College Greens East Homeowners Association

Fiscal Year 2026

Annual Budget Report

and

Annual Policy Statements

ANNUAL BUDGET REPORT

5300. (a) Notwithstanding a contrary provision in the governing documents, an association shall distribute an annual budget report 30 to 90 days before the end of its fiscal year.

(b) Unless the governing documents impose more stringent standards, the annual budget report shall include all of the following information:

(1) A pro forma operating budget, showing the estimated revenue and expenses on an accrual basis.
Fiscal Year 2026 Operating Budget follows at Page 4.

(2) A summary of the association's reserves prepared pursuant to Section 5565.
A summary of the association's reserves is contained in the Reserve Study Summary prepared by Browning Reserve Group, attached at Page 13.

(3) A summary of the reserve funding plan adopted by the board, as specified in paragraph (5) of subdivision (b) of Section 5550.
A Summary is contained in the Reserve Study Summary prepared by Browning Reserve Group, attached at Page 13.

(4) A statement as to whether the board has determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less, including a justification for the deferral or decision not to undertake the repairs or replacement.
No such decision has been made nor is any envisioned.

(5) A statement as to whether the board, consistent with the reserve funding plan adopted pursuant to Section 5560, has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, or restore any major component or to provide adequate reserves therefor.
No Special Assessments are anticipated.

(6) A statement as to the mechanism or mechanisms by which the board will fund reserves to repair or replace major components, including assessments, borrowing, use of other assets, deferral of selected replacements or repairs, or alternative mechanisms.
Reserve Requirements will be funded as described in the attached Reserve Study Summary prepared by Browning Reserve Group, attached at Page 13.

(7) A general statement addressing the procedures used for the calculation and establishment of those reserves to defray the future repair, replacement, or additions to those major components that the association is obligated to maintain.
Procedures are described in the Reserve Study Summary prepared by Browning Reserve Group, attached at Page 13.

(8) A statement as to whether the association has any outstanding loans with an original term of more than one year, including the payee, interest rate, amount outstanding, annual payment, and when the loan is scheduled to be retired.
The Association does not have any outstanding loans of any amount.

(9) A summary of the association's property, general liability, earthquake, flood, and fidelity insurance policies.

Building/Property Insurance Coverage/General Liability
Insurer: Ategrity Specialty Insurance Company, Policy# 01-C-PK-P20128743-0

- Building, Special Excluding Theft: $1,500,000
- General Aggregate or Completed Operations Aggregate: $2,000,000
- Personal Injury & Advertising Injury (Limit & Each Occurrence) $1,000,000
- Damage to Premises Rented to You: $100,000
- Medical Expense (any one person): $5,000

Additional Liability Coverage
Insurer: Mt. Hawley Insurance Company, Policy# GXS0020488

- Excess Liability: $2,000,000

Association Liability, Crime, Employee Dishonesty, and Fidelity Coverage
Insurer: Continental Casualty Company, Policy# 768637656

- Association Liability: $1,000,000
- Employee Dishonesty or Computer/Wire Transfer Fraud: $250,000
- Forgery or Alteration; Theft, Disappearance, and Destruction: $50,000

Flood Insurance Coverage: N/A

Earthquake/DIC Coverage: N/A

Workers Compensation Coverage
Insurer: The Hanover insurance Company, Policy #XZY J928095

- Bodily Injury by Accident or Disease: $1,000,000 Policy Limit

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.

(10) When the common interest development is a condominium project…
College Greens East HOA is not a condominium project.

(11) When the common interest development is a condominium project…
College Greens East HOA is not a condominium project.

(12) A copy of the completed "Charges For Documents Provided" disclosure identified in Section 4528.
Civil Code §4528, Document Disclosure Summary Form may be found at Page 5

College Greens East HOA Fiscal Year 2026 Operating Budget Summary

Annual Assessments ($223)	$103,472	
Late Fees	$1,200	
Barn Rental Fees	$7,200	
OPERATING REVENUE		**$111,872**
OPERATING EXPENSES		**- $94,654**
OPERATING MARGIN		**$17,218**
Interest on Receivables	$400	
Interest on Operating Accounts	$60	
Non-Operating Revenue		**$460**
NET INCOME		**$17,678**
Prior Year Funds		$3,900
Reserve Contribution		- $21,580
BUDGET EXCESS (OR SHORTFALL)		**($2)**

Bank Fees	$72	
Conferencing (Zoom)	$160	
Copy, Print, & Supplies	$2,100	
Misc License, Permit, & Fee	$35	
Office Expenses & Supplies	$1,320	
Postage	$1,290	
Website Service	$18	
ADMINISTRATIVE (12% increase)		**$4,995**
COMMUNITY Enrichment (No Change)		**$1,300**
Equipment Maint & Repair	$120	
Fire Extinguisher Service	$50	
General Maint & Repair	$480	
HVAC Maintenance	$400	
Janitorial/Cleaning Service	$6,000	
Janitorial/Clean Supplies	$192	
Pest Control	$840	
FACILITIES (11% reduction)		**$8,082**
INSURANCE (25% increase)		**$14,350**
Backflow Inspection	$101	
Irrigation Maint & Repair	$1,200	
Landscape Contract	$19,626	
Landscape Restoration	$4,300	
Landscape Supplies	$900	
Tree Maintenance Program	$7,500	
Tree Maint - Unplanned	$1,000	
LANDSCAPING (5% increase)		**$34,627**
Collections	$450	
CPA & Software	$1,868	
Elections Services	$5,250	
Financial Review & Taxes	$1,650	
Registered Agent	$40	
Reserve Study	$500	
Legal Services	$1,800	
PROFESSIONAL (4% increase)		**$11,558**
Federal Income Tax	$1100	
State Income Tax	$500	
Property Tax	$20	
TOTAL TAXES		**$1,620**
Barn Electricity	$1,944	
Park Lighting	$876	
Internet Service	$960	
Swear and Drainage	$1,092	
Water	$13,250	
UTILITIES (0.1% increase)		**$18,122**
OPERATING EXPENSES		**$94,654**

Civil Code §4528, Document Disclosure Summary Form

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

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

A seller may request to purchase some or all of these documents, but shall not be required to purchase ALL of the documents listed on this form.

Property Address:______________________

Owner:______________________________

Owner's Mailing Address:

____

Provider of the Section 4525 Items

Name:_________________________

Position:_________________________

College Greens East HOA

Amount Currently Due:_______________

Date Form Completed:_______________

Document	Civil Code Section	Fee For Document Hardcopy	Fee For Document Electronic
CC&Rs	4525(a)(1)	$15.00	No Charge
Articles of Incorporation	4625(a)(1)	$10.00	No Charge
Bylaws	4525(a)(1)	$10.00	No Charge
Financial statement review	5305 and 4525(a)(3)	$15.00	No Charge
Annual Budget Summary	5300 and 4525(a)(3)	$15.00	No Charge
Reserve Study		$15.00	No Charge
Insurance summary	5300 and 4525(a)(3)	Included in Budget Report	
Assessment enforcement policy	5310 and 4525(a)(4)	Included in Budget Report	
Approved changes to assessments	5300 and 4525(a)(4)	Included in Budget Report	
Assessment and reserve funding disclosure summary	5300 and 4525(a)(4)	Included in Budget Report	
Statement of unpaid assessments, fees, or other obligations	5675 and 4525(a)(4)	No Charge	No Charge
Minutes of regular board meetings conducted over the previous 12 months	4525(a)(10)	$24.00	No Charge
Total fees for all these documents:		$104.00	No Charge

* The information provided by this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 may be charged separately.

ANNUAL POLICY STATEMENTS

Civil Code Section 5310 (a) Within 30 to 90 days before the end of its fiscal year, the board shall distribute an annual policy statement that provides the members with information about association policies. The annual policy statement shall include all of the following information:

(1) All notices and/or written communications to the association shall be delivered to:

College Greens East Homeowners Association
2715 Tiber Drive
Sacramento, CA 95826

All notices of legal action must be delivered to or served on the Agent for Service of Process for the Association who is registered with the State of California, which can be located at: bizfileonline.sos.ca.gov by using the business search function.

(2) Members may submit a request to have notices sent to up to two different specified addresses, pursuant to Section 4040.

Complete the included form titled "Annual Notice of Delivery Addresses, required by California Civil Code Section 4041" and return to the association by first class mail at the address in paragraph 1, above.

(3) The locations designated for posting of a general notice, pursuant to subdivision (a) of Section 4045 is:

Bulletin Board located at Crawford's Barn, 2715 Tiber Drive

(4) A member may request to receive general notices by individual delivery, all general notices to that member, given under this section, shall be delivered pursuant to Section 4040.

Send the request to the address in paragraph 1, above.

(5) Members have a right to receive copies of meeting minutes, pursuant to subdivision (b) of Section 4950.

Meeting minutes are posted to the documents section of the association website, www.cgehoa.org or requested from the Board Secretary at secretary@cgehoa.org.

(6) Statement of assessment collection policies required by Section 5730:

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, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars ($1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars ($1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in 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 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 association. (Section 5675 of the Civil Code)

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

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

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

PAYMENTS

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

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

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

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

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share 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) Association's policies and practices in enforcing lien rights or other legal remedies for default in the payment of assessments.

(a) **Annual Assessments are due on January 1 each year. Special Assessments shall be due on the date specified upon adoption. All assessments which are not paid within 15 days shall be delinquent.**

(b) **If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven percent (7%) per annum, accrued to the member's account annually on the anniversary date of the delinquency.**

(c) **A late fee of 10% of the unpaid amount shall be charged for any Assessment delinquent over thirty (30) days.**

(d) **A twenty dollar ($20.00) re-billing service fee will be charged for 60-day, 90-day, 6-month, and 9-month delinquent invoices when required due to failure to pay.**

(e) **A twenty-five dollar ($25.00) service fee will be charged on all checks returned.**

(f) **Association may recover from the delinquent owner any reasonable collection costs, including attorneys' fees that the Association incurs in its efforts to collect the delinquent sums, and may require that all such charges be paid in full, together with all delinquent assessments, late charges, interest or other charges due, to cure the delinquency.**

(g) **Should the Association find necessary to retain counsel to handle an assessment delinquency for the Association, communications concerning such matters on behalf of the Association shall be conducted exclusively by counsel for the Association and/or the trustee designated in the Lien until any such delinquency is fully satisfied.**

(8) Association's discipline policy, if any, including any schedule of penalties for violations of the governing documents pursuant to Section 5850.

(a) **<u>CC&Rs Article VII, Additional Provisions; Section 1, Use Restrictions</u>: (a) Residence Lots and Common Area. Lots and common Area shall be occupied and used as follows:**

(1) "Single family". Superseded by anti-discrimination laws. Not Enforced.

(2) "No business…". Partially Superseded by later laws. Home-based businesses which are not visible or disruptive are not restricted.

(3) "*Nothing shall be stored in the Common Area without the prior consent of the Association*."

(4) "*Nothing shall be done or kept in the Common Area which will increase the rate of insurance on the Common Area without the prior written consent of the Association. No Owner shall permit anything to be done or kept on this Lot or in the Common Area which will result in the cancellation of insurance on any residence or any part of the Common Area or which would be in violation of any law. No waste will be committed in the Common Area.*"

(5) "No sign…". Partially Superseded by later laws. No Commercial signs are permitted. See California Civil Code Section 4710 for noncommercial signs.

(6) "*No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or in the Common Area, except that dogs, cats or other household pets may be kept on Lots subject to rules and regulations adopted by the Association. No dog shall be allowed on the Common Area without being held on a leash. The Association may adopt rules and regulations providing for the removal to a pound of any dog found on the Common Area without being on a leash.*" Note: No such rules or regulations have been adopted at this time.

(7) "*No noxious or offensive activity shall be carried on in or upon any Lot or in the Common Area, nor shall anything be done therein which may become an annoyance or nuisance to the other owners.*"

(8) "*No exterior newspaper tubes or mailboxes shall be permitted except by written consent of the Association.*" All Association members not otherwise restricted are permitted exterior mailboxes by adoption and distribution of this Policy Disclosure.

(9) "*Nothing shall be altered, or constricted in, removed from, or planted on, the Common Area except upon written consent of the Association. The Association shall have the exclusive right to operate, paint, maintain, repair, replace, cultivate and care for the Common Area, and the Common Area, and the improvements and landscaping therein, and to provide furnishings, equipment and personnel for the Common Area.*"

(10) "All motor vehicles". Restrictions on on-street parking restrictions, commercial vehicles, the definition of commercial vehicles, and vehicle repairs have been superseded by Sacramento County Code and are enforced by Sacramento County Code Enforcement. Enforceable restrictions are limited to no parking of "any bus, trailer, farm vehicle, camper body, boat, or aircraft", which may not be parked "except for occasional periods of time of not more than twenty-four hours.

(11) "*No basketball standard or fixed spots apparatus shall be placed, installed or constructed on any Lot except upon the written consent of the Architectural Control Committee.*"

(12) "*There shall be no violation of rules and any amendments thereto for the use of the Common Area adopted by the Association and furnished in writing to the Owners; and the Association is authorized to adopt and change such rules.*"

(b) <u>CC&Rs Article VI, General Provisions; Section 1. Enforcement</u>: "*The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure of the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver to the right to do so thereafter*." The Association does not currently have a schedule of penalties to support a Monetary Fee Policy.

(9) A summary of dispute resolution procedures, pursuant to Sections 5920 and 5965.

(a) The Association has not adopted a separate internal dispute resolution procedure. Any such dispute will be handled to provide a fair, reasonable, and expeditious resolution of the dispute as provided in Civil Code Section 5915.

(b) Either party to a dispute 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) An Owner 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.

(c) 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.

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

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) A summary of any requirements for association approval of a physical change to property, pursuant to Section 4765.

(a) The Association has few limitations on the owner's right to make physical changes to their separate interest property.

(1) <u>CC&Rs Article II, Property Rights; Section 4. Master television Antennas:</u>
"Except for master antennas referred to above, no antenna, whether for reception of television, or for any other purpose, shall be placed, erected or installed in any Lot in such a way so that the elevation of the highest point thereof is more than 30.0 feet higher than the elevation of the highest point of the roof of the residences situate on such Lot." There is no allowance in the CC&Rs for a variance to this restriction.

(2) <u>CC&Rs Article V, Architectural Control:</u>
"(a) Except as provided in subparagraph (b), no building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specification showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography…"

(b) Approval is only required for construction or changes enumerated in the CC&Rs.

(c) No approval is required for normal upkeep maintenance such as re-painting an existing structure or re-paving an existing driveway nor for like-for-like replacement such as replacing a roof.

(d) Projects requiring approval, such as adding a second story to an existing house, are uncommon. Contact the CGEHOA Board of Directors to have any such project put on agenda for decision at the next Board of Directors Meeting.

(11) The mailing address for overnight payment of assessments, pursuant to Section 5655.

College Greens East Homeowners Association
2715 Tiber Drive
Sacramento, CA 95826

Browning
RESERVE GROUP

Clarity from Complexity

RESERVE STUDY

Member Distribution Materials

College Greens East HOA

Update w/ Site Visit Review

First Draft

Published - September 22, 2025

Prepared for the 2026 Fiscal Year

Browning Reserve Group, A Division Of Reserve Advisors, Llc

www.BrowningRG.com

September 22, 2025

This is a summary of the Reserve Study that has been performed for College Greens East HOA, (the "Association") which is a Planned Development with a total of 464 Lots. This study was conducted in compliance with California *Civil Code Sections 5300, 5550 and 5560* and is being provided to you, as a member of the Association, as required under these statutes. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group, a division of Reserve Advisors, LLC prepared this Update w/ Site Visit Review for the January 1, 2026 - December 31, 2026 fiscal year. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 2.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

Funding Assessment

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

California statute imposes no reserve funding level requirements. Although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

Reserve Component	Current Replacement Cost	Useful Life	Remaining Life	2025 Fully Funded Balance	2026 Fully Funded Balance	2026 Line Item Contribution based on Cash Flow Method
02000 - Concrete	**107,923**	**1-30**	**0-13**	**60,210**	**49,062**	**5,538**
03000 - Painting: Exterior	**35,373**	**5-10**	**1-6**	**29,149**	**33,645**	**2,017**
03500 - Painting: Interior	**5,863**	**10-10**	**3-3**	**4,104**	**4,807**	**332**
04000 - Structural Repairs	**30,116**	**10-30**	**1-28**	**12,017**	**14,210**	**1,300**
05000 - Roofing	**63,393**	**30-30**	**28-28**	**4,226**	**6,498**	**2,219**
08000 - Rehab	**44,028**	**20-25**	**10-15**	**21,103**	**23,794**	**1,453**
18000 - Landscaping	**18,358**	**1-20**	**0-8**	**13,689**	**9,352**	**1,968**
19000 - Fencing	**7,555**	**6-18**	**1-16**	**3,970**	**4,993**	**334**
19500 - Retaining Wall	**6,265**	**20-20**	**5-5**	**4,699**	**5,137**	**186**
20000 - Lighting	**4,800**	**15-15**	**12-12**	**960**	**1,312**	**226**
21000 - Signage	**5,730**	**15-20**	**2-19**	**1,049**	**1,417**	**250**
23000 - Mechanical Equipment	**20,276**	**12-15**	**2-5**	**13,897**	**15,669**	**819**
24000 - Furnishings	**8,728**	**1-5**	**0-2**	**5,637**	**6,337**	**854**
24600 - Safety / Access	**7,500**	**10-10**	**1-1**	**6,750**	**7,688**	**404**
26000 - Outdoor Equipment	**67,472**	**18-20**	**4-10**	**33,457**	**38,121**	**2,461**
27000 - Appliances	**4,000**	**10-12**	**1-1**	**3,640**	**4,100**	**194**
29000 - Infrastructure	**42,709**	**10-50**	**1-1**	**40,807**	**43,777**	**1,025**
Totals	**$480,090**			**$259,363**	**$269,919**	**$21,580**
Estimated Ending Balance				**$181,628**	**$88,710**	**$46.51** /Lot/year @ 464
Percent Funded				**70.0%**	**32.9%**	

California Assessment and Reserve Funding Disclosure For the Fiscal Year Ending 2026

First Draft

September 22, 2025

(1) The regular assessment per ownership interest is ____________ per year for the fiscal year beginning January 1, 2026.

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ___ of the attached summary.

(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:	Amount per ownership interest per month or year (if assessments are variable, see note immediately below):	Purpose of the assessment:
N/A	$0.00	N/A
Total:	$0.00	

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ___ of the attached report.

(3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes__**X**__No______

This disclosure has been prepared by Browning Reserve Group, a division of Reserve Advisors, LLC and has been reviewed and approved by the association's board of directors based upon the best information available to the association at the time of its preparation. The accuracy of this information over the next 30 years will be dependent upon circumstances which are impossible to predict with specificity, and will require future action to adjust assessments over the period in accordance with the current projections and future developments.

(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:	Amount per ownership interest per month or year:
N/A	N/A

(5) All major components are included in the reserve study and are included in its calculations. See next page §5300(b)(4), for any major component exclusions.

(6) Based on the method of calculation in paragraph (4) of the subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is $259,363, based in whole or in part on the last reserve study or update prepared by Browning Reserve Group, a division of Reserve Advisors, LLC as of September, 2025. The projected reserve fund cash balance at the end of the current fiscal year is $181,628 resulting in reserves being 70% percent funded at this date. Civil code section 5570 does not require the board to fund reserves in accordance with this calculation.

An alternate and generally accepted method of calculation has been utilized to determine future reserve contribution amounts. The reserve contribution for the next fiscal year has been determined using the Cash Flow method of calculation (see section III, Reserve Fund Balance Forecast). This is a method of developing a reserve funding plan where the contributions to the reserve fund are designated to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is presented in column (b) 'Fully Funded Balance' in the table immediately below; and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is presented in column (c) 'Reserve Ending Balance'; leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

Fiscal Year (a)	Fully Funded Balance (b)	Reserve Ending Balance (c)	Percent Funded (d)
2026	$269,919	$88,710	32.9%
2027	$196,529	$87,334	44.4%
2028	$213,149	$83,961	39.4%
2029	$225,810	$87,686	38.8%
2030	$243,486	$76,769	31.5%

If the reserve funding plan approved by the association is implemented, the projected fund cash balance in each of those years will be the amounts presented in column (c) 'Reserve Ending Balance' in the table immediately above, leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, 2.50% per year was the assumed long-term inflation rate, and 0.25% per year was the assumed long-term interest rate.

Additional Disclosures

§5565(d) The current deficiency in reserve funding as of December 31, 2026 is $391 per ownership interest (average).

This is calculated as the current estimate of the amount of cash reserves necessary as of the end of the fiscal year for which the study is prepared, less, the amount of accumulated cash reserves actually (Projected to be) set aside to repair, replace, restore, or maintain the major components.

Deficiency = $\dfrac{\textit{2026 Fully Funded Balance - 2026 Reserve Ending Balance}}{\textit{Ownership Interest Quantity}}$

§5300(b)(4) The current board of directors of the association has not deferred or determined to not undertake repairs or replacements over the next 30 years, unless noted below:

Major Component:	Justification for Deferral:
N/A	N/A

§5300(b)(5) The board of directors as of the date of the study does not anticipate the levy of a special assessment for the repair, replacement, or restoration of the major components.

30 Year Reserve Funding Plan Cash Flow Method

First Draft
Prepared for the 2026 Fiscal Year

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Beginning Balance	191,366	181,628	88,710	87,334	83,961	87,686	76,769	91,449	88,118	112,154
Inflated Expenditures @ 2.5%	29,822	114,835	25,334	29,699	25,212	42,718	20,284	41,786	18,268	20,033
Reserve Contribution	19,618	21,580	23,738	26,112	28,723	31,595	34,755	38,231	42,054	46,259
Lots/year @ 464	*42.28*	*46.51*	*51.16*	*56.28*	*61.90*	*68.09*	*74.90*	*82.39*	*90.63*	*99.70*
Percentage Increase		*10.0%*	*10.0%*	*10.0%*	*10.0%*	*10.0%*	*10.0%*	*10.0%*	*10.0%*	*10.0%*
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 0.25%	466	338	220	214	214	205	210	224	250	313
Ending Balance	181,628	88,710	87,334	83,961	87,686	76,769	91,449	88,118	112,154	138,694

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Beginning Balance	138,694	63,188	24,938	57,677	76,979	118,523	157,366	199,538	241,541	289,038
Inflated Expenditures @ 2.5%	126,643	94,334	24,234	38,647	17,404	21,144	18,871	20,114	15,717	26,056
Reserve Contribution	50,885	55,974	56,870	57,780	58,704	59,643	60,597	61,567	62,552	63,553
Lots/year @ 464	*109.67*	*120.63*	*122.56*	*124.53*	*126.52*	*128.54*	*130.60*	*132.69*	*134.81*	*136.97*
Percentage Increase	*10.0%*	*10.0%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 0.25%	252	110	103	168	244	344	446	551	662	769
Ending Balance	63,188	24,938	57,677	76,979	118,523	157,366	199,538	241,541	289,038	327,305

	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Beginning Balance	327,305	340,799	293,502	328,847	364,862	416,480	435,369	485,179	515,297	301,523
Inflated Expenditures @ 2.5%	51,910	113,693	32,085	32,569	18,161	52,078	22,361	43,289	288,107	16,455
Reserve Contribution	64,570	65,603	66,653	67,719	68,803	69,904	71,022	72,158	73,313	74,486
Lots/year @ 464	*139.16*	*141.39*	*143.65*	*145.95*	*148.28*	*150.66*	*153.06*	*155.51*	*158.00*	*160.53*
Percentage Increase	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*	*1.6%*
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 0.25%	834	792	777	866	975	1,063	1,149	1,249	1,020	826
Ending Balance	340,799	293,502	328,847	364,862	416,480	435,369	485,179	515,297	301,523	360,380

Annual Notice of Delivery Addresses, required by California Civil Code Section 4041

APN: 075- _______ - _______ - 0000   Property Address: _________________________
SACRAMENTO CA 95826

If you do not return this form, the last mailing address provided in writing or, if none, the property address shall be deemed to be the address to which notices are to be delivered.

You are not required to provide an email address.

You may make changes at any time by contacting the Association Secretary at: ***secretary@cgehoa.org*** or by mailing to 2715 Tiber Drive, Sacramento CA 95826

1. Preferred delivery method for receiving notices from the association:

   [ ] Mailing Address same as Property Address as above

   [ ] Mailing Address different than above: ______________________________

   ____

   [ ] Email Address (optional):____

2. Alternate delivery method for receiving notices from the association:

   [ ] Mailing Address: ___________________________

   ____

   [ ] Email Address (optional):____

3. Owner's legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of the member's extended absence:

   Name: _______________________________________

   Mailing Address: ______________________________

   ____

   Email Address (if available):____

4. Property is: [ ]Owner-occupied

   [ ]Rented out

Optional Information:

Name(s) as you prefer them to appear:__________________________________

Phone Number(s): _____________________________________

____

Return this form to: College Greens East HOA
2715 Tiber Drive
Sacramento CA 95826