

March 10, 2025

Re: Proposed 2025 Budget Ratification

Dear Northern Terrace Homeowner:

This letter is being sent to you on behalf of the Board of Directors at Northern Terrace Homeowners' Association. Enclosed for your review is the Board of Directors' proposed budget for 2025, and all other required documentation.

We would like to advise you of the recent Adopted Reserve Study, with the Full Funding Method. This is why the monthly Assessments have increased by 25%, to meet the recommendation of the Reserve specialist to adequately fund the Reserve Account.

As of May 1, 2025, the monthly assessments will be increased to \$130.75, for each unit.

The Board of Directors has provided the following Q & A to help answer your concerns.

If there are any further questions and or concerns, please feel free to contact our office at (702) 395-9300 or via email at northernterrace@camconeveda.com.

Kind Regards,

CAMCO,

On behalf of The Board of Directors for Northern Terrace Homeowners Association

2025 Budget Questions and Answers

Q: Why are HOA assessments increasing?

A: Assessments often increase due to rising maintenance and repair costs for common areas, unexpected repairs, and inflation. To add, the reserve specialist recommendations does not meet the current contribution amount required to adequately fund future repairs or replacements.

Q: How often do HOA assessments typically increase?

A: HOA assessments typically increase annually, with an average increase of around 3-5%. Unfortunately, Fortunately, The Northern Terrace Assessments have not increased in the past nine (9) years.

Q: What can I do if I believe the assessment increase is unjustified?

A: You can review the HOA's governing documents, attend budget meetings, and express your concerns to the board through the channels outlined in those documents.

Q: How can I find out the details of the assessment increase?

A: Review the HOA's budget, reserve study, (Adopted: February 27, 2025), and any notices or communications from the board regarding the increase.

Q: What are my rights as a homeowner regarding HOA assessments?

A: You have the right to review the budget, attend meetings, and voice your opinions on assessment increases. You can also challenge an increase if you believe it's not in line with the HOA's governing documents at the Ratification meeting which is scheduled on Monday, March 31, 2025, at 11:00 AM.

Q: How can I make sure my HOA is managing funds responsibly?

A: Attend HOA meetings, review financial reports, and stay informed about the association's activities and finances. You can request copies of these documents, in writing or at a Board of Directors meeting.

Q: What if I cannot afford the increased assessment?

A: Contact the HOA management company, CAMCO or email our office at northernterrace@camcovevada.com. There we will be able to discuss your financial situation and explore potential payment options or hardship programs.

Q: Can the HOA raise assessments without homeowner approval?

A: Yes, per NRS116.31152, (3) Within 60 days after adoption of any proposed budget for the common-interest community, the executive board shall provide a summary of the proposed budget to each unit's owner and shall set a date for a meeting of the units' owners to consider

ratification of the proposed budget not less than 14 days or more than 30 days after the mailing of the summaries. Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the units' owners must be continued until such time as the units' owners ratify a subsequent budget proposed by the executive board.

Q: When will this increase begin?

A: May 1, 2025

Q: When is the Budget Ratification Meeting?

A: Monday, March 31, 2025, at 11:00 AM

Q: What about the gated community? Will they incur an increase of 25%?

A: The gated community is part of the Northern Terrace HOA and there is only one Reserve Study for the community. Therefore, there is one monthly assessment for each owner for the whole community of \$130.75, which means the gated community will save \$.85, moving forward.

Q: What are the Reserve Assessment Contributions monthly?

A: \$42,769.64

Q: Do I have to adjust my BillPay from my bank?

A: Yes, if you have set up BillPay through your Bank instituted, you will need to make those adjustment.

Q: What if I am setup through CAMCO, Northern Terrace Alliance Bank?

A: If you are setup through Alliance Bank, it will be automatically change.

NORTHERN TERRACE HOMEOWNERS' ASSOCIATION

4775 W. TECO AVE SUITE 140

LAS VEGAS, NV 89118

PHONE: 702-531-3382 • FAX: 702-531-3392

www.camconeveda.com

March 10, 2025

Dear Homeowner(s):

Per new legislative changes to NRS 116, we are enclosing the following required documents that should be kept with your Association Documents:

Adopted 2025 Budget

Reserve Yearly Summary and the 2025 Disbursement Chart

Delinquent Collection Policy and Collection Company Statement of Fees

Schedule of Fines

Statement of Fees

Resolutions

Investment Policy

The Reserve Study for the community lists the major components that the Association is responsible for. It lists the replacement cost of each component, the useful life of each component, and a funding plan to designate how much should be put into the Reserve Account in order to pay for the replacement of such components. The reserve study was prepared by GeoReserves using full funding method. GeoReserves has fulfilled its obligation for disclosure in accordance with NAC 116.430 and their Reserve Study Analyst number is 0235.

The Delinquent Collection Policy is a summary of the collection steps for delinquent accounts. This is derived from the Association's Delinquency Protocol and the Association's CC&Rs also attached are the fees that the collection companies may charge if the account is turned over to collections.

The Fine Schedule lists the amount that a homeowner may be fined at a hearing, for a violation not remedied by the time of the hearing.

The Statement of Fees is a description of current and expected fees or charges for each unit.

A Budget Ratification Meeting has been scheduled for March 31, 2025, at 11:00 AM. The meeting will be held virtually. The meeting information listed on the next page.

In accordance with Nevada law, NRS 116.31151 (3), "Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present."

In the enclosed adopted budget:

- There is **an increase** to the monthly assessments.
- **Your Assessment will be \$130.75 per month per unit for May 1st, 2025 -December 31st 2025**
- There is no anticipated Special Reserve Assessment.
- The Reserve portion of the Budget contains the amounts to be contributed to the Reserves Account.
- Your assessments are **due on the 1st of each Month**. Late fees and interest are charged if the payment is not received in whole by the 30th of the month. Please be advised that though you have a grace period before late fees are charged, the due date is the 1st of the month, and any delay in receipt of the payment by the grace period is the responsibility of the homeowner. Please also be advised that Statements are courtesy reminders only, and the full assessment amounts are due each month regardless of whether or not a reminder is received. Please be sure to inform Management of any address changes so notices may be sent to the proper address.
- Estimated beginning reserve balance for 2025: \$1,406,883.14
- Funding at the end of 2025: \$513,235.67
- 2025 expected reserve expenditures: \$427,010.00
- Expected reserve balance at the end of 2025: \$1,493,108.81
- Recommended reserve balance at the end of 2025: \$1,493,108.81

NORTHERN TERRACE HOMEOWNERS' ASSOCIATION

NOTICE

Membership Meeting

March 31, 2025, at 11:00 AM

In Person

7610 N Silver Run Peak Dr. Las Vegas NV 89166

Zoom

<https://us06web.zoom.us/j/83749574618>

Meeting ID: 837 4957 4618 Passcode: 684739 Mobile: +1 (669) 900 6833

AGENDA

Budget Ratification

11:00 AM

1. Call to Order
2. Homeowners' Forum - Agenda Items Only
 - Each homeowner will be allowed three (3) minutes for comments/questions. This session will be limited to a total of 30 minutes. Due to electronic meetings, it is recommended that any comments, questions or concerns for the Homeowners' Forum be provided in advance to Management in writing to ensure the item will be reviewed during the meeting.
3. Ratification of the 2025 budget
4. Adjournment

This agenda has been published and distributed to the Northern Terrace Homeowners Association in accordance with NRS 116.3108, 116.31083, and 116.31085. The Board of Directors may take action on all items listed on the agenda and a copy of the minutes is available at our management company, CAMCO, LLC (a cost may be involved).

NORTHERN TERRACE

2025 ADOPTED BUDGET

Total Units
Monthly Assessment Per Unit:

2024	2025
920	920
104.60	130.75



	2024 Monthly Approved Budget	2024 Approved Budget	Annual	12- Month Actual Averages	2025 Proposed Monthly Budget	2025 Proposed Annual Budget	2025 Approved Budget	BOD Annual
3110	Assessments	\$ 96,232.00	\$ 1,154,784.00	\$ 95,757.25	\$ 120,290.00	\$ 1,443,480.00	\$ 1,443,480.00	-
3120	Reserve Assessment	-	-	\$ 2,279.17	-	-	-	-
3130	Collection Income	-	-	\$ 550.00	\$ 10.00	\$ 120.00	\$ 120.00	-
3142	Fines and Penalties	-	-	\$ 10.43	-	-	-	-
3310	Interest Income	-	-	\$ 1,270.33	-	-	-	-
3310	Insurance Proceeds	-	-	\$ 30.25	-	-	-	-
3410	Other Income	-	-	\$ 0.50	-	-	-	-
3410	Pool Gate Key Fees	-	-	\$ 325.17	\$ 1.00	\$ 12.00	\$ 12.00	-
3410	Late Fees	-	-	-	-	-	-	-
Total Revenue:		\$ 96,232.00	\$ 1,154,784.00	\$ 100,223.09	\$ 120,301.00	\$ 1,443,612.00	\$ 1,443,612.00	

OPERATING EXPENSES

4015	Bank Service Charges	\$ 40.00	\$ 480.00	\$ 33.33	\$ -	\$ -	\$ 5,554.33	-
4050	Holiday Decoration	\$ 250.00	\$ 3,000.00	\$ 457.44	\$ 462.86	\$ 5,554.33	\$ 5,554.33	-
4060	Fax-Copy- Postage	\$ -	\$ -	\$ 76.56	\$ -	\$ -	\$ -	-
4070	Insurance	\$ 1,495.00	\$ 17,940.00	\$ 3,499.26	\$ 3,333.33	\$ 40,000.00	\$ 40,000.00	-
4074	Legal	\$ 1,900.00	\$ 22,800.00	\$ 1,643.81	\$ 3,333.33	\$ 40,000.00	\$ 40,000.00	-
4075	Resident Agent Fee	\$ -	\$ -	\$ 4.48	\$ 20.83	\$ 250.00	\$ 250.00	-
4090	Licenses - State	\$ 5.00	\$ 60.00	\$ 186.07	\$ 186.67	\$ 60.00	\$ 60.00	-
4100	Office Supplies	\$ 70.00	\$ 840.00	\$ 4,583.33	\$ 5,250.00	\$ 63,000.00	\$ 63,000.00	-
4100	Management Fees	\$ 5,000.00	\$ 63,000.00	\$ 245.00	\$ 257.25	\$ 3,087.00	\$ 3,087.00	-
4100	Pool Permits - Health Dept	\$ -	\$ -	\$ 45.82	\$ 416.67	\$ 5,000.00	\$ 5,000.00	-
4513	Misc Expense	\$ -	\$ -	\$ 29,087.49	\$ 20,833.33	\$ 250,000.00	\$ 250,000.00	-
4115	Payroll	\$ 34,548.00	\$ 414,576.00	\$ -	\$ 138.33	\$ 1,660.00	\$ 1,660.00	-
4120	Tax - IRS	\$ 50.00	\$ 600.00	\$ -	\$ 102.08	\$ 1,225.00	\$ 1,225.00	-
4123	Tax Preparation	\$ -	\$ -	\$ -	\$ 102.08	\$ 1,225.00	\$ 1,225.00	-
4200	Audit	\$ 200.00	\$ 2,400.00	\$ -	\$ 16,250.00	\$ 195,000.00	\$ 195,000.00	-
4210	Landscap - Contract	\$ 8,575.00	\$ 102,900.00	\$ 12,187.20	\$ 626.67	\$ 7,520.00	\$ 7,520.00	-
4217	Landscap - Repair	\$ -	\$ -	\$ 426.37	\$ 208.33	\$ 2,500.00	\$ 2,500.00	-
4225	Landscap - Tree Removal	\$ 2,500.00	\$ 30,000.00	\$ 1,025.00	\$ -	\$ -	\$ -	-
4304	Landscap - Clean-up	\$ -	\$ -	\$ 397.92	\$ 14.58	\$ 175.00	\$ 175.00	-
4340	HVAC	\$ -	\$ -	\$ 12.50	\$ -	\$ -	\$ -	-
4340	Janitorial Services	\$ 4,858.67	\$ 58,304.00	\$ 4,210.91	\$ 1,666.67	\$ 20,000.00	\$ 20,000.00	-
4341	Janitorial Supplies	\$ 450.00	\$ 5,400.00	\$ 587.70	\$ 325.00	\$ 3,900.00	\$ 3,900.00	-



NORTHERN TERRACE HOA
Association #: 01.01.1741



Level 1 -- Full Reserve Study with Site Visit

Prepared By: Byron Goetting **NV Permit #0235**

Date of Site Inspection: **07/31/2024**

Initial Funding Plan Period: **01/01/2025 - 12/31/2025**

Date of First Draft: **08/26/2024**

Date of Final Draft: **03/07/2025**

Version #: 4 - Final



Executive Summary

This is the reserve study prepared by GeoReserves, to summarize the current financial condition of NORTHERN TERRACE HOA's reserve account and make recommendations on improving the reserve fund in order to perform all necessary projects.

This report begins with a Physical Analysis that outlines each component the association is responsible to maintain, along with a 30-year projected cost schedule. The report then analyzes the current reserve account data. This includes a projection of the starting reserve account balance on January, 1, 2025, which is the start date of this report, and the estimated percent funded. Finally, this report offers two recommended plans of how much money should be contributed to reserves each year for the next 30 years to maintain a fully-funded reserve account.

Currently, this community is projected to have \$1,704,000.00 on January, 1, 2025. It should have \$3,375,899.70 in reserves to be at the fully-funded level. This puts the community at 50.5% funded, which is generally considered to be a fair reserve fund position. In addition, this community has a current reserve transfer of \$14,000.00 per month (\$15.22 per unit).

This reserve study has determined the following two recommendations:

1. Fully Funded (100%) Plan (100%) Plan of \$505,081 per year (\$42,090 per month or \$45.75 per unit) and no immediate special assessment. This represents an increase of \$28,090.00 to the current reserve contribution.
2. 20% Threshold Plan of \$458,161 (\$38,180 month or \$41.50 per unit) and no immediate special assessment. This represents an increase of \$24,180.00 to the current monthly reserve contribution.

It has been a pleasure working with your association and I look forward to continuing to update this report in the future. Please feel free to contact me with any questions or concerns.

Thank you,

Byron Goetting
Owner, GeoReserves

Physical Analysis

The following table is the list of components that comprise this reserve study. For each component the Useful Life (UL), Remaining Useful Life (RUL), and Cost Estimate has been determined. Based on these estimates, the Significance Percent of each component is calculated. The higher the significance percent, the more of an impact this component has on the final recommendations of this reserve study. Please see the Appendix 2 for additional information.

Component Inventory						
Subgroup 1: Common Area						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
1.102	Entrance Pergolas - Refurbish	9 Monument	0.51%	40	24	\$90,000
1.113	Monument Signs - Replace	14 Monument Signs	0.79%	20	4	\$70,000
1.139	Street Signs - Replace	400 Signs	1.15%	15	13	\$76,000
1.201	Street Light Fixtures - Replace	253 Light Fixtures	2.39%	24	22	\$253,000
1.205	Pole Lights - Replace	8 Pole Lights	0.19%	24	22	\$20,000
1.217	Bollard Lights - Replace	8 Bollard Lights	0.08%	24	8	\$8,000
1.220	Mailbox CBUs - Replace	69 CBUs	2.15%	20	4	\$189,750
1.301	Asphalt - Major Rehab	1,357,000 Sq. ft.	23.04%	40	24	\$4,071,000
1.306	Asphalt - Preservation	1,357,000 Sq. ft.	8.83%	8	3	\$312,110
1.311	Asphalt - Parking Stripes & Other Markings - Re	1,357,000 Sq. ft.	2.30%	4	0	\$40,710
1.402	Concrete - Repair	1 Allowance	1.63%	5	2	\$36,000
1.502	Block Wall - Repair	18,750 Linear ft.	4.24%	10	9	\$187,500
1.536	Wrought Iron Fencing - Replace	1,300 Linear ft.	0.53%	36	20	\$84,500
1.539	Wrought Iron Fencing - Repaint	1,300 Linear ft.	0.74%	6	2	\$19,500
1.3001	Reserve Study - Update	1 Reserve Study	0.14%	5	4	\$3,000
Total Cost for 1/Common Area:						\$5,461,070.00

Subgroup 2: Landscaping and Neighborhood Parks						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
2.602	Landscaping - Renovate	200,000 Sq. ft.	7.07%	8	4	\$250,000
2.603	Landscaping - Minor Renovate	200,000 Sq. ft.	5.66%	4	0	\$100,000
2.611	Tree Removal - Perform	1 Project	0.57%	1	0	\$2,500
2.612	Tree Trimming - Perform	1 Project	9.06%	1	0	\$40,000
2.613	Decorative Rock - Replenish	1 Allowance	2.83%	4	2	\$50,000
2.637	Irrigation System - Refurbish	1 Irrigation System	2.83%	16	10	\$200,000
2.811	Park Furniture - Replace	1 See Detail	0.36%	5	0	\$8,000
2.901	Play Structure - Replace	1 Play Structure	0.33%	24	8	\$35,000
2.906	Play Structure Shade Canopy - Replace	1 Canopy	0.07%	8	2	\$2,500

Subgroup 2: Landscaping and Neighborhood Parks						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
2.934	Play Toys - Replace	1 Allowance	0.25%	8	7	\$9,000
2.935	Safety Padding - Replace	1,300 Sq. ft.	0.35%	21	20	\$32,500
2.937	Safety Padding - Seal	1,300 Sq. Ft.	0.20%	3	2	\$2,600
Total Cost for 2/Landscaping and Neighborhood Parks:						\$732,100.00

Subgroup 3: Clubhouse						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
3.236	Camera System - Replace	1 Camera System	0.45%	10	5	\$20,000
3.728	Pedestrian Gate FOB System - Replace	1 FOB System	0.34%	10	0	\$15,000
3.1606	Clubhouse Building - Exterior Siding Repaint	1 Clubhouse	0.45%	10	4	\$20,000
3.1609	Clubhouse Building - Interior Remodel	1 Allowance	0.91%	25	10	\$100,000
3.1610	Restroom - Remodel	2 Restrooms	0.28%	20	6	\$25,000
3.1611	Clubhouse Building - Interior General Repair	1 Project	0.45%	5	0	\$10,000
3.1802	Clubhouse Building - Roof Re-Stack	13,800 Sq.ft.	0.57%	30	27	\$75,900
3.2215	Clubhouse Doors - Replace	1 See Detail	0.30%	30	14	\$40,000
3.2229	Door Automatic Open Equipment - Replace	1 Door System	0.34%	10	4	\$15,000
3.2238	Windows - Replace	1 Windows	0.42%	40	24	\$75,000
3.2321	Exterior Kitchen Counters & Cabinets - Replace	1 Counter Top	0.08%	30	13	\$10,000
3.2324	Exterior Kitchen Barbecue Grill - Replace	1 Grill	0.11%	10	0	\$5,000
3.2418	Audio & Visual Equipment - Replace	1 Allowance	0.11%	10	2	\$5,000
3.2439	Office Computer Equipment - Replace	1 Allowance	0.23%	5	2	\$5,000
3.2439	Office IT Equipment - Replace	1 See Detail	0.34%	10	3	\$15,000
3.2447	Fitness Equipment - Replace	1 See Detail	0.23%	10	2	\$10,000
3.2448	Cardio Equipment - Replace	1 See Detail	0.54%	5	1	\$12,000
3.2501	Large Restrooms/Locker Rooms - Remodel	2 Restrooms	1.47%	20	6	\$130,000
3.2539	Gym Floor - Replace	1 Gym Floor	0.20%	15	9	\$13,500
3.2601	HVAC System - Replace	1 System	1.13%	15	13	\$75,000
3.2714	Fire Protection System - Renovate	1 Fire System	0.45%	10	8	\$20,000
Total Cost for 3/Clubhouse:						\$696,400.00

Subgroup 4: Pool Area						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
4.1201	Family Pool - Re-Plaster	1 Pool	0.47%	12	8	\$25,000
4.1203	Family Pool - Repair	1 Pool	0.19%	6	0	\$5,000
4.1212	Family Pool Pump - Replace	1 Pump	0.08%	12	7	\$4,500

Subgroup 4: Pool Area						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
4.1213	Family Pool Filters - Replace	2 Filters	0.15%	15	12	\$10,000
4.1215	Family Pool Heater - Replace	1 Heater	0.27%	10	7	\$12,000
4.1217	Family Pool Chemical Controller System - Repla	1 System	0.11%	15	12	\$7,000
4.1237	Adult Lap Pool - Re-Plaster	1 Pool	0.47%	12	8	\$25,000
4.1244	Adult Lap Pool Pump - Replace	1 Pump	0.08%	12	7	\$4,500
4.1245	Adult Lap Pool Filters - Replace	2 Filters	0.12%	15	12	\$8,000
4.1247	Adult Lap Pool Heater - Replace	1 Heater	0.27%	10	7	\$12,000
4.1249	Adult Lap Pool Chemical Controller System - Re	1 System	0.11%	15	12	\$7,000
4.1251	Wading Pool - Re-Plaster	1 Wader	0.23%	8	1	\$8,000
4.1255	Wading Pool Pump - Replace	1 Pump	0.08%	12	9	\$4,500
4.1256	Wading Pool Filter - Replace	1 Filter	0.08%	15	10	\$5,000
4.1260	Wading Pool Chemical Controller System - Repl	1 System	0.11%	15	12	\$7,000
4.1301	Spa - Re-Plaster	1 Spa	0.23%	6	0	\$6,000
4.1305	Spa Pumps - Replace	2 Pumps	0.17%	12	9	\$9,000
4.1306	Spa Filter - Replace	1 Filter	0.08%	15	12	\$5,000
4.1308	Spa Heater - Replace	1 Heater	0.12%	10	7	\$5,500
4.1310	Spa Chemical Controller System - Replace	1 System	0.11%	15	12	\$7,000
4.1406	Pool Concrete Deck - Resurface	9,500 Sq. Ft.	1.22%	15	5	\$80,750
4.1413	Pool Area Furniture - Replace	1 See Detail	2.04%	5	0	\$45,000
Total Cost for 4/Pool Area:						\$302,750.00

Subgroup 5: Pool Building						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
5.1434	Pool Building - Roof Re-Stack	3,500 Sq. Ft.	0.15%	30	27	\$19,250
5.1435	Pool Building - Major Repair	1 Pool Building	0.23%	20	4	\$20,000
5.1438	Pool Building - Exterior Siding Repaint	1 Pool Building	0.28%	10	4	\$12,500
5.1441	Pool Building - Restroom Remodel	2 Restrooms	0.75%	30	14	\$100,000
Total Cost for 5/Pool Building:						\$151,750.00

Subgroup 6: Childrens Activity Room						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
6.1617	Activity Room - Roof Re-Stack	3,000 Sq. Ft.	0.12%	30	27	\$16,500
6.1618	Activity Room - Exterior Major Repair	1 Activity Room	0.23%	20	4	\$20,000
6.1620	Activity Room - Exterior Siding Repaint	1 Activity Room	0.23%	10	4	\$10,000
6.1623	Activity Room - Interior Remodel	1 Activity Room	0.23%	20	4	\$20,000

Subgroup 6: Childrens Activity Room						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
6.1624	Activity Room - Restroom Remodel	2 Restrooms	0.45%	20	4	\$40,000
6.1625	Activity Room - Interior General Repair	1 Project	0.23%	10	4	\$10,000
6.2601	Activity Room HVAC System - Replace	1 System	0.23%	15	13	\$15,000
Total Cost for 6/Childrens Activity Room:						\$131,500.00

Subgroup 7: Andover Entrance Area						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
7.701	Vehicle & Pedestrian Gates - Replace	4 Vehicle Gates	0.12%	36	20	\$19,000
7.702	Vehicle & Pedestrian Gates - Repaint	4 Vehicle Gates	0.09%	6	2	\$2,500
7.705	Vehicle Gate Hardware - Replace	4 Vehicle Gates	0.06%	18	2	\$5,000
7.708	Vehicle Gate Loops - Replace	8 Gate Loops	0.11%	5	1	\$2,500
7.715	Vehicle Gate Operators - Replace	4 Gate Operators	0.45%	12	8	\$24,000
7.716	Vehicle Gate Operators - Repair	4 Gate Operators	0.14%	4	0	\$2,400
7.722	Vehicle Gate Entrance System - Replace	1 Entrance System	0.14%	10	4	\$6,000
7.727	Pedestrian Gate Keypad Locks - Replace	2 Ped Gate Locks	0.07%	10	4	\$3,000
Total Cost for 7/Andover Entrance Area:						\$64,400.00

Subgroup 8: Emery Entrance Area						
Comp #	Component	Quantity	Sig. %	UL	RUL	Cost
8.701	Vehicle & Pedestrian Gates - Replace	4 Vehicle Gates	0.12%	36	20	\$19,000
8.702	Vehicle & Pedestrian Gates - Repaint	4 Vehicle Gates	0.09%	6	2	\$2,500
8.705	Vehicle Gate Hardware - Replace	4 Vehicle Gates	0.06%	18	2	\$5,000
8.708	Vehicle Gate Loops - Replace	8 Gate Loops	0.11%	5	1	\$2,500
8.715	Vehicle Gate Operators - Replace	4 Gate Operators	0.45%	12	8	\$24,000
8.716	Vehicle Gate Operators - Repair	4 Gate Operators	0.14%	4	0	\$2,400
8.722	Vehicle Gate Entrance System - Replace	1 Entrance System	0.14%	10	4	\$6,000
8.727	Pedestrian Gate Keypad Locks - Replace	3 Ped Gate Locks	0.10%	10	4	\$4,500
Total Cost for 8/Emery Entrance Area:						\$65,900.00

Total Cost of Component Inventory:						\$7,605,870.00
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The following tables shows how the Fully Funded Balance (FFB) for the first year of this report is calculated. The formula for this calculation is: $FFB = (Effective\ Age / Useful\ Life) \times Current\ Cost$. The Effective Age of each component is its Useful Life – Remaining Useful Life. Each year the current cost is adjusted for inflation and will therefore increase by the projected inflation rate.

See Appendix II for additional information, and contact GeoReserves to receive an additional report showing the calculation of the FFB for all 30 years.

Fully Funded Balance Calculation Year 2025						
Subgroup 1: Common Area						
Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
1.102	Entrance Pergolas - Refurbish	40	24	0.4	\$90,000	\$36,000
1.113	Monument Signs - Replace	20	4	0.8	\$70,000	\$56,000
1.139	Street Signs - Replace	15	13	0.13	\$76,000	\$10,133
1.201	Street Light Fixtures - Replace	24	22	0.08	\$253,000	\$21,083
1.205	Pole Lights - Replace	24	22	0.08	\$20,000	\$1,667
1.217	Bollard Lights - Replace	24	8	0.67	\$8,000	\$5,333
1.220	Mailbox CBUs - Replace	20	4	0.8	\$189,750	\$151,800
1.301	Asphalt - Major Rehab	40	24	0.4	\$4,071,000	\$1,628,400
1.306	Asphalt - Preservation	8	3	0.62	\$312,110	\$195,069
1.311	Asphalt - Parking Stripes & Other Markings - R	4	0	1	\$40,710	\$40,710
1.402	Concrete - Repair	5	2	0.6	\$36,000	\$21,600
1.502	Block Wall - Repair	10	9	0.1	\$187,500	\$18,750
1.536	Wrought Iron Fencing - Replace	36	20	0.44	\$84,500	\$37,556
1.539	Wrought Iron Fencing - Repaint	6	2	0.67	\$19,500	\$13,000
1.3001	Reserve Study - Update	5	4	0.2	\$3,000	\$600
FY 2025 Totals for 1/Common Area:					\$5,461,070	\$2,237,701
Subgroup 2: Landscaping and Neighborhood Parks						
Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
2.602	Landscaping - Renovate	8	4	0.5	\$250,000	\$125,000
2.603	Landscaping - Minor Renovate	4	0	1	\$100,000	\$100,000
2.611	Tree Removal - Perform	1	0	1	\$2,500	\$2,500
2.612	Tree Trimming - Perform	1	0	1	\$40,000	\$40,000
2.613	Decorative Rock - Replenish	4	2	0.5	\$50,000	\$25,000
2.637	Irrigation System - Refurbish	16	10	0.38	\$200,000	\$75,000
2.811	Park Furniture - Replace	5	0	1	\$8,000	\$8,000
2.901	Play Structure - Replace	24	8	0.67	\$35,000	\$23,333

Fully Funded Balance Calculation Year 2025

Subgroup 2: Landscaping and Neighborhood Parks

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
2.906	Play Structure Shade Canopy - Replace	8	2	0.75	\$2,500	\$1,875
2.934	Play Toys - Replace	8	7	0.12	\$9,000	\$1,125
2.935	Safety Padding - Replace	21	20	0.05	\$32,500	\$1,548
2.937	Safety Padding - Seal	3	2	0.33	\$2,600	\$867
FY 2025 Totals for 2/Landscaping and Neighborhood Parks:					\$732,100	\$404,248

Subgroup 3: Clubhouse

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
3.236	Camera System - Replace	10	5	0.5	\$20,000	\$10,000
3.728	Pedestrian Gate FOB System - Replace	10	0	1	\$15,000	\$15,000
3.1606	Clubhouse Building - Exterior Siding Repaint	10	4	0.6	\$20,000	\$12,000
3.1609	Clubhouse Building - Interior Remodel	25	10	0.6	\$100,000	\$60,000
3.1610	Restroom - Remodel	20	6	0.7	\$25,000	\$17,500
3.1611	Clubhouse Building - Interior General Repair	5	0	1	\$10,000	\$10,000
3.1802	Clubhouse Building - Roof Re-Stack	30	27	0.1	\$75,900	\$7,590
3.2215	Clubhouse Doors - Replace	30	14	0.53	\$40,000	\$21,333
3.2229	Door Automatic Open Equipment - Replace	10	4	0.6	\$15,000	\$9,000
3.2238	Windows - Replace	40	24	0.4	\$75,000	\$30,000
3.2321	Exterior Kitchen Counters & Cabinets - Replace	30	13	0.57	\$10,000	\$5,667
3.2324	Exterior Kitchen Barbecue Grill - Replace	10	0	1	\$5,000	\$5,000
3.2418	Audio & Visual Equipment - Replace	10	2	0.8	\$5,000	\$4,000
3.2439	Office IT Equipment - Replace	10	3	0.7	\$15,000	\$10,500
3.2439	Office Computer Equipment - Replace	5	2	0.6	\$5,000	\$3,000
3.2447	Fitness Equipment - Replace	10	2	0.8	\$10,000	\$8,000
3.2448	Cardio Equipment - Replace	5	1	0.8	\$12,000	\$9,600
3.2501	Large Restrooms/Locker Rooms - Remodel	20	6	0.7	\$130,000	\$91,000
3.2539	Gym Floor - Replace	15	9	0.4	\$13,500	\$5,400
3.2601	HVAC System - Replace	15	13	0.13	\$75,000	\$10,000
3.2714	Fire Protection System - Renovate	10	8	0.2	\$20,000	\$4,000
FY 2025 Totals for 3/Clubhouse:					\$696,400	\$348,590

Subgroup 4: Pool Area

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
4.1201	Family Pool - Re-Plaster	12	8	0.33	\$25,000	\$8,333
4.1203	Family Pool - Repair	6	0	1	\$5,000	\$5,000

Fully Funded Balance Calculation Year 2025

Subgroup 4: Pool Area

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
4.1212	Family Pool Pump - Replace	12	7	0.42	\$4,500	\$1,875
4.1213	Family Pool Filters - Replace	15	12	0.2	\$10,000	\$2,000
4.1215	Family Pool Heater - Replace	10	7	0.3	\$12,000	\$3,600
4.1217	Family Pool Chemical Controller System - Repl	15	12	0.2	\$7,000	\$1,400
4.1237	Adult Lap Pool - Re-Plaster	12	8	0.33	\$25,000	\$8,333
4.1244	Adult Lap Pool Pump - Replace	12	7	0.42	\$4,500	\$1,875
4.1245	Adult Lap Pool Filters - Replace	15	12	0.2	\$8,000	\$1,600
4.1247	Adult Lap Pool Heater - Replace	10	7	0.3	\$12,000	\$3,600
4.1249	Adult Lap Pool Chemical Controller System - R	15	12	0.2	\$7,000	\$1,400
4.1251	Wading Pool - Re-Plaster	8	1	0.88	\$8,000	\$7,000
4.1255	Wading Pool Pump - Replace	12	9	0.25	\$4,500	\$1,125
4.1256	Wading Pool Filter - Replace	15	10	0.33	\$5,000	\$1,667
4.1260	Wading Pool Chemical Controller System - Rep	15	12	0.2	\$7,000	\$1,400
4.1301	Spa - Re-Plaster	6	0	1	\$6,000	\$6,000
4.1305	Spa Pumps - Replace	12	9	0.25	\$9,000	\$2,250
4.1306	Spa Filter - Replace	15	12	0.2	\$5,000	\$1,000
4.1308	Spa Heater - Replace	10	7	0.3	\$5,500	\$1,650
4.1310	Spa Chemical Controller System - Replace	15	12	0.2	\$7,000	\$1,400
4.1406	Pool Concrete Deck - Resurface	15	5	0.67	\$80,750	\$53,833
4.1413	Pool Area Furniture - Replace	5	0	1	\$45,000	\$45,000
FY 2025 Totals for 4/Pool Area:					\$302,750	\$161,342

Subgroup 5: Pool Building

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
5.1434	Pool Building - Roof Re-Stack	30	27	0.1	\$19,250	\$1,925
5.1435	Pool Building - Major Repair	20	4	0.8	\$20,000	\$16,000
5.1438	Pool Building - Exterior Siding Repaint	10	4	0.6	\$12,500	\$7,500
5.1441	Pool Building - Restroom Remodel	30	14	0.53	\$100,000	\$53,333
FY 2025 Totals for 5/Pool Building:					\$151,750	\$78,758

Subgroup 6: Childrens Activity Room

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
6.1617	Activity Room - Roof Re-Stack	30	27	0.1	\$16,500	\$1,650
6.1618	Activity Room - Exterior Major Repair	20	4	0.8	\$20,000	\$16,000
6.1620	Activity Room - Exterior Siding Repaint	10	4	0.6	\$10,000	\$6,000

Fully Funded Balance Calculation Year 2025

Subgroup 6: Childrens Activity Room

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
6.1623	Activity Room - Interior Remodel	20	4	0.8	\$20,000	\$16,000
6.1624	Activity Room - Restroom Remodel	20	4	0.8	\$40,000	\$32,000
6.1625	Activity Room - Interior General Repair	10	4	0.6	\$10,000	\$6,000
6.2601	Activity Room HVAC System - Replace	15	13	0.13	\$15,000	\$2,000
FY 2025 Totals for 6/Childrens Activity Room:					\$131,500	\$79,650

Subgroup 7: Andover Entrance Area

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
7.701	Vehicle & Pedestrian Gates - Replace	36	20	0.44	\$19,000	\$8,444
7.702	Vehicle & Pedestrian Gates - Repaint	6	2	0.67	\$2,500	\$1,667
7.705	Vehicle Gate Hardware - Replace	18	2	0.89	\$5,000	\$4,444
7.708	Vehicle Gate Loops - Replace	5	1	0.8	\$2,500	\$2,000
7.715	Vehicle Gate Operators - Replace	12	8	0.33	\$24,000	\$8,000
7.716	Vehicle Gate Operators - Repair	4	0	1	\$2,400	\$2,400
7.722	Vehicle Gate Entrance System - Replace	10	4	0.6	\$6,000	\$3,600
7.727	Pedestrian Gate Keypad Locks - Replace	10	4	0.6	\$3,000	\$1,800
FY 2025 Totals for 7/Andover Entrance Area:					\$64,400	\$32,356

Subgroup 8: Emery Entrance Area

Comp #	Component	UL	RUL	Effective Age / Useful Life	Cost	FFB
8.701	Vehicle & Pedestrian Gates - Replace	36	20	0.44	\$19,000	\$8,444
8.702	Vehicle & Pedestrian Gates - Repaint	6	2	0.67	\$2,500	\$1,667
8.705	Vehicle Gate Hardware - Replace	18	2	0.89	\$5,000	\$4,444
8.708	Vehicle Gate Loops - Replace	5	1	0.8	\$2,500	\$2,000
8.715	Vehicle Gate Operators - Replace	12	8	0.33	\$24,000	\$8,000
8.716	Vehicle Gate Operators - Repair	4	0	1	\$2,400	\$2,400
8.722	Vehicle Gate Entrance System - Replace	10	4	0.6	\$6,000	\$3,600
8.727	Pedestrian Gate Keypad Locks - Replace	10	4	0.6	\$4,500	\$2,700
FY 2025 Totals for 8/Emery Entrance Area:					\$65,900	\$33,256

Totals for Fiscal Year 2025:	\$7,605,870	\$3,375,900
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Financial Analysis

The financial analysis begins with an estimate of the projected reserve balance. This amount represents how much money will be in the reserve account at the beginning of the report period.

In order for the association to use the reserve study as a budgeting tool, reserve studies are typically prepared prior to when the budget for the initial funding plan year is made. Therefore, the projected starting reserve balance is only an approximation of what the actual reserve balance will be.

Evaluation of Current Reserve Fund	
Association Details	
Name of Association	NORTHERN TERRACE HOA
# of Units	920
Construction Year	2009
Fiscal Year End	12/31
Report Details	
Report Type	Level 1 -- Full Reserve Study with Site Visit
Report Period	January, 1, 2025 - December, 31, 2025
Funding Goal	Fully Funded (100%) Plan
Analysis Method	Cash Flow Method
Economic Assumptions	
Projected Inflation Rate	3.25%
Projected After-Tax Interest Rate	2.50%
Current Financial Data	
Most Recent Reported Reserve Balance	\$1,313,453.70
Reported As Of:	5/31/2024
Monthly Reserve Contribution	\$14,000.00
Budgeted Remaining Reserve Contribution	\$98,000.00
Projected Investment Income (i.e. After-Tax Interest)	\$489.91
Budgeted Special Assessment (if any)	\$292,056.39
Total Projected Reserve Account Balance	\$1,704,000.00
Estimated Remaining Reserve Expenses	\$0.00
Projected Funding Plan Starting Reserve Balance	\$1,704,000.00
Starting Reserve Fund Assessment	
Projected Funding Plan Starting Reserve Balance	\$1,704,000.00
Report Starting Date:	1/1/2025
Projected Funding Plan Starting Fully-Funded Balance	\$3,375,899.70
Projected Starting Percent Funded	50.5%
Funding Plan First Year Reserve Expenditures	\$282,010.00

Fully Funded (100%) Plan: First Six Years Summary

Although this reserve study has a funding plan projected 30 years into the future, the association should focus on the first three years of this report. As a budgeting tool, a reserve study is most useful during these initial years. After that, there is a high degree of uncertainty to the future cost and future condition of these components. It is therefore recommended that a reserve study is updated every three years.

For any projected expenses that are programmed to occur within these years, the association should begin to work with appropriate vendors and contractors to determine a specific scope of work and actual cost. Should these costs deviate substantially from this study's estimates, an update may be necessary to determine if any changes to the recommended funding plan are necessary.

After that, if any major projects are scheduled within the following three years, the association should make sure that their funding plan has them on a path to pay for these expenses. Major projects are defined as any projects with a high significance percentage as shown in the pie chart in the Physical Analysis of this report.

The association should also be mindful of major projects that are not scheduled until later in the future. Although these projects may have many years before they are scheduled to occur, the association has a fiduciary responsibility to plan ahead for these expenses. It is recommended that the association adopts a funding plan that enables them to be adequately funded in the future.

	2025	2026	2027	2028	2029	2030
Projected Starting Reserve Balance	\$1,704,001	\$1,975,248	\$2,489,020	\$2,900,290	\$3,129,786	\$2,767,968
Recommended Annual Reserve Contribution	\$505,081	\$522,758	\$541,055	\$559,992	\$579,591	\$599,877
Recommended Monthly Reserve Contribution	\$42,090	\$43,563	\$45,088	\$46,666	\$48,299	\$49,990
Recommended Monthly Per Unit Reserve Contribution	\$45.75	\$47.35	\$49.01	\$50.72	\$52.50	\$54.34
Recommended Special Reserve Assessment	\$0	\$0	\$0	\$0	\$0	\$0
Recommended Special Per Unit Reserve Assessment	\$0	\$0	\$0	\$0	\$0	\$0
Projected Investment Income (i.e. After-Tax Interest)	\$48,177	\$60,708	\$70,739	\$76,336	\$67,511	\$78,069
Projected Reserve Expenses (Inflation-Adjusted)	(\$282,010)	(\$69,693)	(\$200,524)	(\$406,831)	\$1,008,921)	(\$245,067)
Projected Ending Reserve Balance	\$1,975,249	\$2,489,021	\$2,900,290	\$3,129,787	\$2,767,967	\$3,200,847
Projected Fully-Funded (100%) Balance	\$3,650,515	\$4,168,094	\$4,582,720	\$4,813,609	\$4,446,658	\$4,873,310
Year-End Percent Funded	54%	60%	63%	65%	62%	66%

This page shows the annual cash flow projections for the next 30 years when following the recommended funding plan. It includes the budgeted reserve contribution, special assessments, interest earned in savings accounts, and the projected reserve expenses.

This page also shows the future % increases to the budgeted reserve contribution. If following this plan, the association will get to a recommended 100% funded level.

Fully-Funded Plan: Annual Cash Flow Projections							
Year	Starting Balance	Reserve Contribution	% Increase	Special Assessment	After-Tax Interest	Reserve Expenditures	Ending Balance
2025	\$1,704,001	\$505,081	200.64%	\$0	\$48,177	(\$282,010)	\$1,975,249
2026	\$1,975,248	\$522,758	3.50%	\$0	\$60,708	(\$69,693)	\$2,489,021
2027	\$2,489,020	\$541,055	3.50%	\$0	\$70,739	(\$200,524)	\$2,900,290
2028	\$2,900,290	\$559,992	3.50%	\$0	\$76,336	(\$406,831)	\$3,129,787
2029	\$3,129,786	\$579,591	3.50%	\$0	\$67,511	(\$1,008,921)	\$2,767,967
2030	\$2,767,968	\$599,877	3.50%	\$0	\$78,069	(\$245,067)	\$3,200,847
2031	\$3,200,846	\$620,873	3.50%	\$0	\$87,198	(\$333,782)	\$3,575,135
2032	\$3,575,135	\$642,603	3.50%	\$0	\$101,347	(\$163,870)	\$4,155,215
2033	\$4,155,214	\$665,094	3.50%	\$0	\$108,363	(\$485,777)	\$4,442,894
2034	\$4,442,895	\$688,373	3.50%	\$0	\$119,347	(\$357,392)	\$4,893,223
2035	\$4,893,223	\$712,466	3.50%	\$0	\$123,516	(\$665,039)	\$5,064,166
2036	\$5,064,166	\$737,402	3.50%	\$0	\$131,739	(\$531,994)	\$5,401,313
2037	\$5,401,313	\$763,211	3.50%	\$0	\$133,710	(\$816,138)	\$5,482,096
2038	\$5,482,097	\$789,923	3.50%	\$0	\$147,953	(\$353,881)	\$6,066,092
2039	\$6,066,092	\$817,571	3.50%	\$0	\$158,415	(\$547,056)	\$6,495,022
2040	\$6,495,022	\$846,186	3.50%	\$0	\$178,097	(\$217,307)	\$7,301,998
2041	\$7,301,997	\$875,802	3.50%	\$0	\$195,895	(\$341,991)	\$8,031,703
2042	\$8,031,703	\$906,455	3.50%	\$0	\$218,132	(\$212,888)	\$8,943,402
2043	\$8,943,402	\$938,181	3.50%	\$0	\$241,438	(\$224,074)	\$9,898,947
2044	\$9,898,946	\$971,017	3.50%	\$0	\$246,313	(\$1,017,437)	\$10,098,839
2045	\$10,098,840	\$1,005,003	3.50%	\$0	\$235,325	(\$1,690,825)	\$9,648,343
2046	\$9,648,344	\$1,040,178	3.50%	\$0	\$263,641	(\$142,895)	\$10,809,268
2047	\$10,809,267	\$1,076,584	3.50%	\$0	\$275,849	(\$851,882)	\$11,309,818
2048	\$11,309,819	\$1,114,265	3.50%	\$0	\$306,997	(\$144,195)	\$12,586,886
2049	\$12,586,886	\$1,153,264	3.50%	\$0	\$79,662	(\$10,553,663)	\$3,266,149
2050	\$3,266,149	\$1,193,628	3.50%	\$0	\$103,792	(\$308,107)	\$4,255,462
2051	\$4,255,462	\$1,235,405	3.50%	\$0	\$108,899	(\$1,134,896)	\$4,464,870
2052	\$4,464,871	\$1,278,644	3.50%	\$0	\$108,740	(\$1,393,903)	\$4,458,352
2053	\$4,458,353	\$1,323,397	3.50%	\$0	\$106,345	(\$1,527,965)	\$4,360,130
2054	\$4,360,130	\$1,366,407	3.25%	\$0	\$128,272	(\$595,646)	\$5,259,163
2055	\$5,259,164	\$1,410,816	3.25%	\$0	\$154,579	(\$486,836)	\$6,337,723

The Projected Annual Expenditures shows which projects will be performed each fiscal year. If the fiscal year is missing on this list, then there are no projects scheduled for that particular year.

The Current Cost represents the estimated cost of the project for the initial year of this report. The Future Cost represents the inflation-adjusted cost of the project.

Any components highlighted in red have a \$0 cost associated with the project and are funded outside of this reserve study.

Projected Annual Expenditures			
Fiscal Year 2025			
Comp #	Component Name	Current Cost	Future Cost
1. 311	Asphalt - Parking Stripes & Other Markings - Repaint	\$40,710	\$40,710
2. 603	Landscaping - Minor Renovate	\$100,000	\$100,000
2. 611	Tree Removal - Perform	\$2,500	\$2,500
2. 612	Tree Trimming - Perform	\$40,000	\$40,000
2. 811	Park Furniture - Replace	\$8,000	\$8,000
3. 728	Pedestrian Gate FOB System - Replace	\$15,000	\$15,000
3. 1611	Clubhouse Building - Interior General Repair	\$10,000	\$10,000
3. 2324	Exterior Kitchen Barbecue Grill - Replace	\$5,000	\$5,000
4. 1203	Family Pool - Repair	\$5,000	\$5,000
4. 1301	Spa - Re-Plaster	\$6,000	\$6,000
4. 1413	Pool Area Furniture - Replace	\$45,000	\$45,000
7. 716	Vehicle Gate Operators - Repair	\$2,400	\$2,400
8. 716	Vehicle Gate Operators - Repair	\$2,400	\$2,400
Fiscal Year 2025 Total:		\$282,010	\$282,010

Fiscal Year 2026			
Comp #	Component Name	Current Cost	Future Cost
2. 611	Tree Removal - Perform	\$2,500	\$2,581
2. 612	Tree Trimming - Perform	\$40,000	\$41,300
3. 2448	Cardio Equipment - Replace	\$12,000	\$12,390
4. 1251	Wading Pool - Re-Plaster	\$8,000	\$8,260
7. 708	Vehicle Gate Loops - Replace	\$2,500	\$2,581
8. 708	Vehicle Gate Loops - Replace	\$2,500	\$2,581
Fiscal Year 2026 Total:		\$67,500	\$69,693

Fiscal Year 2027			
Comp #	Component Name	Current Cost	Future Cost
1. 402	Concrete - Repair	\$36,000	\$38,378

NORTHERN TERRACE HOMEOWNER'S ASSOCIATION

COLLECTION POLICY

Timely payment of Annual, Capital and Special Assessments ("Assessments") is critical to NORTHERN TERRACE HOMEOWNERS ASSOCIATION ("Association"). The failure of any Owner to pay Assessments when due creates a cash flow shortage for the Association and causes those Owners who timely pay their assessments to bear a disproportionate share of the Association's financial obligations. Therefore, the Board of Directors has adopted the following policies and procedures concerning the collection of delinquent Assessments ("Collection Policy"). The capitalized terms in this Collection Policy have the same meaning as defined in the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements NORTHERN TERRACE HOMEOWNERS ASSOCIATION ("Declaration"), Article 6 of the Declaration address the Association's authority to levy and collect Assessments.

1. *Personal Obligation / No Exemption.* Assessments are the personal obligation of the Owner at the time the Association levies the Assessment and are also a lien against the Unit. An Owner cannot exempt himself from liability for Assessments by abandoning their Unit or choosing not to use the Common Elements.
2. *Assessment Due Dates.* Annual Assessments are payable in monthly installments and are due on the first day of each month. Special or Capital Assessments, as defined in the Declaration, and reserve assessments as set forth in NRS 116.31152
(1) are due and payable on the date specified by the Board of Directors ("Board") in the notice imposing the Assessment or in the ballot presenting the Special or Capital Assessment to the Members for approval.
3. *Late Charges.* All Assessments, or any portion thereof, are past due if the Association does not receive payment within THIRTY (30) days after the due date. A \$10.00 late fee will be added to the Owner's account for each past due installment.
4. *Interest.* Subject to any limitations imposed by the Nevada Servicemembers Civil Relief Act, any Assessment, or any portion thereof, that remains unpaid for more than thirty (30) days after the due date shall bear interest at a rate equal to the prime rate at the largest bank in Nevada, plus two percent (2%), adjusted twice yearly on January 1 and July 1.
5. *Collection Costs.*
 - (a) Any costs and fees incurred in processing and collecting delinquent amounts, including, without limitation, interest charges, charges for preparation of delinquency notices, recorder costs, postage, copies, and attorney's fees and costs shall become an additional charge against the Owner and the Owner's property and shall be subject to collection action pursuant to this Policy. Attached hereto is a Schedule of Collection Fees and Costs that may be charged with the collection of past due assessments or fines.
6. *Application of Payments.* The Association will apply payments first to any delinquent Assessments and then to late fees, interest and Collection Costs. Payments will not be applied to pay fines or penalties unless the Owner designates the payment as such.
7. *Compliance With Nevada Servicemembers Civil Relief Act ("NVSCRA").* In order to comply with NVSCRA, which became law in Nevada on May 29, 2017, before the Association takes any action to pursue collection of past due obligations, the Association shall: (a) inform each Owner, or his or her successor- in-interest, that if the person is a servicemember or dependent of a servicemember, he or she may be entitled to certain protections granted by the NVSCRA; and (b) give the person the opportunity to provide the information necessary for the Association to verify whether the person is entitled to the protections set forth in the NVSCRA including, but not limited to, the social security number and date of birth of the person.

If a person or a dependent of that person is entitled to the protections of the NVSCRA, then, in the absence of a court order to the contrary, the Association shall not commence collection of any past due assessments and related charges, during the person's term of active duty or deployment and up to one (1) year after the active duty or deployment ends.

8. *Disclosure and Payment Plan:* In addition to all other remedies available to the Association, and after the Association has made a good faith effort to verify that the Owner is not entitled to the protections of NVSCRA:

- (a) Not earlier than sixty (60) days after an assessment payment becomes past due, the Association must mail to the address on file for the Unit's Owner:
 - i. A schedule of the fees that may be charged if the Owner fails to pay the past due obligation.
 - ii. A proposed prepayment plan; and
 - iii. A notice of the right to contest the past due obligation at a hearing before the Board and the procedures for requesting such a hearing.
 - iv. Notice that the Association's records do not reflect that the person is entitled to the protections of NVSCRA and an invitation to provide the Association with the information necessary to verify whether the person is entitled to protection under the NVSCRA.
- (b) If within thirty (30) days after the date on which the information described in paragraph (a), above, is mailed, the past due obligation has not been paid in full, or the Unit's Owner, or his or her successor-in-interest, has not entered into a payment plan, all payments agreed to pursuant to such a plan have not been paid in a timely manner, or a hearing before the Board has not been requested in writing addressed to the Community Manager, the Association shall cause a letter to be sent to the Owner notifying him/her of the delinquency and requesting payment thereof (the "Notice of Intent"). The Notice of Intent shall be mailed by certified mail, return receipt requested to the address of the Lot and, if different, to a mailing address specified by the Owner, and shall include, at a minimum, the following information:
 - i. the fact that the installment is delinquent;
 - ii. the amount of the delinquency, including any charges associated with the delinquency including, but not limited to, interest, late fees, attorneys' fees or other Collection Costs;
 - iii. the action that is requested to be taken by the Owner to cure the default;and

In addition, the Notice of Intent may include that, subject to the owner's right to request a hearing in front of the Board of Directors, the Owner's and the Owner's family, tenants and guests rights to use the recreational facilities, including, but not limited to, the gym, pools and spas are suspended during the time that Owner is delinquent in the payment of assessments;

If the Owner fails or refuses to pay the balance due and owing to the Association as set forth in the Notice of Intent, the Association may foreclose upon its lien by sale after all of the following, and other conditions are satisfied:

- (a) The Association or its agent has mailed by certified or registered mail, return receipt requested, to the Unit's Owner, or his or her successor-in-interest, at his or her address, if known, and at the address of the Unit, a notice of delinquent assessment which states the amount of the assessment and other sums which are due in accordance with subsection (1) of NRS 116.3116, and description of the Unit against which the lien is imposed and the name of the record Owner of the Unit.
- (b) Not less than thirty (30) days after mailing the notice of delinquent assessment, the Association, or person conducting the sale, has executed and caused to be recorded, with the County Recorder a notice of default and election to sell the Unit to satisfy the lien which must contain the same information as the notice of delinquent assessment and which must also comply with the following:
 - i. Describe the deficiency in payment;
 - ii. State the total amount that the deficiency in payment, with a separate statement of: (1) the amount of the Association's lien that is prior to the first security interest on the Unit pursuant to subsection 3 of NRS 116.3116 as of the date of the notice; (2) the amount of the lien described in subparagraph (1) that is attributable to assessments based on the periodic budget adopted by the Association pursuant to NRS 116.3115 as of the date of the notice; (3) the amount of the lien that is attributable to amounts described in NRS 116.310312 as of the date of the notice; and (4) the amount of the lien that is attributable to the cost of enforcing the Association's lien as of the date of the Notice.
- (c) The Association or its Agent must mail a copy of the notice of default and election to sell and a copy of the Notice of Sale to each holder of a security interest on the unit in the manner and subject to the requirements of Nevada law.
- (d) The unit's owner, or his or her successor-in-interest, has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement, for ninety (90) days following the recording of a notice of default and election to sell.
- (e) The unit's owner of his or her successor-in-interest, or the holder of the recorded security interest on the unit, has, for a period in which commences in the manner and subject to the requirements described in subsection (3) of NRS 116.3116, and which expires five (5) days before the date of sale, failed to pay the assessments and other sums that are due to the Association in accordance with subsection (1) of NRS 116.3116.

9. *Transfer of Account to Collections.* If within 30 days after the Disclosure and Payment Plan is mailed, the Owner has not: (a) paid the past due obligation in full, (b) signed and returned the Disclosure and Payment Plan, (c) submitted a written request for a hearing, or (d) notified the Association that the Owner or a dependent of the Owner is or may be entitled to protection under NVSCRA, and the Owner's account remains past due, then the Association will refer the account to a collection agency ("Collection Agency") for further action, as outlined below.

10. *Assessment Lien.* If the Owner fails to pay all sums that are past due, including Assessments, late charges, interest, Collection Costs, and reasonable attorney fees, the Collection Agency may record a Notice of Delinquent Assessment (the “Lien”) for all sums that are delinquent. A recorded Lien is the initial document in the foreclosure process. The Association has the option of pursuing judicial or non-judicial foreclosure.
11. *Foreclosure:*
- (a) Pursuant to the Nevada Revised Statutes, the Association may proceed with foreclosure, whether judicially or non-judicially, once the notice of delinquent assessment lien is recorded and mailed and remains unpaid for thirty (30) days after its mailing. A foreclosed unit may be redeemed within sixty (60) days of the sale.
 - (b) The Association or other person conducting the sale shall, after expiration of the ninety (90) day period described in paragraph (c) of subsection (1) of NRS 116.31162 and before selling the Unit, give notice of the time and place of the sale, by recording the Notice of Sale and by:
 - i. Posting a notice particularly describing the unit for twenty (20) days in a public place in Clark County;
 - ii. Publishing a copy of the notice three (3) times, once each week for three (3) consecutive weeks, in a newspaper in general circulation in Clark County;
 - iii. Notifying the unit’s owner or his or her successor-in- interest as follows:
 - (1) A copy of the notice to sale must be mailed, on or before, the date of first publication or posting, by certified or registered mail, return receipt requested, to unit’s owner or his or her successor-in-interest at his or her address, if known, and to the address of the unit; and
 - (2) A copy of the notice to sale must be served on or before the date of first publication or posting.
 - iv. Mailing, on or before the date of first publication or posting, a copy of the notice by certified mail to:
 - (1) Each person entitled to receive a copy of the notice of default and election to sell notice under subsection (1) of NRS 116.31163;
 - (2) The holder of a security interest recorded before mailing of the notice of sale at the address of the holder that is provided on the internet website maintained by the Division of Financial Institutions of the Department of Business and Industry; and
 - (3) The Ombudsman.

- (c) In addition to the requirements set forth in subsection (1) NRS 116.311635, a copy of the notice of sale must be served:
 - i. By a person who is 18 years of age or older and who is not a party to or interested in the sale, by personally delivering a copy of the notice of sale to an occupant of the unit who is of suitable age; or
 - ii. By posting a copy of the notice of sale in a conspicuous place on the unit. A copy of the notice of sale required to be served pursuant to Nevada law must include all requirements which are described in subsection (3) of NRS 116.311635.
- 12. *Payment Agreements and Allocations:* Initial payment plans will be for a period of six (6) months. The Board may, from time to time, allow the Collection Agency to enter into Payment Agreements of limited terms and conditions on behalf of the Association. The Board will determine acceptable terms and conditions and notify the Collection Agency in writing. Any requests for terms other than those pre-approved by the Board require the approval of the Board. The payment agreements allow the owner to make scheduled partial payments on the entire balance owing, in addition to his/her making payment of current assessments. A payment will be considered late and payment plan breached if not received within ten (10) days of its due date. Failure to meet any terms of the written agreement shall give the Association and/or its Collection Agency the right to immediately continue the collection process without further notice to the Owner bringing all amounts due and payable.
- 13. *NSF Checks.* If the Association or its Collection Agency receives a check that is dishonored by the bank for any reason, a \$30.00 charge (plus any applicable bank fee) shall be added to the Owner's account. The Association will not resubmit a previously returned check for payment and may seek other damages in accordance with Nevada law.
- 14. *Disputes.* If an Owner disputes the accuracy of his account balance, the Owner must submit their dispute in writing to the Board at the address provided in paragraph 15 and provide their (a) name, mailing address and account number, (b) the exact dollar amount in dispute; (c) an explanation of why the Owner believes there is an error and (d) copies of checks (both front and back) or other documents to substantiate the Owner's claim of error. The Owner should pay any undisputed amounts before the delinquency date in order to avoid late fees, interest or Collection Costs.
- 15. *Notice to Association.* Owners should remit payments as directed on the Assessment coupon or account statements; or if the account has been transferred to a Collection Agency, as directed by the Collection Agent. Notices to the Association should be mailed to: NORTHERN TERRACE HOMEOWNERS ASSOCIATION, c/o CAMCO, PO BOX 400518, Las Vegas, NV 89140.
- 16. *Government Shutdown period.* In accordance with Nevada law, if you are an employee of a Federal or State agency, or an employee of a contractor who has entered into a contract with a Federal or State agency, or an employee of a Qualified Indian Tribe or an employee of a contractor who has entered into a contract with a Qualified Indian Tribe, you may be entitled to certain protections from foreclosure during the period commencing on the date on which a government or Tribal shutdown begins and ending on the date that is ninety (90) days after the shutdown ends. These protections may apply to members of your household as well including persons who are related by blood, marriage, adoption or other legal process if such person applies to the Court and the ability of such household member or landlord to make payments required by an association is materially affected by the shutdown.

Attached to this Fine and Collection Policy is a form entitled Notification of Status as a Federal Employee, State Employee, Tribal Employee or a Contractor Thereof which you should fill out and return if you believe that this new law applies to you.

17. *Effective Date of this Policy.* The Board adopted this Collection Policy at a meeting held on July 11, 2024, and it is effective as of August 1, 2024.

NORTHERN TERRACE HOMEOWNERS
ASSOCIATION

By: Jimmy Nevarez
(signature)
Jimmy Nevarez
(print name)
Its: President

By: Jenna Johns
(signature)
Jenna Johns
(print name)
Its: Secretary

NOTIFICATION OF STATUS AS A FEDERAL, STATE OR TRIBAL EMPLOYEE OR CONTRACTOR THEREOF

I, _____, am the Owner/Resident (*please circle the appropriate designation*) of the residence which is located at _____ and situated within the _____ Association.

I understand that as an employee of the Federal Government, State Government, or A Qualified Indian Tribe, or a contractor thereof, I may be entitled to certain protections from foreclosure by the association. If my employment status changes whereby, I am no longer employed by the Federal Government, State Government, or a Qualified Indian Tribe, or a contractor thereof, I will immediately notify the Association, in writing, of this change.

I declare under penalty of perjury that I am, as of the date of signing this Notification, employed by the Federal Government, the State Government, Qualified Indian Tribe, or a contractor who is currently under contract with such a Federal or State government or Indian Tribe (*please circle the appropriate response*).

Dated: _____

Employee (Owner / Tenant)

By: _____
(Signature)

(Print Name)

Employer Name:

(Print Name)

Qualified Household Members:

Dated: _____

Dated: _____

Employee (Owner / Tenant)

Employee (Owner / Tenant)

By: _____
(Signature)

(Signature)

(Print Name)

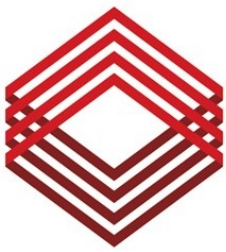
(Print Name)

Employer Name:

Employer Name:

(Print)

(Print)



Schedule of Fees

Demand or intent to lien letter	\$240
Notice of delinquent assessment lien	\$520
Intent to notice of default letter.....	\$145
Notice of default	\$640
Intent to notice of sale letter.....	\$145
Notice of sale	\$440
Intent to conduct foreclosure sale	\$40
Conduct foreclosure sale	\$200
Prepare and record transfer deed	\$200
Payment plan agreement – One-time set-up fee	\$50
Payment plan breach letter	\$40
Release of notice of delinquent assessment lien	\$50
Notice of rescission fee	\$50
Bankruptcy package preparation and monitoring	\$160
Mailing fee per piece for demand or intent to lien letter, notice of delinquent assessment lien, notice of default and notice of sale	\$3.20
Insufficient funds fee	\$30
Escrow payoff demand fee	\$240
Substitution of agent document fee.....	\$50
Postponement fee	\$120
Foreclosure fee	\$240

Actual costs of collections pursuant to NAC 116.470

Posting and publishing.....	Actual costs without increase or markup
Trustee's sale guarantee	Actual costs without increase or markup
Recordings for notice of liens, notice of defaults and notice of HOA sale	Actual costs without increase or markup
Mailing costs	Actual without increase or markup
Reasonable attorney's fees and actual costs	Actual without increase or markup

Costs may not be all inclusive.

United Assessment Recovery is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose. Please be advised that this document constitutes neither a demand for payment of the referenced debt nor a notice of personal liability to any recipient thereof who might have received a discharge of such debt in accordance with applicable bankruptcy laws. This notice is being sent merely to comply with applicable state law governing foreclosure of liens pursuant to Chapter 116 of Nevada Revised Statutes.

STATEMENT OF EXPECTED FEES AND CHARGES
FOR
NORTHERN TERRACE HOMEOWNERS' ASSOCIATION

2025 Fiscal Year

Assessments: \$130.75 monthly

Late Fee: \$10.00 after 60 days

Capital Contribution: \$261.50 on all sales

Other: \$2,000, ARC deposit for pools

OTHER ASSOCIATED FEES (Assessments)

Account set up fee	up to \$382.45 + CPI-U Index
Certificate of Account Status (Demand Fee)	\$182.82 + CPI-U Index
Rush Certificate of Account Status (Demand Fee)	\$293.63 + CPI-U Index
Resale Package	\$202.15 + CPI-U Index
Rush Resale Package Fee	\$311.43 + CPI-U Index
Lender Questionnaire	\$155.00
Lender Questionnaire - custom	\$220.00
Credit Card Fee	As listed on website
NSF Fee	\$40.00 per item
Delinquent Notice/Disclosure	up to \$240.00
Certified Pre-Intent to Lien	\$240.00 per unit
Certified Intent to Lien	\$240.00 per unit
Payment Plan Monitoring Fee	\$50.00
Lien Release	\$50.00 + rec. fee
Bankruptcy Monitor	\$160.00
Transfer to Collections Fee	\$325.00 per unit
Unit Owner Architectural Application Process Fee	up to \$35.00
Courtesy Reminder	\$15.00
Document Review	\$10.00 per hour plus copy fees
Other Documents	As listed on Homewise

If an account is referred for collections, additional fees will apply and will be payable to the Trustee Service or Attorney

OTHER ASSOCIATED FEES (Fines)

1 st Fine Notice	\$50.00
Intent to Lien	\$240.00
Lien Recordation	\$520.00
Re-Record Lien (after 3 years)	\$520.00
Lien Release	\$50.00 + rec. fee

STATEMENT DESCRIBING CURRENT AND EXPECTED FEES OR CHARGES

Pursuant to Nevada Revised Statute 116.4109(1)(f), this document is intended to describe current and expected fees or charges for the unit. Current and expected fees or charges by the Northern Terrace Homeowners Association (the "Association") to the unit owner are subject to change with or without notice, and the amount of fee or charge may vary depending on the governing documents of the Association, past or present resolutions of the Board of Directors of the Association, a third-party contract with the Association, or by Nevada Law. Furthermore, fees or charges may vary depending on the type of Association service requested by the unit's owner or may vary depending on the type of conduct performed by the unit's owner, unit owner's tenant or invitee with the Association. The description of current and expected fees or charges are generally:

- Association Fees and Assessments: Common expenses for the maintenance and operation of the Association are budgeted periodically by the Association. The total common expenses are then assessed to each unit owner within the Association on a pro rata basis in accordance with the governing documents of the Association. The Certificate enclosed in this resale package lists the assessment for the unit.
- Late Fees, Interest Rates on Delinquent Assessments, Fines, Costs of Collecting Delinquent Assessments or Fines: In the event that the unit owner fails to pay the assessment, or the owner fails to abide by the governing documents of the Association, these charges may occur. Late Fees are governed by the collection policy of the Association enclosed within this resale package. Interest Rates on delinquent assessments, fines, and cost of collecting delinquent assessments and fines are governed by Nevada Law chapter 116 and Nevada Administrative Code chapter 116. Other charges for delinquencies will include fees for return checks, fees to use online payment systems, and fees for use of payment by credit card. Nevada Law also provides the right of the Association, under certain circumstances and in accordance with certain procedures, to enter the unit in order to mitigate, repair or correct a nuisance or a health or safety issue. Costs and expenses associated with these actions taken by the Association may be charged back to the unit's owner similar to a fine in accordance with Nevada Law.
- Charges for Opening and Closing any File for Each Unit: Upon the transfer of the unit from the original developer to a unit's owner, certain charges or fees may be required. The governing documents of the Association will mandate these fees or charges, which may include a set up fee (a charge to set up the initial accounts for the initial purchase of the unit), transfer fee (fee charged at the property transfer), capital contribution (fee charged to provide initial capital to the Association) advance assessments (advance fees paid at property transfer) demand statement (charge for preparation of escrow demand at property transfer) PUD certificate (charge for preparation of lender certificates). Upon the transfer of the unit at resale, transfer fees or charges will apply and are stated on the Certificate enclosed in this resale package. Such transfer fees, or similar fees, may be charged by the Association as well as the management company of the Association at the transfer of the unit.
- Use Fees or Charges and Other Fees or Charges: The Association may require fees or charges to the unit's owner for use of and access to the common area or common facilities. The governing documents of the Association will mandate these fees or charges, which include charges or deposits for use of clubhouse and other amenities, charges for keys or fobs to pool, clubhouse, gates, gym, or other areas, charges for memberships and access to clubs and other special amenities, charges for gate remote controllers or gate fobs, activity fees or charges, parking fees, charges for vehicle registration, pet fees or deposits for maintaining pets within the Association. The Association may also require fees or charges for particular services requested by the unit's owner or use of the unit, including charges for copies of Association documents or audio recordings of Association meetings, architectural review fees or deposits for a unit owner's request to modify the unit, construction deposits for modification or construction of the unit, tenant deposits or tenant fees for registration of a tenant for lease or use of the unit. Other fees or charges may be applicable depending on the governing documents of the Association.
- Architectural Application Fee: This fee is charged to the Unit Owner of the property for the processing of an individual application for all modifications to the property. The fee is per application.

NORTHERN TERRACE HOMEOWNERS ASSOCIATION

P.O. BOX 400518 LAS VEGAS, NV 89140

P: 702-531-3382 | F: 702-531-3392

www.camconeveda.com

SCHEDULE OF FINES

Pursuant to Article 17, Section 17.1 Enforcement of the Declaration of Covenants, Conditions and Restrictions and Reservations of Easements for Northern Terrace Homeowners Association (CC&R's) and the NRS 116.31031, the Board of Directors of Northern Terrace Homeowners Association ("Board") has adopted the following Schedule of Fines:

1) The initial fine imposed pursuant to NRS 116.31031, Sub-Section 1(b) for violations of the CC&R's is as follows:

- a) \$100.00 for each and every separate violation of any provision of Section 10.1 Single Family Residence
- b) \$100.00 for each and every separate violation of any provision of Section 10.2 No Further Subdivision
- c) \$100.00 for each and every separate violation of any provision of Section 10.3 Insurance Rates
- d) \$100.00 for each and every separate violation of any provision of Section 10.4 Animal Restrictions
- e) \$100.00 for each and every separate violation of any provision of Section 10.5 Nuisances
- f) \$100.00 for each and every separate violation of any provision of Section 10.6 Exterior Maintenance and Repair; Owner's Obligations
- g) \$100.00 for each and every separate violation of any provision of Section 10.7 Drainage
- h) \$100.00 for each and every separate violation of any provision of Section 10.8 Water Supply and Sewer Systems
- i) \$100.00 for each and every separate violation of any provision of Section 10.9 No Hazardous Activities
- j) \$100.00 for each and every separate violation of any provision of Section 10.10 No Unsightly Articles; Trash Containers
- k) \$100.00 for each and every separate violation of any provision of Section 10.11 No Temporary Structures; Storage Sheds
- l) \$75.00 for each and every separate violation of any provision of Section 10.12 No Drilling
- m) \$100.00 for each and every separate violation of any provision of Section 10.13 Alterations
- n) \$100.00 for each and every separate violation of any provision of Section 10.14 Signs
- o) \$100.00 for each and every separate violation of any provision of Section 10.15 Improvements
- p) \$100.00 for each and every separate violation of any provision of Section 10.16 Antennas and Satellite Dishes
- q) \$100.00 for each and every separate violation of any provision of Section 10.17 Landscaping
- r) \$100.00 for each and every separate violation of any provision of Section 10.18 Prohibited Plant Types
- s) \$100.00 for each and every separate violation of any provision of Section 10.19 Parking and Vehicular Restrictions
- t) \$100.00 for each and every separate violation of any provision of Section 10.20 Sight Visibility Restriction Areas
- u) \$75.00 for each and every separate violation of any provision of Section 10.21 Prohibited Direct Access
- v) \$100.00 for each and every separate violation of any provision of Section 10.22 No Waiver
- w) \$75.00 for each and every separate violation of any provision of Section 10.23 Declarant Exemption
- x) \$100.00 for each and every separate violation of any provision of Section 10.24 Master Association Documents

Additional

A total of \$100.00 will be assessed for each and every separate violation of any provision of the CC&R's not specifically mentioned herein, except when the violation pertains to any provision of the CC&R's which poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the unit's owners or residents of Northern Terrace Homeowners Association, as per NRS 116.31031. Such initial fine amount will be determined commensurate with the severity of the violations, in the Board's discretion or, if the Commission for Common Interest Communities and Condominium Hotels adopts regulations pertaining to health, safety or welfare violations, then the fine will be determined in a manner consistent with such regulations.

2) The fine imposed pursuant to NRS 116.31031, Sub-Section 1(b), for continuing violations of the CC&R's is as follows:

- a) \$100.00 for each and every separate violation of any provision of Section 10.1 Single Family Residence
- b) \$100.00 for each and every separate violation of any provision of Section 10.2 No Further Subdivision
- c) \$100.00 for each and every separate violation of any provision of Section 10.3 Insurance Rates
- d) \$100.00 for each and every separate violation of any provision of Section 10.4 Animal Restrictions
- e) \$100.00 for each and every separate violation of any provision of Section 10.5 Nuisances
- f) \$100.00 for each and every separate violation of any provision of Section 10.6 Exterior Maintenance and Repair; Owner's Obligations
- g) \$100.00 for each and every separate violation of any provision of Section 10.7 Drainage
- h) \$100.00 for each and every separate violation of any provision of Section 10.8 Water Supply and Sewer Systems
- i) \$100.00 for each and every separate violation of any provision of Section 10.9 No Hazardous Activities
- j) \$100.00 for each and every separate violation of any provision of Section 10.10 No Unsightly Articles; Trash Containers
- k) \$100.00 for each and every separate violation of any provision of Section 10.11 No Temporary Structures; Storage Sheds
- l) \$75.00 for each and every separate violation of any provision of Section 10.12 No Drilling
- m) \$100.00 for each and every separate violation of any provision of Section 10.13 Alterations
- n) \$100.00 for each and every separate violation of any provision of Section 10.14 Signs
- o) \$100.00 for each and every separate violation of any provision of Section 10.15 Improvements
- p) \$100.00 for each and every separate violation of any provision of Section 10.16 Antennas and Satellite Dishes
- q) \$100.00 for each and every separate violation of any provision of Section 10.17 Landscaping
- r) \$100.00 for each and every separate violation of any provision of Section 10.18 Prohibited Plant Types
- s) \$100.00 for each and every separate violation of any provision of Section 10.19 Parking and Vehicular Restrictions
- t) \$100.00 for each and every separate violation of any provision of Section 10.20 Sight Visibility Restriction Areas
- u) \$75.00 for each and every separate violation of any provision of Section 10.21 Prohibited Direct Access
- v) \$100.00 for each and every separate violation of any provision of Section 10.22 No Waiver
- w) \$75.00 for each and every separate violation of any provision of Section 10.23 Declarant Exemption
- x) \$100.00 for each and every separate violation of any provision of Section 10.24 Master Association Documents

Additional

The additional fine for each and every separate violation may not exceed \$100.00, except when the violation pertains to any provision of the CC&R's which poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the unit's owners or residents of the Northern Terrace Homeowners Association. Such weekly continuing violation fine amount will be determined to commensurate with the

severity of the violation, in the board's discretion or, if the Commission for Common Interest Communities and Condominium Hotels adopts regulations pertaining to health, safety or welfare violations, then the fine will be determined in a manner consistent with such regulations. Per NRS 116.31031, Sub-Section 1(b), if a violation is not cured within 14 days, or a longer period established by the executive board, the violation shall be deemed as a continuing violation and the executive board may impose an additional fine.

Violations by Invitees

For any violation of any provision of the governing documents committed by an invitee of an owner or an invitee of a tenant, and after such owner and/or tenant has been provided a hearing, the Board may impose a fine, vote to suspend such owner's or tenant's right to use common area facilities and/or suspend such owner's right to vote on Association matters. Furthermore, except where the violation poses an imminent threat of causing substantial adverse effect on the health, safety, or welfare of the units' owners or residents of the common-interest community, the Committees may not impose fines against an owner or a tenant for the violations committed by an owner's invitee or a tenant's invitee unless:

- a. The owner or tenant participated in or authorized the violation;
- b. The owner or tenant had prior notice of the violation; or
- c. The owner or tenant had an opportunity to stop the violation and failed to do so.

Subject to the above, owners are and will be held responsible for the actions of their tenants, family members, guests, and other invitees.

Liens

The Association shall have the right to file liens for unpaid fines for any fines not paid within thirty (30) days of the notice of decision. The Association may foreclose on such liens where the underlying fine relates to violations that pose an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the owners or residents within the community. The Association's right to record a lien for fines shall arise upon the imposition of such fines. The lien shall be released when the Owner pays all fines accrued and all fees and costs owing under the lien and the violation is cured.



Signature of Board Member

Robert Starkay

Print Name

6-21-23

Date

Treasurer

Director

Title



Signature of Board Member

Randy Stout

Print Name

6-21-23

Date

Director

Title

NORTHERN TERRACE HOMEOWNERS ASSOCIATION INVESTMENT POLICY AND PROCEDURES

WHEREAS, the Northern Terrace Homeowners Association (the "Association") is a Nevada nonprofit corporation organized under Chapter 82,

WHEREAS, the Association is subject to the Uniform Common Interest Ownership Act, Chapter 116 of the Nevada Revised Statutes, as well as NRS 78 and 82,

WHEREAS, the Association is subject to Chapter 116A of the Nevada Revised Statutes,

WHEREAS, the Association is subject to the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements, recorded in Clark County on March 30, 1993 and the Bylaws of the Association, duly adopted by the Board of Directors,

WHEREAS, NRS 116.3103 establishes that in the performance of their duties, the members of the executive board are fiduciaries,

WHEREAS, NRS 116A requires the executive board to establish and adopt written investment policies and procedures,

WHEREAS, NRS 116 establishes the required insurance for association funds,-and

WHEREAS, the Association's managing agent has advised the Board of Directors that the managing agent does not have the expertise to provide investment advice and has not provided investment advice, and whereas the Community Manager has further advised the board to seek any and all investment advice from qualified professional experts in the investment industry on any matters regarding the investment of association funds,

NOW THEREFORE, BE IT RESOLVED:

All funds of the Association shall be maintained and invested in a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, National Credit Union Share Insurance Fund, Securities Investor Protection Corporation, or a private insurer approved pursuant to NRS 678.755, or in government securities that are back by the full faith and credit of the United States Government.

All funds of the Association shall be held in the Association's name and will be accessible only to members of the Board of Directors.

All checks from the Association accounts will be signed by two members of the Board of Directors. The manager will not be a signor on any account maintained by the Association and will not be authorized to make electronic transfers of Association funds.

Investment decisions will be made by the Board of Directors and the Board of Directors may authorize the Treasurer to renew CDs and transfer funds in accordance with the investment decision. Two signatures will be required if transferring funds, in accordance with NRS. Investment advice will be obtained from an expert in the field of investments within the limitation of NRS and NAC.

- No individual investment will be placed in any instrument that will exceed the \$250,000 per account. All such accounts must be Federally insured and steps will be taken to monitor each

account to ensure that any interest obtained over a specific investment period will not exceed the maximum as well.

- Any amount placed with an institution which exceeds the \$250,000 Federal protection amount will be distributed to ensure proper FDIC coverage through programs such as CDARs.

The goals of the investment policy for all accounts of the Association are in order of priority:

1. Security: All money deposited into all accounts will be adequately insured to avoid loss of any principal.
2. Liquidity: All money will be deposited and invested to ensure that funds are available to pay for foreseeable authorized expenses as they become due.
3. Cost of Investment: All deposits and investments will be made with minimal costs of investment.
4. Yield: Return on investment should be maximized within the parameter of goals 1 through 3.

OPERATING FUNDS

All operating funds will be maintained in a manner that conforms to the General Policy stated above. No accounts will be allowed to exceed the maximum amount that is protected by the insurers itemized above.

RESERVE FUNDS

All reserve funds will be maintained in a manner that conforms to the General Policy stated above. No accounts will be allowed to exceed the maximum amount that is protected by the insurers itemized above.

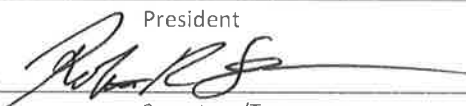
Money deposited in the designated reserve funds will be invested to ensure liquidity at the time of the major replacement, restoration, or repair of the common element or other maintenance item is scheduled in the reserve study, or upon a schedule as decided by the Board of Directors.

At least once every 100 days, unless the declaration or bylaws of the association imposes more stringent standards, the executive board shall review, at a minimum, the following financial information at one of its meetings:

- (A) A current year-to-date financial statement of the association;
- (B) A current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget of those accounts;
- (C) A current reconciliation of the operating account of the association;
- (D) A current reconciliation of the reserve account of the association;
- (E) The latest account statements prepared by the financial institutions in which the accounts of the Association are maintained; and
- (F) The current status of any civil action or claim submitted in arbitration or mediation in which the association is a party.

THIS RESOLUTION FOR THE INVESTMENT POLICY AND PROCEDURES IS HEREBY ADOPTED BY THE NORTHERN TERRACE HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS THIS FOURTEENTH DAY OF JUNE, 2023.

By:  _____
President

Attested By:  _____
Secretary/Treasurer

NORTHERN TERRACE HOMEOWNERS ASSOCIATION ELECTION BY ACCLAMATION RESOLUTION

WHEREAS, in accordance with NRS 116.31034, the Board of Directors has determined that the best interest of the membership would be served by adopting a resolution to establish a policy to implement elections by acclamation for the association.

NOW, THEREFORE, LET IT BE RESOLVED that the following shall apply to all elections for directors of the executive board:

At the closing of the nomination period for membership on the executive board, if the number of candidates nominated is equal to or less than the number of members to be elected to the executive board at the election, the Association will not prepare or mail any ballots to units' owners and the nominated candidates shall be deemed to be duly elected to the executive board at the meeting of the units' owners at which the ballots would have been counted and;

FURTHER RESOLVED, at the closing of the prescribed period for nominations for membership on the executive board, if the number of candidates nominated for membership on the executive board is less than the number of members to be elected to the executive board at the election, the executive board may fill the remaining vacancies on the executive board by appointment of the executive board at a meeting held after the candidates are elected. Any such person appointed to the executive board shall serve as a member of the executive board until the next regularly scheduled election of members of the executive board and;

RESOLVED, at the closing of the nomination period for membership on the executive board, if the number of candidates nominated is greater than the number of members to be elected to the executive board, then the association shall prepare and mail ballots to the units' owners and conduct an election for membership on the executive board.

This resolution is hereby adopted by the Board of Directors on June 14, 2023 and made a part of the minutes of the Northern Terrace Homeowners Association.


Signature


Signature

Signature

Treasurer
Title

Director
Title

Title

NORTHERN TERRACE HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS RESOLUTION

RE: BULLYING AS A VIOLATION OF NUISANCE COVENANT

WHEREAS, Northern Terrace Homeowners Association (the "Association") is a Nevada nonprofit corporation governed by the laws of the State of Nevada, including Nevada Revised Statutes ("NRS") Chapter 116, which governs common-interest communities;

WHEREAS, NRS 116.3102(1) (a) provides that an association may "adopt and amend rules and regulations";

WHEREAS, Article 5 Section 5.2 of the Supplemental Declaration of Covenants, Conditions & Restrictions and Reservation of Easements for Northern Terrace (the "Declaration") empowers the Board, acting on behalf of the Association, to adopt, amend, repeal and/or enforce reasonable and uniformly applied Rules and Regulations.

WHEREAS, NRS 116.049(3) defines an association's governing documents to include its Rules;

WHEREAS, NRS 116.3102(1) (m) provides that an association "may impose reasonable fines for violations of the governing documents" of the Association;

WHEREAS, NRS 116.31031(1) provides that the Board may impose fines and sanctions against a "unit's owner or tenant or an invitee of a unit's owner or tenant" for violations of the Association's governing documents;

WHEREAS, NRS 116.31184 states the following:

A community manager, an agent or employee of the community manager, a member of the executive board, an officer, employee or agent of an association, a unit's owner or guest or tenant of a unit's owner shall not willfully and without legal authority threaten, harass or otherwise engage in an course of conduct against any other person who is the community manager of his or her common-interest community or an agent or employee of that community manager, a member of the executive board of his or her association, an officer, employee or agent of his or her association, another unit's owner in his or her common-interest community or a guest or tenant of a unit's owner in his or her common-interest community which:

- a) Causes harm or serious emotional distress, or the reasonable apprehension thereof, to that person; or
- b) Creates a hostile environment for that person.

WHEREAS, Article 10, Section 10.5 of the Declaration, governs nuisances within Northern Terrace and reads, in pertinent part, as follows:

No noxious or offensive activities (including, but not limited to the repair of motor vehicles) shall be carried out on the Properties. No noise or other nuisance shall be permitted to exist or operate upon any portion of a Unit so as to be offensive or detrimental to any other Unit or to occupants thereof, or to the Common Elements... The Board shall have the right to reasonably determine if any noise, odor, activity, or circumstance, constitutes a nuisance. Each Owner and Resident shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a Unit, including Dwelling. Each Owner and Resident shall be accountable to the Association and other Owners and Residents for the conduct and behavior of children and other Family members or persons residing in or visiting his or her Unit; and any damage to the Common Elements, personal property of the Association or property of another Owner or Resident, caused by such children or other Family members, shall be repaired at the sole expense of the Owner of the Unit where such children or other Family members or persons are residing or visiting.

WHEREAS, the Board desires to adopt a Rule clarifying the Association's interpretation of Article 10, Section 10.5 (nuisance) of the Declaration and incorporating within said Rule its definition of the anti-bullying provision set forth in NRS 116.31184.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby adopts the following Rule:

An officer or director of the Association, Owner, tenant, or guest of an Owner or tenant shall not willfully and without legal authority threaten, harass or otherwise engage in a course of conduct against any other person who is the community manager or an agent or employee of that community manager, an officer, director, employee or agent of the Association, another Owner, tenant or a guest of an Owner or tenant which: (a) causes harm or serious emotional distress, or the reasonable apprehension thereof, to that person; or (b) creates a hostile environment for that person.

Such conduct shall be deemed to be an "offensive or detrimental" activity that creates a nuisance, and as such is a violation of Article 10, Section 10.5 of the Declaration.

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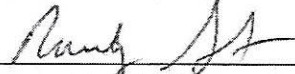
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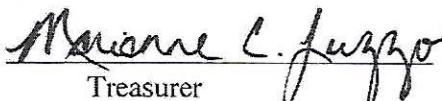
After notice and a hearing, as required by the Association's governing documents and NRS 116, anyone violating the above-referenced Rule may be sanctioned as follows:

- (a) imposition of fines, consistent with the Association's Fine Policy and Procedure;
- (b) suspension of voting privileges; and
- (c) suspension of the right to use the Association's Common Elements.


DATED this 21st day of June, 2016

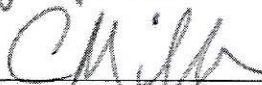
**NORTHERN TERRACE
HOMEOWNERS ASSOCIATION**

By: 
President

By: 
Treasurer

By: 
Secretary

By: 
Director

By: 
Director