

LA MIRAGE AT ALISO VIEJO HOMEOWNERS ASSOCIATION

c/o Total Property Management, Inc.
23792 Rockfield Blvd., Suite 100
Lake Forest, CA 92630
Office (949) 261-8282 * Fax (949) 261-6958

To: All Members

Date: May 27, 2025

From: Board of Directors

Subject: Annual Budget Report

In accordance with California Civil Code 4076; 5300-5320, enclosed is the;

1. Fiscal year budget effective July 1, 2025;
2. Reserve statement for fiscal year 2025-2026, and;
3. The approved assessment collection policy.

After careful review of the 2024-2025 operating and reserve expenses and the recommendation of our reserve analyst, we have determined that the projected expenses for 2025-2026 will be increased 6.43% for a monthly assessment per owner of \$596.00.

Your assessment includes reserve funding of \$27,500.00 per month, which is the amount recommended in the most recent reserve study projected at 29.3%. A copy of the full reserve study plan is available upon request.

If components with a zero-remaining useful life range are noted on the Executive Summary, they will continue to be funded per the 2024-2025 budget and may be considered for refurbishing and/or replacement during the 2025-2026 fiscal year.

Pursuant to the requirements of California Civil Code 5300(a);(b)(9), enclosed please find the Annual Insurance Disclosure Statement and Information.

The successful operation of any association is dependent on the cooperation of all homeowners. Your continued support is appreciated.

Enclosure

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To: All Members

Date: May 27, 2025

From: Board of Directors

Subject: Annual Policy Statement

In accordance with California Civil Code Section 5320 the following information must be distributed to the members.

1. Pursuant to Section 4035, the person designated to receive official communications to the association is;

LA MIRAGE AT ALISO VIEJO HOMEOWNERS ASSOCIATION
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2. Pursuant to subdivision (b) of Section 4040, homeowners are entitled to give their Association a secondary mailing address for both fiscal matters and collection matters. Such requests may be made through the Association's management company via mail or fax at;

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3. Pursuant to paragraph (3) of subdivision (a) of Section 4045, the location designated for posting of a general notice is located at the pool area.

4. Pursuant to subdivision (b) of Section 4045, members have an option to receive general notices by individual delivery. In order to activate this option you must notify the Association's management company via mail or fax at;

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5. Pursuant to subdivision (b) of Section 4950, a member has the right to receive copies of meeting minutes. The minutes, proposed for adoption draft minutes, or a summary of the minutes for meetings of the Board of Directors, other than executive sessions, shall be available to members within 30 days of the meeting. These minutes will be distributed to any member upon request and upon reimbursement for the costs in making that distribution.
6. Pursuant to Section 5730, a statement of assessment collection policies is included with this mailing. In addition, the policy includes a statement describing the association's policies and practices in enforcing lien rights and other legal remedies for default in the payment of assessments.
7. Pursuant to Section 5850, a statement describing the association's discipline policy including a schedule of penalties for violations of the governing documents is included with this mailing as the Rules and Regulations.
8. Pursuant to Sections 5920 and 5965, a summary of dispute resolution procedures is included with this mailing.
9. Pursuant to Section 4765, a summary of requirements for association approval of physical change to property is included with this mailing as the Rules and Regulations
10. Pursuant to Section 5655, the mailing address for overnight payment of assessments is;

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La Mirage at Aliso Viejo Homeowners Association

2025 Annual Budget

	Annual	Monthly	Per Unit* (120)
Liability			
Reserve Funds			
3305 - Contingency Reserve	3,536.88	294.74	2.46
3306 - Deck Reserve	49,315.80	4,109.65	34.25
3308 - Fences, Gates/Walls Reserve	18,822.60	1,568.55	13.07
3312 - Landscape Reserve	15,034.80	1,252.90	10.44
3314 - Lighting Reserve	14,526.64	1,210.55	10.09
3318 - Painting Reserve	72,045.48	6,003.79	50.03
3321 - Pool & Spa Reserve	19,289.88	1,607.49	13.40
3323 - Roof Reserve	104,247.96	8,687.33	72.39
3326 - Street Reserve	31,976.76	2,664.73	22.21
3328 - Tennis Courts Reserve	1,203.24	100.27	.84
3390 - Due from Operating	39,600.00	3,300.00	27.50
Total Reserve Funds	369,600.04	30,800.00	256.67
Total Liability	369,600.04	30,800.00	256.67
Income			
Income			
4401 - Membership Assessments	858,240.00	71,520.00	596.00
Total Income	858,240.00	71,520.00	596.00
Total Income	858,240.00	71,520.00	596.00
Expense			
Utilities			
5020 - Electricity	33,787.55	2,815.63	23.46
5030 - Gas	7,119.11	593.26	4.94
5040 - Refuse Service	31,268.57	2,605.71	21.71
5070 - Water	25,777.77	2,148.15	17.90
Total Utilities	97,953.00	8,162.75	68.02
Landscape Maintenance			
5510 - Contract Landscape Service	58,920.00	4,910.00	40.92
5520 - Landscape Replacement	7,344.86	612.07	5.10
5545 - Irrigation Repair	27,580.28	2,298.36	19.15
5560 - Tree Trimming	12,378.00	1,031.50	8.60
Total Landscape Maintenance	106,223.14	8,851.93	73.77
Pool/Spa Maintenance			
6010 - Contract Pool Service	3,300.00	275.00	2.29
6020 - Pool Equipment Repair	7,729.85	644.15	5.37
6030 - Pool Supplies	2,867.38	238.95	1.99
6070 - Fountain Cleaning	6,198.00	516.50	4.30
Total Pool/Spa Maintenance	20,095.23	1,674.60	13.96

La Mirage at Aliso Viejo Homeowners Association

2025 Annual Budget

	Annual	Monthly	Per Unit* (120)
Common Area Maintenance			
7510 - Handyman Expense	21,051.20	1,754.27	14.62
7520 - Light Maintenance	16,008.29	1,334.02	11.12
7528 - Lighting - Holiday	1,000.00	83.33	.69
7530 - Janitorial Service	4,627.92	385.66	3.21
7531 - Janitorial Supplies	2,980.92	248.41	2.07
7545 - Pest Control Service	5,654.63	471.22	3.93
7546 - Termite Work	6,510.00	542.50	4.52
7550 - Plumbing Repair	31,278.69	2,606.56	21.72
7573 - Water Damage Repair	32,739.90	2,728.33	22.74
7580 - Enforcement Service	7,128.00	594.00	4.95
Total Common Area Maintenance	128,979.55	10,748.30	89.57
Administration			
8005 - Election Expense	1,131.20	94.27	.79
8010 - Audit & Tax Preparation	1,415.00	117.92	.98
8011 - Reserve Study	750.00	62.50	.52
8025 - Insurance	99,573.01	8,297.75	69.15
8030 - Legal Service	990.00	82.50	.69
8035 - Management Service	26,804.09	2,233.67	18.61
8040 - Printing & Mailing	1,500.00	125.00	1.04
8090 - Permits/Fees	1,000.00	83.33	.69
8095 - Misc Administration	2,225.74	185.48	1.55
Total Administration	135,389.04	11,282.42	94.02
Reserve Funding			
9001 - General Reserve Funding	330,000.04	27,500.00	229.17
9090 - Due from Operating	39,600.00	3,300.00	27.50
Total Reserve Funding	369,600.04	30,800.00	256.67
Total Expense	858,240.00	71,520.00	596.00

(Per unit is based on the total number of units. For Associations with variable assessment rates, please refer to the variable assessment schedule.)*

La Mirage at Aliso Viejo Homeowners Association
Assessment and Billing Collection Policy

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 under the Declaration of Covenants, Conditions and Restrictions (CC&Rs) and the California Civil Code to enforce the members' obligation to pay assessments. The policies and practices outlined herein shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors. Therefore, pursuant to the CC&Rs and California Civil Code, the following are the Association's assessment practices and policies:

1. Assessments are billed monthly and are due and payable on the first day of each month. A courtesy billing statement is sent monthly to the billing address on record with the Association. **However, it is the Owner of Record's responsibility to pay each assessment in full each month regardless of the receipt of a statement.** All other assessments, including Special Assessments, are due and payable on the date specified by the Board on the Notice of Assessment which date will not be less than thirty (30) days after the date of notice of the special assessment.
2. Assessments, late charges, interest and collection costs, including any attorney fees, are the personal obligation of the owner(s) of the property at the time the assessment or other sums are levied, *per Civil Code Sections 5650(a) & 5660.*
3. Assessments not received within **fifteen (15) days** of the stated due date are delinquent and shall be subject to a late charge of **ten dollars (\$10.00) or ten percent (10%), whichever is greater**, for each delinquent assessment per unit.
4. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including attorney's fees, unless the owner(s) and the Association enter into an agreement providing for payments to be applied in a different manner.
5. A first "Notice of Past Due Assessment" will be prepared and mailed on assessments not received within **thirty (30) days** of the stated due date. A **twenty-five-dollar (\$25.00)** charge for the late letter will be made against the delinquent account. Additionally, an **interest charge at the rate of 12% per annum** will be assessed against any outstanding balance including delinquent assessments, late charges, and cost of collection, which may include attorney fees. Such interest charges shall continue to be assessed each month until the account is brought current.
6. If an assessment is not received within **sixty (60) days** of the "stated due date", the Association will send a **"pre-lien letter"** to the owner(s) as required by *Civil Code Sections 5650(a) & 5660*, by certified and first-class mail, to the mailing address of record advising of the delinquent status of the account and impending collection action. The owner(s) will be charged a **one-hundred-dollar (\$100.00) fee** for the pre-lien letter. Additional pre-lien letters, if needed, will result in a **fifty-dollar (\$50.00) fee**. In addition, the owner(s) will also be charged a **fifty-dollar (\$50.00) fee** for each title check necessary to process the delinquency and a **fifty-dollar (\$50.00) fee** for a Resolution to Lien action taken by the Board of Directors.

7. If any owner(s) fail(s) to pay the amounts set forth in the pre-lien letter within **thirty (30) days** of the date of that letter, a **lien** for the amount of any delinquent assessments, late charges, interest and/or costs of collection including attorneys' fees may be assessed against the property. The owner(s) will be charged a **three hundred forty-five-dollar (\$345.00) fee** for the preparation and recordation of the lien. After the expiration of thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure *as noted in Civil Code Sections 5725 (b), 5735(a),(b), 5700(a), 5710(a),(c)*, subject to the limitations set forth below under "Additional Provisions to Conform to Law" and as otherwise provided by law.
8. If the balance due is not paid within **thirty (30) days** of recordation of the Lien, the matter may be turned over to an attorney for legal action, including an "action to foreclose" the assessment lien and/or for a money judgment. The owner(s) will be charged **three hundred dollars (\$300.00)** for preparing the matter to be sent to counsel.
9. Any owner(s) who reach the lien stage may be subject to the violation hearing process wherein membership rights including, but not limited to, common area access, voting, and/or facility use privileges may be revoked.
10. Any owner(s) who rents the property in question to a third party may be subject to the "assignment of rents" process through the judicial system wherein the Association collects the rents until the debt is repaid.
11. If there is a failure to bring the account current within the parameters specified in California Civil Code, the Board of Directors may resolve to foreclose on the property via the judicial or non-judicial foreclosure process. The fee to process a foreclosure package is **two hundred seventy-five dollars (\$275.00)**, not including attorney fees, court costs, or other ancillary fees.
12. All owners are entitled to inspect the Association's accounting books and records to verify the amounts owed on their property pursuant to *Corporations Code Section 8333*.
13. In the event it is determined that the owner(s) paid the assessments on time, the owner(s) will not be liable to pay the charges, interest, and costs of collection associated with the collection of those assessments.
14. Owner(s) unable to pay assessments will be entitled to make a written request for a payment plan to be considered by the Board of Directors. Owner(s) may also request to meet with the Board in executive session to discuss a payment plan. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. If the Board agrees to accept a payment plan, a **\$25.00 per month fee** will be charged to the owner(s) to administer and monitor the payment plan.
15. Nothing herein limits or otherwise affects the Association's rights to proceed in any lawful manner to collect any delinquent sums owed to the Association.

16. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and legal fees must be paid in full to the Association. The fee to execute ***a lien release is \$100.00.***
17. The delinquent owner(s) will be responsible for all costs of collection, including attorneys' fees, incurred by the Association to collect any delinquent sums *Civil Code Section 5650(b)*.
18. All charges listed herein are subject to change without notice.
19. If an owner pays under protest, the owner can **at the same time** pursue dispute resolution AND commence an action in small claims court (amount at issue must not exceed jurisdictional monetary limit), *per Civil Code Section 5658*.

Additional Provisions to Conform to Law

Prior to the recording of a lien, owners that are delinquent will be sent a “pre-lien” letter. The pre-lien letter will include an offer by the association to engage in internal dispute resolution upon receipt of a written request within thirty (30) days of the pre-lien letter, pursuant to the association’s meet and confer program required by *Civil Code Section 5900, et seq.*

Prior to recording of a lien, the Board of Directors will approve the recording of the lien in general session at a regular or special board meeting.

The association may not foreclose unless delinquent assessments are greater than \$1,800 or greater than one year in arrears.

Prior to commencing foreclosure, the association will offer to engage in internal dispute resolution upon receipt of a written request within thirty (30) days of the offer of such internal dispute resolution, pursuant to the association’s meet and confer program required by *Civil Code Section 5900, et seq.* and will also offer to engage in formal alternative dispute resolution with a neutral third party pursuant to *Civil Code Section 5925, et seq.*

Prior to commencement of foreclosure, the Board of Directors will approve the foreclosure in executive session and note the approval in the following general minutes of the Association using the assessor’s parcel number.

All completed foreclosures shall be subject to a ninety (90) day right of redemption.

Fee and Penalty Procedures

The following charges may be assessed in accordance with the Association's Assessment and Billing Collection Policy:

Late Charge	\$10.00 or 10% whichever is greater
Late Reminder & Support	\$25.00
Pre-Lien Letter	\$100.00
Additional Pre-Lien Letters	\$50.00 each
Title Check Fee	\$50.00 each
Resolution to Record Lien	\$50.00
Lien Fee	\$270.00
SB2 State Mandated Recording Fee	\$75.00
Additional Lien mailings	\$50.00 each
Lien Release	\$100.00
Payment Plan Admin. Fee	\$25.00 monthly
Attorney Package Preparation & Monthly Monitoring	\$300.00
Returned Check Fee	\$25.00
Foreclosure Processing Fee	\$275.00

In addition to the above, if a matter is sent to counsel for legal action, or to a collection service for foreclosure or other action, the owner(s) will be responsible for any attorneys' fees and costs incurred by such action.

**The mailing address for overnight payment of assessments is:
C/O Total Property Management
23792 Rockfield Blvd., Suite 100
Lake Forest, CA 92630**

**INTERNAL DISPUTE RESOLUTION
AND
ALTERNATIVE DISPUTE RESOLUTION**

Pursuant to the requirements of California *Civil Code* Section 5920 and 5965, the Association hereby provides you with notice and a summary of the Internal Dispute Resolution (“IDR”) and Alternative Dispute Resolution (“ADR”) procedures as follows:

INTERNAL DISPUTE RESOLUTION:

Either party to a dispute within the scope of *Civil Code* Section 5900 - 5920 may invoke the following procedure:

1. The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
2. A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
3. The Association’s Board of Directors shall designate at least two (2) members of the Board to meet and confer.
4. The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
5. A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.

An agreement reached under those sections binds the parties and is judicially enforceable if both of the following conditions are satisfied:

1. The agreement is not in conflict with law or the governing documents of the Common Interest Development or Association.
2. The agreement is either consistent with the authority granted by the Board of Directors to its designee or the agreement is ratified by the Board of Directors.

A member of the Association may not be charged a fee to participate in the IDR process.

ALTERNATIVE DISPUTE RESOLUTION:

California *Civil Code* Sections 5925 through 5965 require community associations and their homeowners to offer to participate in some form of Alternative Dispute Resolution (“ADR”) prior to initiating certain types of lawsuits in superior court.

SCOPE OF STATUTE:

Civil Code Section 5925 (a) defines “Alternative Dispute Resolution” as mediation, arbitration, conciliation, or other nonjudicial procedure that involves a neutral party in the decision making process. The form of ADR chosen may be binding or non-binding with the voluntary consent of the parties. *Civil Code* Section 5925 (b) defines “Enforcement Action” as a civil action or proceeding, other than a cross-complaint, filed by either individual homeowners or community associations, for any of the following purposes:

1. Enforcement of the Davis-Stirling Common Interest Development Act, *Civil Code* Section 4000, *et seq.*
2. Enforcement of the California Nonprofit Mutual Benefit Corporation Law (commencing with Section 7110 of the *Corporations Code*.)
3. Enforcement of the governing documents of the common interest development.

The Association or an owner or member of the Association may not file an Enforcement Action in the superior court unless the parties have endeavored to submit their dispute to ADR pursuant to *Civil Code* Section 5930.

Civil Code Section 5930 only applies to an Enforcement Action that is solely for declaratory relief, injunctive relief, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of five thousand dollars (\$5,000). This section does not apply to a small claims action and except as otherwise provided by law, this section does not apply to an assessment dispute.

COMPLIANCE PROCEDURES:

The ADR process is initiated by one party serving all other parties with a “Request for Resolution,” which shall include all of the following:

1. A brief description of the dispute between the parties.
2. A request for alternative dispute resolution
3. A notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the request will be deemed rejected.
4. If the party on whom the request is served is the owner of a separate interest, a copy of *Civil Code* Sections 5925 – 5965.

Service of the Request for Resolution shall be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the party on whom the request is served actual notice of the Request.

The party on whom a Request for Resolution is served has 30 days following service to accept or reject the Request. If the party does not accept the Request within that period, the Request is deemed rejected by that party. If the party on whom a Request for Resolution is served, accepts the Request, the parties shall complete the ADR within 90 days after the party initiating the Request receives the acceptance, unless this time period is extended by written stipulation signed by both parties. The costs of the Alternative Dispute Resolution shall be borne by the parties.

Statements, negotiations, and documents made or created at, or in connection with, ADR (except for arbitration) are confidential.

If a Request for Resolution is served before the end of the applicable time limitation for commencing an Enforcement Action, the time limitation is tolled during the following periods:

1. The period provided in *Civil Code* Section 5935 for response to a Request for Resolution.
2. If the Request for Resolution is accepted, the period provided by *Civil Code* Section 5940 for completion of ADR, including any extension of time stipulated to by the parties pursuant to Section 5940.

Pursuant to *Civil Code* Section 5950 (a), at the time of commencement of an Enforcement Action, the party commencing the action shall file with the initial pleading a certificate stating that one or more of the following conditions is satisfied:

1. ADR has been completed in compliance with this article.
2. One of the other parties to the dispute did not accept the terms offered for ADR.
3. Preliminary or temporary injunctive relief is necessary.

(b) Failure to file a certificate pursuant to *Civil Code* Section 5950 (a) is grounds for a demurrer or a motion to strike unless the court finds that dismissal of the action for failure to comply with this article would result in substantial prejudice to one of the parties.

Civil Code Section 5955 (a) provides that after an Enforcement Action is commenced, on written stipulation of the parties, the matter may be referred to ADR. The referred action is stayed. During the stay, the action is not subject to the rules implementing subdivision (c) of Section 68603 of the *Government Code*.

FAILURE TO PARTICIPATE IN SOME FORM OF ADR:

In an Enforcement Action, in which attorney’s fees and costs may be awarded, the court, in determining the amount of the award, may consider whether a party’s refusal to participate in ADR before commencement of the action was reasonable.

In accordance with California *Civil Code* Section 5965, the Board of Directors of the Association hereby advises you of the following:

Failure by a member of the Association to comply with the alternative dispute resolution requirements of Section 5930 of the *Civil Code* may result in the loss of your right to sue the Association or another member of the Association regarding enforcement of the governing documents or the applicable law.

ASSESSMENTS AND FORECLOSURE NOTICE

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 California Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Section 5705 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5600, 5650 and 5705 of the Civil Code)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 5605 and 5650 of the Civil Code)

The association must comply with the requirements of Section 5650 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 5650 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 5650 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 5650 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 5650 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 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 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 5650 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a timeshare 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 5650 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 with the payment plan standards of the association, if they exist. (Section 5650 of the Civil Code)

(c) A member of an association may provide written notice by facsimile transmission or United States mail to the association of a secondary address. If a secondary address is provided, the association shall send any and all correspondence and legal notices required pursuant to this article both the primary and secondary address. (Section 4040(b) of the Civil Code)



La Mirage at Aliso Viejo

Aliso Viejo, CA

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

Report #: **5505-4**

of Units: 120

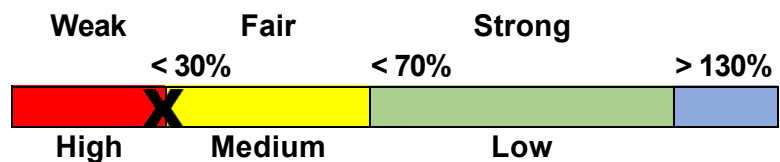
July 1, 2025 through June 30, 2026

Findings & Recommendations

as of July 1, 2025

Projected Starting Reserve Balance	\$1,041,733
Fully Funded Reserve Balance	\$3,554,903
Average Reserve Deficit (Surplus) Per Unit	\$20,943
Percent Funded	29.3 %
Recommended 2025 "Monthly Full Funding Allocation"	\$30,800
Alternate minimum allocations to keep Reserve above \$0	\$27,500
Most Recent Reserve Allocation Rate	\$28,500

Reserve Fund Strength: 29.3%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves **2.00 %**

Annual Inflation Rate **3.00 %**

This is an Update "With-Site-Visit", and is based on a prior Report prepared by Association Reserves for your 2024 Fiscal Year. We performed the site inspection on 3/21/2025.

This Reserve Study was prepared by a credentialed Reserve Specialist.

The Reserve Fund is slightly below the 30% funded level at **29.3 % Funded**, which is a weak position for the fund to be in. This means that the association's special assessment & deferred maintenance risk is currently high. The objective of your multi-year Funding Plan is to Fully Fund Reserves and ultimately achieve a position of strength in the fund, where associations enjoy a low risk of Reserve cash flow problems.

The Deterioration rate for your Reserve Components is **\$27,882**.

Based on this starting point, your annual deterioration rate, your anticipated future expenses, and your historical Reserve allocations rate, our recommendation is to **increase** your Reserve allocations to **\$30,800**.

*The Alternative Allocation rate, also called Baseline Funding will keep the Reserve Funds above \$0. This figure for your association is \$27,500.

• The purpose of the Reserve Study is to serve as a budget planning tool, which incorporates the association's reserve fund balance, budgeted transfers, a list of significant repair/replacement projects, and a recommended funding plan. The component list contains cost estimates and approximate schedules for the association's predictable reserve expenses. These figures are strictly estimates unless otherwise noted. This document is dynamic and, therefore, we recommend that it be updated annually, with an on-site inspection update every three years to address changing needs, priorities, and financial conditions. To receive a copy of the Reserve Study, contact the Association.

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Paved Surfaces				
2100	Concrete - Repair/Replace	4	3	\$9,100
2220	Asphalt - Resurface	28	8	\$370,000
2230	Asphalt - Repair/Seal	4	1	\$57,000
2280	Stamped Concrete - Repair/Replace	28	8	\$78,000
Painting Projects				
2300	Stucco - Repaint	10	2	\$350,000
2310	Wood Trim & Doors - Repaint	5	2	\$110,000
2317	Garage Doors - Repaint	10	6	\$32,000
2330	Interior Surfaces - Repaint	10	2	\$4,400
2340	Metal Surfaces - Repaint	5	1	\$37,000
2350	Light Poles/Fixtures - Repaint	5	1	\$22,500
2365	Chain Link Fence - Repaint	5	1	\$3,700
Roofing Projects				
2400	Tile Roof - Replace	50	21	\$2,400,000
2495	Roof Maintenance Program	1	0	\$57,000
Buildings				
2500	Waterproof Decks - Resurface	15	2	\$125,000
2505	Waterproof Decks - Seal/Repair	5	0	\$38,500
2510	Exterior Elevated Elements Inspection	9	0	\$61,000
2520	Wood & Iron - Repair	5	1	\$101,000
2640	Small Water Shut-off Door - Replace	20	7	\$31,000
2650	Metal Utility Doors - Replace	25	11	\$140,000
Fencing, Railings & Gates				
5505	Stucco Walls - Repair	20	0	\$118,300
5520	Perimeter Iron Fence - Replace	25	6	\$24,000
5520	Pool Iron Fence - Replace	25	6	\$32,500
5525	Building Railings - Replace	30	6	\$175,000
5535	Stairway Railings - Repair/Replace	30	6	\$96,500
5545	Glass View Fencing - Replace	25	1	\$30,500
5570	Chain Link Fence - Replace	30	3	\$21,000
Lighting Projects				
5005	Large Pole Lights - Replace	25	4	\$110,000
5020	Bollard Lights - Replace	20	4	\$109,000
5030	Wall Lights - Replace	20	4	\$62,500
5070	Step Illumination Lights - Replace	20	4	\$16,000
5090	Sports Court Lights - Replace	20	4	\$20,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Clubhouse Facilities				
2600	Doors - Replace	30	12	\$18,000
2710	Fabric Awnings - Replace	10	2	\$4,250
3020	Carpet - Replace	10	2	\$1,700
3200	Furniture/Furnishings - Replace	20	2	\$4,300
3310	Kitchen Cabinetry - Replace	20	2	\$9,000
3320	Kitchen Appliances - Replace	20	2	\$3,100
4570	Water Heater - Replace	20	6	\$3,400
4600	HVAC Systems - Replace	20	8	\$6,750
4620	Furnace System - Replace	20	8	\$4,950
5700	Restrooms - Major Refurbish	20	12	\$69,000
6160	Drinking Fountains - Replace	20	2	\$1,600
6300	Wood Trellis/Shade Structure	20	9	\$10,400
Pool Facilities				
5750	Pool Shower - Re-tile	20	2	\$7,200
5800	Pool Deck Concrete - Repair/Replace	30	10	\$125,000
5810	Pool - Resurface & Re-tile	12	10	\$27,000
5812	Pool Filter - Replace	10	1	\$1,900
5815	Pool Heater - Replace	10	6	\$6,300
5820	Spa - Resurface & Re-tile	8	3	\$6,100
5822	Spa Filter - Replace	10	0	\$1,900
5825	Spa Heater - Replace	10	1	\$5,300
5840	Pool & Spa Pumps - Replace	5	0	\$2,700
5950	Pool Area Mastic - Replace	4	2	\$4,100
5990	Pool Furniture - Replace	8	1	\$13,000
6210	Gas BBQ Inset - Replace	15	10	\$6,800
6211	BBQ Tile Countertop - Replace	20	2	\$1,550
Tennis Court Facilities				
6500	Tennis Courts - Resurface	6	1	\$7,350
Landscape & Irrigation				
6900	Irrigation Controllers - Replace	12	9	\$25,000
6920	Backflow Devices - Replace	25	1	\$4,200
7010	Landscape - Refurbish	1	0	\$13,000
Waterscape Feature				
6630	Waterscape Beds - Clean/Repair	5	2	\$2,800
6655	Waterscape Pumps - Replace	5	0	\$6,100
Grounds & Miscellaneous				
6100	Park Benches	20	2	\$7,350
6280	Mailboxes - Replace	20	14	\$29,000

64 Total Funded Components

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

Assessment and Reserve Funding Disclosure Summary

La Mirage at Aliso Viejo, Aliso Viejo

For Fiscal Year Beginning: 7/1/2025

of units: 120

1) Budgeted Amounts:	Total	Average Per Unit*
Reserve Transfers:	\$27,500.00	\$237.50
Total Assessment Income:	\$67,200.00	\$560.00

per: Month

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

Year	Total Amount Per Unit*	Purpose
Total: \$0.00		

- 3) Based on the most recent Reserve Study and other information available to the Board of Directors, at this point in time does it appear that currently projected Reserve account balances will 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**
- 4) If the answer to #3 is no, what additional assessments or other transfers/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*

Total: \$0.00

- 5) All major components appropriate for Reserve Funding (components that are a common area maintenance responsibility with a limited life expectancy and predictable remaining useful life, above a minimum threshold cost of significance) are included in this Reserve Funding Plan: **Yes**

6) All computations/disclosures are based on the fiscal year start date of:	7/1/2025
Fully Funded Balance (based on formula defined in 5570(b)4):	\$2,985,929
Projected Reserve Fund Balance:	\$618,175
Percent Funded:	20.7 %
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$19,731

From the 5/9/2025 Reserve Study by Association Reserves and any minor changes since that date.

* If assessments vary by the size or type of unit, allocate as noted within your Governing Documents.

- 7) See attached 30-yr Summary Table, showing the projected Reserve Funding Plan, Reserve Balance, Percent Funded, and assumptions for interest and inflation.

Prepared by: Sean Andersen

Date: 5/23/2025

The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.



30-Year Reserve Plan Starting with Board of Directors 2025 Rate

5505-4

Fiscal Year Start: 7/1/2025					Net After Tax Interest: 2.00 %		Avg 30-Yr Inflation: 3.00 %	
Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2025	\$618,175	\$2,985,929	20.7 %	High	\$342,000	\$0	\$15,151	\$77,040
2026	\$898,286	\$3,322,562	27.0 %	High	\$364,230	\$0	\$18,752	\$302,769
2027	\$978,499	\$3,446,586	28.4 %	High	\$387,905	\$0	\$22,413	\$124,072
2028	\$1,264,745	\$3,768,474	33.6 %	Medium	\$413,119	\$0	\$28,513	\$117,381
2029	\$1,588,996	\$4,117,300	38.6 %	Medium	\$439,971	\$0	\$27,903	\$853,141
2030	\$1,203,729	\$3,729,457	32.3 %	Medium	\$453,171	\$0	\$27,324	\$153,186
2031	\$1,531,037	\$4,061,953	37.7 %	Medium	\$466,766	\$0	\$29,390	\$616,728
2032	\$1,410,464	\$3,938,328	35.8 %	Medium	\$480,769	\$0	\$31,757	\$155,026
2033	\$1,767,964	\$4,298,241	41.1 %	Medium	\$495,192	\$0	\$33,895	\$672,554
2034	\$1,624,498	\$4,147,940	39.2 %	Medium	\$510,048	\$0	\$29,750	\$811,184
2035	\$1,353,112	\$3,862,745	35.0 %	Medium	\$525,349	\$0	\$29,359	\$322,459
2036	\$1,585,361	\$4,085,158	38.8 %	Medium	\$541,109	\$0	\$32,751	\$466,625
2037	\$1,692,596	\$4,178,911	40.5 %	Medium	\$557,343	\$0	\$37,404	\$236,320
2038	\$2,051,023	\$4,526,247	45.3 %	Medium	\$574,063	\$0	\$45,183	\$199,089
2039	\$2,471,179	\$4,936,312	50.1 %	Medium	\$591,285	\$0	\$50,525	\$527,296
2040	\$2,585,693	\$5,035,005	51.4 %	Medium	\$609,023	\$0	\$57,012	\$131,243
2041	\$3,120,485	\$5,559,406	56.1 %	Medium	\$627,294	\$0	\$66,291	\$299,759
2042	\$3,514,311	\$5,941,223	59.2 %	Medium	\$646,113	\$0	\$75,073	\$236,027
2043	\$3,999,470	\$6,415,852	62.3 %	Medium	\$665,496	\$0	\$86,149	\$128,227
2044	\$4,622,888	\$7,031,939	65.7 %	Medium	\$685,461	\$0	\$86,386	\$1,371,514
2045	\$4,023,222	\$6,402,594	62.8 %	Medium	\$706,025	\$0	\$86,927	\$139,143
2046	\$4,677,032	\$7,040,882	66.4 %	Medium	\$727,206	\$0	\$51,729	\$4,955,639
2047	\$500,327	\$2,755,013	18.2 %	High	\$749,022	\$0	\$14,874	\$275,823
2048	\$988,401	\$3,178,994	31.1 %	Medium	\$771,493	\$0	\$26,136	\$158,518
2049	\$1,627,511	\$3,755,282	43.3 %	Medium	\$794,637	\$0	\$30,140	\$1,063,161
2050	\$1,389,128	\$3,436,401	40.4 %	Medium	\$818,477	\$0	\$32,810	\$345,662
2051	\$1,894,753	\$3,866,884	49.0 %	Medium	\$843,031	\$0	\$41,895	\$481,351
2052	\$2,298,327	\$4,191,025	54.8 %	Medium	\$868,322	\$0	\$52,486	\$264,333
2053	\$2,954,801	\$4,769,536	62.0 %	Medium	\$894,371	\$0	\$66,752	\$189,715
2054	\$3,726,210	\$5,464,010	68.2 %	Medium	\$921,203	\$0	\$68,010	\$1,634,761

**LA MIRAGE AT ALISO VIEJO HOMEOWNERS ASSOCIATION
INSURANCE DISCLOSURE STATEMENT
MAY 2025**

California Civil Code 5300 (a) (9) requires homeowner associations to disclose a summary of certain insurance policies maintained by the association. For your information, La Mirage at Aliso Viejo Homeowners Association is pleased to summarize the insurance coverage as follows:

	CARRIER	EXPIRATION DATE	POLICY LIMIT	DEDUCTIBLE
WORKERS COMPENSATION	PMA INSURANCE GROUP	4/2/26	\$1,000,000	\$0
PROPERTY COVERAGE	AMERICAN ALTERNATIVE	4/2/26	\$46,450,000	\$20,000
LIABILITY COVERAGE	AMERICAN ALTERNATIVE	4/2/26	\$1,000,000 OCC / UNLIMITED AGG + \$15,000,000 UMBRELLA	\$0
DIRECTORS & OFFICERS COVERAGE	AMERICAN ALTERNATIVE	4/2/26	\$1,000,000	\$0
FIDELITY BOND COVERAGE	PMA INSURANCE GROUP	4/2/26	\$2,000,000	\$10,000
EARTHQUAKE COVERAGE	INSURANCE COMPANY OF THE WEST	4/2/26	\$10,000,000	20%
UMBRELLA COVERAGE	GREENWICH INSURANCE CO	4/2/26	\$15,000,000	\$0

This disclosure statement is a general description of coverage. All coverage is subject to the exclusions and conditions of the insurance contracts. Statements here cannot alter, reduce, or expand any coverage in the policies. The information provided is deemed accurate at the time of issue. Owners with questions are encouraged to contact the association's insurance agent at the following address:

LABARRE/OKSNEE INSURANCE
30 ENTERPRISE, SUITE 180
ALISO VIEJO, CA 92656
P: (800) 688-0711
F: (949) 588-1275

This summary of the association's policies of insurance provides only certain information, as required by subdivision (9) of Section 5300 (a) of the Civil Code, and should not be considered a substitute for the completed policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

Individual Liability Policies and Loss Assessment Coverage:

It is very important that you explore your own risks with a knowledgeable insurance agent, and purchase coverage to protect you from any liability from an accident occurring in your own unit, the common area, and/or any exclusive use common area (such as patios, garages, carports, balconies), and to protect you from any liability or insurance gaps in coverage between the association's coverage and your own. It is also strongly recommended that you inquire about Loss Assessment Coverage. An endorsement for loss assessment provides protection to individual unit owners for 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 a special assessment to pay for rebuilding costs which exceed insurance proceeds from an earthquake or fire loss). Please contact your personal insurance agent for further details.

California Bill AB-596

FHA Disclosure

PROPERTY NAME:
TRACT:
FHA CONDO ID #:
CURRENT STATUS:

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

This common interest development ☒ is / is not (circle one)] a condominium project. The association of this common interest development ☒ is / is not (circle one)] certified by the Federal Housing Administration.

This information was compiled on
FHA Certification please visit:

. To check the current status of the

www.fhareview.com/check-fha

This disclosure was professionally prepared by FHA Review, a third party submission service. Any questions regarding the status of FHA or VA approval can be directed to FHA Review (714) 536-6500



California Bill AB-596

VA Disclosure

PROPERTY NAME:
TRACT:
VA ID:
CURRENT STATUS:

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

This common interest development ☒ is / is not (circle one)] a condominium project. The association of this common interest development ☒ is / is not (circle one)] certified by the Federal Department of Veterans Affairs.

This information was compiled on . **To check the current status of the**
VA Certification please visit:

www.fhareview.com/check-va

This disclosure was professionally prepared by FHA Review, a third party submission service. Any questions regarding the status of FHA or VA approval can be directed to FHA Review (714) 536-6500



TOTAL PROPERTY MANAGEMENT, INC.

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

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

A seller may request to purchase some or all of these documents but shall not be required to purchase ALL of the documents listed on this form. Escrow documents may be ordered and purchased through www.condocerts.com.

Property Address:

Owner of Property:

Owner's Mailing Address (If known or different from property address.):

Provider of the Section 4525 Items:

Print Name _____ Position or Title _____ Association or Agent

Date Form Completed:

Check or Complete Applicable Column or Columns Below:

Document	Civil Code Section Included	Fee for Document	Not Available (N/A) or Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Articles of Incorporation or statement that not incorporated	Section <u>4525(a)(1)</u>	\$35.00	
CC&Rs	Section <u>4525(a)(1)</u>	\$55.00	
Bylaws	Section <u>4525(a)(1)</u>	\$50.00	
Operating Rules	Section <u>4525(a)(1)</u>	\$45.00	
Age restrictions, if any	Section <u>4525(a)(2)</u>	No Cost	
Rental restrictions, if any	Section <u>4525(a)(9)</u>	No Cost	
Annual budget report or summary, including reserve study	Sections <u>5300</u> and <u>4525(a)(3)</u>	\$47.00	
Assessment and reserve funding disclosure summary	Sections <u>5300</u> and <u>4525(a)(4)</u>	In Budget	
Financial statement review	Sections <u>5305</u> and <u>4525(a)(3)</u>	\$50.00	
Assessment enforcement policy	Sections <u>5310</u> and <u>4525(a)(4)</u>	In Budget	
Insurance summary	Sections <u>5300</u> and <u>4525(a)(3)</u>	\$40.00	
Regular assessment	Section <u>4525(a)(4)</u>	No Cost	
Special assessment	Section <u>4525(a)(4)</u>	No Cost	
Emergency assessment	Section <u>4525(a)(4)</u>	No Cost	
Other unpaid obligations of seller	Sections <u>5675</u> and <u>4525(a)(4)</u>	No Cost	
Approved changes to assessments	Sections <u>5300</u> and <u>4525(a)(4), (8)</u>	No Cost	
Settlement notice regarding common area defects	Sections <u>4525(a)(6), (7), and 6100</u>	No Cost	
Preliminary list of defects	Sections <u>4525(a)(6), 6000, and 6100</u>	No Cost	
Notice(s) of violation	Sections <u>5855</u> and <u>4525(a)(5)</u>	No Cost	
Required statement of fees	Section <u>4525</u>	\$300.00	
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section <u>4525(a)(10)</u>	\$80.00	
Total fees for these documents:			

* 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.

*All fees are subject to change.

LA MIRAGE at ALISO VIEJO HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

Managed by:
Total Property Management, Inc.
23792 Rockfield Blvd., Suite 100
Lake Forest, California, 92630
949.261.8282

LA MIRAGE HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

INTRODUCTION

The social success of a condominium community depends in large part upon the rules, regulations, and restrictions that govern how residents are expected to conduct themselves. Typically the Covenants, Conditions, and Restrictions (CC&Rs) subject all unit owners to general covenants, while the Bylaws and Rules and Regulations provide specific guides for day-to-day living. Without these restrictions, and a means to enforce them, the community living experience would become chaotic indeed. Your Board of Directors has adopted the following Rules and Regulations to assure the enjoyment and tranquility of all persons living in the community.

To preserve the aesthetic environment of the La Mirage community and to protect the property values of all homeowners, adherence to the adopted Rules and Regulations by all residents is vital. Obviously, a wholesale disregard for these Rules and Regulation by even just a few will give an adverse impression of the community as a whole. Owners shall be responsible for their tenants' and occupants' actions or misconduct and adherence to the Rules and Regulations of the Association. Each owner shall be responsible for providing their tenants with a current copy of the Association Rules and Regulations.

The monthly maintenance assessments by the Homeowner's Association on common property will depend, in large measure, on the care and consideration exercised by each and every owner and their guest. If the maintenance costs are high and the current budget is not sufficient to meet such costs, the assessment will of necessity be increased accordingly.

The Rules and Regulations documented below may be changed or amended at the discretion of the majority of the Board of Directors. Similarly, new Rules may be adopted or existing Rules may be revoked by action of the Board. Such changes will become effective only after due notification to the homeowners of the community.

These Rules and Regulations do not in any manner supersede or change the CC&Rs or Bylaws of the Association. They are, by their nature, equally enforceable under the law.

Whenever the word "owner" or "homeowner" appears in this document, it is inclusive of tenants and/or occupants. Thus, all Rules and Regulations herein apply to all owners, tenants, and/or occupants.

Receipt of this document shall constitute formal notice. No additional warnings need be given. Notice by first class mail is considered served within three business days after mailing

LOCAL AUTHORITIES

Title Six of the California Civil Code also known as the Davis-Sterling Common Interest Development Act and all sections therein are deemed incorporated into these Rules and Regulations and made a part thereof.

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ENFORCEMENT OF RULES AND REGULATIONS

In order to enforce the CC&Rs, Bylaws, Articles of Incorporation, and these Rules and Regulations, the Board of Directors may, among options identified below, levy, assess, and collect reasonable fines and costs as established by the Board of Directors. The Homeowner will be assessed such fines for violations by the owner, members of his or her family, guests, licensees, tenants, or lessees of such homeowners.

REPORTING PROCEDURE

Any resident of La Mir ge may report an alleged violation of or non-compliance with the CC&Rs, Bylaws, Architectural Guidelines, or these Rules and Regulations. All such reports must be documented in writing and may be submitted by mail or email to the Board of Directors through the property management company. Reports of alleged violations made during the course of the Open Forum segment of the monthly Board of Directors meeting will be similarly documented. Reports must include the following information and may be submitted on a form similar to Attachment A.

- Nature of the incident being reported
- Approximate date and time of the reported incident
- Address of person(s) (residents or guests) in violation
- Name and address of person filing the report

NOTIFICATION PROCEDURE

First Letter: A letter to the Homeowner describing the alleged violation of or non-compliance with the CC&Rs, Bylaws, Rules and Regulations or Architectural Guidelines. In this letter the nature of the alleged violation or non-compliance will be indicated together with the approximate date and time of the observed incident. The owner will be provided an opportunity to address the accuracy of the reported incident. If the complaint is accurate, the owner is required to correct the violation or non-compliance.

Second Letter: If the non-compliance violation continues or is left uncorrected, a formal charge of the reported violation or non-compliance will be sent. This letter will again contain the nature of the violation or non-compliance, the date, time and place of the meeting at which the Board of Directors will consider appropriate enforcement actions, and a statement that the member has a right to attend the meeting and may address the Board. This notification will be mailed at least 10 days prior to the meeting.

Notice of Action Taken: If the Board of Directors imposes disciplinary action, the Homeowner will be provided a written notification within 15 days of the decision. Any penalty will become effective five (5) days after the hearing (Section 12.4 of the Bylaws).

ENFORCEMENT OPTIONS

At a hearing, the Board may take the following actions:

- Suspension: Suspension of use of the recreational facilities or voting privileges may be for successive 30-day periods, until the violation or non-compliance is corrected.

- **Fines:** The amount of fines will be at the discretion of the Board, may vary and increase depending on the circumstances or the severity of the violation as indicated in the Schedule of Fines below, and may include legal action. An additional clerical fee may also be assessed to cover the costs of processing the notice. The initial fine may increase at a rate that is two times (2X) the prior month's rate until the violation or non-compliance is corrected.
- **Filing of Notice:** A Record of Notice of Noncompliance encumbering homeowner's unit may be filed with the Orange County Recorder for more serious or repeated violations and fines. Transfer of title is typically subject to the encumbrance.

Schedule of Fines: The examples given are not intended to be all-inclusive but are intended to describe the range of infractions and the potential fines in each category.

- **Minor Violation:** \$25 - \$200
 - Garbage cans left out
 - Use of improper window treatments
- **Medium Violation:** \$50 - \$500
 - Garage door repeatedly left open
 - Improper display of signs or flags
 - Inadequate care of patio/Deck plantings
 - Excessive noise
- **Major Violation:** \$100 - \$1000
 - Not providing Owner/Occupant information on a timely basis.
 - Not satisfying prior approval requirements (modifications, satellite dishes, etc.)
 - Not picking up after pets
 - Inadequate maintenance and repair of units.
 - Abusing parking rules
 - Violation of swimming pool and spa safety rules
- **Extreme Violation*:** \$250 - \$2500
 - Structural change or damage to buildings
 - Improper storage of flammable materials
 - Conduct of illegal activity within the community
 - Abusive or threatening language to neighbors

*** In addition to a police report being filed, the actions will be subject to a fine.**

Notes:

1. It is each Homeowner's sole responsibility to inform their guest and tenants of all Rules and Regulations. The owner is also responsible for any and all damage caused by their tenants.
2. The Remedy of the violation or non-compliance is at the homeowner's expense.
3. All legal fees or costs incurred by the Association to enforce violations or collect fines will be the responsibility of the Homeowner.

GENERAL COMMUNITY

AREA DEFINITIONS

Exclusive Use Residential Areas

The Exclusive Use Residential Area consists of all interior surfaces of perimeter walls, ceilings, floors, windows, and doors of a unit.

Exclusive Use Common Area

The Exclusive Use Common Area is defined as those portions of the Common Area over which Exclusive Easements are reserved for the benefit of owners, including without limitation, for patio, balcony, yard, stairs, landing and parking purposes and internal and external telephone wiring designed to serve a single unit but located outside the boundaries of that unit, in accordance with California Civil Code, Section 1351(i), and Exclusive Use Common Area from Article I, Section 1.30 of the Associations CC&Rs.

Because each unit at La Mirage is dimensionally unique, the La Mirage Homeowners Association reserves the right to define the Exclusive Use Common Area of each Plan.

- Plan 1: The area between the front door and the arch.
- Plan 2: The stairway from the common landing to the front door.
- Plan 3: The stairway from the common landing to the front door.
- Plan 4: The area between the front door and the stucco wall.
- Plan 5: The area from the front door to the sidewalk or walkway.

At La Mirage, the Tennis Court, Swimming Pool, and Clubhouse constitute Exclusive Use Common Area facilities.

Common Areas

The Common Area encompasses all portions of the development, with the exception of the individually owned units and includes those areas outside a unit's front door or patio. Exclusive Use Common Area is a subpart of the Common Area.

The La Mirage Homeowner Association will act in full compliance with the Fair Employment and Housing Act and prohibits discrimination in the living environment and use of the Common Area and Exclusive Use Common Area facilities on the basis of race, color, ancestry, national origin, religion, marital or familial status, sex, sexual orientation, source of income, disability, or age.

Residents who are children shall have full access to the full use and enjoyment of the Common Areas and Exclusive Use Common Area facilities as long as that access neither presents a safety hazard to the child or other residents nor interferes with the peace, quiet, and enjoyment of other residents.

RULES AND REGULATIONS

I EXCLUSIVE USE AREA

RESIDENCE. All units shall be used exclusively for residential purposes only. Use of the residence and exclusive use area for business purposes is strictly limited to telephone, email, or other similar remote telecommunication activities.

1. No activity is permitted in a residence or exclusive use area that is illegal in nature, causes unreasonable noise or nuisance, or may cause the property to become uninsurable.
2. No modifications or alterations are permitted in a residence or exclusive use area that will structurally change or damage the building.
3. Homeowners must promptly repair and maintain their units in a satisfactory condition, especially to the extent any other unit is affected. All internal installations such as doors, windows, and water, power, sewer, and gas utilities are to be maintained at Owner's expense. Homeowners are responsible for the maintenance, repair, and replacement of all property, equipment, and appliances within the unit. This responsibility includes, but is not limited to the following:
 - All plumbing equipment including, tubs, showers, lavatories, toilets, and piping interior to the unit.
 - All lighting fixtures and all wiring within the unit.
 - All flooring.
 - All plastering, painting and other maintenance of walls and ceilings.
 - All pest and rodent control within the unit.
4. **Window Coverings.** All Windows, sliding doors, etc. shall be properly covered with appropriate window dressing. Sheets, blankets, or other such items are specifically prohibited. Window dressing shall be of a reasonable quality and shall compliment the property. Curtains, drapes, shades, blinds, or standard residential non-reflective tinting is recommended. Window treatments should have a neutral appearance from the outside.
5. **Signs & Posters.** Non-Commercial signs and posters that are not larger than nine (9) square feet in dimension, are constructed of acceptable materials, and are in conformity with City, State, and Federal law may be posted or displayed from the window, door, patio, balcony, or railing of an owners Exclusive Use Common Area. Acceptable materials are paper, cardboard, cloth, plastic, or fabric. Attaching signs and posters to the exterior structural surface of the residence is strictly prohibited. The method of attaching such signs and posters must lie within the dimension of the sign or poster itself. Signs and posters not meeting the above requirements may not be displayed without the prior written approval of the Architectural Review Committee. Such signs or posters shall be kept in good repair and in a neat and attractive condition at all times.
6. **Flags & Banners.** Non-Commercial flags and banners that are not larger than fifteen (15) square feet in dimension, are constructed of acceptable materials, and are in conformity with City, State, and Federal law may be posted or displayed from the window, door, patio, balcony, or railing of an owners Exclusive Use Common Area. Acceptable

materials are paper, cardboard, cloth, plastic, or fabric. Attaching flags and banners to the exterior structural surface of the residence is strictly prohibited. The method of attaching such flags and banners must lie within the dimension of the flag or banner itself. Flags and banners not meeting the above requirements may not be displayed without the prior written approval of the Architectural Review Committee. Such flags and banners shall be kept in good repair and in a neat and attractive condition at all times.

PATIO. The patio area must be maintained to preserve and protect the attractive appearance of the La Mirage community.

1. The patio or balcony must be kept clean and free of debris and animal wastes at all times. Patios should not be used for storage areas.
2. Plantings within the patio area are at the homeowner's discretion. However all plants, shrubs, and trees must be suitable for the space, must be regularly pruned and kept off the building and walls, and must not grow over walls into the Common Area or into other patios. Foliage (ivy vines, etc.) that attaches to the building exterior or to patio walls is prohibited. Prior Architectural and/or Landscape Committee approval must be obtained for plantings that may grow to exceed five feet (5 ft) in height.
3. Flower pots, plants, and other objects located in the patio area must be free-standing and not attached to or supported by window sills or by patio walls or railings.
4. Any damage to buildings, structures, or walkways by branches or root systems of patio plants will be the responsibility of the homeowner and must be corrected at the homeowner's expense.
5. Erecting clotheslines in patio areas is prohibited. Hanging or draping anything (clothing, linens, towels, bathing suits, etc.) on windowsills or patio walls or railings is similarly prohibited.

GARAGE. Each garage shall be used primarily for the parking of the resident's vehicles and for personal storage. Assigning or leasing of a unit's garage space is prohibited without approval of the Board.

1. Garages must have the capacity to accommodate at least the number of vehicles for which they were initially constructed.
2. Garages must be kept clean and safe. Any activity that could pose a fire, health, or safety hazard, and/or an unreasonable noise nuisance is prohibited.
3. Flammable products (paint, thinner, oil, etc.) in nominal quantities for the individual residents personal use is permitted only when stored in suitable and properly marked containers. Storage of gasoline or open containers of oil is prohibited.
4. Vehicle Repair. Overhaul, repair, maintenance or restoration of personal vehicles (automobiles, motorcycles, ATVs, etc.) is only permitted inside the garage, with the garage door closed, provided that such activity is not undertaken as a business. Any such activity may be prohibited entirely if the Board determines that it constitutes a nuisance.

5. For purposes of security and appearance, garage doors shall be kept closed unless someone is physically present in the garage.
6. Any wiring changes in a garage require a County Building and Safety Permit.

IMPROPER MAINTENANCE. If, in the judgment of the Board, a homeowner fails to maintain his/her residence, patio, or garage in a clean, sanitary, and attractive condition that is generally free of debris, the Board shall send written notice to the homeowner specifying what work or repairs are required and specify a time frame for resolution. In the event the homeowner fails to carry out the required maintenance or repair within the specified period, the Board shall be free to cause the work to be done and assess the cost to the homeowner.

OWNERS AND OCCUPANTS. An Owner may lease or rent their unit to other individuals provided that the unit is rented pursuant to a lease or rental agreement which is in writing and subject to all the provisions of the La Mirage Homeowner Association CC&Rs, Bylaws, and Rules and Regulations. All Owners either residing in or leasing/renting their unit are required to provide the following information to the Board (by notification to the management company) within seven (7) days of occupancy:

- Name and Address of Owner
- Residence address
- Names of all persons living in the unit.
- Telephone number of Residence.
- Name, address, and telephone of persons who should be contacted in case of emergency.
- Description and license number for all tenant vehicles.
- Description of pets (if any).

The above information may be provided on a form similar to Attachment B.

For leased or rented units a completed Rental Compliance Agreement (available from the management company) must also be filed with the management company within seven days of occupancy. Failure to file the Rental Compliance Agreement forms promptly with the management company is considered a Major Violation of these Rules and Regulations, and the homeowner will automatically be called to a violation hearing where penalties may be imposed.

Owners shall provide new tenants/occupants with a copy of the Association Rules and Regulations and a key to the pool area (procured from the management company at owners expense).

Unit owners shall be responsible for notifying the management company of any changes in occupancy.

The Association recreational facilities are limited to community residents and their guests. Non-resident owners are not permitted to use these facilities.

II COMMON AREA

1. LOITERING IS STRICTLY PROHIBITED AT ALL TIMES.
2. Any common sidewalks, passageways, driveways or streets shall not be obstructed or used by any owner for any purpose other than entrance to and exit from the units.
3. Light recreational activities (playing catch, throwing a Frisbee, riding of bicycles or non-motorized scooters and, roller blades, etc.) are permitted on the streets of the La Mirage community and other common areas provided they are done in a safe and considerate manner.
4. Any damage to buildings, recreational area or equipment, Common Area property, or to the general Common Area caused by an owner, his family, tenants, guests of the owner or tenants, hired contractor employees, or pets shall be repaired at the expense of the applicable owner.
5. Parents and guardians shall be held responsible for the actions of their children at all times.
6. The Association accepts no responsibility for injuries resulting from a resident's participation in any activity in the Common Areas

III PROTECTION OF COMMON AREA

BUILDINGS. The care and maintenance of the exterior of all buildings within La Mirage is the exclusive responsibility of the Association.

1. No owner is permitted to paint, repair, maintain, alter or modify any exterior wall, railing, door, window, roof, or any installation of buildings within the Community.
2. Fasteners of any type (wire, nails, screws, etc.) must not be used to secure or support any item (plant hangers, satellite dishes, alarm boxes, etc.) to any Community building exterior surface.
3. Affixing any material (indoor-outdoor carpeting, safety strips, etc.) to the steps leading to the doorway is prohibited.
4. To protect the waterproof finish, affixing any material to the deck surfaces is strictly prohibited.
5. Climbing to and walking on roofs is prohibited except for repairs with the Board's permission or for emergencies.
6. Any seasonal lighting displays must be connected to the individual homeowner's electrical outlets. All decorations are to be removed within 30 days of the holiday.

LANDSCAPED AREAS. The development, care, and maintenance of Common Area landscaping within La Mirage (including the stream) is the exclusive responsibility of the Association.

1. Prior approval of the Board of Directors is required for any plantings in the Common Area.
2. No activities are permitted that will damage the landscaped portions of the Common Area (including but not limited to trees, lawns, plants, sprinklers, streams).
3. Tree climbing is specifically prohibited.
4. Vehicles or conveyances of any kind (including bicycles, scooters, roller blades, etc.) on the lawns or landscaped area are prohibited.
5. Repair of damage caused by such activities shall be the responsibility of the applicable unit owner.
6. Real Estate Signs. No signs may be erected in the Common Area except for one (1) sign of not more than 18" X 24" (complying with City requirements and/or Civil Code Section 712-713) advertising the property for sale, lease or rent. Such signs shall be kept in good repair and in a neat and attractive condition at all times.

SIDEWALKS. Sidewalks are exclusively for foot traffic and must be kept free of all obstructions. Use of the sidewalks for any vehicle, including roller blades, non-motorized scooters and bicycles, is prohibited.

STREETS, DRIVEWAYS, AND PARKING.

1. ALL DRIVEWAYS AND STREETS WITHIN LA MIRAGE ARE DESIGNATED BY THE ORANGE COUNTY FIRE DEPARTMENT AS FIRE LANES AND ARE SUBJECT TO ALL LAWS AND CODES GOVERNING THE SAME.
2. The streets and driveways within La Mirage are to be used primarily for vehicular ingress, access and egress through the Community. Automobiles have priority in the use of streets.
3. The maximum speed limit within the La Mirage Community is 15 mph.
4. Limited recreational activities are permitted on the Common Area streets (riding of bicycles, non-motorized scooters, and roller blades, etc.) including ingress and egress in and out of the Community. All riders are required to obey the rules of the road and helmet/protective gear regulations. Further, all riders must use necessary precaution to avoid interfering with the flow of traffic or creating unreasonable risks of harm to pedestrians or motorists.
5. In an effort to limit the potential for accidents, property damage and noise-related complaints, the streets may not be used for recreational, sporting, or similar uses such as skateboarding, street hockey, baseball, football and the like. Skateboarding is expressly prohibited on these streets (Orange County Ordinance 3768, Section 6-4-502), in addition to all driveways, parking areas, curbs, walkways, pathways, and all other Common Areas within La Mirage.

6. Parking areas, whether Exclusive Use, Guest Only or Open Parking, are **FOR PARKING ONLY**. Activities such as playing, sunbathing, loitering, storage, etc. are prohibited. No one is permitted to sleep or live in any vehicle in the Common Area.
7. Vehicle repair, maintenance or restoration is prohibited on Common Area streets or parking areas.
8. Vehicles leaking gasoline, oil or other fluids may be prohibited from parking in any parking space. Any clean up or damage expense caused by such leakage will be the responsibility of the vehicle owner. If the owner is a guest or tenant of a homeowner, that homeowner will be responsible. Vehicles in violation are subject to fine or removal at owner's expense.
9. Trash. No items are to be left outside garages. All rubbish, trash, garbage or other discarded items must be in appropriate containers. Trash containers must not be placed outside until 6 PM the evening before trash collection day. Trash containers must be brought inside by nightfall on trash collection day (currently Friday).

Homeowners and tenants are encouraged to pick up paper and debris from the Property when observed and to keep the area around their Unit clean at all times. Please cancel newspapers and deliveries if you will be away for an extended period of time or ask a friend or neighbor to pick them up for you to discourage vandalism or attract undesirables.
10. Garage/Yard Sales. Garage/yard sales are prohibited unless a part of a community-wide event authorized by the Board.

IV RECREATIONAL FACILITIES

The Tennis Court, Swimming Pool, Spa and Clubhouse are here for the enjoyment of all residents. These rules are intended to make these areas pleasant for all residents.

TENNIS COURT

1. The court hours are 8 AM to 10 PM only.
2. The court gate must be kept closed and locked at all times except to enter or exit the facility.
3. Appropriate footwear for use on the court is required. No street shoes are allowed.
4. The court should primarily be used for tennis. Skateboards, bicycles, scooters, skates and the like are not permitted on the court due to potential damage to the playing surface. Repairs to the court for any damage done will be at the expense of the applicable owner.
5. Food or breakable containers are prohibited in the court area.
6. Animals are not permitted in the court area.
7. As a courtesy, players must yield the court after one hour of play if other players are waiting for the court.

8. A resident must accompany all guests using the court.
9. Horseplay, fighting, or nuisance activity is not permitted. Jumping over or sitting or hanging on the net is not allowed.

SWIMMING POOL AND SPA

THERE IS NO LIFE GUARD ON DUTY. ALL PERSONS USING THE POOL DO SO AT THEIR OWN RISK AND ARE RESPONSIBLE FOR THEIR OWN SAFETY. THE ASSOCIATION DOES NOT ASSUME ANY RESPONSIBILITY FOR ACCIDENTS.

1. Pool and Spa hours are 8 AM-10 PM, Sunday through Thursday and 8 AM-Midnight Friday and Saturday. Hours are posted in the pool area.
2. The Pool and Spa gate must be kept closed and locked at all times except to enter or exit the facility. Do not prop open the gate. **Leaving the gate open allows unauthorized persons to use the pool and spa facilities and thereby causing a potential safety hazard and insurance liability.**
3. Residents should have their pool key with them when using the facility. Restroom doors should never be propped open.
4. Residents have first priority. The pool and spa are for the exclusive use of residents and their invited guests. Residents are granted the privilege of inviting guests to use the facilities under the following conditions:
 - The number of guests is limited to four (4) per household at anyone time without prior permission from the Board of Directors.
 - Residents are totally responsible for the conduct and safety of their guests.
 - Residents are responsible for cleaning up after themselves and their guests.
5. Children under the age of 14 should not use the pool without an adult in attendance (State Health and Safety Code 65539).
6. Children under the age of 14 should not use the spa without an adult in attendance (State Health and Safety Code 65539). This state law is for the child's health and safety. The temperature of the spa water can cause heart failure in a child.
7. Diving, running and horseplay are prohibited.
8. Proper swimming attire is required in the pool area. Nude bathing is not permitted. Toddlers and infants must wear leak-proof plastic pants when in the pool or spa. Feces in the pool will result in the closure of the pool by the Health Department for one complete water cycle period (State Health and Safety Code 65531).
9. Persons intoxicated or under the influence of drugs (prescription or otherwise) are not allowed in the pool, spa or any recreation facility.
10. Any activity creating undue noise (yelling, screaming, loud radios) or behavior endangering the perpetrator or others (pushing, shoving, fighting, diving) is prohibited. Violators may be asked to leave the area and/or the police may be called. A fine may also be assessed.

11. No animals are permitted in the pool area.
12. Glass is prohibited in the pool area. Cleanup is the responsibility of those using the pool and spa facility. All trash, including cigarette butts, must be disposed of properly. The area should be checked to be sure that personal items are not inadvertently left behind.
13. The following items are not permitted in the pool or pool area: soap or foreign substances, pets, bicycles, skates, skateboards, Frisbees, glass containers, breakable or sharp objects, boats, inner tubes or air mattresses. Inflatable water toys are permitted. Aquatic games should stop if they interfere with other swimmers in the pool.
14. As a courtesy, radios should be kept at a low volume. The use of earphones is highly recommended.
15. Towels should be placed over pool furniture when using suntan oils, lotions, or the like.
16. Pool furniture must not be removed from the pool area and cannot be saved or reserved.
17. Replacement pool keys are \$25. Replacement keys can be obtained through the property management company.

CLUBHOUSE

The Clubhouse is an Association facility and is available for the use and enjoyment of all residents for a rental fee and refundable deposit. To schedule use of the Clubhouse, please contact the property management company. Advance reservations for major holidays such as New Years, Easter, Thanksgiving, Christmas, etc. cannot be made more than twelve (12) months in advance. To avoid forfeiture of the rental fee, cancellations must be received 30 days prior to the scheduled rental date. **Exclusive use of the Clubhouse does not entitle one to exclusive use of the pool.**

1. Clubhouse hours are 8 AM to 1 AM.
2. No smoking is permitted in the Clubhouse.
3. Only residents and their invited guests may use the Clubhouse. Guests must be accompanied by a resident at all time.
4. No animals are permitted in the Clubhouse.
5. No wet clothes are allowed in the Clubhouse.
6. Clubhouse furnishings and accessories are not to be removed for any reason.
7. Please be considerate and limit music and noise. Under County Code, noise should be kept at a minimum from 10 PM to 7 AM.
8. Residents are responsible for the proper use of the facility. All Clubhouse furniture should be returned to its proper place. The Clubhouse should be left cleaned, vacuumed, trash removed, thermostat turned off, inside lights turned off, including restrooms, and all doors locked. Any additional rented furniture must be removed at the end of the event, unless prior arrangements have been made to rent the Clubhouse for an additional day.

9. Damage, abuse and vandalism of the Clubhouse and its facilities will preclude further use of the clubhouse by the resident who rented it. Fines may be levied against the resident. Further, the resident will forfeit the deposit. In the event the costs for clean up and repair exceeds the deposit, the resident will be responsible for the excess.

V PARKING AREA POLICY AND RULES

Parking of the following motorized land vehicles, designed and used primarily for non-commercial passenger transport, is permitted on the premises of the La Mirage Community:

- Automobiles
- Passenger vans designed to accommodate ten (10) or fewer people
- Two-wheel motorcycles
- Pick-up trucks having a manufacturer's rating or payload capacity of one (1) ton or less.

No other types of vehicles may be parked on the Property without prior approval of the Board of Directors.

1. All residents of a given unit are permitted to park not more than a total of two (2) vehicles at any one time on the La Mirage premises. For those with only a one car garage, the other vehicle may be parked in the unit's deeded (Exclusive Use/Reserved Parking) space. Additional parking variance via parking permit may be obtained through the patrol company by those who qualify.
2. The developer of La Mirage provided each unit with two Exclusive Use spots for parking consisting of either a one-car garage plus one deeded Exclusive Use parking space (Plans 1 and 2) or a two-car garage (Plans 3, 4, and 5).
3. The La Mirage Association includes five types of parking:
 - Garages: Residents with one-car garage must use their garage and/or Exclusive Use Parking Space for parking. Residents with two-car garages must use their garage for parking. Garages must have the capacity to accommodate at least the number of vehicles for which they were initially constructed.
 - Exclusive Use/Reserved Parking Spaces: These spaces are deeded to specific units and are for the exclusive use of the owners/occupants. If anyone should park in a reserved space not deeded to them, their vehicle may be towed without notice. The homeowner of a deeded Exclusive Use parking space should be prepared to show the two truck driver summoned to tow an improperly parked car the deed to his/her property demonstrating ownership of the assigned parking space in question.
 - Guest Only Parking Spaces: Guest parking spaces are intended for the exclusive use of Guests visiting residents of La Mirage. Guests may utilize these parking spaces three (3) times each 30 (thirty) day period. The patrol company will cite vehicles on the 4th time and tow the vehicle on the 5th time (in a 30-day period). Residents may not park in Guest parking spaces. Any resident parked in a Guest parking space will be towed immediately.

If a Guest will be visiting for longer than 3 days in a 30-day period, their vehicles may be placed on the safelist at the discretion of both Management and the Board of

Directors. Please contact the Management Company Monday through Friday if you think a Guest may exceed the 3-day term.

- Open Parking Spaces: Several unmarked Open parking spaces are available throughout the Community for use by visitors or residents whose parking is temporarily unavailable (NOT MORE THAN 72 HOURS). The Open parking spaces may be used on a first come, first served basis. Residents who abuse the use of these Open spaces will be cited and towed.
4. All resident's vehicles parked in the La Mirage Community must have current California registration and be in running condition.
 5. No vehicle may be parked on the street or in front of a garage except on a temporary basis for loading and unloading, not to exceed ten (10) minutes. Fire Lane restrictions apply to these areas, and therefore, unattended vehicles will be towed without notice to the owner as authorized by California State Vehicle Code f226585.2.
 6. Boats, trailers, campers, motor homes, or any similar recreational vehicle may not be parked in any exterior parking area. The owner of such a vehicle will be subject to having their vehicle towed without notice to the owner.
 7. All vehicles must be in running condition. The owner of a partially or totally dismantled vehicle will be subject to fines and having their vehicle towed without notice to the owner.
 8. Violators of these parking rules will be subject to fines and/or having their vehicles towed at the owner's expense. A company patrols La Mirage Community at random times during the night and day and has authority, in certain cases, to tow vehicles without notice to the owner.
 9. As previously stated on page 11 of these Rules and Regulations, vehicle repair, maintenance or restoration is prohibited on Common Area streets or parking areas. This includes car washing. If the Association incurs a fine from the City of Aliso Viejo due to a resident washing their vehicle in the Community, the cost of the fine will be forwarded to the *homeowner* of the unit in violation. Fines from the City of Aliso Viejo can range from \$100 to \$1,000 per occurrence/per day.
 10. All towing in the Community is at the expense of the vehicle owner.

VI ARCHITECTURAL RULES

The La Mirage in Aliso Viejo Homeowners Association has been developed for the mutual benefit of all of the members. In order to preserve the value desirability, attractiveness, and architectural integrity of our Community, the CC&Rs of the La Mirage Homeowners Association have authorized the formation of the La Mirage Architectural Review Committee. The Architectural Review Committee is empowered to review homeowner submittals for Exclusive Use Common Area architectural improvements in accordance with the Associations Architectural Guidelines.

1. Exterior Modifications: Installation of any exterior improvement or attachment (patio covers, awnings, etc.) is prohibited without **prior** written approval of the Board and the Architectural Review Committee.

2. Screen Doors: Screen doors must be selected from an approved list (available from the Architectural Review Committee or the Management Company), installed by the supplier and properly maintained in good working order.
3. Satellite Dishes: Exterior television or radio antennas are permitted to the extent required by current law. Antenna cables shall not be mounted on exterior walls or pass through windows. Satellite dishes, one meter in diameter or less, may be installed within a unit's Exclusive Use Common Area. Mounting plans must be submitted to and approved by the Architectural Review Committee **prior** to installation. Where multiple locations for adequate reception are possible, the least obtrusive location (e.g. strapped to the far side of the chimney) must be utilized. Maintenance of such items, including any impact on the building envelope and/or equipment, is the responsibility of the homeowner.

VII DISPOSAL OF TOXIC WASTE

No owner or occupant shall dispose of any toxic material on the complex in a manner that is inconsistent with local and federal law. The Board of Directors shall be empowered to levy a severe fine against the owner of the unit whose occupants have been observed illegally disposing of any toxic material. Toxic materials include, but are not limited to oil, antifreeze, solvents, gasoline, paint, etc.

VIII NOISE

Owners, tenants, and occupants shall avoid making or causing loud, disturbing, or objectionable noises and avoid using or playing musical instruments, radios, phonographs, televisions, amplifiers, or other devices in a manner that may unreasonably disturb owners, tenants, or occupants of other units.

Homeowners are urged to exercise restraint in using noise-making tools, and appliances and avoid using them after 10:00pm or before 7:00am on weekdays and 9:00 am on weekends.

Barking dogs shall be controlled by their owners. Complaints received by the Management Company regarding a barking dog may result in removal of the dog at the unit owner's expense.

IX ANIMAL REGULATIONS

1. Orange County Title 4 – Health, Sanitation and Animal Regulation will be enforced the governing Orange County Agencies (copy available upon request from the Management Company).
2. Residents are responsible for any personal injury or property damage caused by their pets.
3. Exclusive of fish and small birds (canaries, finches, etc.) no more than two (2) usual and ordinary pets may be kept in residence.
4. Pets are not allowed within the confines of the pool area, the tennis courts or in the Clubhouse.
5. **No pets (including cats) are permitted to run loose in the Common Area.**
6. Pets outside a residence and in Common Areas must be restrained by a leash of a length sufficiently short to enable the owner/handler to control the pet under any conditions.
7. **Pet owners are responsible for removing their pets' feces from the Common Area.**

8. Pet owner must keep their patio areas clean and sanitary so as not to create offensive odors.
9. Pet owners are responsible for keeping their animals quiet to not disturb the neighborhood. If a dog is barking excessively, the owner must bring the dog in the residence.

X CRIMINAL OR SUSPICIOUS ACTIVITY

Homeowners are encouraged to be active participants in the Neighborhood Watch Program. If you observe any suspicious or illegal activity, **call the police immediately (Do not call 911 unless it is an emergency)**. Keep the police number at your telephone. If you observe or hear activity in the pool or tennis court areas after hours, notify the police. **Do not confront the persons involved.**

Rules and Regulations adopted by the Board of Directors in December 2003
Amended in February 2006

LA MIRAGE AT ALISO VIEJO HOMEOWNERS ASSOCIATION ELECTION RULES AND PROCEDURES

Campaigning

If any candidate or member advocating a point of view is provided access to La Mirage at Aliso Viejo Homeowners Association ("Association") media, newsletters, or websites during a campaign, for purposes that are reasonably related to that election, then all candidates and members advocating a point of view will be provided equal access.

Any views, comments or opinions set forth in any communication from a candidate or member are those solely of the candidate or member, and the Association is not responsible or liable for such content. The candidate or member, and not the Association, is solely responsible for the content of all materials and/or communications presented by the candidate or member.

Access to the common area meeting space will be provided during a campaign, at no cost, to all candidates and members advocating a point of view for purposes reasonably related to the election. Members and residents shall not be prevented from peacefully assembling or meeting with members, residents, and their invitees or guests during reasonable hours and in a reasonable manner for purposes relating to association elections. Residents may use the common area and homes for an assembly when the common area is not otherwise in use. Canvassing, petitioning, and circulating materials to the members in connection with an election is permitted if done in a reasonable manner, and during reasonable hours, and is not otherwise prohibited by law, municipal or otherwise.

Association funds will not be used for campaign purposes in connection with any Association Board election. Association funds shall not be used for campaign purposes in connection with any other Association election except to the extent necessary to comply with duties of the Association imposed by law. For the purposes of this section, "campaign purposes" include, but are not limited to, (1) expressly advocating the election or defeat of any candidate who is on the Association election ballot; or (2) including the photograph or prominently featuring the name of any candidate on a communication from the Association or the Board, excepting the ballot and ballot materials, within thirty (30) days of election, provided that this is not a campaign purpose if the communication is one for which the law requires that equal access be provided to another candidate or advocate.

Nominee Qualifications

The Association is required by law to disqualify a person from nomination if the person is not a member of the Association at the time of the nomination. To be a "member" of the Association a person or entity must be a record owner of a fee simple interest in a Condominium within the Association.

Additionally, the Association may disqualify a person from nomination if the nominee discloses, or if the Association is aware or becomes aware of, a past criminal conviction that would either prevent the Association from purchasing the fidelity bond coverage required by *Civil Code* section 5806 should the person be elected or terminate the Association's existing fidelity bond coverage as to that person should the person be elected. However, the foregoing option to disqualify a member shall not apply if the member has not been provided the opportunity to engage in IDR.

Voting Qualifications

Every person who is a member at the time the ballots are distributed is entitled to receive a ballot. Persons with a general power of attorney for a member shall be entitled to obtain a ballot and vote after providing a copy of the signed general power of attorney to the Association. Those with specific powers of attorney are generally not entitled to a ballot. Members shall be entitled to cast one (1) ballot for each Condominium owned.

In any election of the Board in which more than two (2) positions on the Board are to be filled, every member entitled to vote shall have the right to accumulate his/her votes and give one (1) candidate, or divide among any number of candidates, a number of votes equal to the number of Directors to be elected, provided that no member shall be entitled to cumulate votes for a candidate or candidates unless the candidate's name or candidates' names have been placed in nomination prior to the voting and the member has given notice at the meeting prior to the voting of the member's intention to cumulate votes. If any one (1) member has given this notice, all members may cumulate their votes for candidates in nomination.

If a record date for voting is not fixed by the Board of Directors, those who are members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of the Association.

Joint Owner Disputes

When more than one (1) person holds interest in any Condominium ("co-owners"), all such co-owners are entitled to exercise the vote to which the Condominium is entitled. Co-owners owning the majority interests in a Condominium shall from time to time designate in writing one (1) of their number to vote. Fractional voting shall not be allowed, and the vote for each Condominium must be cast as a unit. Where no voting co-owner is designated or if the designation has been revoked, the vote for that Condominium shall be exercised as the co-owners owning a majority interest in the Condominium mutually agree. Unless the Board receives a written objection in advance from a co-owner, it shall be conclusively presumed that the corresponding voting co-owner is acting with the consent of the co-owners. No vote shall be cast for any Condominium if the co-owners present in person or by proxy cannot agree to said vote or other action.

Voter List

The Association shall maintain a voter list to include the name, voting power, and either the physical address of the voter's Condominium, the parcel number, or both. The mailing address for the ballot shall be listed on the voter list if it differs from the physical address of the voter's Condominium or if only the parcel number is used. Members may verify the accuracy of their individual information on the voter list at least thirty (30) days before the ballots are distributed. The Association or member shall report any errors or omissions to the list to the Inspector(s) who shall make the corrections within two (2) business days. The member should simultaneously convey this information to the management company.

Nomination Procedures

The Association will provide general notice, as defined by *Civil Code* section 4045, of the procedure and deadline for submitting a nomination at least thirty (30) days before any deadline for submitting a nomination. Members may become nominees by either informing the management company in writing of their intention to become a nominee prior to the deadline set forth in the candidacy form (or as specified in the general notice specified above) or by being nominated from the floor at the Annual Meeting. Self-nominations are permitted.

Candidate List

Members may verify the accuracy of their individual information on the candidate list at least thirty (30) days before the ballots are distributed. The Association or member shall report any errors or omissions to the list to the Inspector(s) who shall make the corrections within two (2) business days.

Pre-Election Notice

The Association shall provide general notice, as defined by *Civil Code* section 4045, at least thirty (30) days before the ballots are distributed of (1) the date and time by which, and the physical address where, ballots are to be returned by mail or handed to the inspector(s); (2) the date, time, and location of the meeting at which ballots will be counted; and (3) the list of all candidates' names that will appear on the ballot.

Voting Procedures

Secret ballots will be provided to all members for their use. Elections will be conducted in accordance with the following balloting procedures:

1. The Inspector(s) shall cause the ballots and two pre-addressed envelopes (with instructions) to be delivered or mailed by first-class mail to every member not less than thirty (30) days prior to the election;

2. The Inspector(s) shall cause these Election Rules to be “delivered” to the members not less than thirty (30) days prior to the election. Delivery may be accomplished by posting these Election Rules to an internet website and including the corresponding internet website address on the ballot together with the phrase, in at least 12-point font: “The rules governing this election may be found here_____.” or by personal delivery or first-class mail.
3. Ballots are *not* to be signed by the voter and a member who places any identifying marks or signature on his or her ballot will waive his or her right to secrecy;
4. Completed ballots must be placed into an inner envelope that has no identifying information on it (*e.g.*, no member name, no property address, no signature, etc.), and the inner envelope is then sealed by the member;
5. The inner envelope is then inserted into the outer envelope that is pre-addressed to the Inspector(s) of Election and then sealed by the member;
6. In the upper left-hand corner of the outer envelope, the member must indicate his or her name and the address of the property within the Association and then the member must sign his or her name in the upper left-hand corner of the outer envelope. Ballots received in improperly completed envelopes (*e.g.*, not signed or without identifying information) may not be counted by the Inspector(s);
7. The envelope may be mailed or delivered by hand to the management office, unless another place is designated by the Inspector(s). The member may request a receipt for delivery;
8. Once a ballot is received by the Association, in the place designated by the Inspector(s), it is deemed irrevocable, even if it is unopened;
9. The sealed ballots shall be in the custody of the Inspector(s) or in the place designated by the Inspector(s) at all times;
10. No person may open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated; and
11. The voting period for member meetings shall commence when the first ballot is mailed or delivered to a member of the Association and shall end at such time as the Inspector(s) determine the polls close.

Use of Proxies

Every proxy is revocable and automatically ceases after completion of the meeting for which it was filed. A proxy must (1) identify a proxyholder (who must physically attend the meeting for which the proxy is being exercised), (2) contain voting instructions, (3) the length of time it is valid and (4) be signed by the member giving the proxy. Any instruction given in a proxy issued for an election that directs the manner in which the proxyholder is to cast the vote must be set forth on a separate page of the proxy that can be detached and given to the proxyholder to retain. The proxyholder must cast the member's vote by secret ballot. A proxy that does not satisfy these requirements may not be counted.

Any form of proxy that is distributed to the membership by any person must afford the opportunity to specify a choice between approval or disapproval of each matter or group of matters to be acted upon, except that is not mandatory that a candidate for election to the Board be named in the proxy. The proxy must provide that where the member specified a choice, the vote will be cast in accordance with that choice.

Inspectors of Election

Inspector(s) of Election ("Inspector(s)") will be appointed by the Board of Directors at a board meeting held prior to the election and will serve as Inspectors until such time that their successors are appointed by the Board of Directors. There shall be one (1) or three (3) Inspectors for the Association. If there are three (3) Inspectors, the decision or act of a majority shall be effective in all respects as the decision or act of all. Inspector(s) may be a member of the Association, but may not be a member of the Board, a candidate for the Board, or related to a member of the Board or candidate for the Board. An Inspector may not be a person or entity who or which is currently employed or under contract to the Association for any compensable services, other than inspection services.

Role of Inspectors of Elections

Inspector(s) will determine the number of memberships entitled to vote and the voting power of each in accordance with the Association's governing documents. Inspector(s) will determine the authenticity, validity, and effect of proxies, if any. Inspector(s) will hear and determine all challenges and questions in any way arising out of or in connection with the right to vote. Ballots will be returned to the Association's managing office, unless another location is designated by the Inspectors. Inspector(s) will determine when the polls shall close. Inspector(s) will determine and announce the tabulated results of the election.

The Inspector(s) may appoint and oversee additional persons to verify signatures, count and tabulate votes as the Inspector(s) deem appropriate, provided that the persons are independent third parties. Inspector(s) may also perform any acts as may be proper to conduct the election with fairness to all members in accordance with all applicable rules of the Association regarding the conduct of the election that are not in conflict with current

law. Inspector(s) must perform all duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical, and in a manner that protects the interest of all members of the Association.

Tabulation of Votes

Inspector(s) count and tabulate all votes. All votes shall be counted and tabulated by the Inspector(s) at a duly noticed board or membership meeting. Any candidate or other member of the Association may witness the counting and tabulation of the votes. Members who are not Inspectors or being overseen by an Inspector must remain at least five feet (5') away from the counting area. Members who are not Inspectors may not participate in the counting or tabulation process or any discussions that may arise among the Inspectors or their designated assistants.

Every Inspector(s) must provide an inspection report for the Association's corporate records. After the final tabulation of the votes, custody of all election materials will be transferred to the custody of the Association, unless first retained by the Inspector in a secure place for no less than one (1) year after the date of the election. Once retained by the Association, the election materials shall be stored for a period not less than the current fiscal year, plus two (2) additional fiscal years.

Recording and Announcing Election Results

Inspector(s) must report the results of the election promptly to the Board of Directors, and the results will be recorded in the next regular session board meeting minutes. In addition to recording the election results in the next regular session board meeting minutes, the Association shall keep annual meeting minutes that reflect the election results. The Board of Directors will publicize the results of the election in a communication directed to all members within fifteen (15) days of a successful (quorum achieved) election.

Retention and Inspection of Records

The ballots, signed voter envelopes, voter list, proxies, and candidate registration list shall at all times be in the custody of the Inspector(s) or at a location designated by the Inspector(s) until after the tabulation of the vote, and until the time allowed by *Civil Code* section 5145 for challenging the election has expired, at which time custody shall be transferred to the Association.

Returned ballots, signed voter envelopes, the voter list of names, parcel numbers, and voters to whom ballots were to be sent, proxies, and the candidate registration list are subject to inspection. Signed voter envelopes may be inspected but may not be copied. If there is a recount or other challenge to the election process, the Inspector(s) shall, upon written request, make the ballots available for inspection and review by an Association

member or the member's authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote.