

November 21, 2018

Dear Owner:

These minutes from the Timber Lodge Condominium Association and the Timber Lodge Timeshare Association Board Meetings are being distributed to Owners as outlined in the Timber Lodge Condominium Association Declaration of Conditions, Covenants and Restrictions (CC&Rs), Article VI Management, 6.2 Specific Powers and Duties of the Condominium Association, (l) Minutes, Agenda and Policies.

The Disclosure Statement and Insurance Summary is being distributed to Owners as required by California Civil Code 5300 and 5310 and as outlined in the Timber Lodge Condominium Association Declaration of CC&Rs, Article VI Management, 6.2 Specific Powers and Duties of the Condominium Association, (h) Insurance (2) Distribution of Insurance Summary (C); and the Timber Lodge Timeshare Association Declaration of CC&Rs, Article VI Enforcement of Restrictions, 6.2 Certain Specific Enforcement Powers, (a) Suspension of Privileges and Imposition of Monetary Penalties.

Consider opting-in to receive mailings required by the Association's governing documents or applicable law via electronic transmission through an email address. Examples of required mailings may include: notices of meetings, financial statements, budgets and amendments to the governing documents.

In order to receive these items by electronic transmission, Owners must first explicitly provide consent (or "opt-in"). Consent to receive required mailings by electronic transmission is effective unless it is revoked at a later time.

To opt-in, log into your Owner account on MarriottVacationClub.com. Click on "Account", click on "Profile", click on "Register for Online Document Notification". Edit Settings.

For questions, contact Tom McCormack, Market General Manager, by phone at 530-542-6601 or by email at tom.mccormack@vacationclub.com.

Sincerely,

Tom McCormack

Market General Manager
Marriott's Timber Lodge
Marriott Grand Residence Club – Lake Tahoe

**Timber Lodge Condominium Association
Timber Lodge Timeshare Association**

Board of Directors Meeting

October 1, 2018

A regular meeting of Timber Lodge Condominium Association and Timber Lodge Timeshare Association Boards of Directors was held concurrently on October 1, 2018, at Marriott Grand Residence Club – Lake Tahoe, Cascade Room, 1001 Heavenly Village Way, South Lake Tahoe, California 96150.

Present from each of the Boards of Directors were: David Babich, President; Candyce Beneke, Vice President; David Armitage, Treasurer; Daniel Craig, Secretary and John Albert, Director

Present from Marriott Vacation Club® International, representing the Management Company, were: Ken Acevedo, Director of Engineering; James Beddingfield, Director of Operations; Jane Berg, Regional Vice President of Customer Experience-West; Gregory Campbell, General Manager, Marriott Grand Residence Club - Lake Tahoe; Jennifer Kammerer, Market Director of Finance-Southwest; Tom McCormack, Market General Manager; Melissa Reynolds, Senior Assistant Controller; Vakhid Shimanski, Director of Finance and Sheri Runyon, Executive Assistant

Guest present was: Chris Van Ruiten, Comerica Securities, Inc.

CALL TO ORDER

David Babich, President, called the meeting to order at 1:01 p.m., Pacific time.

Overview of Senate Bill Section 4900, et. seq. (Open Meeting Act) of California Civil Code
Mr. Babich reminded those present of the Davis-Stirling Act – Section 4900, et. seq.

Approval to run meetings concurrently

A motion was made by Candyce Beneke to hold Timber Lodge Condominium Association and Timber Lodge Timeshare Association Boards of Directors Meetings concurrently. The motion was seconded by David Armitage and unanimously carried.

ESTABLISHMENT OF QUORUM

Mr. Babich announced with all Board Members of each Association present, quorum was met for each Association.

APPOINTMENT OF RECORDING SECRETARY

Mr. Babich appointed Sheri Runyon to serve as Recording Secretary.

PROOF OF NOTICE OF BOARD OF DIRECTORS MEETINGS

Notice of Board Meetings was emailed to each Board Member, of each Association, on July 12, 2018, as required by each Association Bylaws.

APPROVAL OF AGENDA

A motion was made by John Albert to approve the Agenda as presented. The motion was seconded by Candyce Beneke and unanimously carried.

APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES

A motion was made by Daniel Craig to approve the April 10, 2018 Timber Lodge Condominium Association and Timber Lodge Timeshare Association Board Meeting Minutes with the following correction: Under New Business, the 2019 Board and Annual Meeting date is April 9, 2019. The motion was seconded by John Albert and unanimously carried.

A motion was made by John Albert to approve the April 10, 2018 Timber Lodge Condominium Association Organizational Meeting Minutes. The motion was seconded by Candyce Beneke and unanimously carried.

A motion was made by Daniel Craig to approve the April 10, 2018 Timber Lodge Timeshare Association

Organizational Meeting Minutes. The motion was seconded by Candyce Beneke and unanimously carried.

FINANCIAL REPORT

Investment Report

Chris Van Ruiten presented an update on investments. Highlights included:

- As of August 31, 2018, Timber Lodge Condominium Association has a total of \$6,156,411 in portfolio investments; Timber Lodge Timeshare Association has a total of \$16,517,197 in portfolio investments
- Mr. Van Ruiten recommended the Board revise the current Investment Policy to include the purchase of AA rated municipal bonds; the current policy only includes AAA rated municipal bonds

Investment Policy

A motion was made by David Armitage to amend the current Investment Policy to include the following: Under Investment Objectives, change the second bullet point for both Timber Lodge Condominium Association and Timber Lodge Timeshare Association to state “Any insured municipal bond issued by an entity considered “tax exempt” which is AA rated and having an underlying rating of A or better as noted by at least one nationally recognized rating agency (e.g., Moody’s, S&P, Fitch).” The motion was seconded by John Albert and unanimously carried.

A motion was made by John Albert to continue the amended investment strategy for 2019 with Comerica Securities, Inc., for Timber Lodge Condominium Association. The motion was seconded by David Armitage and unanimously carried.

A motion was made by John Albert to continue the amended investment strategy for 2019 with Comerica Securities, Inc., for Timber Lodge Timeshare Association. The motion was seconded by Candyce Beneke and unanimously carried.

Audit Engagement Firm

Jennifer Kammerer presented an overview of audit firm proposals received. Highlights included:

- Three audit firms were discussed: Crowe LLP, PwC LLP and RSM US LLP
- The combined cost, for both Associations, are:
 - \$21,000 – Crowe LLP
 - \$30,000 – PwC
 - \$22,500 – RSM US LLP

A motion was made by Daniel Craig to engage the audit firm of RSM US LLP to prepare the 2018 financial statement audit of Timber Lodge Condominium Association. The motion was seconded by John Albert and unanimously carried.

A motion was made by Candyce Beneke to engage the audit firm of RSM US LLP to prepare the 2018 financial statement audit of Timber Lodge Timeshare Association. The motion was seconded by John Albert and unanimously carried.

2018 Financial Review

Melissa Reynolds reviewed the current year financials and presented a year-end forecast. Highlights included:

- Current forecast for 2018 year-end Operating Fund for Timber Lodge Condominium Association shows a savings of \$21,747; the 2018 year-end projected life-to-date fund balance is positive at \$153,764.
- Current forecast for 2018 year-end Operating Fund for Timber Lodge Timeshare Association shows a deficit of \$121,548. Key drivers influencing the overage include Activities, Transportation and Repairs and Maintenance. The 2018 year-end projected life to date fund balance remains positive at \$309,687.

Accounts Receivable

Ms. Reynolds reviewed the Accounts Receivable. Highlights included:

- As of August 31, 2018, year to date outstanding fees were 0.9%, compared to 1.46% in 2017

2018 Condominium Association Reserve Projects

James Beddingfield and Tom McCormack presented an update on 2018 Timber Lodge Condominium Association Reserve projects. Highlights included:

- Refurbishment is near completion; remaining projects include installation of corridor artwork and lighting fixtures, and the addition of corner guards and casters to new coffee tables
- Several areas of the roof and gutters are showing signs of wear; the Management Company recommends repair prior to the upcoming winter
- Several previously approved Reserve projects for 2018 will be postponed to future years, to be determined, based on recommendations to extend the useful life

2018 completed projects with cost variances	Forecast	Budget	Variance for approval
Install variable frequency drive for primary chiller pumps	\$16,619	\$6,600	(\$10,019)
Replace secondary chiller pump controls sensors	\$11,761	\$2,750	(\$9,011)
Install variable frequency drive for primary condenser pumps	\$20,073	\$6,600	(\$13,473)
Install cooling tower control valve	\$26,924	\$22,000	(\$4,924)
Install mixing valve for domestic hot water system	\$83,398	\$55,000	(\$28,398)
Total	\$158,775	\$92,950	(\$65,825)

A motion was made by Daniel Craig to approve an additional \$65,825 from 2018 Timber Lodge Condominium Association Reserve Fund for completed projects, as specified above, bringing the total approved amount for the projects to \$158,775. The motion was seconded by John Albert and unanimously carried.

A motion was made by John Albert to approve \$38,500 from 2018 Timber Lodge Condominium Association Reserve Fund for \$23,500 for Mechanical Service Systems for scope work and review of 2019 and 2020 Reserve Projects and \$15,000 for recommended roof repairs. The motion was seconded by Candyce Beneke and unanimously carried.

RECESS

The meeting recessed at 2:13 p.m.

RECONVENE

The meeting reconvened at 2:25 p.m., with all attendees present.

2019 Proposed Condominium Association Reserve Projects

Ken Acevedo presented the proposed 2019 Timber Lodge Condominium Association Reserve Projects and the proposed cost of each project. Highlights included:

- The Management Company recommends a 10% increase each year to Timber Lodge Condominium Association Reserve Fund contribution for the next 8 years to maintain adequate funding for future capital expenditures
- Upgrade boiler heat exchanger and hot water generators at a cost of \$450,000
- Replace exterior signage in exterior common areas at a cost of \$242,237; the Board requested the Management Company work with local planning officials to enhance the location of entrance signage on Highway 50
- Renovate associate breakrooms and lockers rooms at a cost of \$125,424
- Replace hot water pump, condenser water pump, primary chilled water pump and sewer ejector pump at a cost of \$235,000
- Purchase garage/valet entry sweeper at a cost of \$20,969; sweeper will be a shared asset with Marriott Grand Residence Club - Lake Tahoe
- Consulting and scope work for water intrusion repairs to the Sierra building basement at a cost of \$10,000

Proposed 2019 Projects	Amount
Replace Condominium boiler heat exchanger	\$450,000
Replace exterior and interior common area directional signage package	\$242,237
Remodel associate breakroom and locker rooms	\$125,424

Replace hot water pump	\$70,000
Replace condenser water pump	\$70,000
Replace primary chilled water pump	\$70,000
Replace sewer ejector pump	\$25,000
Purchase Sweeper-Parking-Engineering (Shared asset with Marriott Grand Residence Club – Lake Tahoe)	\$20,969
Training Room water intrusion consulting	\$10,000
Total	\$1,083,630

A motion was made by Daniel Craig to approve \$1,083,630 for Timber Lodge Condominium Association 2018/2019 Reserve Expenditures as presented. The motion was seconded by John Albert and unanimously carried.

2018 Timeshare Association Reserve Projects

Mr. Beddingfield and Mr. McCormack presented an update on 2018 Timber Lodge Timeshare Association Reserve Projects. Highlights included:

- The majority of previously approved 2018 Timeshare Reserve Projects are completed
- Projects including replacement of tile floors in laundry areas, replacement of pool/spa filter pumps, purchase of new pool deck furniture cushions and purchase of two Business Center kiosk computer stations were over budget and approval is requested for the variances on each project
- It is necessary, in preparation for 2019/2020 projects, to replace several isolation valves to minimize guest impact with water shut off interruptions

2018 completed and in-progress projects with cost variances	Forecast	Budget	Variance for Approval
Replace tile floors in guest laundry and vending areas - Phases 1 and 2	\$30,870	\$29,811	(\$1,059)
Replace pool/spa filter pumps	\$4,240	\$2,540	(\$1,700)
Replace pool deck cushions	\$46,285	\$34,964	(\$11,321)
Relocate Business Center and purchase computer kiosks	\$9,938	\$4,938	(\$5,000)
Total	\$91,333	\$72,253	(\$19,080)

A motion was made by John Albert to approve an additional \$19,080 from 2018 Timber Lodge Timeshare Association Reserve Fund for the project overages, as specified above, bringing the total approved amount for the projects to \$91,333. The motion was seconded by Candyce Beneke and unanimously carried.

A motion was made by Candyce Beneke to approve \$30,000 from 2018 Timber Lodge Timeshare Association Reserve Fund for replacement of isolation valves. The motion was seconded by Daniel Craig and unanimously carried.

2019 Proposed Timeshare Association Reserves Projects

Mr. McCormack presented the proposed 2019 Timeshare Association Reserve Projects. Highlights included:

- The Management Company recommended a 5.7% increase each year to the Timber Lodge Timeshare Association Reserve Fund for the next several years to maintain adequate funding in anticipation of upcoming capital expenditures
- Refurbish six guest elevators to include panels, flooring, signage and refinishing metal work at a cost of \$214,930
- Renovate Fitness Center, locker rooms and steam rooms, including the purchase of new equipment, at a cost of \$475,727
- Replace signage in all corridor areas and units at a cost of \$304,228
- Upgrade internet repeater stations, with the installation of 18 additional points, at a cost of \$330,000
- Resurface pool and spas, re-tiling and coping at a cost of \$283,570
- Purchase unit interior attic stock at a cost of \$39,123
- Replace housekeeping carts and purchase additional vacuums at a cost of \$38,016

- Purchase new trash receptacles and a towel hut/activity station for pool deck at a cost of \$25,000

Proposed 2019 projects	Amount
Fitness Center – Purchase equipment and renovate	\$475,727
Install internet repeater stations	\$330,000
Replace signs in corridors and villas	\$304,228
Resurface swimming and spa pool, coping and retiling	\$283,570
Refurbish guest elevator cabs (6)	\$214,930
Purchase attic stock for villas	\$39,123
Purchase Housekeeping vacuums	\$20,000
Purchase Housekeeping carts	\$18,016
Purchase trash receptacles (pool deck)	\$18,000
Purchase Activities towel station (pool deck)	\$7,000
Total	\$1,710,594

A motion was made by David Armitage to approve \$1,710,594 for 2018/2019 Timber Lodge Timeshare Association Reserve Expenditures as presented. The motion was seconded by Daniel Craig and unanimously carried.

RESORT OPERATIONS REPORT

Mr. Beddingfield presented the Resort Operations Report. Highlights included:

- Current year-to-date Overall Satisfaction Score is 88%, compared to 86.8% in 2017
- Staffing remains a challenge
- California minimum wage will increase \$1.00 per hour/per year until 2022
- Marriott's Timber Lodge employs several H2B Housekeeping associates and continues to research alternate recruiting methods to maintain proper staffing levels

PROPOSED 2019 MAINTENANCE FEE AND BUDGET

Ms. Reynolds presented the proposed 2019 Maintenance Fee and Budget for Timber Lodge Timeshare Association and Timber Lodge Condominium Association. Highlights included:

- The Management Company recommended a combined 5.4% increase to the 2019 Maintenance Fee
- Key drivers include Wages and Benefits and Reserve contributions to properly plan for future capital expenditures

A motion was made by Daniel Craig to approve the 2019 Timber Lodge Condominium Association Operating Budget of \$3,290,766 and Reserve Budget of \$877,235, for a total maintenance fee of \$4,168,001, including each line item thereof. The motion was seconded by John Albert and unanimously carried.

A motion was made by Candyce Beneke to approve the 2019 Timber Lodge Timeshare Association Annual Maintenance Fee Budget as follows:

- **1-Bedroom Operating Fee of \$606.18 and Reserve Fee of \$229.03, resulting in a total 1-Bedroom per-unit week maintenance fee of \$835.21**
- **2-Bedroom Operating Fee of \$747.25 and Reserve Fee of \$339.81, resulting in a total 2-Bedroom per-unit week maintenance fee of \$1,087.06**
- **3-Bedroom Operating Fee of \$912.09 and Reserve Fee of \$469.25, resulting in a total 3-Bedroom per-unit week maintenance fee of \$1,381.34**

for a total budget of \$14,291,611, including each line item thereof. The motion was seconded by John Albert and unanimously carried.

ACTION ITEMS

Mr. Beddingfield reviewed the Action Items. Highlights included:

- A condition assessment of cabinets in the Alpine building was completed; repairs are necessary to damaged cabinets but are outside the scope of touch up provided in refurbishment. Options will be

reviewed at the April 9, 2019 Board Meeting

NEW BUSINESS

Board Expense Reimbursement Policy

Ms. Kammerer reviewed the current Board Expense Reimbursement Policy.

A motion was made by John Albert to amend the current Board Expense Reimbursement Policy to expand the per diem meal allowance and car rental reimbursement to a maximum of three days per Board Meeting. The motion was seconded by Candyce Beneke and unanimously carried.

California Statutes

Ms. Kammerer provided an overview of changes to California statutes, specific provisions included:

- Davis-Stirling Act Section 5673 pertaining to the recording of liens
- Davis-Stirling Act Section 5665 pertaining to payment plans
- Davis-Stirling Act Section 5650 pertaining to debt of owners
- California Assembly Bill 2912 pertaining to Association finances

A motion was made by John Albert to waive the collection of late fees for Timber Lodge Condominium Association and direct Marriott Resorts Hospitality Corporation management team to not collect late fees for Timber Lodge Condominium Association. The motion was seconded by David Armitage and unanimously carried.

Late fees for Timber Lodge Timeshare Association will continue to be assessed and collected under the current practice outlined in the Timber Lodge Timeshare Associations governing documents.

Nominating Committee

A motion was made by John Albert to appoint David Babich, Candyce Beneke and Daniel Craig to serve on the Timber Lodge Condominium Association and Timber Lodge Timeshare Association Nominating Committees for 2019. The motion was seconded by David Armitage and unanimously carried.

Announcement of Next Meeting Dates

- Board and Annual Meetings - April 9, 2019
- Board Meeting - October 15, 2019

ADJOURNMENT

There being no further business to come before the Boards, a motion was made by Daniel Craig to adjourn the meeting at 4:23 p.m. The motion was seconded by John Albert and unanimously carried.

Submitted by:

Approved by:

Sheri Runyon
Recording Secretary

Date

David Babich
President

Date

These minutes are subject to approval at the next Board of Directors Meeting

ANNUAL BUDGET REPORT DISCLOSURES

INSURANCE SUMMARY

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

Timber Lodge Condominium Association
SECTION 5300(b) (10) CALIFORNIA CIVIL CODE
Federal Housing Administration

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 a condominium project. The association of this common interest development is not certified by the Federal Housing Administration.

Timber Lodge Condominium Association
SECTION 5300(b) (11) CALIFORNIA CIVIL CODE
Veterans Affairs

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 a condominium project. The association of this common interest development is not certified by the federal Department of Veterans Affairs.

Timber Lodge Condominium Association
SECTION 5300(b) (12) CALIFORNIA CIVIL CODE
Charges for Documents Provided

In accordance with Section 4528 of the California Civil Code, the attached, "Charges for Documents Provided" setting forth the billing disclosures required pursuant to Section 4530 of the California Civil Code, will be determined and approved at the April 9, 2018 Board Meeting.

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525 OF THE CALIFORNIA CIVIL CODE*

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.

Property Address: 4100 Lake Tahoe Boulevard, South Lake Tahoe, California 96150

Owner of Property:

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

Provider of the Section 4525 Items:

Print Name: Tom McCormack

Position or Title: Market General Manager

Association: Timber Lodge Condominium Association

Date Form Completed:

Check or Complete Applicable Column or Columns Below:

<u>Document:</u>	<u>Civil Code Section Included:</u>	<u>Fee for Document:</u>	<u>Not Available (N/A), Not Applicable (N/App) or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP):</u>
<input type="checkbox"/> Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	\$ 0	
<input type="checkbox"/> CC&Rs	Section 4525(a)(1)	\$ 0	
<input type="checkbox"/> Bylaws	Section 4525(a)(1)	\$ 0	
<input type="checkbox"/> Operating Rules	Section 4525(a)(1)	\$ 0	
<input type="checkbox"/> Age restrictions, if any	Section 4525(a)(2)	\$ 0	
<input type="checkbox"/> Rental restrictions, if any	Section 4525(a)(9)	\$ 0	
<input type="checkbox"/> Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	\$ 0	
<input type="checkbox"/> Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	\$ 0	
<input type="checkbox"/> Financial statement review	Sections 5305 and 4525(a)(3)	\$ 0	
<input type="checkbox"/> Assessment enforcement Policy	Sections 5310 and 4525(a)(4)	\$ 0	
<input type="checkbox"/> Insurance summary	Sections 5300 and 4525(a)(3)	\$ 0	
<input type="checkbox"/> Regular assessment	Section 4525(a)(4)	\$ 0	
<input type="checkbox"/> Special assessment	Section 4525(a)(4)	\$ 0	
<input type="checkbox"/> Emergency assessment	Section 4525(a)(4)	\$ 0	

<input type="checkbox"/>	Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)	\$ 0
<input type="checkbox"/>	Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)	\$ 0
<input type="checkbox"/>	Settlement notice Regarding common area defects	Sections 4525(a)(6), (7) and 6100	\$ 0
<input type="checkbox"/>	Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100	\$ 0
<input type="checkbox"/>	Notice(s) of violation	Sections 5855 and 4525(a)(5)	\$ 0
<input type="checkbox"/>	Required statement of fees	Section 4525	
<input type="checkbox"/>	Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)	\$ 0
	<u>Total fees for these documents:</u>		\$ 0

* 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 shall be charged separately.

ANNUAL POLICY STATEMENT DISCLOSURES

Capitalized terms used herein without definition shall have the meaning given to such terms in the Condominium Declaration of Covenants, Conditions and Restrictions for Timber Lodge.

(1) Designated Contact Person for Association Communications.

Below is the name and contact information for the person designated to receive official communications on behalf of Timber Lodge Condominium Association (hereinafter, the "Association"), pursuant to Section 4035 of the California Civil Code. **Please submit all requests for copies of policies and meeting minutes in writing to the address below.**

Marriott's Timber Lodge
Attn: Sheri Runyon
4100 Lake Tahoe Boulevard
South Lake Tahoe, California 96150

Email: sheri.runyon@vacationclub.com

(2) Request for Notices to Two Addresses.

A member may submit a request to the Association to have notices sent to up to two different specified addresses pursuant to subdivision (b) of Section 4040 of the California Civil Code.

(3) Location for Posting General Notices.

The following is the location for the posting of a general notice by the Association, pursuant to paragraph (3) of subdivision (a) of Section 4045 of the California Civil Code: Timber Lodge Front Desk Lobby Window.

(4) Right to Receive General Notices by Individual Delivery.

An Owner may request to receive general notices by individual delivery, pursuant to subdivision (b) of Section 4045 of the California Civil Code, by submitting a written request to the Association.

(5) Right to Receive Meeting Minutes.

An Owner is entitled to receive copies of meeting minutes, pursuant to subdivision (b) of Section 4045 of the California Civil Code. Any such request should be made in writing to the address provided above.

(6) Statement of Assessment Collection Policies.

NOTICE ASSESSMENTS AND FORECLOSURE

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

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay Association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure.

For liens recorded on and after January 1, 2006, Association(s) 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 Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 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 5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the Association(s) 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 area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

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

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code) If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

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

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

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

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

(commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

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

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest 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 exists. (Section 5665 of the Civil Code)

The board 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 5665 of the Civil Code)

(7) Statement of Policies and Practices in Enforcing Lien Rights and Other Legal Remedies.

California Civil Code Section 5310(a)(7) requires the Association describe its current policies and practices for enforcing lien rights or other legal remedies for default in payment of its assessments. We certainly encourage and appreciate prompt payment to avoid our valued Owners being subject to the actions described below.

Assessments and other amounts payable to the Association by the Owners are deemed delinquent if not paid within 15 days of the date due and shall bear interest at a rate of 12% per annum and be subject to a late fee equal to the greater of \$10 or 10% of the delinquent amount. The Association is also entitled to receive its costs of collection from the delinquent Owner. If such delinquency is not paid within 10 days of the delivery of notice of such delinquency to the Owner, the Association to which such amount is owed may elect to pursue recordation of a notice of delinquent assessment and claim of lien on behalf of such Association and thereafter seek foreclosure of the Association's lien, subject to the Association's compliance with the applicable statutory requirements, including providing at least 30 days' notice prior to such recordation. The Association also has the right to pursue other legal remedies, including, but not limited to, imposition of monetary penalties and/or the owner's right to participate in any vote in accordance with the terms and conditions set forth in the governing documents for the Association.

Bylaws of Timber Lodge Condominium Association. Article 3 Membership Assessments and Lien Rights. Section 3.2 ENFORCEMENT; LIEN RIGHTS. For the purpose of enforcing and collecting Assessments, this Association shall have the lien rights set forth in Article 7 of the Declaration, which lien rights shall be enforceable by the Board in the manner set forth in the Article 8 of the Declaration. The Board shall also have and be entitled to exercise all other rights and remedies set forth in the Declaration or otherwise provided for at law or in equity.

We encourage you to review the provisions of the Bylaws and Declaration for further detail regarding the enforcement powers and remedies afforded to the Association.

(8) Statement of Association's Discipline Policy and Schedule of Penalties for Violations of Governing Documents.

The Board of the Association expects all owners and their guests to adhere to the covenants, agreements and requirements set forth in the governing documents, including the applicable Rules and Regulations and Declaration. To assist the Board of Directors in the enforcement of the provisions of the governing documents, the Board has delegated enforcement authority to the Manager. Any owner or guest who has been advised by the Manager that they are in violation of the governing documents, including the Rules and Regulations and/or the Declaration, will be required to immediately cease and desist any prohibited activity or otherwise take such actions as may be needed to correct such violation. If an owner or his guest, after being notified by the Manager that they are in violation of the governing documents, fails to comply with the Manager's direction, the matter will be referred to the Board for consideration of the assessment of penalties by reason of such person's non-compliance. The owner against whom such action is proposed to be taken has the right to appear before the Board at its next regularly scheduled meeting to contest such action, all as more particularly provided in the Bylaws and the Declaration.

Furthermore, any assessments and other amounts payable to the Association by the Owners are deemed delinquent if not paid within 15 days of the date due and shall bear interest at a rate of 12% per annum and be subject to a late fee of the greater of \$10 or 10% of the delinquent amount.

Second Amendment to Timber Lodge Condominium Rules and Regulations - NON-SMOKING
Effective October 1, 2007, smoking is prohibited everywhere on the Condominium Project, including within the Units and on the adjacent/connecting balcony/patio, except where designated by the Operating Company in its sole discretion, as may be changed from time to time. Failure to comply with this Non-Smoking Policy by an Owner or the Owner's guests, family or invitees may result in a cleaning fee in an amount equal to the lesser of \$250.00 or the maximum amount permitted by applicable law, which shall be a personal charge assessed to the Owner following any applicable procedural requirements. As used in these Rules, the term "smoking" shall include the use of tobacco products, electronic cigarettes, vaporizers and other similar alternative nicotine products and marijuana.

Timber Lodge Condominium Rules and Regulations - VIOLATIONS OF THESE RULES.

1. VIOLATIONS. The failure by an Owner to abide by, and comply with, the Rules may result in the imposition of fines or other penalties and/or the suspension of such Owner's rights and privileges. Violations shall be reported in writing to the Operating Company or President of the Association. Violations will be called to the attention of the violating Owner by the Operating Company or President of the Association, and by the appropriate committee or member of the Board if follow-up action is necessary. Violations needing follow-up action will be presented to and judged by the Board for appropriate action at its next regularly scheduled meeting or at a special meeting called for this purpose.

2. REPORTING VIOLATIONS AND DAMAGES.

a. Whenever possible, violations of the Rules should be reported to the Operating Company. To the extent reasonably possible, the Operating Company will keep the identity of the complainant confidential.

b. All corrective actions regarding violations of the Rules and damages to the Common Areas will be enforced by the Board or the Operating Company and should be reported promptly to the Operating Company or the board.

c. Damage to Common Areas shall be surveyed by the Board or the Operating Company, and the cost of repair or replacement and any legal fees incurred may be assessed by the Board against the person or persons responsible, including, but not limited to, against Owners or Occupants for damage caused directly or indirectly by their guests.

3. THE VIOLATION OF ANY RULES ADOPTED BY THE ASSOCIATION SHALL GIVE THE BOARD OF DIRECTORS OR ITS AGENTS THE RIGHT TO:

- d. Enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner or occupant, any structure, item or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the board or the operating company shall not thereby be deemed liable for any damages or guilty in any manner of trespass; and/or
- e. Enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and all costs thereof, including attorneys' fees and costs, shall be borne by the defaulting owner or occupants/ and/or
- f. Levy fines, in the discretion of the board.

Condominium Declaration of Covenants, Conditions and Restrictions for Timber Lodge. Article VII. Assessments and Personal Charges. 7.8 PERSONAL CHARGES. Pursuant to the Condominium Declaration, the Board may levy a Personal Charge against any Residential Condominium to reimburse the Condominium Association for costs incurred in bringing such Residential Condominium and its Owner into compliance with the provisions of the Condominium Declaration or the Rules and Regulations. Personal Charges shall be due ten (10) days after the Board gives written notice thereof to the Owner subject thereto.

(a) Personal Charges are not Assessments and the remedies available to the Condominium Association against any Owner for nonpayment of such Owner's Personal Charges are those remedies provided in Section 8.1 and subsection 8.2(a) of the Condominium Declaration, and, with respect to Personal Repair Charges, those remedies provided in Section 8.1, Section 8.2(a) and Section 8.2(b) of the Condominium Declaration.

(9) Summary of Dispute Resolution Procedures.

Pursuant to Sections 5310(a)(9) and 5920 of the Davis-Stirling Common Interest Development Act, the Association has adopted the following internal dispute resolution process:

(a) Either party to a dispute within the scope of Article 2 of the Davis-Stirling Common Interest Development Act (as described in Section 5900 of the Civil Code) 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 an association may refuse a request to meet and confer. The association shall not refuse a request to meet and confer.

(3) The board shall designate a director 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. The parties may be assisted by an attorney or another person at their own cost when conferring.

(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.

(b) A written agreement reached under this section binds the parties and is judicially enforceable if it is signed by both parties and 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 to its designee or the agreement is ratified by the board.

(c) A member shall not be charged a fee to participate in the process.

Pursuant to Sections 5310(a)(9) and 5965 of the Davis-Stirling Common Interest Development Act, below is a summary of Article 3 of the Act with respect to alternative dispute resolution as a prerequisite to the filing of a civil action.

Neither an association nor a member may file an enforcement action in superior court for declaratory, injunctive or writ relief or for such relief in connection with a claim for monetary damages not in excess of the jurisdictional limits unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to Article 3 of the Davis-Stirling Common Interest Development Act. The provisions of this Article do not apply to a small claims action or to an assessment dispute. Any party to a dispute may initiate the process by serving a Request for Resolution on the other party which includes the items described in Section 5935 of the Civil Code including a brief description of the dispute and a request for alternative dispute resolution. If the party served fails to respond within 30 days of receipt, the request is deemed rejected. If the party served accepts the request, the parties must complete the alternative dispute resolution within 90 days of the initiating party's receipt of such acceptance, unless otherwise extended by written stipulation signed by the parties. At the time of commencement of an enforcement action, the party commencing the action is required to file a certificate with the initial pleading stating that (i) alternative dispute resolution has been completed in compliance with Article 3; (ii) one of the other parties did not accept the terms offered for alternative dispute resolution; and/or (iii) preliminary or temporary injunctive relief is necessary. After an enforcement action is commenced, the matter may still be referred to dispute resolution by written stipulation of the parties. If attorneys' fees may be awarded, the court may consider whether a party's refusal to participate in alternative dispute resolution before commencement of the action was reasonable.

Failure of 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 the member's right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law.

(10) Summary of Requirements for Association Approval of Physical Changes to the Property.

Condominium Declaration of Covenants, Conditions and Restrictions for Timber Lodge, Article XII. Architectural Control. Section 12.2(a) GENERAL PROVISIONS. The Architectural Committee may establish reasonable procedural rules in connection with review of plans and specifications including, without limitation, the number of sets of plans to be submitted; however, the Architectural Committee may delegate its plan review responsibilities to one or more members of such Architectural Committee. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Architectural Committee. Unless any such rules are complied with, such plans and specifications shall be deemed not submitted.

Condominium Declaration of Covenants, Conditions and Restrictions for Timber Lodge, Article XII. Architectural Control. Section 12.3 APPROVAL AND CONFORMITY OF PLANS. Except as required to prevent damage or injury to persons or property in an emergency, no improvements, alterations or repairs to the Common Area shall be commenced, constructed or otherwise performed nor shall there be any improvements, alterations or repairs to any Condominium Unit as described in Section 12.3(c) of the Condominium Declaration (collectively "Improvements") except in compliance with plans and specifications therefor which have been submitted to and approved by the Architectural Committee; provided, however, that in no case shall the Architectural Standards require Architectural Committee review for any improvements, alterations or repairs to the Condominium Units performed by Declarant, the Condominium Association or, with respect to the Commercial Units, the Commercial Owners, so long as such improvements, alterations and repairs are limited to such Units and do not

impact any common area and do not fall within the scope of Section 12.3(c) of the Condominium Declaration.

(11) Mailing Address for Overnight Payment of Assessments.

In accordance with Section 5655 of the California Civil Code, an Owner may direct overnight payments of Assessments to the following address:

Marriott Resorts Hospitality Corporation
Attn: 382056
500 Ross Street 154-0460
Pittsburgh, Pennsylvania 15250-8056

Note: This summary is not intended to contain all matters relating to California Civil Codes which are described herein, and care should be taken to review the entire California Civil Codes.

SCHEDULE OF INSURANCE

Insured: MARRIOTT OWNERSHIP RESORTS, INC. CALIFORNIA LOCATIONS

Coverage	Perils/Hazards Insured	Limit or Amount	Policy Term Company/Policy No.	Deductibles
<p>COMMERCIAL PROPERTY Real and Personal Property, Business Income Including Extra Expense</p>	<p>Maximum Limit of Liability – Any One Occurrence, Except as Sub-limited</p> <p><u>Sublimits</u> Earthquake - Annual Aggregate Flood – Annual Aggregate Named Windstorm</p> <p>Perils: All Risk of Direct Physical Loss or Damage including Boiler & Machinery</p>	<p>\$ 500,000,000</p> <p>\$ 200,000,000 \$ 250,000,000 \$ 250,000,000</p>	<p>June 1, 2018 – June 1, 2019</p> <p>Multiple carriers provide the coverage under a Layered Participation Program.</p> <p>A list of participating carriers is available upon request.</p>	<p>All perils - \$25,000, Except:</p> <ul style="list-style-type: none"> ▪ CA Earthquake: 5%, \$250,000 minimum ▪ Flood Zones A or V, 3% \$500,000 minimum,
<p>GENERAL LIABILITY</p>	<p>General Aggregate Products – Comp. Ops. Aggregate Personal & Adv. Injury Each Occurrence Fire Damage (Any one fire) Medical Expenses (Any one person)</p>	<p>\$ 15,000,000 \$ 2,000,000 \$ 1,000,000 \$ 1,000,000 \$ 100,000 \$ 2,500</p>	<p>October 1, 2018 – October 1, 2019 Liberty Mutual Ins. Co. Policy No. TB2651283929128</p>	<p>BI/PD Liability Combined - \$500 Per Occurrence</p>

Property coverage excludes unit owner’s and tenant’s personal property, improvements and betterments. Coverage applies to the condominium property, including common elements and limited common elements, as required under the condominium documents.

Liability coverage applies to the areas owned by the Condominium Association including the common elements and limited common elements (or similarly defined terms) as outlined in the condominium documents. Coverage does not apply under any circumstances for an individual Owner’s negligent or willful acts or the actions of the Owner’s renters, guests or invitees including but not limited to damage caused by the renters, guests or invitees.

Please refer to the condominium documents for detailed information on the areas covered.

All insurance coverage references and descriptions contained in this Account Summary are intended only to identify the types of coverages and generally describe specific coverage features of your insurance policies. Refer to policies for actual coverage terms and conditions. *This summary contains confidential and proprietary information. Do not copy or distribute this information without prior consent of the MVCI Insurance Department.*

SCHEDULE OF INSURANCE

Insured: MARRIOTT OWNERSHIP RESORTS, INC. CALIFORNIA LOCATIONS

Coverage	Perils/Hazards Insured	Limit or Amount	Policy Term Company/Policy No.	Deductibles
<u>AUTO LIABILITY</u>	Combined Single Limit (BI/PD) Medical Payments	\$ 2,000,000 \$ 5,000	October 1, 2018 – October 1, 2019 Liberty Mutual Ins. Co. Policy No. AS2651283929118	Physical Damage - \$500
<u>EXCESS LIABILITY</u>	Limit of Liability	\$ 25,000,000	October 1, 2018 – October 1, 2019 American Guarantee & Liability Ins Co Policy No. AUC-9318982-07	

Property coverage excludes unit owner’s and tenant’s personal property, improvements and betterments. Coverage applies to the condominium property, including common elements and limited common elements, as required under the condominium documents.

Liability coverage applies to the areas owned by the Condominium Association including the common elements and limited common elements (or similarly defined terms) as outlined in the condominium documents. Coverage does not apply under any circumstances for an individual Owner’s negligent or willful acts or the actions of the Owner’s renters, guests or invitees including but not limited to damage caused by the renters, guests or invitees.

Please refer to the condominium documents for detailed information on the areas covered.

All insurance coverage references and descriptions contained in this Account Summary are intended only to identify the types of coverages and generally describe specific coverage features of your insurance policies. Refer to policies for actual coverage terms and conditions. *This summary contains confidential and proprietary information. Do not copy or distribute this information without prior consent of the MVCI Insurance Department.*

Assessment and Reserve Funding Disclosure Summary

Association name: **Timber Lodge Condominium Association**

For Fiscal Year Beginning: 1/1/2019 **# of Ownership Interests:** 264

Regular budgeted assessments:	Total	Per Ownership Interest	
Reserve Contributions	\$877,235	\$3,322.86	per: Year
Total Assessment Income	\$4,168,001	\$15,787.88	per: Year

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

Date Assessment will be due	Amt per Ownership Interest per month or year	Purpose of Assessment
N/A		
N/A		
Total:		\$0.00

3) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **Yes**

4) If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years that have not yet been approved by the board or the members?

Approximate date assessment will be due	Amt per Ownership Interest per month or year	
N/A		
N/A		
N/A		
N/A		
Total:		\$0

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

6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code:

All computations/disclosures are based on the fiscal year start date of:	1/1/2019
Fully Funded Balance:	\$12,848,378
Projected Reserve Fund Balance:	\$5,159,476
Percent Funded:	40.2%

From the 7/21/2017 Reserve Study by Armstrong Consulting, Inc. and any minor changes since that date.

7) See attached 30 Year Reserve Plan Summary Table, showing the fiscal year, projected reserve funding, estimated reserve expenses and interest, reserve balances and percent funded which is based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code.

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

Timber Lodge Condominium Association

30 Year Reserve Plan Summary

Recommended

Fiscal Year Beginning 1/1/2019

<u>Period</u>	<u>Beginning</u>	<u>Special</u>			<u>Ending</u>	<u>Avg. Fee/</u>	<u>% Fee</u>	<u>Fully</u>	<u>Percent</u>	
	<u>Balance</u>	<u>Income</u>	<u>Assessment/</u> <u>Loans</u>	<u>Expenses</u>	<u>Interest</u>	<u>Interval</u>	<u>Change</u>	<u>Funded</u> <u>Balance</u>	<u>Funded</u>	
FY2019	5,159,476	877,235	0	(1,083,630)	60,137	5,013,218	64.52	10.0%	12,848,378	39.0%
FY2020	5,013,218	964,958	0	(3,319,335)	41,595	2,700,436	70.97	10.0%	11,536,046	23.4%
FY2021	2,700,436	1,061,454	0	(1,210,367)	32,208	2,583,731	78.07	10.0%	11,961,523	21.6%
FY2022	2,583,731	1,167,599	0	(1,350,313)	28,523	2,429,540	85.88	10.0%	12,113,819	20.1%
FY2023	2,429,540	1,284,359	0	(2,865,442)	11,579	860,037	94.47	10.0%	10,742,880	8.0%
FY2024	860,037	1,412,795	0	(379,745)	21,394	1,914,480	103.91	10.0%	11,937,125	16.0%
FY2025	1,914,480	1,554,075	0	(40,775)	38,966	3,466,746	114.30	10.0%	13,565,660	25.6%
FY2026	3,466,746	1,709,482	0	(2,036,691)	37,384	3,176,920	125.73	10.0%	13,229,272	24.0%
FY2027	3,176,920	1,794,956	0	(3,637,898)	17,569	1,351,547	132.02	5.0%	11,269,250	12.0%
FY2028	1,351,547	1,884,704	0	(804,715)	27,635	2,459,171	138.62	5.0%	12,219,948	20.1%
FY2029	2,459,171	1,978,939	0	(1,037,633)	39,291	3,439,768	145.55	5.0%	13,011,714	26.4%
FY2030	3,439,768	2,077,886	0	(790,954)	54,523	4,781,223	152.83	5.0%	14,136,582	33.8%
FY2031	4,781,223	2,181,780	0	(5,194,383)	23,857	1,792,477	160.47	5.0%	10,795,356	16.6%
FY2032	1,792,477	2,203,598	0	(1,752,999)	26,033	2,269,108	162.08	1.0%	10,952,925	20.7%
FY2033	2,269,108	2,225,634	0	(479,289)	45,673	4,061,126	163.70	1.0%	12,490,092	32.5%
FY2034	4,061,126	2,247,890	0	(875,747)	62,876	5,496,146	165.33	1.0%	13,728,762	40.0%
FY2035	5,496,146	2,270,370	0	(1,544,762)	72,726	6,294,479	166.99	1.0%	14,377,831	43.8%
FY2036	6,294,479	2,293,073	0	(908,951)	89,272	7,767,873	168.66	1.0%	15,769,541	49.3%
FY2037	7,767,873	2,316,004	0	(1,136,735)	104,449	9,051,592	170.34	1.0%	17,038,229	53.1%
FY2038	9,051,592	2,339,163	0	(1,330,248)	117,760	10,178,267	172.05	1.0%	18,217,299	55.9%
FY2039	10,178,267	2,362,555	0	(428,981)	141,176	12,253,018	173.77	1.0%	20,439,376	59.9%
FY2040	12,253,018	2,386,181	0	(2,229,365)	146,335	12,556,169	175.51	1.0%	20,946,468	59.9%
FY2041	12,556,169	2,410,043	0	(1,927,158)	153,440	13,192,493	177.26	1.0%	21,857,561	60.4%
FY2042	13,192,493	2,434,143	0	(2,935,260)	150,310	12,841,686	179.03	1.0%	21,833,198	58.8%
FY2043	12,841,686	2,458,484	0	(5,633,358)	117,251	9,784,063	180.82	1.0%	19,094,151	51.2%
FY2044	9,784,063	2,483,070	0	(626,021)	135,716	11,776,828	182.63	1.0%	21,523,697	54.7%
FY2045	11,776,828	2,507,900	0	(49,692)	165,605	14,400,641	184.46	1.0%	24,718,676	58.3%
FY2046	14,400,641	2,532,979	0	(3,891,267)	155,300	13,197,654	186.30	1.0%	24,136,706	54.7%
FY2047	13,197,654	2,558,309	0	(4,595,679)	133,755	11,294,039	188.17	1.0%	22,895,613	49.3%
FY2048	11,294,039	2,583,892	0	(519,756)	155,644	13,513,818	190.05	1.0%	25,923,134	52.1%

Long Term before tax interest Rate: 2.00%

Long Term Inflation Rate: 3.50%

The 2019 Contribution per bedroom type is: \$44.14 for a One-Bedroom

\$65.49 for a Two-Bedroom

\$90.43 for a Three-Bedroom

The foregoing financial projections apply only as of the date of this report. These projections are subject to risks, uncertainties, estimates and assumptions based on information currently available. Some assumptions and estimates inevitably will not be accurate, and unanticipated events may occur. Therefore, actual financial results will vary, and such variations may be material. The Board of Directors should not place undue reliance on these projections in making budgeting or other financial decisions for the Association. Neither the management company nor any of its affiliates assumes any liability, or extends any guarantee or warranty, express or implied, with respect to these financial projections or actual results achieved.