them sign below. If the unit is vacant, please indicate the address and leave the signature blank.

1. Neighbor 1 Signature

Address

2. Neighbor 2 Signature

Address

III. Documents Required for Submittal

One (1) sets of Completed Submittal Checklist One (1) sets of this application form

\$125 check made payable to San Lorenzo Community Association

Architectural Review Committee Use Only Approved, Denial, or Approved w/ Conditions Denied

Conditions of Approval/Reason for Denial:

Signature: _____

Date: _____

San Lorenzo Community Association

No Fee Architectural Short Form

Return to: StoneKastle Community Management:

22722 Old Canal Rd, Unit B, Yorba Linda, CA 92887

Phone (714) 395-5245 Fax (866) 575-0549

Name: _____ Date: _____

Property Address: _____

Mailing Address (if different from above): _____

Home Phone: _____ Business Phone: _____

I. Proposed Project Information

Security Systems or Camera – Security systems or cameras may only be installed on your front door or the stucco, siding, or brick at your front door entry way. You may also install a security system or camera on the same surfaces at your balcony door or back door. Security systems or cameras are not permitted to be installed on any other portion of the buildings, including along your walkway leading to your front door. The security system or camera must be wireless and the dimensions may not exceed 4 inches by 6 inches.

Keyless Entry System –Keyless entry systems may be installed on your garage door frame. Keyless entry systems may also be installed on your front door or front door frame, your balcony door or balcony door frame and your back door or back door frame. The keyless entry systems must be neutral in color.

Retractable Screen Door – Retractable screen doors may only be installed on balcony doors, back doors or plan one courtyard front entry doors. Retractable screen doors may NOT be installed on plan two, three or four front entry doors. The retractable screen doors must be neutral in color.

Any collateral damage caused from the installation of your requested item will be your responsibility to repair to its original condition.

Describe the proposed improvement in detail:

II. Documents Required for Submittal

Completed No Fee Architectural Short Form Application

Brochure or Computer Printout of Item including dimensions, color, installation details

Picture confirming potential location of item

Architectural Review Committee Use Only Approved // Approved w/ Conditions // Denied

Conditions of Approval/Reason for Denial:

Date: _____

Signature: _____

SAN LORENZO COMMUNITY ASSOCIATION NOTICE OF COMPLETION FORM

Homeowner Name: _____

Address: _____

Phone: _____

Summary of Completed Improvements:

Attachments (check box to indicate they have been enclosed):

Copies of photographs of all improvements included. Please note that notice of Completion form is not complete if photographs of improvements are not enclosed.

Signature: _____ Date: _____

By signing this form, the homeowner is stating that improvements completed have been completed in accordance with the scope and specification of the approved architectural application and in accordance with the community’s architectural guidelines.

Return Form to StoneKastle Management Office: 22722 Old Canal Rd., Unit B, Yorba Linda, CA 92887 714-395-5245

San Lorenzo Community Association

Parking Policy Rules

Unless provided in these Parking Rules (“Rules”), capitalized terms used in these Rules shall have the same meanings as they are given in the CC&Rs.

1. Vehicles within the Community shall be licensed for use on public streets, even though the streets in San Lorenzo are private.
2. Vehicles within the Community shall display current registration tags and be insured.
3. Owners shall register with the Association all vehicles that will be parked in the community, including inside a resident’s garage, on the driveway, or on the street or other open parking space, including all vehicles of their tenant(s). The Owner shall complete the Homeowner Information Sheet and submit it to the Association. The Homeowner Information Sheet shall be completed at any new tenant move-in or other transfer of the Unit and/or as requested by the Association. A resident is responsible to promptly provide any vehicle change information to the Association, and the Association is not responsible for a resident’s failure to do so.
4. Garages shall be used for parking the number of Authorized Vehicles for which the garage was originally designed.
5. Garages shall be used for the parking of Authorized Vehicles and may only be used for storage of personal property. Notwithstanding the foregoing, garages may not be used for storage to the extent that such storage prevents the accommodation of a vehicle (i.e., 2-car garages must accommodate 2 vehicles). The Association reserves the right to perform garage inspections for compliance pursuant to its authority as set forth in Section 6.4.1 of the CC&Rs.
6. Vehicles may only be parked in garages, on driveways, on the street, or in open parking spaces. An open parking space is bordered on three sides by white lines. A vehicle must be wholly parked within one (1) parking space. The blocking of sidewalk ramps with a vehicle is prohibited and any such vehicle blocking a sidewalk ramp is subject to being towed and/or a fine imposed.
7. Restricted Vehicles are not permitted to be parked within the Community, except for brief periods of two (2) hours or less in any twenty-four (24) hour period during loading, unloading, or emergency repairs, and the Restricted Vehicle shall not block access to a Unit, driveway, street, parking space or walkway, and may not interfere with the normal use of the streets by other residents or guests. The driver of the Recreational Vehicle shall be available to immediately move the vehicle if it is blocking access.
8. Vehicle shall not be parked in alleys, except for brief periods of two (2) hours or less in any twenty-four (24) hour period during loading and/or unloading only.

9. Vehicles shall not be parked so as to block a garage, alley or access to any street, or in front of any driveway, in a red zone (fire lane), within 15 feet of a fire hydrant, or in any area that is not marked/outlined as an open parking space. Vehicles shall not be parked in front of garages, except for being parked wholly on the driveway.
10. No inoperable vehicles are allowed to be parked within the Community. Inoperable is defined as any vehicle that lacks any major part or equipment necessary to operate safely on the highways, is in a condition that precludes it from being driven (i.e., flat tire(s) or damaged), and/or registration is not current. Vehicles registered as “non-operable” with the DMV may not be parked or stored anywhere within the Community, including an owner’s enclosed garage if it prevents other vehicles from being parked therein.
11. No vehicle shall be parked in the same parking space for longer than 72 consecutive hours without prior written authorization from the Association, Parking Committee, or the Community Manager.
12. Car covers are permitted, so long as the vehicle’s license plate is still visible. Car covers shall be maintained in an attractive and clean condition.
13. No automobile repair work may be performed in the Association Property, parking spaces, or driveways, with the exception of emergency repairs to the extent necessary to move the vehicle to a proper repair facility. Vehicle repairs may only be carried on in a garage with the garage door closed.
14. A parking space shall not be used for the parking of more than one (1) Authorized Vehicle, except that a motorcycle may share a parking space with not more than one (1) other motorcycle.
15. No storage, construction materials, vehicle parts, etc. may be kept in a parking space. A parking space shall be used solely for the parking of an Authorized Vehicle.
16. Each Owner shall be responsible for ensuring that their guests, family members, invitees, and tenants comply with the restrictions and requirements set forth in the Governing Documents, including these Rules, and shall be responsible for any violations of same. Any vehicle parked in violation of the Governing Documents, including these Rules is subject to citation, fine, immediate towing at the owner’s expense, and/or suspension of membership privileges, in accordance with these Rules and the Association’s Governing Documents.
17. Failure to comply with the adopted parking rules will result in being called to a hearing and you may be assessed a fine.

San Lorenzo Community Association

Vehicle Registration Information & Parking Policy Form

A copy of the vehicle registration for each vehicle listed below must be submitted with this form. The vehicle(s) must be registered to the San Lorenzo property address.

RESIDENT NAME _____

UNIT OWNER

TENANT

PROPERTY ADDRESS: _____

HOME PHONE: _____ CELL PHONE: _____

EMAIL: _____

VEHICLE #1 _____

LICENSE #: _____ COLOR: _____

MAKE: _____ MODEL: _____

STATE: REGISTERED OWNER: _____

VEHICLE #2 _____

LICENSE #: _____ COLOR: _____

MAKE: _____ MODEL: _____

STATE: REGISTERED OWNER: _____

VEHICLE #3 _____

LICENSE #: _____ COLOR: _____

MAKE: _____ MODEL: _____

STATE: REGISTERED OWNER: _____

VEHICLE #4 _____

LICENSE #: _____ COLOR: _____

MAKE: _____ MODEL: _____

STATE: REGISTERED OWNER: _____

VEHICLE #5 _____

LICENSE #: _____ COLOR: _____

MAKE: _____ MODEL: _____

STATE: REGISTERED OWNER: _____

Do Not Write Below for Association Use Only

Send Form to StoneKastle Management Office: 22722 Old Canal Rd., Unit B, Yorba Linda, CA 92887 714-395-5245

SAN LORENZO COMMUNITY ASSOCIATION

c/o StoneKastle Community Management, Inc.
22722 Old Canal Road, Unit B · Yorba Linda, CA 92887

November 2025

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

Civil Code Section 4041 requires each owner to provide written notice to the San Lorenzo Community Association (“Association”) of the following information annually. Please provide the information in the form below and return the completed form to the Association at the address listed below within thirty (30) days. Note, you are not required to provide an e-mail address. If the information requested below is not provided, the property address of the owner's separate interest will be used for notices.

1. Name of member(s): _____
2. Your property address within the Association:

If you do not want to change your method of delivery for individual notices, you can SKIP TO OPTIONAL OPT-OUT OF SHARING OF INFORMATION section on this form

3. If applicable, please provide indicate preferred method of delivery, IF DIFFERENT THEN YOUR PROPERTY ADDRESS:
I hereby request all notices related to the Association NOT be sent to my property address, but rather one of the following:

Mailing Address: _____

Email: Provide Address: _____

Both Mailing Address and Email provided above

4. Would you like to provide an alternate or secondary delivery method for receiving individual notices from the Association: **Yes** **No**

If yes, please provide the mailing or email address for alternate or secondary delivery of notices:

5. The name and mailing address, and email address (if available), of your legal representative, if any, including any person with power of attorney, or other person who can be contacted in the event of your extended absence from the separate interest.

Please choose one:

- Legal representative
- Power of Attorney
- Contact person for extended absences

Name: _____

Mailing Address:

Email Address:

If someone is authorized to act as a legal representative or is under a power of attorney for the property within the Association, please provide a copy of the applicable documentation to the address listed above so that the scope of the legal authority is known.

6. Please check one of the following that applies to the property within the Association:

- Owner-occupied
- Developed, but vacant
- Rented
- Undeveloped

Changes and updates to the information provided above (or below) can be made by mailing the information to:

San Lorenzo Community Association
c/o StoneKastle Community Management, Inc.
22722 Old Canal Road, Unit B
Yorba Linda, CA 92887

Or by email to: info@stonekastle.com

OPTIONAL OPT-OUT OF SHARING OF INFORMATION

The *California Civil Code* requires that the Association provide a member's e-mail and mailing address to other members upon request and for a valid purpose. This information may not be used for commercial purposes. If you do not want your name, email address, or mailing address to be disclosed to other members, you must "opt-out" in which case the Association will be required to provide an alternative means of allowing the members' communication to be provided to you. This may mean that members' communications are forwarded to you by the Association. The opt-out will remain in effect until changed by you.

I hereby **opt-out** of the sharing of the following information with other members of the Association:

- My name
- My Association property address
- My mailing address (if different from the Association property address)
- My e-mail address
- None of the above (all my information can be provided)