



G L E N S H I R E
D E V O N S H I R E
R E S I D E N T S
A S S O C I A T I O N
15726 GLENSHIRE DR
TRUCKEE, CA 96161

FROM THE BOARD OF DIRECTORS

The Glenshire/Devonshire Residents Association Board of Directors proudly presents the 2006 Association budget and reserve study to the membership. This budget is designed to provide for current needs in both the operating and capital area, as well as provide for future amenity repair and replacement.

The Association management has created fiscal stability while continuing to upgrade and increase the components of our Association. This is accomplished by keeping the aged receivables at a minimum. **The delinquency rate for annual dues in 2005 was under 2% for the eleventh consecutive year.** The user friendly "Payment Plan" established in 1995 continues to have high membership participation. The 2006 budget continues to address: 1) our ability to provide for reserve replacement, 2) the ability to plan for the future by establishing a vision which is realized through capital improvements.

The year 2006 will not see an increase in the annual dues and does not anticipate a special assessment.

The Association has successfully continued the **Property Inspection Program** that was initiated in 1997. The enforcement program will continue to focus on all non-compliant areas that have been brought to the attention of the Association either by complaint or inspection that are not in compliance with our Design Review rules and regulations or governing documents. The 2005 inspections resulted in sending out 125 letters to membership, addressing objectionable yard conditions, off-street parking, fences, defensible space and non-completed projects. Compliance by encouragement has been very effective and continues to be our philosophy. Please note the Board has and will take legal actions to bring about necessary property compliance.

The Board of Directors is pleased that the Association's resources will continue to compliment and enhance its value to the membership. We will continue to plan for the future by providing vision and fiscal responsibility.

The Board has committed itself to an operating budget of \$399,980 (including \$5,000 for capital improvements and \$25,000 for reserve and reserve replacement). The annual assessment of \$240 per lot equals \$4 capital improvements, \$18 reserves, and \$218 to the operating budget. A copy of the 2006 budget, including the reserve study schedule is included with this statement. Copies are also available at the Association office.

The following policies are included for your reference: 1) Compliance and Damage Assessments, 2) Off-street parking, 3) Delinquent Assessment Collection, 4) Internal Dispute Resolution Process, and 5) Juniper Hill Property Owners Association Road Policy. Additional policies are available for review at the Association office.

TO: ALL PROPERTY OWNERS

In compliance with Article IV of the Association Declaration of Protective Restrictions, and the California Civil Code 1350-1370, we note the following:

1. The pro forma operating budget is available at the association office and copies will be provided upon request at the expense of the Association. Copies of the reserve study, and monthly board meeting minutes are on file in the association office for membership review.
2. At present the Association has a balance of \$126,000 in the reserve fund (28% of the straight-line liability totaling \$435,639 for all components). The 2006 budget reflects \$25,000 for reserve replacement and \$5,000 for capital improvements.
3. A reserve study was conducted in 2004 and is updated annually, in accordance with section 1365.5 of the California Civil Code. The common areas by component, which the Association is obligated to replace in the future, have been identified in the Replacement Reserve Plan. Common area items, unless part of a group of similar items, with current replacement costs of less than \$1,000 have been excluded from the reserve study and will be included in normal maintenance costs in the association's operating budget. The current replacement costs, the remaining useful lives and the useful lives after replacement have been based on historical original costs and management and contractor estimates. When it becomes apparent that excluded items will be replaced in the future, and the amounts and timing can be determined with a reasonable degree of accuracy, the common area items can be added to the replacement study and the annual provision adjusted to provide funds over the remaining useful lives of the item. The Association will either include in the operation budget or in special assessments the cost of common area items requiring replacement which are unplanned because their replacement cost cannot be presently forecast. The levy of a special assessment is not foreseen for the year 2006.
4. The Association meets all insurance requirements of the State: Property \$300,000 (\$500 deductible), Liability \$3,000,000 (\$500 deductible), and Director & Officers \$3,000,000 (\$5,000 deductible) provided by Star Insurance Co., Southfield, MI. This summary of the association's policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 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.
5. Alternative Dispute Resolution (ADR): Effective January 1, 1994. This law strongly encourages membership and the association to try ADR before initiating lawsuits. Failure by any member of the association to comply with the pre-filing requirements of Section 1354 of the Civil Code may result in the loss of their right to the association or another member of the association regarding enforcement of the governing documents.

GLENSHIRE/DEVONSHIRE RESIDENTS ASSOCIATION

2006 Annual Operating Budget

Account #	Name	Expenses	
		Budget 2006	Reserve Budget 2006
7700	Accounting & Tax Review	\$3,500	
7710	Dues & Publications	\$1,000	
7075	Education & Seminars	\$1,500	
7720	Election	\$2,000	
7050	Employee Medical & Retirement Bene	\$16,500	
7005	Equipment Lease	\$4,000	
7040	Insurance	\$21,000	
7045	Insurance - Workers' Compensation	\$15,000	
7730	Legal Fees	\$8,000	
7701	Maintenance - Computer	\$1,500	
6050	Maintenance - Grounds & Clubhouse	\$16,000	
7000	Maintenance - Pool	\$4,000	
7070	Meals & Entertainment	\$4,000	
7080	Mileage Reimbursement	\$2,230	
7150	Miscellaneous	\$2,900	
6070	Outside Consulting Services	\$2,000	
7025	Printings & Mailings	\$10,000	
7750	Provision for Bad Debt	\$1,000	
6000	Salaries - General Administration	\$107,100	
6012	Salaries - Maintenance	\$9,500	
6010	Salaries - Pool (Lifeguards)	\$38,750	
6016	Salaries - Rec. & Pass Office	\$10,000	
6040	Supplies & Maintenance - Building	\$8,500	
6055	Supplies - Grounds	\$4,000	
6067	Supplies - Janitorial	\$1,500	
7020	Supplies - Office	\$4,000	
6090	Supplies - Pool Chemicals	\$6,000	
7010	Supplies - Recreation	\$500	
5001	Supplies - Trading Post Snack Bar	\$4,000	
7800	Taxes - Federal Income	\$1,800	
6020	Taxes - Payroll	\$18,000	
7801	Taxes - State Franchise	\$1,000	
7740	Taxes & Fees	\$1,500	
7080	Travel & Meetings	\$2,000	
6080	Utilities - Building & Pool	\$37,700	
7850	Capital Improvements	\$5,000	
7875	Replacement Expenses		\$25,000
	Total Expenses	\$374,980	\$25,000

Income			
4000	Annual Dues (1357 @ \$240)	\$300,680	\$25,000
4020	Classes	\$11,000	
4010	Clubhouse Rental	\$23,000	
4200	Design Review Committee	\$6,000	
4350	Guest Fees	\$1,000	
3020	Interest - Bank Accounts	\$1,500	
3015	Interest - Reserves		\$1,200
4100	Late Fees (10% @ \$24)	\$2,600	
4080	Miscellaneous Income	\$1,200	
4300	Picture Passes	\$2,500	
4050	Trading Post Snack Bar	\$6,000	
4070	Transfer Fee (10% Turn Over)	\$19,500	
	Total Income	\$374,980	\$26,200

Summary of 2006 Delinquent Dues & Collection Policy

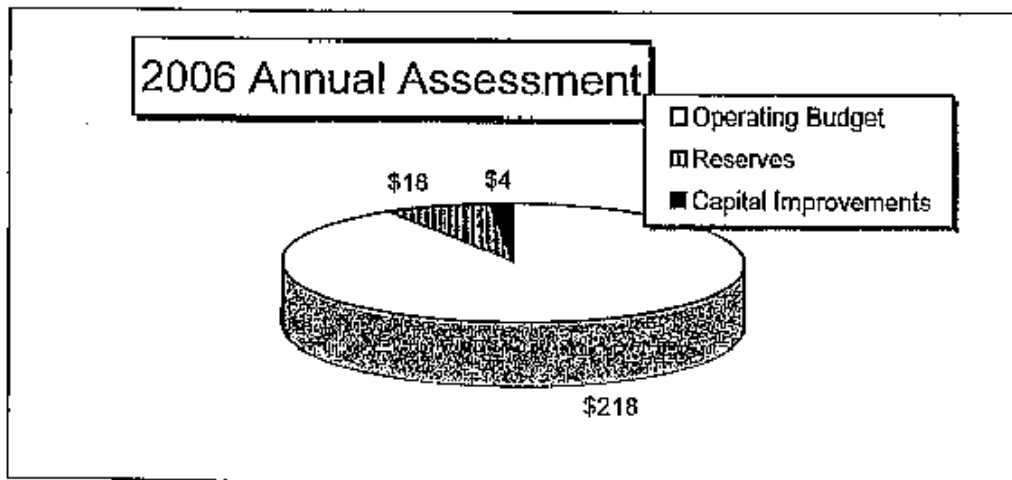
The annual property owners' assessment of \$240 is due January 1, 2006, and is late February 1, 2006. Please note the policy outline for all delinquent accounts.

February 1, 2006	Delinquent Fee charged: 10% of balance due.
February 15, 2006	Second billing to owners with balance due.
May 1, 2006	Deadline to submit petitions to the Board of Directors suspending membership rights and privileges.
June 1, 2006	Membership rights suspended for all delinquent accounts.

Thirty days prior to election and Annual Board Meeting, lien and foreclosure procedures may commence for all delinquent accounts. See enclosed policy.

2006 Annual Dues Payment Plan Policy

Payment plans are equal payments up to four installments made on a monthly basis. Members may establish a payment plan with the Association by mailing the first minimum payment of \$60. The payments must be postmarked by February 1, March 1, April 1, and May 1, 2005. Members who established a payment plan and then miss a scheduled payment after February 1, 2006 will be charged the 10% late fee.



GLENSHIRE DEVONSHIRE RESIDENTS ASSOCIATION
Assessment and Reserve Funding Disclosure Summary

1. The current assessment per unit is \$240 per year.
2. Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date assessment is due:	Amount per unit per month :	Purpose of the assessment:
	Total: <i>0</i>	

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

Yes _____ No _____ Maybe X

Explanation: 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 ("Professionals") in preparing the reserve study and is relying upon this information, financial data and reports pursuant to Corporations Code 7231 in providing the association membership and/or prospective purchasers the information contained in this assessment 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 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 available to meet the association's obligations 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 express responsibility to maintain, pursuant to the Association's CC&Rs.

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?

Approximate date assessment will be due:	Amount per unit per month:
	Total:

Answer: The answer to paragraph #3 was maybe. Furthermore, the Association intends to review its reserve fund on an annual basis, consistent with Civil Code 1365.5, as well as at least once every three (3) years, cause to be prepared a new reserve study. Based on the annual view of the reserve study, as well as the new reserve study every three (3) years, the Association could increase regular assessments to facilitate additional reserve funding and/or levy special assessments to fund additional reserves over the course of the next thirty (30) years. At the present time, the Association does not have an intent to levy a special assessment or increase reserve funding, but circumstances and event, as well as reserve studies, could change that practice over the next thirty (30) years.

The following major components, which are included in the reserve study, are NOT included in the existing reserve funding: *none*

As of the last reserve study or update, the current balance in the reserve fund is \$126,000. Based on the method of calculation in paragraph (4) of subdivision (b) of Section 1365.2.5, the required amount in the reserve fund is \$_____, and if an alternate, but generally accepted, method of calculation is also used, the required amount is \$_____. (See attached explanation)

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change.

**Glenshire Residents Association
2006 Reserve Analysis
Reserve Item List by Expiration Year**

Category	Reserve Item	Cost When New	Straight Line Liability	Year Placed In Service	Expected Life	Remaining Life	Expense in Calendar Year
Office	Computer - Dell 2003	\$2,100	\$2,100	2003	3	0	2008
Office	Pass Office - Laptop Computer	\$1,900	\$1,900	2003	3	0	2006
Main Pool	Pool Furniture - 2001	\$3,500	\$3,500	2001	5	0	2006
Grounds	Snowblower	\$2,500	\$2,500	1996	10	0	2006
	Total for 2006	\$10,000	\$10,000				
Main Pool	Chlorinator System - Main Pool	\$3,000	\$2,727	1996	11	1	2007
Office	Computer - Dell 2004	\$1,800	\$1,200	2004	3	1	2007
Main Pool	Filters - Main Pool	\$3,000	\$2,813	1991	16	1	2007
Clubhouse	Flooring - Bathroom DriDack	\$2,465	\$2,219	1997	10	1	2007
Clubhouse	Heating & Air Conditioning	\$7,000	\$6,462	1994	13	1	2007
Main Pool	Ladders - Main Pool	\$1,000	\$917	1995	12	1	2007
Main Pool	Pool Furniture - 2002	\$3,500	\$2,800	2002	5	1	2007
Grounds	Tennis Court - Complete Rebuild	\$28,000	\$26,133	1992	15	1	2007
Grounds	Tennis Court - Recoloring (2)	\$6,400	\$5,486	2000	7	1	2007
Grounds	Windscreens, Nets, Bball Hoop	\$4,740	\$4,266	1997	10	1	2007
	Total for 2007	\$60,905	\$55,022				
Wading Pool	Chlorinator System - Wading Pool	\$2,500	\$2,045	1997	11	2	2008
Main Pool	Cover Rack - Main Pool	\$1,291	\$1,076	1996	12	2	2008
Main Pool	Electrical - Main Pool	\$6,700	\$5,863	1992	16	2	2008
Grounds	Fence - Tennis Court	\$9,000	\$7,467	1978	30	2	2008
Main Pool	Pool Furniture - 2003	\$3,500	\$2,100	2003	5	2	2008
Wading Pool	Resurface - Wading Pool	\$3,000	\$2,400	1998	10	2	2008
Main Pool	Vacuum - Main Pool	\$1,000	\$846	1995	13	2	2008
	Total for 2008	\$25,991	\$21,797				
Main Pool	Cover - Main Pool	\$2,630	\$1,644	2001	8	3	2009
Clubhouse	Doors - Entry (3)	\$3,667	\$2,581	1999	10	3	2009
Main Pool	Heater - Main Pool	\$12,500	\$8,750	1999	10	3	2009
Grounds	Parking Lot - Asphalt	\$21,000	\$17,850	1989	20	3	2009
Main Pool	Pool Furniture - 2004	\$3,500	\$1,400	2004	5	3	2009
Main Pool	Pumps - Main Pool	\$1,120	\$840	1997	12	3	2009
Main Pool	Resurface - Main Pool	\$28,000	\$24,348	1986	23	3	2009
Grounds	Sign - East Entrance	\$2,453	\$1,717	1999	10	3	2009
	Total for 2009	\$74,860	\$59,130				
Clubhouse	Appliances - Kitchen	\$3,600	\$2,400	1998	12	4	2010
Grounds	Flag Passive Park	\$3,337	\$2,002	2000	10	4	2010
Wading Pool	Heater - Wading Pool	\$6,000	\$5,333	1998	12	4	2010
Main Pool	Pool Furniture - 2000	\$3,500	\$700	2005	5	4	2010
Wading Pool	Pump - Wading Pool	\$350	\$233	1998	12	4	2010
Main Pool	Sunshades - Main Pool	\$2,842	\$1,705	2000	10	4	2010
Clubhouse	Tables - Mity-Lite	\$3,420	\$1,140	2004	6	4	2010
Grounds	Walkway - Clubhouse Entry	\$11,400	\$9,120	1990	20	4	2010
	Total for 2010	\$36,449	\$22,634				
Grounds	Landscape - Sod - front/side	\$8,800	\$7,040	1986	25	5	2011
Wading Pool	Handicap Lift - Wading Pool	\$1,072	\$660	1998	13	5	2011
Grounds	Sprinkler System	\$16,000	\$12,800	1986	25	5	2011
Clubhouse	Sump Pump & Repair	\$1,463	\$975	1996	15	5	2011
	Total for 2011	\$27,335	\$21,475				
Main Pool	Coping & Tile - Main Pool	\$10,850	\$6,510	1997	15	6	2012
Wading Pool	Coping & Tile - Wading Pool	\$3,000	\$1,800	1997	15	6	2012
Wading Pool	Electrical - Wading Pool	\$2,000	\$1,200	1997	15	6	2012
Grounds	Aerator	\$2,670	\$801	2003	10	7	2013

**Glenshire Residents Association
2006 Reserve Analysis
Reserve Item List by Expiration Year**

Category	Reserve Item	Cost When New	Straight Line Liability	Year Placed In Service	Expected Life	Remaining Life	Expense in Calendar Year
Clubhouse	Deck - Balcony Decks (3)	\$22,000	\$11,733	1998	15	7	2013
Main Pool	Deck - Cement East Side	\$2,000	\$1,300	1993	20	7	2013
Main Pool	Deck - Pool Redwood Deck	\$9,000	\$4,800	1998	15	7	2013
Grounds	Fence - Iron Perimeter	\$10,288	\$6,687	1993	20	7	2013
Wading Pool	Filter - Wading Pool	\$1,000	\$563	1997	16	7	2013
Clubhouse	Fixtures - Toilets, Urinals & Sinks	\$2,000	\$1,300	1993	20	7	2013
Grounds	Mower & Trimmer	\$1,170	\$351	2003	10	7	2013
Office	Pass Photo Camera	\$3,468	\$1,040	2003	10	7	2013
Grounds	Recycle Garbage Cans	\$2,800	\$840	2003	10	7	2013
Clubhouse	Roof - Clubhouse	\$26,000	\$16,900	1993	20	7	2013
Wading Pool	Skimmers (2) - Wading Pool	\$2,000	\$1,067	1998	15	7	2013
Clubhouse	White Cabinets Downstairs	\$1,412	\$424	2003	10	7	2013
Clubhouse	Flooring - Bathroom Tile	\$7,000	\$4,200	1994	20	8	2014
Clubhouse	Carpet Cleaner - Steam	\$1,669	\$878	1996	19	9	2015
Grounds	Shed - re-roof - Pool & Chemical	\$2,064	\$1,032	1996	20	10	2016
Grounds	Shed - Storage Barn	\$1,549	\$775	1996	20	10	2016
Grounds	Sign - West Entry	\$3,314	\$1,657	1996	20	10	2016
Wading Pool	Deck - Wading Pool	\$5,000	\$2,250	1997	20	11	2017
Grounds	Fence - Wading Pool	\$2,345	\$1,055	1997	20	11	2017
Grounds	Shed - Pass Office	\$1,542	\$694	1997	20	11	2017
Grounds	Shed - Wading Pool	\$2,100	\$945	1997	20	11	2017
Main Pool	Skimmers - Main Pool	\$6,700	\$3,015	1997	20	11	2017
Grounds	Fence - Split Rail	\$1,366	\$273	2003	15	12	2018
Clubhouse	Fixtures - Bathroom Stalls	\$6,400	\$1,200	2003	16	13	2019
Grounds	Playground Border	\$4,000	\$533	2004	15	13	2019
Grounds	Playground Equipment	\$12,700	\$1,693	2004	15	13	2019
Grounds	Sign - Clubhouse	\$3,500	\$1,225	1999	20	13	2019
Grounds	BBQ	\$3,500	\$1,050	2000	20	14	2020
Grounds	Shed - Chemical Storage	\$5,000	\$2,941	1986	34	14	2020
Grounds	Shed - Pool Equipment	\$5,000	\$2,941	1986	34	14	2020
Grounds	Shed - Gym 2001	\$1,500	\$375	2001	20	15	2021
Clubhouse	Doors - Sliding (3)	\$5,800	\$1,856	1998	25	17	2023
Clubhouse	Lockers - Both Bathrooms	\$1,527	\$229	2003	20	17	2023
Clubhouse	Plumbing	\$7,000	\$2,800	1994	30	18	2024
Clubhouse	Structure - Clubhouse	\$220,000	\$140,800	1974	50	18	2024
Clubhouse	Handicap Ramp	\$15,417	\$5,853	1995	30	18	2025
Clubhouse	Bathroom - Handicap	\$7,589	\$1,518	2000	30	24	2030
Grounds	BBQ Shelter	\$27,261	\$5,452	2000	30	24	2030
Clubhouse	Flooring - Carpet & Linoleum	\$12,000	\$480	2005	25	24	2030
Clubhouse	Lighting - Interior	\$3,727	\$745	2000	30	24	2030
Balance of Years Total		\$478,228	\$245,582				
Grand Total		\$713,798	\$435,639				
Estimated cash on hand 12/31/05			\$125,000				
Percent funded			28.69%				

**RESOLUTION OF THE BOARD OF DIRECTORS OF
GLENSHIRE/DEVONSHIRE RESIDENTS ASSOCIATION
(hereinafter "Association")
A California Nonprofit Mutual Benefit Corporation**

Re: Internal Dispute Resolution Process

WHEREAS, Civil Code 1363.810 through 1363.850 identifies an internal dispute resolution process ("IDR Process") that an Owner and Community Association must pursue as a prerequisite to an enforcement action;

WHEREAS, Civil Code 1363.84 identifies an IDR Process applicable to all community associations that do not otherwise provide for an alternative procedure;

WHEREAS, the Board of Directors desires to identify the Association representatives who would participate in the IDR Process;

WHEREAS, the Association desires to adopt an IDR Process;

NOW, THEREFORE, BE IT RESOLVED, that Glenshire Devonshire Residents Association adopts the IDR Process contained within Civil Code 1363.840 (deemed within the statute to be fair, reasonable, and expeditious) as follows:

1. This IDR Process applies to the Association as well as an Owner as a prerequisite to the filing of any litigation related to a dispute involving their respective rights, duties or liabilities under the governing documents, the Davis-Stirling Common Interest Development Act (D-S Act") and/or the nonprofit mutual benefit corporation law ("collectively "CID Dispute"). It does not relate to any collection of assessments unless the Association determines it needs to file litigation to collect same.
2. Either party (Association or Owner) to a CID Dispute may invoke the following procedure:
 - a. The party may request the other party and meet and confer, in an effort to resolve the CID Dispute. The request shall be in writing.
 - b. An Owner may refuse an Association request to meet and confer. The Association may not refuse an Owner's request to meet and confer.
 - c. The Board hereby designates the President or in his/her absence, the Vice-President ("Board Designee"), as well as the CID Manager to meet and confer with the Owner. The Board Designee shall also have the right to request the Chairperson of any applicable Committee involved in the CID Dispute to assist the Board and attend the meet and confer session with the Owner. If the Association is pursuing litigation related to a delinquent assessment, the Board designates the Treasurer in lieu of the President as the Board Designee.
3. Although not precluded, attorney participation in the IDR Process is discouraged in order to maintain direct discussions between the principals of

the CID Dispute and to maintain the goal of resolution through an expeditious process. To the extent Owner requires that his/her/its attorney attend the IDR Process, the Owner shall be required to give five (5) business days' notice to the Association so that the Association can ascertain if it desires its corporate counsel to also attend.

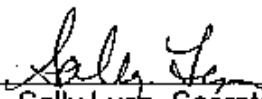
4. The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other and confer in good faith in a effort to resolve the CID Dispute.
5. A resolution of the CID Dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board Designee on behalf of the Association.
6. The Agreement reached by the Owner and the Board Designee binds 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 ratified by the Board of Directors within thirty (30) days of the date that the Agreement is executed by the Owner and the Board Designee.
7. The Owner participating in the IDR Process shall not be charged a fee to participate in the IDR Process.

CERTIFICATE OF SECRETARY

I certify that I am the duly qualified and acting secretary of Glenshire Devonshire Residents Association, a California Nonprofit Mutual Benefit corporation. The foregoing is a true and correct copy of the Resolution duly adopted by the Board of Directors of the corporation at a meeting held on March 9, 2005, and entered in the minutes of such meeting in the Minute Book of the corporation. The Resolution is in conformity with the Corporations Code, the Articles of Incorporation and the Bylaws of the corporation and has never been modified or appealed and is, as of now, in full force and effect.

Dated: 4/11/05

Glenshire Devonshire Residents Association
A California Nonprofit Mutual Benefit Corp.

By: 
Sally Lyon, Secretary

**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 NONJUDICIAL FORECLOSURE

The failure to pay association assessments may result in the loss of an owner's property without court action, often referred to as nonjudicial foreclosure. When using 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 lien is not paid. Assessments become delinquent 15 days after they are due, unless the governing documents of the association provide for a longer time. (Sections 1366 and 1367.1 of the Civil Code)

In a nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorneys fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 1366 and 1367.1 of the Civil Code)

The association must comply with the requirements of Section 1367.1 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 1367.1 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. Among these documents, the association must send 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 1367.1 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 1367.1 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, he or she 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. (Sections 1367.1 and 1367.1 of the Civil Code)

An owner may dispute an assessment debt by giving the board of the association a written explanation, and the board must respond within 15 days if certain conditions are met. An owner may pay assessments that are in dispute in full under protest, and then request alternative dispute resolution. (Sections 1366.3 and 1367.1 of the Civil Code)

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 1367.1 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 1367.1 of the Civil Code)

The board of the directors 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 1367.1 of the Civil Code)

**GLENSHIRE/DEVONSHIRE RESIDENTS ASSOCIATION
DELINQUENT ASSESSMENT COLLECTION POLICY**

1. Regular assessments are due, in advance, on the first day of each year and delinquent if not received in the Associations office or Bank within thirty (30) days after the due date thereof. Special and Individual Assessments are due on the date(s) specified upon imposition and each instalment thereof shall be delinquent if not received in the Associations office or Bank within thirty (30) days after it is due. A late charge of 10% shall be due on any such delinquent assessment.
2. If any portion of any such assessment or late charge remains unpaid thirty (30) days after the original due date thereof, a Pre-lien letter will be prepared and sent, by certified mail, to the delinquent record owner(s) at the owners' last mailing address provided to the Association. Such notice will include a detail of the total amounts delinquent, including but not limited to, assessments, late charges, interest and costs of collection, if any.
3. If all such amounts have not been paid sixty (60) days after the original due date thereof, a Notice of Delinquent Assessment ("Lien") will be prepared and recorded as to the delinquent lot and the owner(s) thereof and all resulting collection fees and costs will be added to the total delinquent amounts as the Association reserves the right to recover costs of collection. A copy of the Lien will be sent, by regular and certified mail, to the address as described in item (2) above.
4. All such amounts, and all other assessments and related charges for such lot thereafter due to the Association until all such amounts are paid, must be paid in full as a condition to curing and releasing such Lien and the Association shall not be required to accept any partial or installment payments from the Lien date to the time that all such amounts are paid in full.
5. If all such amounts have not been paid, in full, within thirty (30) days after the recordation of such Lien, the Association may, without further advance notice, proceed to take any and all additional enforcement remedies as the Association, in its sole discretion, deems appropriate, including, without limitation, non judicial foreclosure of such Lien, judicial foreclosure, or suit for money damages, all at the expense of such lot and the owner(s) thereof.
6. At the option of the Association, interest shall be due on all such amounts, once due and unpaid for thirty (30) days, at the rate of twelve percent (12%) per annum.
7. The Association shall charge a "returned check charge" of fifteen dollars (\$15) for all checks returned as "non-negotiable", "insufficient funds", or any other reason.
8. The Board of Directors of the Association may revise this policy, either generally or on a case by case basis, if it finds cause to do so.
9. The mailing address for overnight payment of assessments is the same as that for routine assessment payments unless otherwise noted.

**Glenshire Devonshire Residents Association
Damage Schedule**

In accordance with the newly approved Restated Governing Documents of 1997, the Association is required to send all property owners the Damage Schedule Policy. The following is a schedule of fines, commonly known as "Damages" for infractions or violations that are common or recurring in nature. The individual infractions referenced by appropriate Article and Section of the CC&R's and the alphabetical section of the Design Review Rules and Regulations, was originally established and adopted by the Board of Directors on October 9, 1991. Damages may be assessed daily, monthly, or yearly at the discretion of the Board of Directors.

<u>Infraction or Violation</u>	<u>DAMAGES</u>
Residential Building - Article I, Section 1.26 & Article VIII, Section 8.01	\$100 - 1,000
Business in Home - Article VIII, Section 8.07	\$ 50 - 500
Fences & Walls - Article VI, Section 6.06	\$100 - 500
Waste Disposal Systems - Article VI, Section 6.08	\$100 - 500
Animals - Article VIII, Section 8.05	\$ 50 - 250
Clothes Drying - Article VI, Section 6.16	\$ 50 - 100
Nuisances - Article VIII, Section 8.03 & XIII, Section 13.02	\$ 50 - 500
Signs - Article VIII, Section 8.06	\$ 50 - 250
Excavations - Article VI, Section 6.18	\$100 - 2,500
Exterior Lighting - Article VI, Section 6.10 & Q	\$100 - 250
Mail Boxes - Article VI, Section 6.13 & S	\$ 50 - 100
Outdoor Antennas - Article VI, Section 6.17 & R	\$ 50 - 250
Storm Windows - Article VI, Section 6.14 & T	\$ 50 - 250
Foundations - Article V, VI, Section U	\$100 - 1,500
Stock Homes - Article VI, Section 6.11 & V	\$100 - 500
Trees - Article VI, Section 5.04 & W	\$100 - 500
	(per tree)
Roofs - Section I, 1-3	\$100 - 750
Construction Equipment - Article VI, Section 6.15 & J	\$ 50 - 750
Set-Backs - Article VI, Section 6.02 & E	\$100 - 500
Plans and Specs - Article V, Section 5.05 & D, 1-8	\$100 - 500
Construction Material - Article VI, Section 6.15 & I	\$100 - 500
Building Area - Article V, Section E	\$100 - 500
Repainting - Article VI, Section 6.09	\$100 - 500

Please call the Association office at (530) 587-6202 if you require another copy of our Governing Documents.

**Glenshire Devonshire Residents Association
Off-Street Parking Rules and Guidelines**

All properties are required to have 700 square feet of asphalt surface available for off street parking, which includes the garage. Should the minimum requirement for "off-street parking" not be met or if found to be insufficient for the parking and storage of personal and recreational vehicles, the requirement to develop and limit the amount of additional "off-street parking" areas will be at the discretion, requirement and guidance of the Association. The guideline for enforcement will be if the amount of vehicles constitute a "eye sore" while considering their location, operability and appearance to the surrounding neighborhood.

The following guidelines have been developed to help clarify the rights and responsibilities of all property owners.

Vehicle Definition: All passenger, non commercial vehicles and trailers, including but not limited to all recreational vehicles, such as boats, jet skis, snowmobiles, motorcycles, airplanes and their respective trailers.

Vehicle Repair: Motor vehicle construction, reconstruction, or repairs on the property in view of the street or neighboring properties shall be limited to no more than 14 days in a given month. Work area is to be cleaned up daily while work is in progress.

Inoperable Vehicle: Any dilapidated, unlicensed or inoperable vehicle, trailer, boat, airplane, recreational or commercial vehicle, including without limitation; a vehicle without wheels or engine, shall be stored on the property within a fully enclosed area (garage) or fully screened location approved by the DRC (fenced area).

Commercial Vehicle: Commercial vehicles and their trailers (except for pickup trucks, passenger vehicles) shall be parked within a fully enclosed garage or screened from view using a DRC approved method. On a case by case basis, the Board of Directors reserves the right to determine a commercial vehicle.

Parking Surfaces: Additional parking surfaces may be asphalt, loose gravel/lava rock or graded dirt. All areas must be free of weeds, brush and excess storage items. The Board of Directors reserves the right to require a gravel or rock surface if area becomes a mud/dirt nuisance.

Parking Locations: In addition to the garage and driveway, appropriate additional "off-street parking" locations are the front and sides of the house. Backyard areas may be acceptable on a case by case basis, but all areas are subject to screening or surface improvements by the DRC. On a case by case basis, the Board of Directors reserves the right to limit the amount of additional parking locations and consolidate multiple parking areas.

On-Street Parking: On street parking is not intended for vehicle storage or long term parking. Enforcement will be addressed under "nuisance" and/or on case by case basis.

Parking on Unimproved Lots: A vehicle may only be stored or parked on an unimproved lot only if it is screened and/or incorporated into the adjacent developed lot, which has been approved by the Design Review Committee.

Vehicle Covers: All tarps and covers for all vehicles must be maintained in good condition. Earth-tone covers are strongly encouraged.

Variations: The Board of Directors has the power to grant variations for special circumstances that may or may not be addressed in the above guidelines.

**Juniper Hill Property Owners Association
Policy on Use of Roads by Non-Members**

The Glenshire/Devonshire Residents Association Board of Directors have agreed to honor the Juniper Hill Property Owners Association policy on the "Use of Roads by Non-Members".

The Juniper Hill Property Owner Association is a private and gated community. The use of the road system are available for Juniper Hill members, their family members, tenants, and current guests to, travel to, from and within the subdivision.

Glenshire/Devonshire membership may use the GDRA restricted building 9.6 acre parcel within Juniper Hill in the same manner as 0 other designated parcels of "open space". Absolutely no motor vehicles allowed. Glenshire/Devonshire residents may access the Association parcel on foot, horse or bike without accessing the Juniper Hill road system.

While Juniper Hill subdivision is adjacent to the GDRA subdivision, the Association roads are not available for use by Glenshire/Devonshire residents. Authorized personnel of GDRA who using the roads for a business purpose pertaining to their ownership of property within the Juniper Hill subdivision, are permitted to use the roads.

Members of the Juniper Hill Property Owners Association may not give an authorization to any person or entity to use the subdivision roads. Any use by non-members shall be governed by this policy.

Signs will be displayed at each entrance to the subdivision giving notice that use by non-members is prohibited and will be considered to be trespassing.

The cooperation of all Glenshire/Devonshire residents is greatly appreciated.

Sincerely,

GDRA
Board of Directors