

# MONTAGE AT MISSION HILLS HOMEOWNERS ASSOCIATION



*The Coachella Valley's Community  
Management Company*

68950 Adelina Road  
Cathedral City, CA 92234  
Phone: (760) 325-9500  
Fax: (760) 325-9300

November 2023

Dear Homeowner,

As required by the Civil Code, the Board of Directors have reviewed the current year's expenses compared to income and have determined a need for an increase in the monthly assessments in order for the Association to be able to meet monthly operating expenses in 2024.

**The monthly assessment will be \$325.00 per unit, per month, effective January 1, 2024.  
Statements will be mailed or emailed to you monthly in 2024.  
No coupon book will be sent this year.**

## **ANNUAL BUDGET REPORT**

Civil Code § 5300 creates minimum disclosure requirements by consolidating various disclosures under this "Annual Budget Report", which consists of the following Statements or Disclosures:

~2024 Operating Budget - *Enclosed*

~Summary of Reserves - *Enclosed*

~Reserve Funding Plan - *Enclosed*

~Assessment and Reserve Funding Disclosure Summary Form - *Enclosed*

~Major Component Repair Statement

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

~Anticipated Special Assessment

*In accordance with Civil Code section 5300(b)(5) and as of the date of this letter the Board does not anticipate that a special assessment will be required to repair, replace or restore any major components or to provide adequate reserves.*

~Reserve Funding Mechanism Statement

*In accordance with Civil Code section 5300(b)(6) the Board uses regular assessments to fund reserves to repair or replace major components.*

~Procedures for Calculating Reserves Statement – *(Included in Reserve Funding Disclosure Summary)*

~Outstanding Loan Statement

*In accordance with Civil Code section 5300(b)(8) - The Association does not have any outstanding loans*

~Insurance Summary – *Enclosed*

~Foreign Check Processing

*Checks received from a foreign bank account are an added expense to process and a fee of \$25 will be charged to the owner's account when such checks are received as payment to the HOA or management.*

***A copy of the full reserve study is available upon request.***

## **ANNUAL POLICY STATEMENT**

In an effort to clarify requirements relating to policy disclosures, Civil Code section 5310 consolidates the various requirements. The Annual Policy Statement is a disclosure of the following:

~Association's Designated Recipient to receive official communication – *Civil Code §§ 5310(a)(1), 4035*

*Board of Directors  
c/o Personalized Property Management  
Attn: Shelly Ruegsegger  
68950 Adelina Road  
Cathedral City, CA 92234*

~Right of Notice to Two addresses

*As provided in Civil Code §4040(b) Upon receipt of a request by a member, pursuant to §5260, identifying a secondary address for delivery of notices of the following types, the association shall deliver an additional copy of those notices to the secondary address identified in the request*

~General Notice Location –*Pursuant to Civil Code §§ 5310(a)(3), 4045(a)(3):*

The location designated for posting of the General Notice is:  
Community Bulletin Board, or Broadcast by PPM, or email, or the HOA Website: [MontageatMissionHills.org](http://MontageatMissionHills.org)

~Right to Receive General Notice by Individual Delivery

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

~Right to Receive Board Minutes

*In accordance with Civil Code § 4950(b) the minutes or summary of minutes of the Board meeting, other than an executive session are available to members within 30 days of the meeting.*

~Assessment Collection Policy - *Enclosed*

~Notice Assessment & Foreclosure Default Policy - *Enclosed*

~Governing Document Enforcement and Fine Policy - *Enclosed*

~Dispute Resolution Procedure Summary (IDR & ADR) - *Enclosed*

~Architectural Guidelines and Procedures – *Enclosed*

~Charges for Documents Civil Code 4530 & 4525 - *Enclosed*

~Overnight Payment Mailing Address – *Civil Code §§ 5310(a)(11), 5655*

*Personalized Property Management  
68950 Adelina Road  
Cathedral City, CA 92234*

The Board of Directors is obligated to uphold and enforce the CC&R's which in turn requires the Board to maintain, preserve and enhance the value and lifestyle of the Association and its property for the benefit of all Owners.

***PLEASE REVIEW ALL OF THE ENCLOSED DOCUMENTS CAREFULLY.***

Sincerely,

***MONTAGE AT MISSION HILLS HOA  
BOARD OF DIRECTORS***

Enclosures

November 2023

Dear Homeowner-

We are pleased to continue to serve the homeowners of Montage at Mission Hills Homeowners Association and your Board of Directors by providing the management services for your wonderful community. Our entire staff is dedicated to providing the attention necessary to enhance your enjoyment of the community, and to ensure that homeowner concerns are promptly addressed. Together with your Board of Directors we attempt to make your experience the best it can be!

When problems arise that may require management attention, i.e., sprinklers, lights, gates, or any other common area concerns, please contact our office as soon as possible. The telephone number is (760) 325-9500. Our regular office hours of operation are 8:00 a.m. - 4:00 p.m., Monday through Friday; we are closed from 12:00 p.m. - 1:00 p.m. for lunch. If an emergency develops after these hours, our twenty-four hour answering service will contact the appropriate service person and/or the property manager for resolution of the issue. We have structured our office to provide you prompt service as follows:

- A.) **SHELLY RUEGSEGGER – SENIOR COMMUNITY MANAGER** – Shelly is a community manager with over 35 years of experience in the community management industry. Shelly interacts with and takes direction from your Board of Directors on community matters and is the primary contact on matters concerning your Association.
- B.) **NICK EVANS – ASSISTANT COMMUNITY MANAGER** – Nick is Shelly's assistant and handles the day to day operations with Shelly. Her main focus is violations and architectural changes.
- C.) **MARK SEE – MAINTENANCE SUPERVISOR**- This important position/department takes homeowner requests for maintenance (i.e. landscape concerns, lighting, etc.) Each Homeowner request is logged into our database and a work order is created for future reference. *Should you have a maintenance need or concern, please ask for Mark.*
- D.) **FRONT DESK RECEPTION** – Our receptionist answers telephone calls, distributes gate cards, keys, etc. and assists homeowners with all in-office requests. The reception desk is handled by a variety of our administrative staff from time to time.
- E.) **ACCOUNTS PAYABLE & RECEIVABLE** – These positions are responsible for assisting in coordinating vendor payments and homeowner assessments.

In the event that you phone our office and reach the voice mail for any of the above staff members, we ask you always leave a message. That person is most likely already on the phone with another Homeowner. Each voice mail call is logged and returned in a timely manner. We have organized our office in this fashion to free-up your Manager's time to be out on property, serving the community. We are very confident that this structure will exceed your expectation. We thank you for this opportunity and look forward to a continued, positive and productive relationship with your Association.

Sincerely,

*Richard Warfield*

Richard Warfield

President

Personalized Property Management Company

### **Banking & Payment Update**

Dear Valued Homeowners,

We hope this letter finds you well. As part of our ongoing efforts to improve our services, we would like to bring to your attention an important update regarding the mailing location for your monthly checks.

Effective from **August 1, 2023**, kindly note that the mailing location for your checks has been changed. Please make a note of the new address:

**Pacific Western Bank  
C/O Personalized Property Management  
P.O. Box 512835  
Los Angeles, CA 90051**

**Payments sent to the old lockbox location will be forwarded overnight for the next 90 days.**

**Owners have three months to update their payments before checks will be returned to the sender. If you are currently using your bank's online bill pay feature to send us your payments, we highly recommend that you take a moment to delete the existing payee and create a new one with the updated mailing address. Be sure to include your new (as of 8.1.22) account number or your payment will not be processed.**

Why is this important? Setting up a new payee with the new address will likely convert your payment into an electronic transaction, expediting the payment process and reducing the potential for delays or lost checks. We understand the value of your time and want to provide the most convenient and efficient payment methods possible.

However, please be assured that if you do not create a new payee with the updated address, your payment will still be sent via mail as a traditional check.

- If you have questions or need assistance with your Bank's online bill pay, please contact your banking institution.
- If you have questions or need assistance regarding other banking or lockbox questions, please call [888-705-0600](tel:888-705-0600)

We sincerely appreciate your cooperation and understanding during this transition. Your continued support allows us to provide the best services possible for our valued homeowners.

Thank you for being a part of our community, and we look forward to serving you for many years to come.

Sincerely,

Richard Warfield  
President  
Personalized Property Management

# Montage at Mission Hills 2024 Budget

Approved by the Board October 25, 2023

General Ledger	Description	Monthly Assmt 2024	Monthly Budget 2024	Budget 2024
<b>Income</b>				
4110	Assessment Members	<b>\$325</b>	\$41,600	\$499,200
4125	Collection Reimbursement		\$42	\$500
4130	Interest		\$400	\$4,800
4135	Assessment Violations		\$0	\$0
4140	Late Assessment		\$63	\$758
4141	Admin Fee Late Charge		\$25	\$305
4142	Bank Charges		\$0	\$0
4155	Architectural Fees		\$0	\$0
4190	Gate Clickers/Cards		\$0	\$0
4195	Misc. Income		\$0	\$0
	<b>Total Income</b>		<u>\$42,130</u>	<u>\$505,563</u>
<b>Transfers</b>				
5010	Less Reserves		(7,552)	(\$90,624)
5011	Palm Tree Plan (2018 thru 2027)		(3,178)	(\$38,136)
5015	Less Restricted Interest		(400)	(\$4,800)
	<b>Total Reserves</b>		<u>(11,130)</u>	<u>(\$133,560)</u>
	<b>Income after Reserves</b>		<u>\$31,000</u>	<u>\$372,003</u>
<b>Operating Expenses</b>				
<b>Utilities</b>				
5020	Electricity		\$1,875	\$22,500
5040	Gate Telephone		\$88	\$1,056
5050	Water		\$417	\$5,000
	<b>Subtotal Utilities</b>		<u>\$2,380</u>	<u>\$28,556</u>
<b>Landscape Maintenance</b>				
5110	Landscape Contract		\$2,760	\$33,125
5120	Landscape Extras		\$125	\$1,500
5130	Sprinkler Maintenance		\$210	\$2,520
5140	Tree Trimming		\$500	\$6,000
5145	Tree Removal		\$0	\$0
5160	Seed/Scalp/Fertilizer		\$83	\$1,000
5170	New Plants		\$131	\$1,572
	<b>Subtotal Landscape</b>		<u>\$3,809</u>	<u>\$45,717</u>
<b>Entrance Fountains</b>				
5210	Contract Maintenance		\$315	\$3,780
5220	Equipment Repair		\$83	\$1,000
	<b>Subtotal Fountains</b>		<u>\$398</u>	<u>\$4,780</u>
<b>Hardscapes Maintenance</b>				
5341	Grounds Misc.		\$29	\$350
5345	Street Sweeping		\$474	\$5,688
5350	Detention Basin Pumping		\$333	\$4,000
5363	Holiday Décor		\$233	\$2,800
5365	Electrical/Lighting Repair/Relamping		\$884	\$10,612
5370	Pest Control		\$226	\$2,707
5380	Signs		\$0	\$0
5395	Gate Metal/Motor/Arm Repairs		\$192	\$2,308
5399	Gate Phone Repairs		\$28	\$331
	<b>Subtotal Hardscapes</b>		<u>\$2,399</u>	<u>\$28,796</u>

**Administration Cost**

5455 Permits	\$0	\$0
5460 Reserve Study	\$43	\$520
5468 Professional Fee	\$0	\$0
5470 Audit	\$133	\$1,600
5480 Franchise Tax	\$5	\$60
5481 State Required Forms: Civil Code 4041	\$129	\$1,548
5490 Internal Revenue	\$0	\$0
5505 Legal	\$333	\$4,000
5510 Assessment Collection Fee	\$42	\$500
5511 CAI Membership	\$73	\$872
5512 Bad Debts Expense	\$0	\$0
5513 Meeting & Board Expense	\$42	\$500
5515 Mission Hills Social Membership	\$16,768	\$201,216
5516 PPM Late Admin Fee	\$25	\$305
5520 Insurance	\$699	\$8,389
5530 Management Services	\$2,647	\$31,768
5535 Year End Closing	\$70	\$839
5540 Printing/Postage	\$305	\$3,660
5445 Bank Charges	\$0	\$0
5550 Miscellaneous/Contingency	\$436	\$5,227
5553 Social Meetings	\$208	\$2,500
5554 Emergency Preparedness Committee	\$21	\$250
5556 Website Committee Licenses	\$33	\$400
<b>Subtotal Administration</b>	<b>\$22,013</b>	<b>\$264,154</b>
<b>Total Operating Expenses</b>	<b>\$31,000</b>	<b>\$372,003</b>

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Net Income (Loss)

**MONTAGE AT MISSION HILLS, INC.**  
**ASSESSMENT COLLECTION POLICY AND STANDARDS FOR PAYMENT PLANS**

**Effective November 8, 2007**

*(Updated: Civil Code reference Changes Effective January 1, 2014)*

*(Updated: Civil Code reference Changes Effective January 1, 2020)*

Prompt payment of Assessments by all owners is critical to the financial health of the Association, and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation to enforce the members' obligation to pay assessments. The Board has adopted this Collection Policy in an effort to discharge that obligation in a fair, consistent and effective manner. The following are the Association's assessment collection practices and policies, and payment plan standards.

1. **Due Dates:** Regular assessments are due and payable on the first day of each month. It is the owner's responsibility to timely pay each assessment regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified in the notice of assessment.
2. **Obligation to Pay:** Assessments, late charges, interest, reasonable collection costs, including management and attorneys' fees, if any, are the personal obligation of the owner of the subject property (the "Property") at the time the assessment or other sums are levied. Owners shall be responsible for all such amounts unless it is determined that all assessments were paid on time to the Association.
3. **Late Charges:** Unpaid assessments are delinquent 15 days after they are due. A late charge of \$10.00 (*not more than \$10.00 or 10%*) will be charged for any assessment which is not paid in full within 15 days of the due date.
4. **Interest:** Interest on the balance due will accrue at the rate of 12% per annum commencing thirty (30) days after the assessment becomes due.
5. **Application of Payments:** Any payments received will be applied first to assessments owed, and, only after the assessments owed are paid in full will the payments be applied to fees and costs of collection, late charges and/or interest. Payments will be applied to assessments so that the oldest assessment arrearages are retired first, unless the payment indicates that it shall be otherwise applied. A late charge may accrue if payment is not sufficient to satisfy all delinquent assessments, and the current month's assessment.
6. **Delinquency Notice:** If any assessment becomes delinquent, the Association will send a notice regarding the delinquency, and demanding payment thereof, to the owner at his/her address or addresses on file with the Association. The owner will be charged a fee for such delinquency notice. If the amount set forth in the delinquency notice is not received before the due date set forth therein, the matter may be turned over to a collection agent or an attorney for further action, including legal action, or the Association may take such other collection action as it deems appropriate.
7. **Right to Submit Secondary Address:** Owners may submit a written request to the Association to use a secondary address. Any such request must be mailed to the Association (at the address indicated below) in a manner that shall indicate that the Association has received it (e.g., via certified mail). CC §4040(b) The Association will send notices to the indicated secondary address only from and after the point that the Association receives any such request. Nothing herein shall require the Association to re-send or duplicate any notice sent to the owner prior to the date that a request for a secondary address is received.
8. **Suspension of Privileges:** Without prejudice to its right to continue with and/or take other collection action, in the event an assessment is not paid within 15 days of its due date, an owner's membership rights, including, but not limited to rights of use and enjoyment of the recreational common areas and common facilities may be suspended after notice and a hearing pursuant to Corporations Code §7341. 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.
9. **Pre-Lien Notice:** Prior to recording a lien for delinquent assessments, the Association, its collection agent or attorney will send a pre-lien letter to the record owner as required by CC §5660(a)-(f), by certified and first class mail to the owner's address of record with the Association. The owner will be charged a fee for such pre-lien letter. The Association may obtain a vesting report from a title company in connection with preparation of a pre-lien letter. If a vesting report is obtained, the owner will be charged a fee for the report.

10. **Opportunity to Meet and Confer:** An owner may dispute the debt noticed in the pre-lien letter by submitting to the board a written request to meet and confer with a designated director of the Association pursuant to the Association's Internal Dispute Resolution Policy adopted pursuant to CC§5910.
11. **Right to Request a Payment Plan:** Owners may submit a written request to meet with the board to discuss a payment plan. If such request is mailed within 15 days of the postmark of the pre-lien notice, the board will meet with the owner, in executive session, within 45 days of the postmark of such request, unless there is no regularly-scheduled meeting of the board within that period of time, in which case the board may designate a committee of one or more directors to meet with the owner. In addition to the foregoing procedure for requesting a payment plan, an owner may negotiate a payment plan with the Association's managing agent, attorney or authorized collection agent. Any payment plan must comply with the Standards for Payment Plans set forth herein below.
12. **Standards for Payment Plans:** Payment plans will be considered on a case-by-case basis. Generally, no payment plan may exceed *six (6) months in duration*. Fees and/or costs *may be charged for the administration of any payment plan, and may vary based* upon the duration of the payment plan. Any request for a payment plan which exceeds six months in duration must be accompanied by a written explanation of the reason for the request, which includes documentation of the owner's special circumstances, financial hardship, and ability to make the payments requested. If a lien has not been recorded prior to the time that any payment plan is entered into, one may be recorded during the repayment period to secure the debt while the payment plan is pending. Payment plans must provide for full payment of the delinquent amounts, in addition to the amounts which will accrue during the repayment period, including any regular and/or special assessments, and any fees and/or costs related to the administration of the payment plan and/or for the recording and/or release of any lien. Once a payment plan is entered into, additional late charges will not accrue for so long as the owner complies with the terms of the payment plan. In the event of a default in any payment agreement, the Association will resume collection efforts from the time prior to entering into the payment plan.
13. **Partial Payments.** Owners may make partial payments without a written payment plan; provided, however, that any such partial payment shall:
- a. not stop any collection action;
  - b. not invalidate any assessment lien already filed;
  - c. not stop an already existing non-judicial foreclosure action;
  - d. not obviate the obligation to pay all collection fees and costs inclusive of late charges, interest, management fees/bookkeeping fees, title charges, lien fees and costs, trustee's fees and / or attorney's fees; and
  - e. further require (due to the additional bookkeeping and other administrative expenses incurred with a partial payment) that any Owner who submits a partial payment (without an approved payment plan) will incur an administrative expense for each partial payment tendered and received by, or on behalf of, the Association.
14. **Lien:** If an owner to whom a pre-lien letter is sent fails to pay the amounts demanded therein within thirty (30) days from the date such pre-lien letter is mailed, a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees may be recorded against the owner's Property. The owner will be charged a fee for such lien. No lien will be recorded unless a majority of the members of the board of directors approves the decision to record the lien at an open board meeting.
15. **Notice of Recordation of Lien:** A copy of the lien will be sent to every person whose name is shown as an owner of the Property in the Association's records, via certified mail, within ten (10) calendar days of recordation of the lien. Any lien recorded by the Association will remain as an encumbrance against the Property until the debt secured thereby is satisfied.
16. **Dispute Resolution:** Prior to initiating foreclosure of any lien, the association shall offer to the owner of the Property, and if so requested by the owner, shall participate in dispute resolution in accordance with the Association's Internal Dispute Resolution Policy or in alternative dispute resolution with a neutral third party. The decision to pursue internal dispute resolution or a particular type of alternative dispute resolution shall be the choice of the owner, except that binding arbitration shall not be available if the Association intends to pursue judicial foreclosure.
17. **Foreclosure of Lien:** The Association will not seek to foreclose any lien through judicial or non-judicial foreclosure unless and until the amount of delinquent assessments secured thereby reaches \$1,800.00, or until the assessments are at least twelve (12) months delinquent. The decision to initiate foreclosure of any lien shall be made by a majority vote of the board members, in executive session.
18. **Notice to Owner of Decision to Foreclose:** If the board of directors decides to initiate foreclosure of a lien, it shall provide notice of such decision to the owner. Such notice will be by personal service to an owner who occupies the Property or to the owner's legal representative. The board shall provide written notice to an owner of Property who does not occupy the Property by first-class mail, to the most current address shown on the books of the Association. In the absence of written notification by the owner to the Association, the address of the owner's Property shall be treated as the owner's mailing address.



19. **Release of Lien Upon Satisfaction of Debt:** Within 21 days of receipt of full payment to satisfy a lien, the Association will record a release of lien, and provide a copy thereof to the owner.

20. **Right to Inspect Records:** Owners have the right to inspect certain Association records pursuant to Corporations Code §8333 to verify the debt.

21. **Payment Receipts/Overnight Payment Location.** Owners can request a receipt from the Association which shall indicate the date of payment and the person who received it. Any request for a receipt of payment must be submitted directly to the Association's business address (separately from any actual payment). Overnight payment of assessments may be sent/delivered to the following address:

Personalized Property Management  
68-950 Adelina Road  
Cathedral City, CA 92234

22. **Association's Right to Collect by Any Lawful Means:** Nothing herein limits or otherwise affects the Association's right to proceed in any other lawful manner to collect any delinquent sums owed to the Association. The Association reserves the right to change the amount of any collection fee or charge, without notice, and reserves the right to modify or amend this collection policy at any time.

# Reserve Summary

(As required by California Civil Code Section 5565)

## MONTAGE AT MISSION HILLS HOMEOWNERS ASSOCIATION

SCT Reserve Consultants, Inc. is pleased to provide this Level III Reserve Study (Financial Update Report). In order to comply with the California Civil Code, specifically the Davis-Stirling Common Interest Development Act, Section 5565, we are providing the following information to the Homeowners within MONTAGE AT MISSION HILLS HOMEOWNERS ASSOCIATION.

The following study has been prepared with several assumed factors taken into account: a 3.00% inflation rate; a 3.00% return on investment (interest earned); taxes on interest earned is paid for through the operating fund; an estimated remaining life of each reserve component; and an estimated current replacement cost of each reserve component.

As of December 31, 2023, the estimated ending reserve fund balance is \$315,750 and the estimated current replacement cost is \$2,077,917 for the portfolio of reserve components. The projected future replacement cost of the portfolio is \$3,280,722, calculated at an annually compounded inflation rate of 3.00%. The Association's level of funding which is based upon the estimated ending reserve fund balance divided by the reserve components' fully funded amount is 28.26%. This is referred to as Percent Funded. The Association would be 100.00% funded if there were \$1,117,244.28 in the reserve fund.

The current deficiency (or surplus if the number is in parenthesis) in reserve funding expressed on a per unit basis is \$6,261.67. This is calculated by subtracting the ending balance (\$315,750) from the 100% funded figure (\$1,117,244.28), then divided by the number of ownership interests (128). There is currently no requirement to be fully funded.

Our original analysis of the cash flow for this association indicated future inadequate funding if there were no annual increases to the Reserves. It is our understanding the Board of Directors will allocate a monthly amount of \$7,552.00 starting in 2024 (\$59.00 per unit per month for each of the 128 ownership interests) towards the reserve fund. To offset the over/under cash results of the report, we recommend and have included a change of 4.10% starting in 2025 for 29 years. This report includes \$38,136 for Palm Tree Plan Surcharge in 2024 for 4 years. The Board of Directors may change the amount; however, it will impact the level of funding on reserves. These numbers, by themselves, are not a clear indicator of financial strength and could indicate underfunding, overfunding, or adequate funding.

The following table represents additionally required information pursuant to the Davis-Stirling Common Interest Development Act, Section 5565.

Fiscal Year: January 1, 2024 through December 31, 2024

Category	Range of Full Useful Life	Range of Remaining Useful Life	Current Replacement Cost	Fund Balance on Jan 01, 2024	Reserve Allocation	Additional Revenue	Interest
Access System	6 to 16	2 to 13	\$97,000	\$10,711	\$3,074	\$1,294	\$304
Asphalt & Concrete	4 to 40	0 to 21	\$1,481,372	\$197,890	\$56,797	\$23,901	\$5,622
Electrical & Lights	18 to 35	16 to 17	\$34,070	\$2,159	\$620	\$261	\$61
Gates & Walls	5 to 50	1 to 29	\$94,050	\$11,801	\$3,387	\$1,425	\$335
Irrigation	12 to 12	3 to 3	\$2,200	\$389	\$112	\$47	\$11
Landscape & Drainage	0 to 30	0 to 12	\$255,050	\$65,770	\$18,877	\$7,944	\$1,869
Mailboxes	25 to 25	3 to 3	\$19,800	\$3,870	\$1,111	\$467	\$110
Paint	3 to 12	1 to 2	\$26,225	\$5,192	\$1,490	\$627	\$148
Signage	23 to 30	0 to 14	\$30,350	\$9,731	\$2,793	\$1,175	\$276
Water Features	5 to 12	0 to 10	\$37,800	\$8,236	\$2,364	\$995	\$234
<b>Totals:</b>			<b>\$2,077,917</b>	<b>\$315,750</b>	<b>\$90,624</b>	<b>\$38,136</b>	<b>\$8,971</b>

The complete reserve study is available by request from the Association.



# Assessment and Reserve Funding Disclosure Summary For the Fiscal Year Ending December 31, 2024

*(As illustrated by California Civil Code Section 5570(a))*

(1) The regular assessment per ownership interest is **\$325.00** per month, of which approximately **\$59.00** is allocated to reserves, monthly.

*Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on the following page of the attached summary. **NOT APPLICABLE***

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members: **SEE ANSWER BELOW TO QUESTION #4 WHICH SUGGESTS THERE WILL BE INCREASES IN REGULAR ASSESSMENTS FOR RESERVE FUNDING.**

Date assessment will be due:	Amount per ownership interest per month or year:	Purpose of the assessment:

*Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on the following page of the attached summary. **NOT APPLICABLE***

(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   X      No   X  

**Yes**, if the Association follows the recommended future reserve contribution increases as outlined in the reserve study and disclosed in the table of question (4) with consideration to the note below\*.

**No**, if the Association does not follow the recommended future reserve contribution increases as outlined in the reserve study and disclosed in the table of question (4) with consideration to the note below\*.

*\*Note: 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 provided by and supplied to the Association's Board of Directors and/or management. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the data 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 obligation for repair and/or replacement of major components during the next thirty (30) years. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods or other acts of God cannot be accounted for and are excluded when assessing life expectancy of the components. The reserve study only includes items that the Association has a clear and 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 that have not yet been approved by the Board or the members?

Approximate date assessment(s) will be due (see <b>Funding Plan</b> column, next page):	Amount per ownership interest per month:
<b>4.10% starting in 2025 for 29 years</b>	<b>(Current amount) X (the increases)</b>

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

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5550, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$1,169,823.57**, as of **December 31, 2024**, based in whole or in part on the last reserve study or update prepared by **SCT RESERVE CONSULTANTS, INC.** The projected reserve fund cash balance at the end of the current fiscal year is **\$346,548.44**, resulting in reserves being **29.62%** percent funded at this date. If an alternate, but generally accepted, method of calculation is also used, the required amount is **\$106,933**. (See explanation below).

**Explanation:** *Cash Flow Methodology - a method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.*



# Assessment and Reserve Funding Disclosure Summary

## For the Fiscal Year Ending December 31, 2024

(continued)

7) **See below: 30-Year Reserve Funding Plan Table...** Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5550 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is \$(see **"100% Funded" column below**), and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is \$(see **"Cash Flow" column below**), leaving the reserve at (see **"Percent Funded" column below**) percent funding. If the reserve funding plan approved by the association is implemented, the projected reserve fund cash balance in each of those years will be \$(see **"Cash Flow" column below**), leaving the reserve at (see **"Percent Funded" column below**) percent funding. Note: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was **3.00%** per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was **3.00%** per year.

**30-Year Reserve Funding Plan Table**

Year	End of Year			Revenue			Expenditures
	100% Funded	Cash Flow	Percent Funded	Contribution, Interest	Contribution Unit/Month	Funding Plan	Components, Taxes, Deferred Exp
2023	\$1,117,244	\$315,750	28.26%				
2024	\$1,169,824	\$346,548	29.62%	\$137,731	\$59.00	0.00%	\$106,933
2025	\$1,248,678	\$421,463	33.75%	\$143,555	\$61.42	4.10%	\$68,641
2026	\$1,274,517	\$460,221	36.11%	\$148,561	\$63.94	4.10%	\$109,803
2027	\$1,334,809	\$549,267	41.15%	\$155,102	\$66.56	4.10%	\$66,055
2028	\$1,425,493	\$631,887	44.33%	\$123,550	\$69.29	4.10%	\$40,930
2029	\$1,557,510	\$757,249	48.62%	\$131,506	\$72.13	4.10%	\$6,144
2030	\$1,642,390	\$837,114	50.97%	\$138,404	\$75.09	4.10%	\$58,538
2031	\$1,764,561	\$955,975	54.18%	\$146,532	\$78.16	4.10%	\$27,672
2032	\$1,845,657	\$1,035,705	56.12%	\$153,793	\$81.37	4.10%	\$74,063
2033	\$2,004,707	\$1,195,388	59.63%	\$163,467	\$84.70	4.10%	\$3,784
2034	\$2,166,102	\$1,359,695	62.77%	\$173,579	\$88.18	4.10%	\$9,273
2035	\$2,281,494	\$1,480,513	64.89%	\$182,682	\$91.79	4.10%	\$61,864
2036	\$2,262,584	\$1,469,805	64.96%	\$188,232	\$95.56	4.10%	\$198,940
2037	\$2,327,407	\$1,545,587	66.41%	\$196,300	\$99.47	4.10%	\$120,518
2038	\$2,456,195	\$1,688,370	68.74%	\$206,615	\$103.55	4.10%	\$63,831
2039	\$2,650,952	\$1,900,433	71.69%	\$219,229	\$107.80	4.10%	\$7,167
2040	\$2,608,727	\$1,879,365	72.04%	\$225,594	\$112.22	4.10%	\$246,661
2041	\$2,796,111	\$2,091,547	74.80%	\$238,544	\$116.82	4.10%	\$26,363
2042	\$806,248	\$132,665	16.45%	\$190,741	\$121.61	4.10%	\$2,149,622
2043	\$784,881	\$144,223	18.38%	\$196,149	\$126.59	4.10%	\$184,592
2044	\$865,690	\$262,523	30.33%	\$207,280	\$131.79	4.10%	\$88,980
2045	\$811,305	\$250,879	30.92%	\$215,284	\$137.19	4.10%	\$226,928
2046	\$965,008	\$452,598	46.90%	\$229,502	\$142.81	4.10%	\$27,784
2047	\$1,059,782	\$601,359	56.74%	\$242,836	\$148.67	4.10%	\$94,074
2048	\$1,046,591	\$648,557	61.97%	\$253,593	\$154.76	4.10%	\$206,395
2049	\$1,156,879	\$825,832	71.38%	\$268,284	\$161.11	4.10%	\$91,010
2050	\$1,277,267	\$1,020,408	79.89%	\$284,021	\$167.71	4.10%	\$89,445
2051	\$1,470,816	\$1,295,785	88.10%	\$302,477	\$174.59	4.10%	\$27,100
2052	\$1,519,375	\$1,434,541	94.42%	\$317,594	\$181.75	4.10%	\$178,838
2053	\$1,700,028	\$1,714,009	100.82%	\$336,968	\$189.20	4.10%	\$57,500
<b>30-Year Sum:</b>				<b>\$6,117,706</b>			<b>\$4,719,447</b>



## Summary

In accordance with our proposal, 2004-078, SCT Reserve Consultants, Inc. is pleased to provide this ***Level III Reserve Study Financial Update Report for MONTAGE AT MISSION HILLS HOMEOWNERS ASSOCIATION***. Our study was performed in accordance with the Davis-Stirling Common Interest Development Act, specifically §5550, of the California Civil Code. This report included a site inspection on August 5, 2022 for the 2023 budget year. This *planned (single-family detached home)* common interest development (CID) is located at the southwest of Gerald Ford Drive and Da Vall Drive, Cathedral City, California. We are using an inception date for the components of January 1, 2003. ***This study is for January 1, 2024 through December 31, 2024, the Association's fiscal year.***

In general, reserve funds are funds set aside from collected association fees paid by owners of a common interest development. These funds earn interest and are disbursed when deemed necessary by the Board of Directors. The purpose of a reserve study is to determine how much money should exist in a reserve fund at a given point in time or to project required future contributions and expenditure amounts so that sufficient reserve funds are available when needed. Our reserve study is generated using proprietary SCT software and a combination of local industry standards and national average replacement costs.

The SCT software utilizes the weighted average life (WAL) of the reserve components. The future cost method for the WAL is calculated by using the current replacement cost of each component, as of the analysis date, and the number of years until each reserve component is scheduled to be replaced. This determines the monthly reserve contributions needed and calculates the future reserve balances.

A 30-year “Cash Flow and Percent Funded Projection” analysis and “Graph” are produced to verify and define the relationship of the Cash Flow (annual beginning balance) with respect to the 100% funded amount. Ideally, the Cash Flow line of the graph should run parallel to and below the “Percent Funded” line of the graph, see funding goals.

The following study has been prepared with several assumed factors taken into account: 3.00% inflation rate; a 3.00% return on investment (interest earned); taxes on interest earned is paid for through the operating fund; an estimated remaining life of each reserve component; and an estimated current replacement cost of each reserve component.

Typically, any component that has a life cycle (full life) of less than two years should be budgeted and paid for through normal operating or property maintenance funds and is not included as part of this study.

**The current deficiency (or surplus if the number is in parenthesis) in reserve funding expressed on a per unit basis is \$6,261.67.** This is calculated by subtracting the ending balance (\$315,750) from the 100% funded figure (\$1,117,244.28), then divided by the number of ownership interests (128). There is currently no requirement to be fully funded.



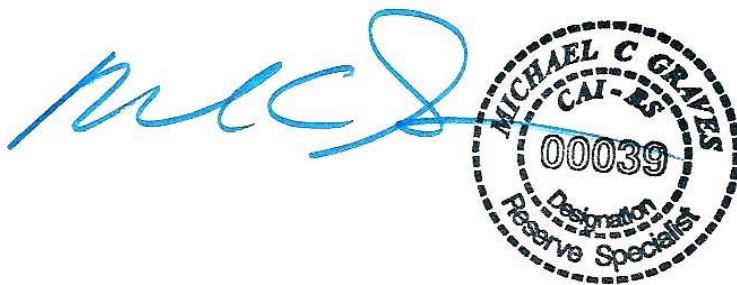
## Summary (continued)

As of January 1, 2024, the estimated reserve fund balance is \$315,750 and the estimated current replacement cost is \$2,077,917 of the portfolio of reserve components. The projected future replacement cost of the portfolio is \$3,280,722, calculated at an annually compounded inflation rate of 3.00%. The Davis-Stirling Common Interest Development Act requires the disclosure of the *current reserve fund balance divided by the current replacement cost* (this is not *Percent Funded*). Currently, *this factor for MONTAGE AT MISSION HILLS HOMEOWNERS ASSOCIATION is 15.20%*.

The Association's level of funding for the fiscal year (January 1, 2024 through December 31, 2024) which is based upon the final estimated reserve fund balance divided by the reserve components' fully funded amount is **29.62%, and is referred to as Percent Funded**. The Association would be 100.00% funded if there were \$1,169,823.57 in the reserve fund.

Our original analysis of the cash flow for this association indicated future inadequate funding (see the graph, the "square box and/or pink line"). This line represents the cash flow if there were no annual increases to the Reserves. ***It is our understanding the Board of Directors will allocate a monthly amount of \$7,552.00 starting in 2024 (\$59.00 per unit per month for each of the 128 ownership interests) towards the reserve fund. To offset the over/under cash results of the report, we recommend and have included a change of 4.10% starting in 2025 for 29 years. This report includes \$38,136 for Palm Tree Plan Surcharge in 2024 for 4 years.*** The Board of Directors may raise or lower this amount, however, it will impact the level of funding on reserves. These numbers, by themselves, are not a clear indicator of financial strength and could indicate underfunding, overfunding, or adequate funding.

Sincerely,



Michael C. Graves, R.S. #00039  
SCT Reserve Consultants, Inc.

## MONTAGE AT MISSION HILLS HOMEOWNERS ASSOCIATION



*The Coachella Valley's Community  
Management Company*

68950 Adelina Rd.  
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Phone: (760) 325-9500  
Fax: (760) 325-9300

### **Extract from California Civil Code section 5730 Notice Regarding Assessments and Foreclosure**

#### NOTICE ASSESSMENTS AND FORECLOSURE

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

#### ASSESSMENTS AND FORECLOSURE

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

In a judicial or non-judicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use non-judicial 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 5725 of the Civil Code)

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

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

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

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

### PAYMENTS

When an owner makes a payment, 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. (Section 5655 of the Civil Code)

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

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

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

### MEETINGS AND PAYMENT PLANS

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

The board of 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 to the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)



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### **INTERNAL DISPUTE RESOLUTION PROCEDURE**

The California Legislature has adopted new regulations codified in *Civil Code Sections 5900 through 5920*, which require Associations to adopt fair, reasonable and expeditious dispute resolution procedures, effective January 1, 2005. This is separate and apart from, and precedes, the formal ADR (Alternative Dispute Resolution) requirements set forth in *Civil Code Section 5925 through 5965*. The Association has adopted the following procedures as required under such law:

1. The Association or an Owner may invoke the procedures herein by submitting a request to the other to meet and confer in an effort to resolve any existing dispute. The request must be in writing.
2. An Owner may refuse a request to meet and confer made by the Association with the understanding that further enforcement action may be taken if the dispute is not resolved. The Association may not refuse a request by an Owner to meet and confer.
3. The Association's Board of Directors shall designate a Board member to meet and confer with an Owner.
4. The designated Board member and the Owner shall meet promptly at a mutually convenient time and place. The parties shall explain their positions to each other and attempt, in good faith to resolve the dispute.
5. Any resolution of the dispute agreed to by the parties shall be set forth in writing and signed by the Owner and the designated Board member on behalf of the Association.
6. An agreement reached under this procedure is binding on the Owner and the Association and is enforceable in court if both of the following conditions are met:
  - a. The agreement is not in conflict with law or the Association's governing documents.
  - b. The agreement is consistent with the authority granted by the Board of Director's to the designated Board member or is ratified by the Board.
7. Owners will not be charged a fee to participate in this process.

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### **ALTERNATIVE DISPUTE RESOLUTION**

Beginning January 1, 1994, California law provides that when the owner of a separate interest (a Homeowner) or the common interest development (CID)/association brings an action:

- a) solely for declaratory relief or injunction relief; or
- b) either of those in conjunction with a claim for monetary damages; (Other than Association Assessments, not to exceed \$5,000) relating to the enforcement of the governing documents of the association, they shall endeavor to submit the matter to alternative dispute resolution (ADR).

What this means, in general, is that in those prescribed types of disputes, before filing a lawsuit, an attempt must be made to settle. This must be done in a semi technical manner. The method of beginning the attempt at ADR is to serve on the opposing party a Request for Resolution. With certain exceptions, the law requires a certificate be filed with any civil action, certifying compliance with the above stated requirements.

Please be advised that the statement above is intended to be only the broadest of interpretations and merely to advise that such a law exists. There are a number of other factors involved, including attorney's fees; arbitration or mediation costs; and the results of not conforming to this law (*Civil Code § 5925 through 5965*).

The California legislature has also provided that each year your Association must send out a summary of this law and that summary must specifically include the following excerpt of the law:

**“Failure by any member of the association to comply with the pre-filing requirements of § 5930 of the *Civil Code* may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents”.**

As you can see, failure to comply with this law may prejudice your rights. We strongly urge each one of you to carefully read the statute and consult with an attorney prior to commencing any litigation regarding the enforcement of the governing documents.

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### **HOMEOWNER'S INSURANCE INFORMATION** **Individual Liability Policies and Loss Assessment Coverage** **CIVIL CODE SECTION 5300(B)(9)**

It is very important that you explore your own risks with a knowledgeable insurance agent and purchase coverage to protect you from liability caused by an accident occurring in your own unit, the common area, and/or any exclusive use common area (such as patios, garages, carports), and to protect you from any liability or insurance gaps in coverage between the Association's coverage and your own. We also recommended that you inquire about Loss Assessment and Earthquake Loss Assessment Coverage. The cost of an endorsement for loss assessment is minimal and provides protection to individual unit owners from any extraordinary special assessments, such as excess liability over the Association's insurance proceeds or an extraordinary expense incurred by the Association, allocated to the owners through a special assessment (such as special assessments to pay or rebuilding costs which exceed insurance proceeds from an earthquake or fire loss)

The Association will notify you as soon as reasonably practical if any of the Association's policies are cancelled and not immediately replaced or if there is a significant change in the coverage (reduction or the deductible). If a policy is issued to replace a policy and there is no lapse in coverage, the Association will notify you in its next annual mailing to members.

The attached summary of the association's policies of insurance provides only certain information as required by *Section 5300 of the Civil Code*, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property, 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.

State law requires that community associations disclose to the individual homeowners the extent of liability coverage carried by the Association.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/02/2023

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

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

<b>PRODUCER</b> Cline Agency Insurance Brokers 12400 Wilshire Blvd. Suite 280 Los Angeles CA 90025	<b>CONTACT NAME:</b> EOI Direct eoidirect.com <b>PHONE (A/C. No. Ext):</b> (877) 456-3643 <b>E-MAIL ADDRESS:</b> help@eoidirect.com	<b>FAX (A/C. No.):</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURED</b> Montage at Mission Hills - Tract 29771  c/o Personalized Property Management 68950 Adeline Road Cathedral City CA 92234	<b>INSURER A:</b> LIO Insurance Company		
	<b>INSURER B:</b> Allied World Insurance Co		
	<b>INSURER C:</b> Hanover American Insurance Co.		
	<b>INSURER D:</b> Philadelphia Indemnity Ins Co.		
	<b>INSURER E:</b> Travelers Casualty Ins Co Amer		


**COVERAGES**      RG      **CERTIFICATE NUMBER:** Cert ID 47679      (1)      **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> (E) D&O Liability <input checked="" type="checkbox"/> \$7,5000 D&O Ded. GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			HOA1000025948 (E) 106987143 (D&O is Claims-Made)	09/30/2023 09/30/2023	09/30/2024 09/30/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 (E) D&O Limit \$ 1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			HOA1000025948	09/30/2023	09/30/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$			031356862017598	09/30/2023	09/30/2024	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 Excess GL DO \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WZ3A731630	09/30/2023	09/30/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Crime/Fidelity Bond			PCAC0076490519	09/30/2023	09/30/2024	Ded. \$5,000    \$ 250,000
A	Common Property			HOA1000025948	09/30/2023	09/30/2024	Ded. \$1,000    \$ 207,500

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 128 UNITS | The property management company and its employees are Additional Insured Special Form. Replacement Cost. Walls-In Excluded; Common Areas only, no coverage for structures/units. Equipment Breakdown: Included. Ordinance or Law: Included. Separation of Insureds Included. Wind/Hail included. Inflation Guard: 4%.

**CERTIFICATE HOLDER****CANCELLATION**

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

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**HOMEOWNERS ASSOCIATION**

**ARCHITECTURAL IMPROVEMENT REQUEST**

PROPERTY ADDRESS \_\_\_\_\_ DATE \_\_\_\_\_

HOMEOWNER (Print Name—all Homeowners must submit request) \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_ PHONE \_\_\_\_\_

HOMEOWNER (Print Name—all Homeowners must submit request) \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_ PHONE \_\_\_\_\_

MAILING ADDRESS (if different than property address) \_\_\_\_\_

REQUESTED IMPROVEMENT(S) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

You are hereby advised that the work described above is proposed for the indicated property address and approval thereof is requested.

Attached are \_\_\_\_\_ set(s) of drawings of the work to be done and a complete description of all materials to be used.

A security deposit of \$1,000 is required on all swimming pool installations. Artificial turf installation requests require the Homeowner to fill out the **Artificial Turf Requirements** form that can be downloaded at [www.montageatmissionhills.org](http://www.montageatmissionhills.org). Please complete and attach it to this request.

I/We understand that building permits for home improvements may be required by the city of Cathedral City, and the cost of the permits, the responsibility for obtaining the permits, and subsequent inspections will be borne by the applicant.

I/We acknowledge that all approved changes in the original design will be at our expense and that any damage to or relocation of existing sprinkler systems, underground utilities, building structures, exterior landscaping, or any other damage resulting from implementation of these permitted improvements will be at the applicant's expense.

The proposed work will require \_\_\_\_\_ days from start to completion.

I/We understand and agree that it is the applicant's responsibility to advise any subsequent owner of the modifications and any maintenance responsibility.

\_\_\_\_\_  
 HOMEOWNER SIGNATURE (all Homeowners must sign)                      DATE

\_\_\_\_\_  
 HOMEOWNER SIGNATURE (all Homeowners must sign)                      DATE

The above request has been reviewed by the *Architectural Review Committee (ARC)* and has been:

APPROVED           DENIED           DENIED (PENDING FURTHER INFORMATION)

REASON FOR DENIAL \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
 Chair, ARC    DATE

\_\_\_\_\_  
 Completed work inspected by Chair, ARC    DATE

Please send your completed and signed ***Architectural Improvement Request*** with all supporting documents at least five days prior to the next scheduled ARC meeting to: *Personalized Property Management*, 68950 Adelina Road, Cathedral City, CA 92234 or Fax to 760.325.9300; or email to [montagemhhoa@ppmineternet.com](mailto:montagemhhoa@ppmineternet.com)



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**HOMEOWNERS ASSOCIATION**

# **RULES AND REGULATIONS**

**MONTAGE AT MISSION HILLS | CATHEDRAL CITY | CALIFORNIA**

Effective July 14, 2023 and supersedes all previous versions.

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## INTRODUCTION

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Montage at Mission Hills was designed and developed to serve as an owner's primary or secondary residence. The purpose of the Montage Homeowners Association (HOA) is to ensure that the original Community's aesthetic integrity is maintained and that common rules of courtesy are observed for the Community's common good.

Montage at Mission Hills is a Planned Unit Development (PUD) and individual property maintenance is each owner's responsibility, including residence and landscape upkeep. In addition, Owners are responsible for maintaining homeowner liability insurance, including fire, earthquake, and personal property. The HOA is responsible for maintaining liability insurance limited to the Common Areas.

The following pages outline the HOA's *Rules and Regulations* and are intended to aid Owners, their families, guests, and tenants, in determining a reasonable method of conduct. The HOA Board of Directors is authorized to impose penalties, fines, or any reasonable action required to ensure the *Rules and Regulations* are observed. Some rules and regulations restate and expand upon the HOA's provisions of the *Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements (CC&Rs)* and are not considered to be a conflict. However, if a conflict is found between the *Rules and Regulations* and the *CC&Rs*, then the *CC&Rs* shall govern.

Owners are encouraged to review both the *CC&Rs* and the *Rules and Regulations* to avoid inadvertent HOA rules' violations. Capitalized terms found in the *Rules and Regulations* have the same definitions found in the *CC&Rs*. The *Rules and Regulations* may be changed or adjusted to reflect a majority of the Owners' issues and concerns. Written suggestions for adjustments to the *Rules and Regulations* should be brought to the attention of the HOA's Community Manager or the HOA Board of Directors.

Owners must provide a copy of the *Rules and Regulations* to tenants/lessees. It is the Owner's responsibility to ensure that their tenants/lessees read and understand the *Rules and Regulations* of the Community prior to occupancy. Owners are also required to have their tenants/lessees sign a *Rules and Regulation—Agreement* form. A copy of this form, found at the back of this document, must be sent to the HOA's Community Manager. Owners, as well as tenants/lessees, are expected at all times to comply with the *Rules and Regulations*.

## RULES AND REGULATIONS — FAQs

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### **WHAT ARE RULES AND REGULATIONS?**

When you purchase a residence that is part of a Community Association, you automatically become a member of the Association and are responsible for following its **Rules and Regulations**. The primary purpose of having Community rules and standards is to protect your investment as a homeowner and provide a common framework for neighbors.

**Rules and Regulations** is a catch-all for the issues that aren't covered in the CC&Rs, Bylaws or Board Policies. These are often the rules that might need revising over time due to changes in the Community and following legal requirements.

**Rules and Regulations** can be changed by an HOA Board vote with review and comment by the members of the Community. The Board, in considering a "rule change," shall provide notice to the Community members who will have twenty-eight (28) days to review and comment. After the twenty-eight (28) day period the Board will review Owners' comments and concerns, considering the members' feedback in their final decision before making the rule change.

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### **WHO MAKES THE RULES FOR MY HOA?**

The source for almost all HOA rules are the Governing Documents. These documents are created during the formation of the Association—usually by the developer of the property. Once the developer turns over control of the Community, the HOA is run by an elected Board of Directors. This Board has the power to implement additional rules. Additionally, local, state, and federal government bodies also pass new laws that may create or alter regulations that are set by the Association.

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### **WHAT ARE GOVERNING DOCUMENTS?**

Our Governing Documents include: *Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements* (CC&Rs), Articles of Incorporation, Bylaws, Rules and Regulations, other operating rules, such as the Election Rules and Assessment Collection Policy, and Board Policies.

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### **WHAT ARE CC&Rs?**

The *Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements* (CC&Rs), is a legal document which outlines the rights and responsibilities of the Association, Board members, and Owners. It details the ownership rights of the Owners versus the Association and spells out architectural standards for the Community.

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### **WHAT ARE BYLAWS?**

The Bylaws outline the logistics of how the Community and HOA should function. They include election guidelines and term limits for Board members, along with details on meetings and budgets for the Community.

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## **WHAT ARE THE BENEFITS OF HOA RULES?**

At first glance, having rules and regulations for a neighborhood or Community may seem restrictive. However, there are many benefits to having a robust set of guidelines, including:

- Preserving the aesthetics of the Community
  - Protecting and enhancing home values
  - Maintaining the property of the Association and its Owners
  - Enforcing the Community's Governing Documents
  - Promoting the safety of the Community
  - Increasing Community pride and engagement
- 

## **WHAT ARE SOME HOA RULES?**

- Architectural standards and restrictions
  - Lawn and holiday decoration restrictions
  - Home maintenance standards
  - Noise complaint policies
  - Parking rules and guidelines
  - Pet restrictions
  - Short-term rental restrictions
- 

## **CAN AN HOA BOARD CHANGE OR ADD RULES?**

Yes, the Board has the authority to adopt new rules for the Community, as long as the new rules aren't in conflict with the CC&Rs, Articles of Incorporation, Bylaws, or local, state, or federal law. If an Owner isn't happy with a particular rule, they are encouraged to use the proper channels to change the HOA's rules. Attending Board meetings and working with the Board is the best way to monitor the rules in the Community.

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## **DO I HAVE TO FOLLOW MY HOA'S RULES?**

Yes, the Governing Documents, which include the *Rules and Regulations*, must be followed. When neighbors work together to enhance the Association, everyone sees the benefits—including increased property values, architectural continuity, and a greater sense of Community.

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## **HOW DOES AN HOA ENFORCE RULES?**

If an issue arises, Owners are encouraged to contact the neighbor directly or submit a *Concern* form to the Community Manager. The Board of Directors' enforcement policies may include warnings, fines, and legal actions. Not following HOA rules can carry legal and financial consequences—including placing a lien on your home. However, most violations get corrected with a friendly reminder by phone call, text, or mail.

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## DEFINITIONS

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**“Association”** means Montage at Mission Hills, Inc., a California nonprofit mutual benefit corporation, its successors and assigns.

**“City”** means City of Cathedral City and its departments, divisions, employees and representatives.

**“CC&Rs”** mean the *Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements* for Montage at Mission Hills as recorded with the Riverside County Recorder on January 24, 2018, as Document 2018-0028151.

**“Common Area”** means elements of the Property available for use for all Owners and tenants. This includes streets, perimeter property, and detention basin.

**“Community”** means all parcels of real property and Common Areas within Montage at Mission Hills.

**“Governing Documents”** mean the CC&Rs, Articles of Incorporation, Bylaws, Rules and Regulations, other operating rules, such as the Election Rules and Assessment Collection Policy, and Board Policies of the Association.

**“Improvement”** means, without limitation, the construction, installation, alteration, painting, or remodeling of any buildings, structures, walls, decks, fences, patios, swimming pools, landscaping, landscape structures, skylights, solar heating equipment, solar panels, spas, antennas, poles, utility lines, driveways, screens, screen doors, irrigation systems, awnings, shades, exterior doors, exterior air conditioning, water softening fixtures or systems, hedges, windbreaks, etc. (CC&Rs Article I, 1.13)

**“Landscaping”** means lawns, shrubs, trees, and any landscape or hardscape structures. Any Improvement requires Architectural Review Committee (ARC) approval.

**“Lot”** means any of one hundred twenty-eight (128) residential Lots within Montage at Mission Hills, and includes the Residence and other Improvements constructed or to be constructed on a Lot.

**“Occupant”** means an Owner, resident, guest, invitee, tenant, lessee, or other person in possession of the separate interest.

**“Owner”** means any person, firm, corporation or other entity which is the recorded Owner of a Lot as shown in the records of the Riverside County Recorder.

**“Party Wall”** means a wall or fence built as part of the original construction of the Improvements by the developer upon the Property and placed on the dividing line between the Lots.

**“Property”** means all parcels of real property and includes all buildings, structures, utilities and other Improvements located on the parcels.

**“Property Management Company”** means the company selected by the Board of Directors to manage the business affairs of the Association.

**“Residence”** means a private, single-family dwelling constructed on a Lot.

**“Service/Trades People”** means the individuals servicing an Occupant’s Lot, including contractors, housecleaners, gardeners, pool service, plumbers, etc.

**“Short-Term Vacation Rental (STVR)”** means a Residence rented for less than thirty (30) days.

**“Specified Holidays”** means New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

## GENERAL RULES

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### **1. ASSOCIATION INDEPENDENT CONTRACTORS AND EMPLOYEES**

- 1.1 Association independent contractors are agents of the Association and their direction is provided solely by the Board of Directors through the Community Manager.
- 1.2 Association independent contractors shall not be directed by Owners or Occupants. Any comments regarding contractors' performance or demeanor shall be directed in writing to the Community Manager or the Board of Directors.

### **2. CLOTHESLINES (CC&Rs Article VI, 6.9)**

- 2.1 Drying clothes, linens, etc., hanging from clotheslines, drying racks, and any apparatus may be maintained in the backyards of Owner's Lots as long they are not visible from the street, neighboring Lots, or Common Areas.

### **3. COMMON AREA (CC&Rs Article IV, 4.4, a, i)**

- 3.1 Owner of a Lot shall be responsible for all damages of any type (including legal fees and expenses) that Occupants, Owner's family members, tenants, lessees, guests, invitees or pets cause directly or indirectly to a Lot or Common Area.
- 3.2 The Common Area perimeter wall surrounding the Community shall be the responsibility of the Association for maintenance and repair, unless damage to the Common Area wall is due to Owner negligence (i.e. Owner overwatering plants that damage the wall's foundation; planting trees, hedges, or palms too close to the wall which cause wall damage and deterioration, etc.).

### **4. DRONES OR UNMANNED AIRCRAFT (CC&Rs Article VI, 6.14)**

- 4.1 The use of recreational and hobbyist drones is prohibited in Montage except over an Owner's personal property or by permission of the Property Owner, including the Association Board of Directors where Common Property is involved, as long as the use follows all appropriate, state, local laws and ordinances.
- 4.2 The use of a drone for any bona fide commercial use such as, but not limited to, real estate, planning, construction or property maintenance and assessment purposes is permitted as long as the use follows all appropriate federal, state and local laws and ordinances.

### **5. FIREARMS**

- 5.1 The use or discharge of any firearm or potentially dangerous device within Cathedral City is against City Ordinance and is strictly prohibited within the Community, including Owner's Residence and any Common Areas.
- 5.2 Firearms and potentially dangerous devices include, and are not limited to, pistols, rifles, shotguns, BB guns, pellet guns, tasers, bows and arrows, slingshots, etc.

### **6. FIREWORKS**

- 6.1 Cathedral City Ordinance prohibits fireworks within the City and imposes fines for the person lighting the fireworks, and the Owner or lessee that allows the fireworks to be discharged.
- 6.2 Fireworks of any kind shall be prohibited anywhere within the Community, including the Owner's Residence and Common Areas.
- 6.3 Fireworks include, and are not limited to, firecrackers, bottle rockets, cherry bombs, Roman candles, etc.

## 7. GARAGE, ESTATE AND YARD SALES

7.1 Garage, Estate and Yard Sales within the Association are prohibited.

## 8. GATE CODES

8.1 Owners shall provide Service/Trades People with the Community-assigned gate code for use by contractors, housecleaners, gardeners, pool service, and other service persons serving the Occupant's Lot.

8.2 Publication or sharing of the Service/Trades People Community-assigned gate code is prohibited.

8.3 Owners shall be given a unique gate code which is for personal use, for lessees and guests. **Owners** may be fined for inappropriately sharing their gate code.

## 9. MAILBOXES

9.1 Maintenance and/or repair of the Owner's mailbox lock shall be the responsibility of the Owner. This includes lost mailbox keys which require a new replacement USPS-approved lock to be professionally installed with a matching finish.

9.2 Maintenance and/or repair of the parcel lockers shall be the responsibility of the Association.

## 10. NEWSPAPERS

10.1 Occupant shall pick up newspapers, delivered on driveways and walkways, on a daily basis. When out of town the Occupant shall contact the distributor to suspend delivery or arrange with a neighbor to collect all newspapers.

## 11. NUISANCES/QUIET ENJOYMENT

11.1 Owner, Owner's family members, tenants, lessees, guests, and invitees shall not produce or permit any unreasonably loud noise, vibration, music or similar sounds that may emanate from their residence, Lot or Common Area per the Cathedral City Municipal Code 11.96.030. *Note: the Code has a significantly lower noise threshold from 10:00 pm to 7:00 am.*

11.2 Illegal or offensive ongoing actions that interfere with any Owner's, Owner's family members, tenants', lessees', guests', or invitees' rights, comfort, safety, or convenience (i.e. foul odors, noxious gases, smoke, dust, loud noises, excessive light) shall not be permitted on the Property.

11.3 Blowing of car horns, racing of engines, loud vehicle mufflers, loud auto or golf cart radios, or similar noise is prohibited.

11.4 Service/Trades People (including, but not be limited to, contractors, housecleaners, gardeners, pool service, and other workers servicing the Occupant's Lot) shall be allowed to service the Property from Monday through Saturday between the hours of 7:00 am to 6:00 pm.

11.5 Service/Trades People (including, but not be limited to, contractors, housecleaners, gardeners, pool service, and other workers servicing the Occupant's Lot) are prohibited on Sundays and Specified Holidays. (Emergency services excluded.) *Specified Holidays include: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.*

11.6 Owner, Owner's family members, tenants, lessees, guests, invitees shall not produce, suffer or allow to be produced noise or sounds in excess of the Cathedral City ambient noise level. (Cathedral City Municipal Code 11.96.030)

- 11.7 Owner, Owner's family members, tenants, lessees, guests, or invitees shall not permit any activity that may interfere with the rights, comfort, safety and convenience of other Occupants. Following is a partial list of prohibited activities considered a breach of the Association's right to quiet enjoyment:
- (a) Skateboard and bicycle ramps are prohibited.
  - (b) Model planes and other flying objects are prohibited.
  - (c) Baseball/softball or any type of activity or sport that uses a ball or device capable of causing damage to automobiles, Residences or the Common Areas are prohibited.
  - (d) Permanent or portable basketball hoops are prohibited unless approved by the Board of Directors.
  - (e) Disturbances caused by excessive, unrelenting or habitual noise of any animal is prohibited. (Riverside County Ordinance No. 878)

**12. PARKING (CC&Rs Article VI, 6.12, 6.13)**

- 12.1 Occupants' vehicles shall be parked in driveway or garage with the door closed.
- 12.2 The maximum speed limit within Montage at Mission Hills is twenty-five (25) mph.
- 12.3 Parking is not permitted in safety zones, by fire hydrants, or in front of mailboxes.
- 12.4 On-street parking, not to exceed three (3) days in a seven (7) day period, is limited to guest vehicles only. Exceptions require prior approval by the Board of Directors obtained through the Property Management Company.
- 12.5 Vehicles of an Occupant's employee or agent (excluding Service/Trades People) are not considered guest vehicles and shall be parked in the Occupant's garage or driveway.
- 12.6 Motorcycles are permitted in the Common Area for ingress and egress only and are to be parked in the Owner's garage at all other times.
- 12.7 Temporary overnight parking of commercial vehicles is prohibited. Exceptions require prior approval by the Board of Directors and obtained through the Property Management Company.
- 12.8 Vehicles or other items parked or stored in violation of the rules will be subject to immediate tow-away or such other action deemed necessary by the Board of Directors. All costs incurred, including attorneys' fees, will be charged to the Owner of the unauthorized vehicle and/or the Owner of the applicable Lot.
- 12.9 The Association, acting through the Board of Directors, reserves the right to issue warnings, which may be written or verbal, and fines when appropriate, but the issuance of such warnings shall not constitute a condition prior to the removal of any vehicle, parked or stored, or in violation. Fines may be issued, when appropriate without prior notice or warning.
- 12.10 Double-parked vehicles or vehicles blocking driveways are prohibited. Vehicles shall be parked in the same direction as the flow of traffic.
- 12.11 Buses, trailers, campers, boats, motorhomes, recreational vehicles, inoperable vehicles, or any vehicles the Board of Directors deem a nuisance, are prohibited unless parked wholly within the Owner's garage with the door closed.
- 12.12 Owner's personal RV shall not be parked for more than two (2) forty-eight (48) hour non-consecutive periods in one month.
- 12.13 Owner's guests or tenants may not park RVs in Montage at any time without the prior approval of the Board of Directors.



### **13. PARTY WALLS (CC&Rs Article IX, 9.1)**

- 13.1 Owners have an exclusive right to use the interior surface of the wall facing their personal Residence.
- 13.2 Owners shall not interfere with the adjacent Owners' use and enjoyment of the shared Party Wall.
- 13.3 Owners shall not drive nails, screws, bolts or other objects more than half-way through any Party Wall, or in any way threaten or impair the structural integrity of the Party Wall.
- 13.4 If any portion of the Party Wall is damaged due to Owner negligence (e.g. Owner overwatering plants that damage the wall's foundation; planting trees, hedges, or palms too close to the wall which causes wall damage and deterioration, etc.) it shall be repaired or rebuilt at the offending Owner's expense.
- 13.5 If any portion of the Party Wall is damaged by any cause, other than the negligence of either party, it shall be repaired at the relevant Owners' joint expense.

### **14. PETS (CC&Rs Article VI, 6.5)**

- 14.1 Customary household pets (e.g. birds, cats, dogs, aquatic animals in an aquarium) may be kept provided they are not kept, bred or raised for commercial purposes. Non-domesticated animals, poultry, and/or livestock are prohibited. Consistent with City ordinance no more than three (3) pets shall be allowed. (Cathedral City Ordinance 10.10.050)
- 14.2 Pets shall not be permitted to run at large and shall be on a leash held by a person capable of controlling the animal.
- 14.3 Pets are only allowed in the Common Areas and shall not be permitted to enter upon the Lot of any Owner without the prior permission of such Owner.
- 14.4 Damage to the Common Area or Lot caused by any animal is the responsibility of the pet's owner and/or the Owner of the Property where the pet resides.
- 14.5 Pets that create a continual nuisance to other Occupants, caused by excessive, unrelenting or habitual noise (considered a "noisy animal") is prohibited. (Riverside County Ordinance No. 878)
- 14.6 Cat litter shall be disposed of in a sanitary manner. Depositing used liter in the street or Common Area is prohibited.
- 14.7 Owners shall not knowingly fail, refuse, or neglect to clean up their dog's feces immediately and shall dispose of it in a sanitary manner whenever the dog has defecated upon public or private property. (Cathedral City Ordinance 10.10.020)

### **15. POOL DRAINING**

- 15.1 If your pool needs draining for repair or maintenance please contact Personalized Property Management before proceeding. The Association must be made aware of additional water being channeled into the detention basin drywell and possible interference with planned projects.

### **16. RENTING OR LEASING RESIDENCE (CC&Rs Article II, 2.3, a)**

- 16.1 Owner shall not rent or lease his/her residence for transient or hotel purposes, defined as a term of use less than thirty (30) days. (CC&Rs Article II, 2.3, a)
- 16.2 Short Term Vacation Rentals (STVRs), defined as rentals for less than thirty (30) days, are prohibited within Montage at Mission Hills. (CC&Rs Article II, 2.3, a)
- 16.3 Other than as required to be permitted by law, Owner shall not rent or lease less than the entire Lot. Effective January 1, 2023, C.C. sec. 4739 allows an owner-

occupant to rent rooms in or portions of their property for 30+ days and notes that is a statutory exception to the governing documents' provision that generally requires rental or lease of the entire lot.

- 16.4 Owner shall report tenant occupancy and provide a copy of the lease agreement to the Association's Community Manager not less than five (5) days prior to rental or lease commencement. (CC&Rs Article II, 2.3 a, ii)
- 16.5 Owner shall provide a signed copy of the **Montage Rules and Regulations—Agreement** form to the Association's Community Manager by the responsible tenant/lessee not less than five (5) days prior to rental or lease commencement. (CC&Rs Article II, 2.3 a, iii)
- 16.6 Owner shall be held responsible for the actions and behavior of their tenants, lessees, guests, and are financially liable for any legal remedies and/or other corrective actions that the HOA may initiate in response to violations.
- 16.7 Subletting by an Owner's tenant/lessee is prohibited. (CC&Rs Article II, 2.3 a)

## **17. SATELLITE DISHES AND EXTERIOR APPARATUS**

- 17.1 California Civil Code 4725 provides that homeowner associations cannot prohibit or restrict the installation or use of exterior antennae apparatus such as video or television antennas, including satellite dishes. Nevertheless, under the Civil Code an association, may impose "reasonable restrictions" regulating certain aspects of the appearance, location, and installation details of these devices. These reasonable restrictions are important to maintaining the architectural harmony, the overall integrity and appearance, and the value of Properties within the Community.
- 17.2 Owner shall seek and receive prior approval of the Architectural Review Committee (ARC) before installation of any antenna, satellite dish, or flag pole. This approval shall be in accordance with the application for approval of an **Architectural Improvement Request (AIR)** as set forth in the CC&Rs governing the association and the issuance of a decision on the application shall not be willfully delayed.
- 17.3 Restrictions as to the location of satellite dishes and exterior apparatus may be imposed as long as they do not unreasonably increase the cost of the installation or substantially decrease signal strength or equipment performance.
- 17.4 Any such antennae or apparatus may not be mounted on the front or near the front of the house. Ideally, the dish or antenna shall be installed on the rooftop using existing builder-installed external antenna junction boxes and routing conduit; in courtyards; below tops of walls; or on the ground where the equipment is hidden from public view from the adjacent streets and surrounding properties by walls, fences, hedges, or appropriate plant materials.
- 17.5 The antenna or satellite dish shall be installed in a workmanlike manner (i.e. wires shall not be run across tile roofs but rather run under tiles, behind parapet walls, through the attic, fascia, wall or inside of the house, or neatly along the face of the house and/or house trim and blended with the color of the house/trim). Installation shall be in accordance with federal, state and local laws or ordinances.
- 17.6 Owner shall also maintain, repair, or replace, any wall, stucco, roof, or other affected building components, after the installation, replacement or removal of any antenna or satellite dish to a standard acceptable to the Association.
- 17.7 Ham radio antennas, satellite dishes with a diameter or diagonal measurement greater than thirty-six (36) inches, television antennas on masts 12-feet or higher, and multi-

point distribution antennas with a diameter or diagonal measurement greater than thirty-six (36) inches or on masts 12-feet or higher are prohibited.

- 17.8 In the event an antenna has been installed in violation of these regulations, the Architectural Review Committee (ARC) has the authority to require that the antenna be moved to another location that will provide an acceptable signal.

#### **18. SERVICE/TRADES PEOPLE**

- 18.1 Service/Trades People (including contractors, housecleaners, gardeners, pool service, and other workers servicing the Occupant's Lot) shall be allowed to service the Property Monday through Saturday between the hours of 7:00 am to 6:00 pm.
- 18.2 Service/Trades People who violate these **Rules and Regulations**, or who are found in areas other than those authorized, may be asked to immediately leave the Property and barred from future access to the Property.
- 18.3 Service/Trades People shall clean debris (i.e. drywall, tile remnants, yard waste) from driveways, curbs and streets at the end of each workday.
- 18.4 Pool filters shall be cleaned in the backyard or side yards to avoid street debris.

#### **19. SIGNS (CC&Rs Article VI, 6.1, c)**

- 19.1 Owner may post on his/her Lot one (1) *For Rent, For Lease* or *For Sale* sign not to exceed a maximum of 24 x 18 inches.
- 19.2 Owner may post on his/her Lot two (2) Security signs not to exceed a maximum of 12 x 12 inches each.
- 19.3 Owner may post on his/her Lot a maximum of three (3) "Clean Up After Your Pet" or similar signs, not to exceed 7" x 10" in height.
- 19.4 All real estate and security signs shall be of a professional quality on weather-resistant material. "Homemade" signs are not allowed.
- 19.5 *Sold* signs may not be displayed for more than ten (10) days after the sale of a Lot.
- 19.6 No other commercial or personal business advertising signs shall be displayed on any Lot, motor vehicle, or posted within or upon any of the Property. Vehicles with commercial signage are allowed to park temporarily on the street.
- 19.7 Political signs, one per candidate, office or issue, may be erected sixty (60) days prior to the election and shall be removed ten (10) days following the election. (Cathedral City Municipal Code 9.62.060). Signs cannot be over five (5) feet in height and a maximum area of sixteen (16) square feet.

#### **20. SOLAR ENERGY SYSTEMS (CC&Rs Article VI, 6.15)**

- 20.1 Architectural Review Committee (ARC) approval shall be required before the installation of any solar energy system. Refer to [montageatmissionhills.org/solar-installation](http://montageatmissionhills.org/solar-installation) for solar installation policy.
- 20.2 All ancillary conduit and electrical equipment such as inverters, batteries, etc. shall be installed inside the Owner's garage, as much as possible.
- 20.3 Electrical conduit and/or wiring shall not be installed so as to be visible on the home's exterior, unless approved by the Architectural Review Committee (ARC).
- 20.4 All visible exterior equipment (such as inverters, batteries, conduit, etc.) shall be painted to match the adjacent stucco color of the house.
- 20.5 Owner assumes total responsibility for any long-term maintenance required to assure the acceptable appearance and function of the solar energy system.

**21. TRASH AND REFUSE (CC&Rs Article VI, 6.7)**

- 21.1 Trash bins shall not be put out earlier than twenty-four (24) hours prior to pick up and brought back in within twenty-four (24) hours after pick up.
- 21.2 Trash, furniture, garbage or debris shall not be allowed to accumulate on any Lot and shall be screened from view from any Lot or Common Area.
- 21.3 Weeds, rubbish, debris, furniture, objects or materials that are unsanitary, unsightly or offensive are not permitted on the Property.
- 21.4 Burrtec Waste & Recycling, our service provider, offers a “Yard Service” that removes, empties, and replaces residential trash bins for a fee. Call Customer Service at (760) 340-2113, Monday–Friday, 8 am to 5 pm to schedule services.

## **ARCHITECTURE AND LANDSCAPE RULES**

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### **22. ALTERATION OF RESIDENCE**

- 22.1 Architectural Review Committee (ARC) shall impose reasonable rules and regulations as a condition precedent to any Improvement, including but not limited to, providing the Architectural Review Committee with design drawings and construction specifications indicating pertinent details.
- 22.2 Owners shall not alter any exterior portion of a Residence or Lot without the written approval of an Architectural Improvement Request (AIR) from the Architectural Review Committee (ARC).
- 22.3 Architectural Review Committee (ARC) shall inspect the Residence and/or Lot and require the proposed project to be completed within a set time frame.
- 22.4 Unauthorized Improvements, including landscaping, shall be subject to removal, following notice to the Owner, and any expenses that are incurred in removal will be charged to the Owner.
- 22.5 All work must be performed between 7 am and 6 pm daily—excluding Sunday and Specified Holidays, when construction and landscaping are prohibited.
- 22.6 Owner must arrange to have all project-related debris and supplies removed on a daily basis.

### **23. BUILDING PERMITS**

- 23.1 Owner shall be responsible for obtaining a Cathedral City building permit for any exterior or interior Improvements, if required by the City.

### **24. DRIVEWAYS (CC&Rs Article VI, 6.1, f)**

- 24.1 Driveways shall be kept clean and free from automobile oil stains.
- 24.2 Permanent oil drip pans, cardboard, plywood, etc. to collect vehicle's leaking fluids are prohibited from being used in driveways and streets.
- 24.3 Rust stains, automobile fluid stains, spilled paint stains, etc. shall be removed immediately at the Owner's expense.

### **25. EXTERIOR LIGHTING**

- 25.1 Changes or modifications to exterior lighting, including garage wall sconces, require the approval of the Architectural Review Committee (ARC). Always replace landscape lights, garage lights, hanging/pendant lights with a "warm light appearance" bulb between 2700K-3000K.
- 25.2 Recessed light fixtures above garage doors should match and have the same beam spread—do not mix floodlights with spotlights.
- 25.3 Permanent-colored bulbs, colored lenses, or colored gels are prohibited at any time. Colored lights are considered holiday lighting and are not permitted for year-round decorating purposes.
- 25.4 Exterior lighting is to be indirect and shielded from adjacent properties. Exterior lighting shall not be placed or maintained upon any Lot so as to cause an unreasonable glare or illumination upon any Residence or Common Area.
- 25.5 Owner or contractor-installed line, low voltage or solar lighting shall be made of professional-grade quality materials and properly staked or recessed into the ground. All wiring shall be buried or covered with rock, rubble or gravel and shall follow the "warm light appearance" guideline in 23.1 above.

- 25.6 Developer-installed Focus floodlights and HOA-installed RAB floodlights, located in front yards, are the only lights maintained by the HOA. These lights are controlled by a photocell located on one of the fixture's post and shall be ON in the evening to ensure safety and aesthetic beauty to the Community. Maintenance of fixtures that have been replaced by any other type fixtures are the Owner's responsibility.
- 25.7 Owner's lighted address sign shall be illuminated in the evening hours and visible from the street, with no obstructions, including trees, vines or other plant growth. It is the Owner's responsibility to maintain this fixture, which includes having all address numbers properly attached.
- 25.8 Owner is responsible to maintain the exterior garage lights (either downlights or wall sconces) and the photocell control in operating condition at all times. These lights are controlled by a wall switch located inside the home near the front door. This switch controls the outdoor photocell and the exterior garage lights. The switch shall be left in the ON position at all times, even when the Owner is away. Owner is responsible for replacing the garage light photocell.
- 25.9 Holiday lighting and decorations are permitted from Thanksgiving Day to January 10th. All other holiday lighting and decorations shall be displayed no more than ten (10) days prior to a holiday, and be removed within seven (7) days after the holiday.

**26. GARAGES (CC&Rs Article VI, 6.1, e and 6.12)**

- 26.1 Garage doors shall not be left open, except for short-term projects (ie. cooling, cleaning, organizing) as long as excessive noise does not emanate from the garage. During summer months (June through September) garage doors are allowed to be kept open daily up to twelve (12) inches.
- 26.2 Garages shall be kept in a manner that does not pose a hazard to persons, a fire hazard, pest/insect attraction, or any other type of hazard.
- 26.3 Owner or Occupant may complete emergency automobile repairs inside the garage when necessary to enable movement to a proper repair facility.

**27. MAINTENANCE — LANDSCAPE**

- 27.1 Owners shall be responsible to maintain their lawns, ground cover (i.e. rocks, decomposed granite, sand, rubble, gravel, tree bark, etc.), shrubs, trees, and plants on the entire Lot in order to keep a neat and groomed appearance.
- 27.2 Lots with front yard lawns shall be watered and maintained appropriately, which includes annual re-seeding with winter ryegrass (unless the State of California or Coachella Valley Water District declare a drought or strict water usage emergency).
- 27.3 Trees and shrubs shall be properly trimmed, watered, and maintained by the Owner so as to not overhang the front yard curb, street or adjacent properties.
- 27.4 Sprinklers shall be maintained and adjusted to minimize runoff or overspray onto curbs, streets, driveways, parked cars, windows or Residences.
- 27.5 Owners shall have gophers, rats and other rodents controlled and exterminated by a licensed and bonded professional abatement company.
- 27.6 Citrus trees shall be pruned and fruit harvested when ripe; rotting fruit shall be collected in order to minimize rodent infestation.
- 27.7 Owner shall have their palms and trees pruned at least once per calendar year, including but not limited to these varieties and their suggested pruning periods:
  - (a) Date Palm (*Phoenix Dactylifera*)—prune around the first week of June
  - (b) Mexican Fan Palm (*Washingtonia Robusta*)—prune mid-June

- (c) Mexican Blue Palm (*Brahea Armata*)—prune mid-June
  - (d) California Fan Palm (*Washingtonia Filifera*)—prune mid-July
  - (e) Queen Palm—hanging dead fronds should be removed when observed
  - (f) Palo Verde, Mesquite, California Pepper—prune October–November
- 27.8 Owner’s failure to maintain the landscaping on their Lot, following notice to the Owner, may be maintained by the Association at the Owner’s expense.
- 27.9 Hedges shall not exceed nine (9) feet in height above the grade established by the developer, unless the Owner has received a variance from the Architectural Review Committee (ARC). Hedges must be trimmed and properly maintained.

**28. MAINTENANCE — RESIDENCE**

- 28.1 Owners shall maintain their Residences in a neat, sanitary and attractive condition, and are solely responsible for the cost of repairs and improvements.
- 28.2 Owners shall keep their Residences, guesthouses, garage doors, shutters, window coverings, gutters, awnings, gates, courtyard walls and Party Walls in good condition and repair (including painting, where appropriate).
- 28.3 Owners shall be responsible for having their Service/Trades People clean debris from driveway, curb and street at the end of each workday.
- 28.4 Concrete-composite or terracotta-tiled roofs shall be properly maintained, and out of alignment or cracked tiles must be repaired or replaced promptly.

**29. PAINTING — RESIDENCE**

- 29.1 Requests to paint a Residence exterior (even if repainting the same colors) requires submittal of an Architectural Improvement Request (AIR) to the Architectural Review Committee (ARC) for review and approval. This rule includes partial as well as whole house painting. Refer to the Montage Paint Policy with approved color schemes on the website at [monatageatmissionhills.org](http://monatageatmissionhills.org)
- 29.2 The elimination of colors, within any color scheme, may be proposed in the Architectural Improvement Request (AIR). However, a minimum of three (3) colors is required for final approval.
- 29.3 Proposed color scheme may not be the same as adjacent Residences.
- 29.4 Architectural Improvement Request (AIR) proposing a non-Montage approved color scheme will be considered on a case-by-case basis.
- 29.5 Exterior equipment (i.e. solar boxes, electrical panels, conduit, wiring, cabling, etc.) shall be painted to match the adjacent stucco color of the house.
- 29.6 Painting a Residence without prior written approval from the Architectural Review Committee (ARC) or using colors that differ from the approved color scheme is prohibited. If this rule is violated the Owner may be required to repaint the Residence at the Owner’s expense.

**30. STREET CLEANING**

- 30.1 Montage street cleaning takes place weekly, on Fridays, and all guest vehicles shall be off the street or parked in the driveway to allow the street sweeper to clean in front of the Owner’s Residence.

**31. WINDOW COVERINGS**

- 31.1 Newspaper, cardboard, aluminum foil, wrapping paper, bed linens or similar inappropriate materials are prohibited as window coverings.

- 31.2 Awnings, louvers, or exterior-mounted devices which give shade to windows require Architectural Review Committee (ARC) approval before installation.
- 31.3 Window coverings, including awnings and sun shades, shall be neutral in color, while blending in with the exterior of the home.
- 31.4 Secondary decorative elements (i.e. stained glass, art glass, acrylic, etc.) are not permitted in windows facing the street or Common Area.
- 31.5 Reflective film or mylar shades are prohibited.

## **32. YARD OBJECTS**

- 32.1 Installation of front yard objects (i.e. statues, fountains, trellises, decorative flags, animal replicas, wind chimes, sculptures, mobiles, stabiles, fountains, driftwood, pottery, carts, artificial plants, sun shades) require Architectural Review Committee (ARC) approval before installation.
- 32.2 Front yard objects and Improvements should ideally complement the home's architectural style and landscaping.
- 32.3 Items which are permitted for front yard installations include: US flags on ARC-approved flagpoles; seasonal and holiday wreaths; holiday decorations from Thanksgiving Day through January 10th; and other holiday decorations as long as they are removed within seven (7) days after the holiday.
- 32.4 Approved exterior front yard objects shall be the responsibility of the Owner for proper maintenance and shall remain in good repair at all times.



## PROCEDURES AND FINE SCHEDULE

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### 33. RULE ENFORCEMENT

- 33.1 If an alleged violation of the Governing Documents has occurred, the Community Manager shall contact the Owner, via phone, email or letter, and explain the violation. However, when the circumstances warrant, the Board may take more immediate action.
- 33.2 If the Owner fails to resolve the violation a **Violation Letter** shall be sent specifying the nature of the violation and the specific section in the Governing Documents that applies. (The Board, at their discretion, can omit this step and proceed directly to a Hearing.)
- 33.3 Owner has 15–30 days to comply, depending on the nature of the violation.
- 33.4 Failure to comply by the deadline will result in a **Notice of Hearing** letter sent to the Owner to meet with the Board of Directors in Executive Session.
- 33.5 **Notice of Hearing** letter shall be sent to Owner at least ten (10) days before the hearing and will advise the Owner of:
- (a) Date, time and place of the hearing;
  - (b) Nature of the dispute/violation, and the provision in the Governing Documents that have been violated;
  - (c) Necessary corrective action;
  - (d) Disciplinary action that may be imposed, including a fine on a continuing daily, weekly, or monthly basis;
  - (e) Owner's right to attend the hearing and address the Board
- 33.6 Hearing to be conducted in Executive Session and Owner to be given 15 minutes to present his/her case. The Board has 15 days to render a decision and notify the Owner in writing of any corrective action. No disciplinary action to take effect sooner than five (5) days after the notification of the results of the hearing.
- 33.7 Disciplinary actions include:
- (a) Levy a fine or fines, in accordance with the Fine Schedule. Continuing violations may result in consecutive daily, weekly or monthly fines for as long as the violation continues.
  - (b) Levy a Compliance Assessment to reimburse the Association for costs incurred in bringing an Owner into compliance with the Governing Documents.
  - (c) Removal of vehicles that are parked or maintained in the Community in violation of the Governing Documents.

### **34. FINE SCHEDULE**

34.1 Reasonable fines for post-hearing violations shall be levied in accordance with the following schedule:

Hazardous activities in violation of any Governing Documents (Risk or harm to Person or Property)	\$500
Unauthorized Improvements to Property	\$500
Construction that does not conform to plans submitted to and approved by the Architectural Review Committee (ARC)	\$500
Failure to maintain Landscaping	\$500
Failure to maintain Residence in good condition and repair	Up to \$5,000
Use of Lot or Residence for commercial purposes	Up to \$5,000
Allowing a pet off leash; Failure to pick up after pet	\$250
Noise/Nuisance Violation	Up to \$5,000
Leases/Rentals for less than thirty (30) days	Up to \$5,000
Any violation not specifically mentioned	\$500

### **35. FINES FOR CONTINUING VIOLATIONS**

35.1 After notice and hearing the Board of Directors may impose a fine on a continuing daily, weekly or monthly basis, as long as the violation continues unabated. Owners subject to a continuing fine are responsible for notifying the Association promptly upon bringing their Property into compliance in order to halt future recurring fines.

35.2 Fines for continuing or repeated violations may be increased at the discretion of the Board of Directors, following notice and a hearing, up to \$5,000 for each occurrence.

### **36. FINES FOR LEASES/RENTALS LESS THAN THIRTY (30) DAYS**

36.1 The Board of Directors shall levy a fine in the amount of up to \$5,000 for each violation of the CC&Rs rule prohibiting leases/rentals for less than thirty (30) days. Fines shall be in addition to any Compliance Assessment that may be levied to reimburse the Association for its expenses and costs.

### **37. COLLECTION OF FINES**

37.1 The Board of Directors shall be entitled to collect unpaid fines through Small Claims Court actions or other available legal means.



**HOMEOWNERS ASSOCIATION**

**RULES AND REGULATIONS—AGREEMENT**

Owners are responsible to ensure that Tenants and/or Lessees that rent or lease their Residence will follow the Association’s current **Rules and Regulations**.

The Montage at Mission Hills *CC&Rs* clearly indicate that all Occupants shall have been provided a current copy of the Association’s **Rules and Regulations** by the Owner at the time of signing a lease or rental agreement. Failure to provide a copy of the **Rules and Regulations** constitutes a breach of the *CC&Rs*. Failure of the tenant/lessee to follow the **Rules and Regulations** represents a breach of the terms of the lease/rental agreement.

**Subletting by tenant/lessee, or leases with terms less than thirty (30) days, considered a short-term rental, are prohibited within Montage at Mission Hills.**

By signing this document the Tenant/Lessee acknowledges receipt from Lessor of the current **Rules and Regulations** for the Montage at Mission Hills Homeowners Association, and expressly agrees to abide by the same at all times.

\_\_\_\_\_  
MONTAGE PROPERTY ADDRESS

\_\_\_\_\_  
TENANT/LESSEE SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
TENANT/LESSEE NAME (Please Print)

\_\_\_\_\_  
PHONE

\_\_\_\_\_  
TENANT/LESSEE SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
OWNER NAME (Please Print)

\_\_\_\_\_  
PHONE

\_\_\_\_\_  
OWNER SIGNATURE

\_\_\_\_\_  
DATE

Owner shall forward this signed **Rules and Regulations—Agreement** within five (5) days of rental/lease commencement to: **Personalized Property Management**, 69850 Adelina Road, Cathedral City, CA 92234; or Fax to (760) 325.9300; or email to **montagemhhoa@ppminternet.com**

## **Board Policy - Electronic Delivery of Documents**

In compliance with current legislation the Board shall direct the distribution of all possible communication and documents to homeowners by electronic means currently available. Distribution includes notification of posting of Association information and official documents on the Montage website and delivery of Association official documents to members.

The documents shall include, but not be limited to:

- Assessment & Reserve Funding Disclosure Summary
- Pro Forma Operating Budget or Summary
- Association Collection Policy
- Notice/Assessments and Foreclosure forms
- Insurance Coverage Summary
- Board Minutes Access
- ADR Rights Summary
- IDR Rights Summary
- Architectural Changes Notice
- Secondary Address Notification Request
- Monetary Penalties Schedule
- Reserve Funding Plan Summary
- Review of Financial Statement
- Annual Update of Reserve Study

Transmission of documents and information to Montage members shall utilize distribution lists that do not display individual recipients' addresses.

Personalized Property Management (Community Manager) shall be directed to maintain records of Consent Forms and backup of records of electronic transmission and/or mailing of information and notices of posting of information on the Montage website in compliance with current laws.

Montage at Mission Hills website liaison shall be directed to send as an email attachment every file that is uploaded to the website to the Property Manager for archiving in evidence compliance with current laws and for future reference.

Approved: March 20, 2010

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## **Board Policy - E-mail Communications**

In order to dissuade improper e-mail communications with the Community Manager, between Board members and with Homeowners the Board directs the following Policy regarding email communication:

1. Prohibition of the use of offensive, confrontational, inflammatory or derogatory language.
2. Prohibition of discussions or decisions that could be viewed as a violation of the Open Meeting Act.
3. An emails shall be proof-read for grammar, spelling and content.
4. Prohibition of abbreviations that could be misunderstood.
5. Require that email messages be short, to the point and address a single subject as identified in their Subject line.
6. All emails shall be generated by or copied to the Community Manager.
7. The Community Manager shall take steps for document retention In conformance with current legal requirements.
8. The Community Manager and Individual Board members shall be prohibited from deletion of relevant messages if litigation is threatened or pending.
9. Prohibit the use of Instant Messaging types of communications by Board members and the Community Manager to convey information relating to the Montage at Mission Hills HOA business, its Homeowner members or contractors.
10. All email communications relating to Montage at Mission Hills HOA Shall include the following disclaimer:

This message, together with any attachments, is intended only for the individual or entity to which it is addressed and may contain confidential or privileged information. If you think you have received this message in error, please advise the sender and then delete this message and any attachments immediately.
11. Require training session for all Board members on e-mail etiquette.

Approved: March 20, 2010

## **Board Policy - Garage Sales**

Garage sales are allowed on a case by case basis, and require the presentation of a Cathedral City permit. Once verified, a special limited time gate code will be issued.

Each Individual homeowner will be obligated to attain a separate permit if more than one homeowner is involved in the sale.

Dated: November 8, 2012

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## **Board Policy - Inspector of Elections**

In compliance with current legislation the Board adopts the following policy regarding Election Rules:

The Board continues with its policy of recruiting members of the community to volunteer to serve as Inspector of Elections and Inspector Assistants.

Failing to successfully recruit such volunteer personnel:

The Board the authorizes the hiring of the Community Manager or CPA to serve as an Inspector of Elections, so does not violate the current State statutes.

Approved: July 8, 2010

## Board Policy - Internal Violations Procedures

1. The A&L Committee will conduct a minimum of 2 major walk-throughs per year - April (Spring) and October (Fall). All violations will be agreed upon by committee and documented.
2. The A&L Committee transmits violations, by address, to Community Manager within 3 days of walk-through (or electronically as the technology becomes available.).
3. Community Manager logs the violations and attempts to make the **first contact** with the homeowner via telephone, e-mail and/or letter to explain violation and obtain a time commitment to correct the violation.
4. The Community Manager updates the violation log with information obtained from the homeowners in the telephone call or the date the e-mail or letter was sent and transmits the updated log to the members of the board of directors as well as the A&L Committee within 2 weeks (of receipt of violations above). Also, copies of any letters sent shall be e-mailed to the Board and A&L Committee members within one day of being generated.
5. Homeowners must correct the violation within 30 days of the **first contact** or respond within a reasonable time frame for the correction. Property Manager updates log and notifies Board and A&L Committee via e-mail of homeowner's comments and scheduled completion dates.
6. A&L Committee conducts follow-up walk-throughs on the last Friday of each month.
7. Within 3 days (1 st. week of month) A&L Committee will send instructions for updating log with addresses that have corrected their violations, and those with new violations to PPM and the Board members. Any addresses on the log that are not included in these instructions will remain and automatically become 2nd notice violations.
8. Community Manager will update log, send letters for 2<sup>nd</sup> **notice** violations, and send letters, call or e-mail (as required) to new **first contact** homeowners - update log (as required) and transmit to Board and A&L Committee within 2 weeks of receiving information from the A&L Committee. Also, copies of letters should be e-mailed to Board and A&L Committee within one day of being generated.
9. The Community Manager generates **notices of hearing** to homeowner if A & L Committee monthly report does not show the violation has been corrected, after 2 notices (warnings) have been given to the violators (3rd. month on violation

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log). A minimum of 10 days notice is required. The hearings are held on the 2nd Thursday of the month. Time and date of hearings should be included on each notification. Updated log to be transmitted to Board and A&L Committee. Copies of all letters to be sent to Board and A&L Committee within one day of being generated.

10. The Board Violation Hearing Subcommittee holds hearing for notified homeowners on the 2nd Thursday of the month (as necessary). Community Manager will provide copies of the violation log to the Board unless a subcommittee has been duly appointed.
11. Community Manager distributes minutes of hearing executive session by Monday following the meeting for review and approval by the Board.
12. Following approval received from the majority of the Board members present at the violation hearing, the Community Manager drafts and sends notices (within 10- 15 days) of the hearing results, to the homeowners in violation. The notice shall contain the following language: "If the violation(s) are not corrected another hearing will be held at 2:30 PM on MM DO at the offices of Personalized Property Management to consider the assessment for an additional fine of \$xxx". Again, copies are emailed to all Board members. The A&L committee will be notified at the discretion of the Board as situations warrant.
13. The Community Manager notifies PPM Accounting to assess fine approved by the Board.
14. PPM Accounting debits homeowners account with the fines and generates account statements to notify homeowner of the assessment of the fine to their account.
15. The Treasurer verifies the assessment of fines to the homeowner's account from the monthly financial reports and sends a notice to the Board and possible the A&L Committee that fines have been assessed.
16. The fine assessed by the Board Violation Hearing Subcommittee for the first violation is \$100.
17. If the violation is not corrected by the homeowner by the scheduled date for the next hearing, the Board of directors in Executive Session may vote to assess an additional \$250 fine and then noted in actions of a regular meeting.
18. If the violation is not corrected by the homeowner by the scheduled date for the

next hearing, the Board of Directors may vote to assess an additional \$500 fine.

19. If the violation is not corrected by the homeowner by the next hearing, the Board of Directors may vote to assess an additional \$500 fine monthly until the violation is corrected.
20. If the violation is not corrected by the homeowner after the first \$500 fine is assessed, the Community Manager upon Board approval shall also direct our attorney to send a letter to the homeowner stating that if the violation is not corrected, the Association will go to court to seek injunctive relief and all attorney and court costs will also be assessed to the homeowner in addition to continuing monthly fines.

Approved: June 23, 2009

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## Board Policy – HOA Expenditures

1. All expenditures of HOA funds shall be approved by the Board of Directors.
  - A. The Community Manager is authorized to spend up to \$1,500 to address emergencies within the community.
  - B. The A & L Committee Chairman is authorized to spend up to \$600 to address landscape issues.
  - C. The IT Committee Chairman is authorized to spend up to \$150 to address software licenses necessary for maintaining the HOA website.
  - D. Each Board member is authorized to spend up to \$300 to address items considered urgent.
  - E. Each of the above authorized expenditures shall be included on the agenda and retroactively approved by the Board of Director at their next regular Board meeting.
  - F. Should the Board of Directors not approve the retroactive expenditures, the person making the unauthorized expenditure shall reimburse the HOA for any funds expended or become responsible for charges due.
  
2. Every expenditure shall be approved by the Board of Directors at a regular Board meeting. The minutes of the meeting to reflect the approval of each expenditure shall contain the following elements highlighted in italics:
  - A. A statement of the purpose of the expenditure
  - B. The amount of the expenditure
  - C. The payee of the expenditure
  - D. Period of performance (if appropriate)
  - E. The Board member making the motion
  - F. The Board member seconding the motion
  - G. The vote of the Board members.

## **Board Policy - RV Parking**

The CC&R's prohibit any RV's, trucks etc. on our streets. The Board has adopted the policy that will allow a homeowner to park their personal RV for one 48 hour period, once a month. The homeowners association does allow any RV parking beyond that once. Homeowners' guests may not park their RVs in Montage at any time.

Approved: January 11, 2007

**CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY  
CIVIL CODE §4530\* and § 4525\***

Document Civil Code Section Included	Civil Code Section	Fee For Document	**Included	Not Available / Not Applicable/ Directly Provided by Seller & confirmed in writing
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	25.00	✓	
CC&Rs	Section 4525(a)(1)	60.00	✓	
Bylaws	Section 4525(a)(1)	30.00	✓	
Operating Rules / Architectural Guidelines	Section 4525(a)(1)	30.00	✓	
Age restrictions, if any	Section 4525(a)(2)			✓
Rental Restrictions, if any	Section 4525(a)(9)			<b>*Reference Governing Doc's</b>
Annual Budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	45.00	✓	
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	20.00 Included with Budget	✓	
Financial statement review	Sections 5305 and 4525 (a)(3)	35.00	✓	
Assessment enforcement policy (Collection Policy)	Sections 5310 and 4525(a)(4)	15.00 included with Budget	✓	
Insurance summary	Sections 5300 and 4525(a)(3)	0	✓	
<b>Regular assessment</b>	<b>Sections 4525(a)(4)</b>		✓	
Special assessment	Sections 4525(a)(4)			✓
Emergency assessment	Sections 4525(a)(4)			✓
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)			✓
Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)			✓
Settlement notice regarding common area defects	Sections 4525a)(6), (7) and 6100			✓
Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100			✓
Notice(s) of violation	Sections 5855 and 4525(a)(5)			✓
Required statement of fees (Demand)	Section 4525	180.00		
Minutes of regular meetings of the board of directors conducted over the previous 12 months, if requested.	Section 4525(a)(10)	75.00		
<b>**Total fees for these documents</b> (also listed in the statement provided via Homewise)		<b><u>\$515.00</u></b>		
Demand 1 day Rush Fee		\$240		
Demand 3 day Rush Fee		\$165		
Demand 4 day Rush Fee		\$125		
Demand 5 day Rush Fee		\$115		

\* 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 may be charged separately. 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.