

WORKSHEET – STOCK COOPERATIVE PROJECT

DUE DATE

RE 636A (Rev. 9/99)

REPORT TYPE

PRELIMINARY RENEWAL AMENDED FINAL CONDITIONAL

APPLICANT'S NAME(S)

FILE NUMBER

ISSUED

AMENDMENT DATE

TRACT NUMBER

COUNTY

AMENDMENT NUMBER

TRACT NAME

RENEWAL DATE

EXPIRES

REPORT TO BE:

MAILED PICKED UP AT COUNTER BY:

DEPUTY INITIALS

DEPUTY EMPLOYEE #

MANAGER'S INITIALS

COMPLETION INSTRUCTIONS

- ✓ A ❖ indicates instructions to the person completing this form.
- ✓ Check the at the beginning of the sentence or paragraphs *if* the sentence or paragraph(s) should be included in the public report.
- ✓ When there are variables within a sentence check the appropriate to make the sentence accurate and complete.
- ✓ Complete blank lines when appropriate.

SPECIAL NOTE(S)

❖ *Use only when issuing a conditional public report for this file.*

THIS IS NOT A FINAL PUBLIC REPORT. THIS IS A CONDITIONAL SUBDIVISION PUBLIC REPORT. AS THE SUBDIVIDER HAS NOT AS YET SATISFIED ALL OF THE CONDITIONS NECESSARY FOR THE ISSUANCE OF A FINAL SUBDIVISION PUBLIC REPORT, ESCROW MAY NOT CLOSE, FUNDS MAY NOT BE RELEASED FROM ESCROW TO THE SUBDIVIDER, AND TITLE SHALL NOT BE CONVEYED UNTIL ISSUANCE OF A FINAL SUBDIVISION PUBLIC REPORT COVERING THIS SUBDIVISION. UNDER THIS CONDITIONAL PUBLIC REPORT, THE SUBDIVIDER MAY NOT ENTER INTO A BINDING AGREEMENT WITH YOU FOR THE PURCHASE OR LEASE OF UNITS OR LOTS IN THIS SUBDIVISION UNLESS:

- (A) THE SUBDIVIDER FIRST PROVIDES YOU WITH A COPY OF THIS CONDITIONAL SUBDIVISION PUBLIC REPORT AND A WRITTEN STATEMENT CONTAINING CERTAIN DISCLOSURES REQUIRED BY B&P CODE SECTION 11018.12(f);
- (B) PROVISION IS MADE IN THE PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS FOR THE RETURN TO YOU OF THE ENTIRE SUM OF MONEY PAID OR ADVANCED BY YOU IF A FINAL SUBDIVISION PUBLIC REPORT HAS NOT BEEN ISSUED WITHIN SIX MONTHS AFTER THE DATE THIS CONDITIONAL PUBLIC REPORT WAS ISSUED;
- (C) PROVISION IS MADE IN THE PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS FOR THE RETURN TO YOU OF THE ENTIRE SUM OF MONEY PAID OR ADVANCED BY YOU IF YOU ARE DISSATISFIED WITH THE FINAL SUBDIVISION PUBLIC REPORT BECAUSE OF A MATERIAL CHANGE IN THE SETUP OF THE OFFERING. (REFER TO B&P CODE SECTION 11012.)
- (D) AS A CONDITION OF THE SALE, DELIVERY OF LEGAL TITLE OR OTHER INTEREST CONTRACTED FOR WILL NOT TAKE PLACE UNTIL ISSUANCE OF A FINAL SUBDIVISION PUBLIC REPORT.

THE TERM OF THIS CONDITIONAL PUBLIC REPORT IS SIX MONTHS. WHEN THE CONDITIONAL PUBLIC REPORT EXPIRES, YOU MAY WISH TO CONSIDER CONTACTING THE SUBDIVIDER TO DISCUSS THE STATUS OF YOUR SALES AGREEMENT, SINCE A CONDITIONAL PUBLIC REPORT MAY BE RENEWED FOR ONE ADDITIONAL SIX MONTH TERM.

THIS IS A “CONDITIONAL PUBLIC REPORT” WHICH ALLOWS THE SUBDIVIDER TO ENTER INTO A BINDING CONTRACT WITH YOU, SUBJECT TO YOUR RECEIPT AND EXAMINATION OF A FINAL PUBLIC REPORT WITHIN THE TIME PERIOD INDICATED IN YOUR CONTRACT.

THE FOLLOWING CONDITIONS MUST BE SATISFIED BY THE SUBDIVIDER BEFORE A FINAL PUBLIC REPORT CAN BE ISSUED: *(complete list of conditions)*

❖ *Use the following if a conditional public report has been issued for this file.*

IF YOU ENTERED INTO AN AGREEMENT TO PURCHASE OR LEASE AN INTEREST IN THE SUBDIVISION UNDER AUTHORITY OF A CONDITIONAL SUBDIVISION PUBLIC REPORT, THE SALES AGREEMENT AND THE ESCROW INSTRUCTIONS CONTAINED ARRANGEMENTS FOR THE

RETURN TO YOU OF MONIES PAID OR ADVANCED IF YOU ARE DISSATISFIED WITH THIS FINAL SUBDIVISION PUBLIC REPORT BECAUSE OF A MATERIAL CHANGE IN THE SETUP OF THE OFFERING COVERED BY B&P CODE SECTION 11012. YOU ARE ADVISED TO CAREFULLY READ THIS FINAL SUBDIVISION PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND POSSIBLY DIFFERENT FROM THAT INCLUDED IN THE CONDITIONAL REPORT.

❖ *Use the following if a Preliminary Public Report has been issued for this file.*

IF YOU HAVE RECEIVED A PRELIMINARY PUBLIC REPORT FOR THIS SUBDIVISION, YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND PROBABLY DIFFERENT FROM THAT INCLUDED IN THE PRELIMINARY REPORT.

THIS REPORT COVERS ONLY DOES NOT INCLUDE LOT(S) UNIT(S) _____

YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPH(S) BELOW ENTITLED:

CONDITIONS OF SALE, MANAGEMENT AND OPERATION, FILLED GROUND,
 FLOOD AND DRAINAGE, WATER, FIRE PROTECTION, STREETS AND ROADS,

THIS PROJECT IS A COMMON INTEREST SUBDIVISION OF THE TYPE REFERRED TO AS A STOCK COOPERATIVE. IT WILL BE OPERATED BY AN INCORPORATED OWNERS ASSOCIATION.

❖ *Use in all reports.*

THE ASSOCIATION HAS THE RIGHT TO LEVY ASSESSMENTS AGAINST YOU FOR MAINTENANCE OF THE COMMON AREAS AND OTHER PURPOSES. YOUR CONTROL OF OPERATIONS AND EXPENSES IS LIMITED TO THE RIGHT OF YOUR ELECTED REPRESENTATIVES TO VOTE ON CERTAIN PROVISIONS AT MEETINGS.

❖ *Use if HOA not yet formed.*

SINCE THE COMMON PROPERTY AND FACILITIES WILL BE MAINTAINED BY AN ASSOCIATION OF HOMEOWNERS, IT IS ESSENTIAL THAT THIS ASSOCIATION BE FORMED EARLY AND PROPERLY. THE HOMEOWNER ASSOCIATION MUST HOLD THE FIRST MEETING AND ELECTION OF THE ASSOCIATION'S GOVERNING BODY (*if the public report authorizes the sale of less than 50 subdivision interests*) WITHIN SIX MONTHS AFTER THE CLOSING OF THE SALE OF THE FIRST SUBDIVISION INTEREST UNDER THE FIRST PUBLIC REPORT FOR THE SUBDIVISION (*if the public report authorizes the sale of 50 or more subdivision interests*) WITHIN 45 DAYS AFTER 51% SELL OUT OF THE INTERESTS AUTHORIZED FOR SALE UNDER THE FIRST PUBLIC REPORT FOR THE SUBDIVISION. HOWEVER, IN NO EVENT SHALL THE MEETING BE HELD LATER THAN SIX MONTHS AFTER THE CLOSING OF THE SALE OF THE FIRST SUBDIVISION INTEREST. (REGULATIONS 2792.17 AND 2792.19) THE HOMEOWNER ASSOCIATION MUST ALSO PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT AND A SUMMARY OF THE ASSOCIATION'S RESERVES BASED UPON THE MOST RECENT REVIEW OR STUDY CONDUCTED PURSUANT TO SECTION 1365.5 OF THE CIVIL CODE.

❖ *Use if the HOA has been formed.*

- THE COMMON PROPERTY AND FACILITIES ARE MAINTAINED BY A HOMEOWNER ASSOCIATION. THE HOMEOWNER ASSOCIATION MUST HOLD ELECTIONS OF THE ASSOCIATION'S GOVERNING BODY IN ACCORDANCE WITH ITS GOVERNING DOCUMENTS AND MUST PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT.

❖ *Use if there is a bond or other financial arrangement for completion of common area.*

- THE SUBDIVIDER HAS POSTED A BOND WILL POST A BOND HAS MADE FINANCIAL ARRANGEMENTS WILL MAKE FINANCIAL ARRANGEMENTS IN THE AMOUNT OF \$ _____ TO ASSURE COMPLETION OF COMMON AREA IMPROVEMENTS DESCRIBED IN THE PLANNED CONSTRUCTION STATEMENT ATTACHED TO THE BOND SECURITY INSTRUMENT. THE ESTIMATED COMPLETION DATE FOR THESE IMPROVEMENTS IS _____.

❖ *Use when no bond or alternative security for completion of common area which is on a separate lot from units.*

- SUBDIVIDER ESTIMATES ALL COMMON FACILITIES IN THIS PHASE WILL BE COMPLETED BY APPROXIMATELY _____ (date).
- THE SUBDIVIDER ADVISES THAT NO ESCROWS WILL CLOSE UNTIL ALL COMMON FACILITIES, IMPROVEMENTS, AND LANDSCAPING IN THIS PHASE HAVE BEEN COMPLETED; A NOTICE OF COMPLETION HAS BEEN FILED AND ALL CLAIM OF LIENS HAS EXPIRED, OR A TITLE POLICY ISSUED TO THE ASSOCIATION AND OR EACH PURCHASER CONTAINING AN ENDORSEMENT AGAINST ALL CLAIM OF LIENS. (SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE.)

❖ *Use when no bond or alternative security for completion of common area which is on the same lot as the units.*

- THE SUBDIVIDER ESTIMATES ALL COMMON FACILITIES INCLUDING RESIDENTIAL STRUCTURES IN THE TOTAL PROJECT IN THIS PHASE WILL BE COMPLETED BY APPROXIMATELY _____ (date).
- THE SUBDIVIDER ADVISES THAT NO ESCROWS WILL CLOSE IN THIS PHASE UNTIL ALL COMMON FACILITIES, IMPROVEMENTS, LANDSCAPING, AND ALL STRUCTURES HAVE BEEN COMPLETED; A NOTICE OF COMPLETION HAS BEEN FILED AND ALL CLAIM OF LIENS HAS EXPIRED OR, A TITLE POLICY IS ISSUED TO THE ASSOCIATION CONTAINING AN ENDORSEMENT AGAINST ALL CLAIM OF LIENS. (SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE.)

❖ *Use for RE 621.*

- NO ESCROWS WILL CLOSE IN THIS PHASE UNTIL COMPLETION OF ALL COMMON AREAS AND FACILITIES OR, AS AN ALTERNATIVE, THE SUBDIVIDER HAS SUBMITTED A BOND OR OTHER SECURITY ACCEPTABLE TO THE DEPARTMENT OF REAL ESTATE UNDER THE PROVISIONS OF SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE TO ASSURE LIEN FREE COMPLETION OF ALL COMMON AREAS FACILITIES AND RESIDENTIAL UNITS IN THIS PHASE OF THIS PROJECT.

❖ Use applicable.

- THE SUBDIVIDER MUST PAY ASSESSMENTS TO THE HOMEOWNERS ASSOCIATION FOR ALL UNSOLD MEMBERSHIPS IN THIS PHASE. THE PAYMENTS MUST COMMENCE IMMEDIATELY AFTER SUBDIVIDER ON THE FIRST DAY OF THE MONTH AFTER SUBDIVIDER CONVEYS THE FIRST SUBDIVISION INTEREST IN THIS PROJECT IN THIS PHASE IN THE PHASES COVERED BY THIS REPORT. (REGULATIONS 2792.9 AND 2792.16.)
- THE SUBDIVIDER MUST MAINTAIN AND DELIVER TO THE HOMEOWNERS ASSOCIATION THE SPECIFIC RECORDS AND MATERIALS LISTED IN REAL ESTATE COMMISSIONER'S REGULATION 2792.23 WITHIN THE STATED TIME PERIOD. THESE RECORDS AND MATERIALS DIRECTLY AFFECT THE ABILITY OF THE HOMEOWNERS ASSOCIATION TO PERFORM ITS DUTIES AND RESPONSIBILITIES. (REFER TO SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE AND SECTION 1363 OF THE CIVIL CODE.)
- THE SUBDIVIDER MUST PROVIDE YOU WITH A COPY OF THE ARTICLES OF INCORPORATION, RESTRICTIONS AND BYLAWS, BY FURNISHING YOU COPIES PRIOR TO CLOSE OF ESCROW. THESE DOCUMENTS CONTAIN NUMEROUS MATERIAL PROVISIONS THAT SUBSTANTIALLY AFFECT AND CONTROL YOUR RIGHTS, PRIVILEGES, USE, OBLIGATIONS, AND COSTS OF MAINTENANCE AND OPERATION. YOU SHOULD READ AND UNDERSTAND THESE DOCUMENTS BEFORE YOU OBLIGATE YOURSELF TO PURCHASE A MEMBERSHIP. (SECTION 11018.6 BUSINESS AND PROFESSIONS CODE.)
- THE SUBDIVIDER STATED HE WILL FURNISH WILL NOT FURNISH THE CURRENT BOARD OF OFFICERS OF THE HOMEOWNERS ASSOCIATION AND EACH INDIVIDUAL PURCHASER WITH THE DEPARTMENT OF REAL ESTATE APPROVED ASSOCIATION BUDGET.
- THE SUBDIVIDER HAS INDICATED THAT HE INTENDS TO SELL ALL OF THE MEMBERSHIPS IN THIS PROJECT; HOWEVER, ANY OWNER, INCLUDING THE SUBDIVIDER, HAS A LEGAL RIGHT TO RENT OR LEASE THE UNITS.
- THE SUBDIVIDER INDICATES IN ADDITION TO HIS SALES PROGRAM HE WILL LEASE APPROXIMATELY _____ UNITS IN THE DEVELOPMENT. LEASES WILL BE FOR A TERM OF _____ OR MORE.
- IF YOU PURCHASE FIVE OR MORE SUBDIVISION INTERESTS (MEMBERSHIPS) FROM THE SUBDIVIDER, THE SUBDIVIDER IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL YOUR INTERESTS OR LEASE THEM FOR TERMS LONGER THAN ONE YEAR, YOU ARE REQUIRED TO OBTAIN AN AMENDED SUBDIVISION PUBLIC REPORT BEFORE YOU CAN OFFER THE INTERESTS FOR SALE OR LEASE.
- WARNING: WHEN YOU SELL YOUR MEMBERSHIP TO SOME ONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION OF RESTRICTIONS, ARTICLES OF INCORPORATION, THE BYLAWS AND A TRUE STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS, PENALTIES, ATTORNEYS' FEES OR OTHER CHARGES, PROVIDED BY THE RESTRICTIONS OR OTHER MANAGEMENT DOCUMENTS ON THE MEMBERSHIP AS OF THE DATE THE STATEMENT WAS ISSUED.

NOTE: IF YOU FORGET TO DO THIS, IT MAY COST YOU A PENALTY OF \$500.00 — PLUS ATTORNEY'S FEES AND DAMAGES (SEE CIVIL CODE SECTION 1368).

THE SUBDIVIDER MUST MAKE AVAILABLE TO YOU, COPIES OF THE ASSOCIATION GOVERNING INSTRUMENTS, A STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS AND RELATED CHARGES AS PROVIDED BY THE GOVERNING INSTRUMENTS AND, IF AVAILABLE, CURRENT FINANCIAL AND RELATED STATEMENTS (SEE BUSINESS AND PROFESSIONS CODE SECTION 11018.6).

INTERESTS TO BE CONVEYED

IN THIS STOCK COOPERATIVE PROJECT, INDIVIDUAL PURCHASERS ARE MEMBERS OF THE NONPROFIT CORPORATION THAT HOLDS TITLE TO THE BUILDINGS CONTAINING THE RESIDENTIAL UNITS.

THROUGH HIS MEMBERSHIP, THE INDIVIDUAL IS A PART OWNER OF THE ASSETS OF THE CORPORATION, AND SUBJECT TO THE CORPORATION'S LIABILITIES.

AS INDIVIDUAL PURCHASERS, YOU WILL NOT RECEIVE TITLE TO INDIVIDUAL RESIDENTIAL UNITS. YOUR MEMBERSHIP CERTIFICATES WILL ENTITLE YOU TO THE EXCLUSIVE RIGHT TO OCCUPY PARTICULAR UNITS (APARTMENTS) IN ACCORDANCE WITH THE TERMS OF AN OCCUPANCY AGREEMENT (LEASE).

IN ADDITION TO RESIDENTIAL UNITS, THE COOPERATIVE OWNS RECREATIONAL AND OTHER COMMON FACILITIES AND IMPROVEMENTS.

PURCHASERS WILL BECOME MEMBERS OF THE _____ ASSOCIATION BY VIRTUE OF THEIR MEMBERSHIP CERTIFICATES.

LOCATION AND SIZE

❖ *City only.*

This subdivision is located at _____
 and _____ within
the city limits of _____. Prospective purchasers should
acquaint themselves with the kinds of city services available.

❖ *County only.*

This subdivision is located in _____ County
 at _____
 and _____
 approximately _____ miles from _____.

This is a single phase project which consists of approximately _____ acres on which _____ building(s) containing _____ units and _____ garages _____ carports _____ open parking spaces will be constructed has been constructed have been constructed.

This is the _____ (first, second, etc.) phase which consists of approximately _____ acres on which _____ building(s) containing _____ units and _____ garages _____ carports _____ open parking spaces will be constructed has been constructed have been constructed.

Common facilities consisting of _____

_____ also
 will be constructed have been constructed on (*identify common area*) _____

This phase is part of a total project which, if developed as proposed, will consist of a total of _____ phases and _____ units.

❖ *Do not include unless completed or financially assured.*

Additional common facilities consisting of _____ in the _____ phase will be constructed have been constructed within the overall projected development.

❖ *Use for single lot phased projects as per §11018.5(D).*

This is the first residential building to be constructed in this project. It contains _____ units.

A total of _____ additional buildings containing _____ units are planned for future construction on this lot. The subdivider states the anticipated completion dates are as follows:

	<i>Building Number</i>	<i>Number of Units</i>	<i>Completion Date</i>
<input type="checkbox"/>	1. _____	_____	_____
<input type="checkbox"/>	2. _____	_____	_____
<input type="checkbox"/>	3. _____	_____	_____

The subdivider has has not provided any guarantees to the homeowner association for construction of Building Number(s) _____.

There is no assurance that the building(s) will be completed as scheduled or will ever be constructed. The common areas, excluding residential buildings, are to be completed prior to the close of escrow of the first unit in Building Number _____.

Prior to close of escrow the subdivider will submit The subdivider has submitted a lien and completion bond to assure completion of all common areas located outside the residential building(s) on this lot.

There is no assurance that the total project will be completed as proposed.

CONVERSION

- This development is a conversion of an existing apartment hotel to stock cooperative use. The structure was completed in _____ (year).
- The subdivider will provide you with a written statement listing all substantial defects or malfunctions in the major systems in your unit and common areas a written statement disclaiming knowledge of any substantial defects or malfunctions. Such statement disclaimer is required by Civil Code Section 1134.
- THE SUBDIVIDER HAS NOT FURNISHED INSPECTION REPORTS FROM LICENSED CONTRACTORS OR ENGINEERS CONCERNING THE CURRENT CONDITION OF MAJOR BUILDING COMPONENTS. CONSEQUENTLY, COST ESTIMATES FOR POSSIBLE FUTURE REPAIRS ARE NOT AVAILABLE. THIS MEANS THE ESTIMATES OF REMAINING USEFUL LIFE IN SUCH BUILDING COMPONENTS MAY NOT BE ACCURATE AND THE ASSOCIATION'S BUDGET MAY NOT BE SUFFICIENT TO PAY FOR UNEXPECTED REPAIRS. IT MAY BE NECESSARY TO LEVY ASSESSMENTS AGAINST THE UNIT OWNERS TO PAY FOR SUCH REPAIRS.

MANAGEMENT AND OPERATION

The _____ Association, of which you become a member at time of purchase, manages and operates the common area(s) in accordance with the Restrictions, Articles of Incorporation, and the Bylaws.

MAINTENANCE AND OPERATIONAL EXPENSES

❖ *Use for Final Public Reports with no interim budget.*

- The subdivider has submitted a budget for the maintenance and operation of the common areas and for long-term reserves. This budget was reviewed by the Department of Real Estate in _____ (month-year). You should obtain a copy of this budget from the subdivider. Under this budget, the prorated average monthly assessment against each subdivision interest will be \$ _____ ranges from \$ _____ to \$ _____ of which \$ _____ to \$ _____ is a monthly contribution to long-term reserves and is not to pay for current operating expenses.

❖ *Use for Final Reports with an interim budget.*

- The subdivider has submitted budgets for the maintenance and operation of the common areas and for long-term reserves when the subdivision is substantially completed (built-out budget) and an interim budget applicable to this phase. These budgets were reviewed by the Department of Real Estate in _____ (month-year). You should obtain copies of these budgets from the subdivider.
- Under the built-out budget, the prorated average monthly assessment against each subdivision interest will be \$ _____ ranges from \$ _____ to \$ _____. The association may or may not elect to use this budget when additional phases are annexed. Under the phase budget interim budget, the prorated average monthly assessment per interest will be \$ _____ ranges from \$ _____ to \$ _____. Of these amounts, the monthly contributions toward long-term reserves, which are not to be used to pay for current operating expenses are \$ _____ and \$ _____, respectively.

According to the subdivider, assessments under the interim budget should be sufficient for proper maintenance and operation of the common areas until the development is completed at which time it may be anticipated that assessments will be adjusted.

IF THE BUDGET FURNISHED TO YOU BY THE DEVELOPER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH IS AT LEAST 20% MORE OR AT LEAST 10% LESS THAN THE ASSESSMENT AMOUNT SHOWN IN THE FINAL IN THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO AN AGREEMENT TO PURCHASE.

❖ *Use for final reports with range of assessments.*

The subdivider has submitted budgets for the maintenance and operation of the common areas and for long-term reserves when the subdivision is substantially completed (built-out budget) and interim budgets applicable to these phases. These budgets were reviewed by the Department of Real Estate in _____ You should obtain copies of these budgets from the subdivider.

Due to uncertainty in the sequence in which other developers in this project will close escrows in individual housing projects located in the overall development, it is difficult to predict at this time the amount of the monthly assessment which will be assessed against each lot in the project.

As the overall project is developed and additional phases of development become subject to assessment, the level of monthly assessments in existing phases of development may increase or decrease, subject to the limitations in the CC&Rs or Bylaws. Under the interim budget on file with the Department of Real Estate, the range of monthly assessments during the development period will be between _____ and _____. Of these amounts, the monthly contributions toward long-term reserves, which are not to be used to pay for current operating expenses are _____ and _____ respectively.

According to the subdivider, assessments under the interim budget should be sufficient for proper maintenance and operation of the common areas until the development is substantially completed at which time it may be anticipated that assessments will be adjusted. Prior to the close of escrow for the sale of your lot, the subdivider will provide you with a copy of the budget for your phase, reflecting the amount of the initial assessment you will actually pay to the association.

❖ *Use if Regulation 2792.16(c) is in the CC&Rs.*

The management documents provide that the subdivider or other owner of a subdivision interest will be allowed to defer from payment, that portion of any assessment which is directly attributable to any structural improvement and/or common facility that is not complete at the time assessments commence. The amount of the deferment may be a fixed amount, or may vary based upon dates of completion or use. Once the established criterion is met and the authority allowing the deferment is eliminated, all owners must pay the full amount of the monthly assessment as outlined herein. The limitations of this allowance are specifically set forth in the management documents. (Regulation 2792.16c.)

The association may increase or decrease assessments at any time in accordance with the procedure prescribed in the management documents. In considering the advisability of a decrease, or a smaller increase, in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

❖ *Use first sentence only if budget has been reviewed.*

THE BUDGET INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF BUDGET REVIEW AS SHOWN ABOVE. EXPENSES OF OPERATION ARE DIFFICULT TO PREDICT ACCURATELY AND EVEN IF ACCURATELY ESTIMATED INITIALLY, MOST EXPENSES INCREASE WITH THE AGE OF FACILITIES AND WITH INCREASES IN THE COST OF LIVING.

Monthly assessments will commence on all memberships; in this phase, in the phases covered by this report, on the first day of the month immediately following the conveyance of the first subdivision interest in the phase.

The remedies available to the association against owners who are delinquent in the payment of assessments are set forth in the management documents. These remedies are available against the subdivider as well as against other owners.

The subdivider has posted a bond will post a bond has deposited funds in escrow will deposit funds in escrow has made financial arrangements will make financial arrangements as partial security for the obligation to pay these assessments. The governing body of the association should assure itself that the subdivider has satisfied these obligations to the association with respect to the payment of assessments before agreeing to a release or exoneration of the security.

❖ *Describe subsidy program — see Section 2792.10 of Regulations.*

The subdivider has entered into an agreement with the homeowner association to subsidize.

TITLE

❖ *No mention unless title is vested in someone other than applicant or in several applicants.*

Title is vested in _____

A title report shows title, among other things, to be subject to: (e.g., restrictions or use not set forth under restrictions).

EASEMENTS

Easements for utilities, planting, mail delivery, drainage, flood control, rights-of-way, building setbacks, anchor rights, sewers, _____,
 _____, _____,
 _____, _____,
 and other purposes are shown on the Title Report and Subdivision Map to be recorded recorded in the Office of the _____ County Recorder, Book _____ of Maps, of Parcel Maps, Pages _____ through _____, and Cooperative Plan to be recorded recorded _____ as Instrument Number _____ on _____ Book _____ Pages _____ through _____.

❖ *Reference unusual easements, especially if confiscatory.*

Amendments to the original cooperative plan may also be recorded. You may ask the subdivider about such changes. If you purchase a membership, this information will be included in your title policy.

RESTRICTIONS

This subdivision is subject to Restrictions will be subject to Restrictions to be recorded recorded in the Office of the _____ County Recorder, Book _____ Page(s) _____ through _____ on _____ (date) as Instrument Number _____, amended, Book _____ Page(s) _____ which include among other provisions, the following:

❖ *Use in mobilehome subdivisions with adults-only covenant.*

Occupancy of units in this project is restricted to persons _____ years of age or older. Existing statutory law (Civil Code Section 799.5) permits adult only occupancy rules for mobilehome park subdivisions.

❖ *Use with Restrictions.*

FOR INFORMATION AS TO YOUR OBLIGATIONS AND RIGHTS, YOU SHOULD READ THE RESTRICTIONS. THE SUBDIVIDER MUST MAKE THEM AVAILABLE TO YOU.

LEASE: OCCUPANCY AGREEMENT: The lease occupancy agreement, among other things, provides: The corporation shall deliver to member, exclusive occupancy of the dwelling _____ unit subscribed for a term of _____ years expiring _____ and the conditions for the renewal or extension of such term.

- Members' unit may not sublet without the consent of the corporation.
- Specifies the repairs, maintenance and services to be performed by the cooperative as well as those which are the responsibility of the individual members.
- Defines the effect of fire or other casualty loss on the interest of the member.
- Sets forth the conditions and effect of default by member.
- Should you occupy a unit under an interim occupancy agreement prior to issuance of your stock, any improvements installed or constructed by you may not be recovered in the event that the cooperative plan is not consummated.

MINERAL RIGHTS

❖ *If mineral rights are reserved, briefly state conditions of the reservation.*

- The corporation will not own the water, mineral, oil, and gas rights under the land below a depth of _____ feet. These have been reserved as follows: _____

- The right to surface entry has been waived.

❖ *Use if improved with residential structures and there is a right to surface entry.*

- YOU WILL NOT OWN THE MINERAL, OIL AND GAS RIGHTS UNDER YOUR LAND. THE RIGHT TO SURFACE ENTRY TO EXTRACT MINERALS HAS NOT BEEN WAIVED BY THE OWNER OF THESE RIGHTS. UNLESS OTHERWISE RESTRICTED, THE OWNER OF MINERAL, OIL AND GAS RIGHTS IS ENTITLED TO ENTER THE LAND TO PENETRATE THE SURFACE TO EXTRACT SUBSURFACE MINERALS. BECAUSE OF THE LOCATION OF THE SUBDIVISION, LOCAL ZONING OR OTHER LAWS OR REGULATION MAY PROHIBIT THE OWNER FROM DOING THIS. FOR FURTHER PARTICULARS, YOU SHOULD CONTACT THE BUILDING DEPARTMENT OF THE CITY OR COUNTY IN WHICH THIS PROPERTY IS LOCATED. WHEN YOU PURCHASE, YOU CAN REQUEST A "HOMEOWNERS ENDORSEMENT" TO YOUR POLICY OF TITLE INSURANCE WHICH WILL INSURE AGAINST LOSS UP TO THE AMOUNT OF THE POLICY, FOR DAMAGE TO ANY OWNER-OCCUPIED RESIDENTIAL STRUCTURE THEN ON THE LAND, WHICH DAMAGE RESULTS FROM THE EXERCISE OF SURFACE ENTRY RIGHTS.

USES AND ZONING

❖ *Mention if different from the offering, i.e., commercial adjacent to residential, etc.*

HAZARDS

❖ *Mention only actual hazards, otherwise list under Uses and Zoning or not at all.*

The following hazards exist within or near this development: _____

❖ *Include as applicable.*

- The subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a *Special Flood Hazard Area* as designated by the Federal Emergency Management Agency. Additionally, the subdivider has advised that prospective purchasers within this Area will be provided a separate disclosure required under Government Code Section 8589.3.
- The subdivider has advised that all or portions of the subdivision subject to this Public Report are located within an *Area of Potential Flooding* as shown on an inundation map. Additionally, the subdivider has advised that prospective purchasers within this Area will be provided a separate disclosure required under Government Code Section 8589.4.
- The subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a *Very High Fire Hazard Severity Zone*. Additionally, the subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under Government Code Section 51183.5.
- The subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a *State Responsibility Area* (wildland area that may contain substantial forest fire risks and hazards) as determined by the California State Board of Forestry. Additionally, the subdivider has advised that prospective purchasers within this Area will be provided a separate disclosure required under Public Resources Code Section 4136.
- The subdivider has advised that all or portions of the subdivision subject to this Public Report are located within an *Earthquake Fault Zone*. Additionally, the subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under Public Resources Code Section 2621.9.
- The subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a *Seismic Hazard Zone*. Additionally, the subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under Public Resources Code Section 2694.

❖ *Include if this subdivision is included in one or more natural hazard areas.*

- Since all or portions of the subdivision subject to this Public Report are located within one or more natural hazard areas, your homeowner's insurance and/or insurance coverage for any association or commonly owned areas may be affected. You should contact your lender and insurance carrier for more information regarding types

of insurance and costs to cover your property, as well as the owner's association or subdivider regarding any assessment increases due to additional insurance costs.

❖ *Include if any response in RE 619 is "Do Not Know" or "Map Not Yet Released".*

- At the time this public report was issued, information regarding whether all or portions of this subdivision are located within certain natural hazard areas was not yet available to the subdivider. You should ask the subdivider for updated information before obligating yourself to purchase.

❖ *Use only if within 10 miles from subdivision.*

- THE SUBDIVISION IS LOCATED WITHIN _____ MILES OF THE *(nuclear power plant)*

IT IS WITHIN THE BASIC EMERGENCY PLANNING ZONE, THE AREA SURROUNDING EACH OF CALIFORNIA'S NUCLEAR POWER PLANTS, IN WHICH BOTH STATE AND FEDERAL GOVERNMENTS REQUIRE PLANNING TO PROTECT THE PUBLIC IN THE UNLIKELY EVENT OF A SERIOUS ACCIDENT AT THE PLANT. PLANS FOR PUBLIC INFORMATION AND FOR A FULL RANGE OF PROTECTIVE ACTIONS, INCLUDING EVACUATION, HAVE BEEN DEVELOPED BY LOCAL EMERGENCY SERVICES OFFICES.

❖ *Use only if residential structures built prior to 1978 and not housing designated for the elderly.*

- Pursuant to federal Real Estate Disclosure and Notification Rule (24 CFR Part 35 and 40 CFR Part 745), the seller is required to disclose to prospective buyers that this property may contain lead-based paint and/or lead-based paint hazards as well as provide certain written materials as mandated by current law. The seller is required to offer all prospective buyers an opportunity to conduct a risk assessment for lead-based paint and lead-based hazards prior to being obligated under a purchase contracts. This risk assessment may be waived by written agreement between buyer and seller. For more information, you should contact the local office of the Environmental Protection Agency.

TAXES

The maximum amount of any tax on real property that can be collected annually by counties is 1% of the full cash value of the property. With the addition of interest and redemption charges on any indebtedness, approved by voters prior to July 1, 1978, the total property tax rate in most counties is approximately 1.25% of the full cash value. In some counties, the total tax rate could be well above 1.25% of the full cash value. For example, an issue of general obligation bonds previously approved by the voters and sold by a county water district, a sanitation district or other such district could increase the tax rate.

❖ *Fill in only if the total tax rate is above 1.25%.*

- The total property tax rate for the subdivision is _____ % for tax year _____.

For the cooperative corporation, the "full cash value" of _____ will be the valuation, as reflected on the tax roll, determined by the county assessor as of the date of purchase by the cooperative corporation and based upon the purchase price paid. The cooperative corporation shall be assessed for the full amount of the tax and as a purchaser of a share/membership interest in the stock cooperative corporation, you will be required to pay your proportionate share of such taxes as a part of your monthly assessments charged to your membership under your proprietary lease.

Revenue and Taxation Code Section 2188.7 effective January 1, 1981, requires the County Assessor to separately assess the value of each member's right to exclusive occupancy in a stock cooperative project upon receipt of a written request which has been submitted by or approved by the governing body of the cooperative corporation.

The conditions that must be satisfied before separate assessment of individual interests in the stock cooperative project are set forth in Section 2188.7. In order for there to be separate assessment in a tax year beginning on July 1, a request satisfying all of the statutory conditions must be received by the county assessor at least 60 days prior to the lien date (March 1) of that year. Having once been separately assessed, interests in a stock cooperative project continue to be separately assessed in subsequent tax years.

Until the assessor begins separate assessments of stock cooperative interests, the assessment against members by the stock cooperative corporation will include an amount of the payment of property taxes in accordance with the tax allocation schedule included in the governing instrument for the subdivision.

ASSESSMENTS

❖ *Use if within a Special District or Special Assessment District.*

This subdivision lies with the boundaries of the _____ District and is subject to any taxes, assessments and obligations thereof.

❖ *Use for Landscape Lighting Districts or County Service Areas.*

This subdivision lies with the boundaries of the _____ (CSA or LLD District Name) No. _____ and is subject to any taxes, assessments and obligations thereof. This district was formed to provide _____

_____ (services). The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of this Public Report, it is anticipated the projected _____ (year) – _____ (year) assessment for each residential unit within this development will be \$ _____ the _____ (year) – _____ (year) assessments is \$ _____. The administration of this district will be provided by _____.

❖ *Use for Community Facilities Districts.*

This subdivision lies within the _____ Community Facilities District No. _____ and _____

and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with a disclosure disclosures entitled, "Notice of Special Tax" prior to a purchaser entering into a contract to purchase. This Notice contains These Notices contain important information about district functions, purchaser's obligations, right of the district, districts, and information on how to contact the district districts for additional materials. Purchasers should thoroughly understand the information contained in the Notice Notices prior to entering into a contract to purchase. This special tax appears These special taxes appear on the yearly property tax bill, and is are in addition to the tax rate affecting the property described above in the section entitled "TAXES".

The buyer has five days after delivery of this Notice these Notices by deposit in the mail, or three days after delivery of any notice in person, to terminate the sales agreement by giving written notice of that termination to the owner, subdivider, or agent selling the property.

CONDITIONS OF SALE

❖ *Any special conditions should be noted. Use if the Subdivider will offer financing.*

- Pursuant to Civil Code Sections 2956 through 2967, inclusive, subdividers and purchasers must make certain written disclosures regarding financing terms and related information. The subdivider will advise purchasers of disclosures needed from them, if any.

❖ *Always included.*

If your purchase involves financing, a form of deed of trust and note will be used. The provisions of these documents may vary depending upon the lender selected. These documents may contain the following provision(s):

Acceleration Clause. This is a clause in a mortgage or deed of trust which provides that if the borrower (trustor) defaults in the repaying the loan, the lender may declare the unpaid balance of the loan immediately due and payable.

Due-on-Sale Clause. If the loan instrument for financing your purchase of an interest in this subdivision includes a due-on-sale clause, the clause will be automatically enforceable by the lender when you sell the property. This means that the loan will not be assumable by a purchaser without the approval of the lender. If the lender does not declare the loan to be all due and payable on transfer of the property by you, the lender is nevertheless likely to insist upon modification of the terms of the instrument as a condition to permitting assumption by the buyer. The lender will almost certainly insist upon an increase in the interest rate if the prevailing interest rate at the time of the proposed sale of the property is higher than the interest rate of your promissory note.

A Balloon Payment. This means that your monthly payments are not large enough to pay off the loan, with interest, during the period for which the loan is written and that at the end of the loan period, you must pay the entire remaining balance in one payment. If you are unable to pay the balance and the remaining balance is a sizable one, you should be concerned with the possible difficulty in refinancing the balance. If you cannot refinance or sell your property, or pay off the balloon payment, you will lose your property.

A Prepayment Penalty. This means that if you wish to pay off your loan in whole or in part before it is due, you must, in addition pay a penalty .

A Late Charge. This means that if you fail to make your installment payment a specified number of days after the due date, you, in addition, must pay a penalty.

THE SUBDIVIDER MAY ASSIST YOU IN ARRANGING FINANCING FROM A FEDERAL OR STATE REGULATED LENDER WHICH WILL MAKE LOANS THAT ALLOW THE INTEREST RATES TO CHANGE OVER THE LIFE OF THE LOAN. AN INTEREST RATE INCREASE ORDINARILY CAUSES AN INCREASE IN THE MONTHLY PAYMENT THAT YOU MAKE TO THE LENDER. THE LENDER WILL PROVIDE YOU WITH A DISCLOSURE FORM ABOUT THE FINANCING TO ASSIST YOU IN THE EVALUATION OF YOUR ABILITY TO MAKE INCREASED PAYMENTS DURING THE TERM OF THE LOAN. THIS DISCLOSURE FORM WILL BE FURNISHED TO YOU AT THE TIME YOU RECEIVE YOUR LOAN APPLICATION AND BEFORE YOU PAY A NONREFUNDABLE FEE.

Special or Unusual Financing Arrangements:

BEFORE SIGNING, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL LOAN DOCUMENTS.

PURCHASE MONEY HANDLING

- The subdivider must impound all funds received from you in an escrow depository until a trust account until such time as a membership certificate is delivered to you except for such amount as the subdivider has covered by furnishing a bond to the State of California. [Refer to Business and Professions Code Sections
- | | | | |
|-------------------------------------|--------------------------------------|--------------------------------------|---|
| <input type="checkbox"/> 11013, | <input type="checkbox"/> 11013.1, | <input type="checkbox"/> 11013.2(a), | <input type="checkbox"/> 11013.2(d), |
| <input type="checkbox"/> 11013.2(c) | <input type="checkbox"/> 11013.4(a), | <input type="checkbox"/> 11013.4(b), | <input type="checkbox"/> and 11013.4(f).] |
- No such membership certificate or share shall be issued until valid subscriptions have been obtained for _____ memberships in this project.
- If the escrow has not closed on your membership within six (6) months one (1) year _____ of the date of seller's acceptance of your offer, your deposit receipt, escrow opening, you may request return of your deposit.
- IF THE FINAL SUBDIVISION PUBLIC REPORT HAS NOT BEEN ISSUED WITHIN SIX (6) MONTHS FROM THE DATE OF THE ISSUANCE OF THIS CONDITIONAL PUBLIC REPORT, YOU MAY REQUEST THE RETURN OF YOUR DEPOSIT. THE TERM OF THE CONDITIONAL PUBLIC REPORT MAY BE EXTENDED FOR AN ADDITIONAL SIX (6) MONTH TERM.

Note: Section 2995 of the Civil Code provides that: No real estate developer shall require as a condition precedent to the transfer of real property containing a single family residential dwelling that escrow services effectuating such transfer shall be provided by an escrow entity in which the developer owns or controls 5% or more of the escrow entity.

- THE SUBDIVIDER HAS AN INTEREST IN THE ESCROW COMPANY WHICH IS TO BE USED IN CONNECTION WITH THE SALE OR LEASE OF MEMBERSHIPS IN THIS SUBDIVISION.
- THE SUBDIVIDER HAS NO SUCH INTEREST IN THE ESCROW COMPANY WHICH IS TO BE USED IN CONNECTION WITH THE SALE OR LEASE OF MEMBERSHIPS IN THIS SUBDIVISION.

SOILS CONDITIONS

- Soils and geologic information is available at: _____
- _____
- _____

❖ *Mention only if there is fill in excess of two feet. If there are extraordinary features, paraphrase.*

All lots Some lots The common area _____
 contain(s) filled ground will contain filled ground. Information concerning filled ground and
 soil conditions is available at (public agency) _____

❖ *Include for subdivisions located in unincorporated areas of Los Angeles county.*

INFORMATION CONCERNING SLOPES, PLANTING AND DRAINAGE REQUIREMENTS ARE AVAILABLE AT THE OFFICE OF THE COUNTY ENGINEER, BUILDING AND SAFETY DIVISION, 532 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020.

❖ *Always include.*

GEOLOGIC CONDITIONS: THE UNIFORM BUILDING CODE, CHAPTER 70, PROVIDES FOR LOCAL BUILDING OFFICIALS TO EXERCISE PREVENTIVE MEASURES DURING GRADING TO ELIMINATE OR MINIMIZE DAMAGE FROM GEOLOGIC HAZARDS SUCH AS LANDSLIDES, FAULT MOVEMENTS, EARTHQUAKE SHAKING, RAPID EROSION OR SUBSIDENCE. THIS SUBDIVISION IS LOCATED IN AN AREA WHERE SOME OF THESE HAZARDS MAY EXIST. SOME CALIFORNIA COUNTIES AND CITIES HAVE ADOPTED ORDINANCES THAT MAY OR MAY NOT BE AS EFFECTIVE IN THE CONTROL OF GRADING AND SITE PREPARATION.

PURCHASERS MAY CONTACT THE DEVELOPER, THE DEVELOPER'S ENGINEER, THE ENGINEERING GEOLOGIST AND THE LOCAL BUILDING OFFICIALS TO DETERMINE IF THE ABOVE-MENTIONED HAZARDS HAVE BEEN CONSIDERED AND IF THERE HAS BEEN ADEQUATE COMPLIANCE WITH CHAPTER 70 OR A EQUIVALENT OR MORE STRINGENT GRADING ORDINANCE DURING THE CONSTRUCTION OF THIS SUBDIVISION.

FLOOD AND DRAINAGE

❖ *If there is a problem, paraphrase report.*

WATER

❖ *If furnished by a municipal utility, a public utility, or a city, no mention. If furnished by a mutual water company or by private wells, use the following as applicable.*

The _____

advises that it will will not supply water service to each unit.

This is a mutual water company. A mutual water company is not subject to supervision or regulation as a public utility company. No public agency has any supervision or control over the management, rates, assessments, charges or conduct of business by a mutual water company.

Usually, you must be a stockholder in the mutual water company in order to be entitled to get water. A share of stock will cost \$ _____. A transfer fee will be \$ _____.

A stockholder must share in the costs of operation of the water company. A share of stock may be assessed for any amount the management deems necessary for the continuation of the operation of the water company. Through the share, the stockholder has a voice in the management. If a stockholder's vote is one of the minority on the issues of management, individual dissatisfaction may not be easily resolved. The share of stock is appurtenant to the individual lot unit or parcel and may not be disposed of separately.

You will be required to pay costs for extension hook up of water services. _____

Maintenance of water lines and related facilities within the project is the responsibility of the _____ Association and such charges are included in the budget.

There is no regular water service to this subdivision.

Private water wells are the only source of water in this subdivision; you will be required to pay all costs to have a well installed on your lot.

The subdivider's well driller has submitted the following information: _____

-
-
- Samples from wells in the area show water is bacteriologically pure, and has high low mineral content.
 - A test well located at _____ now produces potable water.
 - Water of similar quality should be available throughout the subdivision from individual wells; however, there is no guarantee that such wells will be available on each parcel.

❖ *Include if wells are to be used.*

- The State Water Code requires a Notice of Intention to drill a well and a Report of Completion to be filed with the Department of Water Resources.
- Other water company or facility _____

FIRE PROTECTION

❖ *No mention, if no special charges or conditions. If rural or remote, give name and set forth any charges or special conditions.*

- The _____ Fire Department advises as follows: _____

GAS AND ELECTRICITY

❖ *No mention, if no special charges or conditions. If rural or remote, give name and set forth any charges or special conditions.*

- The _____ (company name) advises as follows: _____

GAS

❖ *No mention, if no special charges or conditions. If rural or remote, give name and set forth any charges or special conditions.*

The _____ (company name)

advises as follows: _____

ELECTRICITY

❖ *No mention, if no special charges or conditions. If rural or remote, give name and set forth any charges or special conditions.*

The _____ (company name)

advises as follows: _____

TELEPHONE

❖ *No mention, if no special charges or conditions. If rural or remote, give name and set forth any charges or special conditions.*

The _____ (company name)

advises as follows: _____

SEWAGE DISPOSAL

❖ *If public sewer, mention only if there are unusual conditions or charges.*

You will be required to pay costs for extension hook-up to sewer service. _____

Septic systems will be used for sewage disposal. You must pay for your septic system. The _____

_____ estimates the costs to be
\$ _____.

❖ *Use if there are to be septic systems, which purchasers must pay to be installed, and if the local health authority has provided a statement that they will be permitted on all lots.*

The _____ (health department) has stated that a permit will be issued for a septic system on all lots/parcels in this subdivision. This information is applicable as of the date of issuance of this public report. Please note that if you do not intend to install a sewage system at this time, there is no guarantee that the lot/parcel will later qualify for use of a septic system. Prior to purchasing a membership and commencing construction, you should contact the local health department concerning specifications, requirements and any local problems.

❖ *Use if local health authority does not state that a septic or other individual sewage system will be permitted on each and every lot/parcel.*

The sales contract and escrow instructions used in the offering of these memberships will provide that prior to close of any sale any interest in this subdivision, the purchaser must receive a written opinion, satisfactory to the purchaser, from the local health authority, a registered civil engineer or geologist that the lot/parcel for which you will obtain your use right is suitable for the installation of a septic system and a permit would be issued, at the date of the opinion, if an application for a permit were made in compliance with local permit requirements on that date.

This information will be applicable at the time of purchase. If you do not intend to install a sewage disposal system at that time, there is no guarantee that the lot/parcel will later qualify for use of a septic system. Prior to purchasing a membership and commencing construction, you should contact the local health Department for specifications, requirements and any local problems.

STREETS AND ROADS

❖ *If not accepted for maintenance, use standard note.*

❖ *If private, in rural area, etc., detail conditions, e.g., dirt graded, dirt ungraded, graveled, or road easements only; dirt roads and/or private ungraded roads are subject to rapid deterioration from adverse weather conditions; roads may be impassable during or following heavy rain or snow, etc., the cost to meet county standards, the cost to maintain, etc.*

As of the date of this report, streets have not been completed. The subdivider has posted a bond will post a bond has made financial arrangements will make financial arrangements with the city with the county to ensure completion to city standards county standards within _____ years within _____ months.

The streets roads within this subdivision have been dedicated to and accepted by the city county for public use but not for maintenance. An engineer estimates it will cost lot owners \$ _____ per linear foot to bring roads to applicable county standards for public maintenance and that the annual cost for maintaining roads as existing at the time of sale will be \$ _____ per linear foot.

The private streets within this project will be maintained by the homeowner association. The costs of repair and maintenance of these private streets are included in the budget and are a part of your regular assessment. With the exception of width, these streets are not constructed to the same standards as public roads which are maintained by the city county. As a result, you may be faced with more rapid deterioration and repair costs may be a major budget factor due to the higher frequency of repairs.

The private streets in this project do not meet city county standards as to width and may not provide adequate access for emergency vehicles such as fire engines.

Purchasers should be aware and should fully investigate the possibility that the development of the roads in this subdivision may alter the terrain so as to affect access to the building site and the view for particular lots in the subdivision.

SCHOOLS

❖ *Include name, address, and phone number of school district(s) and/or information as disclosed by the district(s).*

This project lies within the _____ School District. This District advises the schools initially available to this subdivision are: _____

This school information was provided prior to the date of issuance of this public report and is subject to change. For the most current information regarding school assignments, facilities and bus service, purchasers are encouraged to contact the above school district.

CLOSING STATEMENT

If you need clarification as to the statements in this Public Report or if you desire to make arrangements to review the documents submitted by the subdivider which the Department of Real Estate used in preparing this Public Report you may contact:

Department of Real Estate
Subdivisions South
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
(213) 576-6983

Department of Real Estate
Subdivisions North
1651 Exposition Blvd.
Sacramento, CA 95813
(916) 576-3374