

THE FOOTHILLS AT MACDONALD RANCH MASTER ASSOCIATION
c/o Real Properties Management Group, Inc.
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NOTICE & AGENDA FOR THE FOOTHILLS AT MACDONALD RANCH ASSOCIATION
BUDGET RATIFICATION MEETING

The purpose of this notice/agenda is to inform you of the date and action items of the upcoming scheduled Budget Ratification meeting of the The Foothills at MacDonald Ranch Master Association.

Date: Monday, November 24, 2014
Time: 11:00 AM
Location: RPMG
3283 E. Warm Springs Road, Suite 300
Las Vegas, NV 89120

AGENDA –

1. Call to Order
2. Homeowner Open Forum
3. Ratification of 2015 Operating and Reserve Budget
4. Approval of the 2011-2014 Budget Ratification Meeting Minutes
5. Adjournment

The minutes of this meeting will be available to homeowners 30 days after the meeting date.

Pursuant to Nevada law, NRS 116.31151 (3) “Within 60 days after adoption of any proposed budget for the common-interest community, the executive board shall provide a summary of the proposed budget to each unit’s owner and shall set a date for a meeting of the units’ owners to consider ratification of the proposed budget not less than 14 days or more than 30 days after the mailing of the summaries...”

The Board of Directors adopted the enclosed Budget for 2015 on October 22, 2014. Ratification of the enclosed Budget will take place at the Budget Ratification Meeting scheduled for November 24, 2014.

NRS 116.31151 (3) continues, “...Unless at that meeting a majority of all units’ owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present”

As per NRS 116, as quoted above, if you are in agreement with the enclosed Budget, no response is necessary nor do you need to attend the meeting. The 2015 Budget will be ratified at the meeting unless at least fifty-one percent (51%) of units’ owners reject it.

Per NRS 116.311, you may also vote on this budget by absentee ballot. If you wish to cast your vote via absentee ballot, you must contact the management office to request a ballot no less than 3 days prior to the budget ratification meeting.

Should you have any questions regarding this notice or the contents of this mailing, please contact Katherine Apell-Tighe, Supervising Community Manager.

Enclosed with this mailing are the 2015 Adopted Operating and Reserve Budgets showing **no increase in regular assessments, with the addition of the Retreat and DragonRidge neighborhoods**, the Assessment Collection Policy, Investment Policy, Fine Schedule, Assessment Payment Options, ACH Form, Fees Charged to Owners, and information relating to the reserve account as required by NRS 116.

THE FOOTHILLS at MacDONALD RANCH MASTER ASSOCIATION
2015 ADOPTED BUDGET - 466 HOMES

	2013	2014	2015	2015	
INCOME	BUDGET	BUDGET	BUDGET	Monthly	
Association Assessments	\$1,742,400.00	\$1,805,760.00	\$1,845,360.00	\$153,780.00	\$330.00 per Month
Design Review Fees	\$0.00	\$1,500.00	\$1,000.00	\$83.33	
Fines	\$0.00	\$0.00	\$0.00	\$0.00	
Gate Transponder income	\$10,000.00	\$13,000.00	\$15,000.00	\$1,250.00	
Collection Fees	\$3,450.00	\$4,000.00	\$1,000.00	\$83.33	
DragonRidge Transponders	\$2,500.00	\$500.00	\$2,000.00	\$166.67	
Late Fees/Interest	\$2,000.00	\$2,500.00	\$3,000.00	\$250.00	
	\$1,760,350.00	\$1,827,260.00	\$1,867,360.00	\$155,613.33	
EXPENSES					
GENERAL & ADMIN					
Audit & Tax Preparation	\$2,175.00	\$2,175.00	\$2,175.00	\$181.25	
Bad Debt Expense	\$86,130.00	\$50,000.00	\$10,000.00	\$833.33	
Insurance	\$13,505.00	\$13,675.00	\$12,397.00	\$1,033.08	
Legal Fees	\$19,000.00	\$40,000.00	\$40,000.00	\$3,333.33	
Management Fees	\$58,740.00	\$60,192.00	\$61,512.00	\$5,126.00	Based on number of units
Collection Fees	\$3,450.00	\$4,000.00	\$1,000.00	\$83.33	Fees billed back to owners
Reserve Study Expense	\$250.00	\$0.00	\$0.00	\$0.00	
Secretary of State/Ombudsman Fees	\$1,710.00	\$1,593.00	\$1,614.00	\$134.50	
Permits/Licenses	\$1,000.00	\$1,000.00	\$1,000.00	\$83.33	
Copies & Office Supplies	\$9,000.00	\$9,000.00	\$6,000.00	\$500.00	
Postage	\$4,800.00	\$4,800.00	\$4,000.00	\$333.33	
Newsletter Expense	\$14,000.00	\$16,000.00	\$0.00	\$0.00	Now completed by third party
Community Events/Welcome Gifts	\$27,000.00	\$27,000.00	\$27,000.00	\$2,250.00	Fourth of July/social events
Income Tax	\$3,000.00	\$1,500.00	\$1,500.00	\$125.00	
TOTAL GEN & ADMIN EXPENSE	\$243,760.00	\$230,935.00	\$168,198.00	\$14,016.50	
LANDSCAPE					
Landscape Contract	\$353,400.00	\$353,400.00	\$351,572.00	\$29,297.67	
Landscape Misc.	\$30,000.00	\$30,000.00	\$20,000.00	\$1,666.67	
Plant/Tree Replacement	\$20,000.00	\$20,000.00	\$10,000.00	\$833.33	
Tree Contract	\$38,000.00	\$53,000.00	\$74,250.00	\$6,187.50	Based on proposed 2014-15 contract
TOTAL LANDSCAPE EXPENSE	\$441,400.00	\$456,400.00	\$455,822.00	\$37,985.17	
MAINTENANCE					
Gate Repairs & Maintenance	\$10,000.00	\$10,000.00	\$10,000.00	\$833.33	
Gate Software and Passes	\$50,000.00	\$50,000.00	\$50,000.00	\$4,166.67	
Gate System Repairs	\$1,000.00	\$1,000.00	\$1,000.00	\$83.33	
Gate Transponder Expense	\$10,000.00	\$13,500.00	\$17,000.00	\$1,416.67	
General Maintenance	\$55,000.00	\$100,000.00	\$100,000.00	\$8,333.33	
Holiday Decorations	\$13,000.00	\$12,360.00	\$12,360.00	\$1,030.00	
Janitorial & Janitorial Supplies	\$5,000.00	\$4,500.00	\$13,000.00	\$1,083.33	Increased based on actuals
Lighting Miscellaneous Repairs/Painting	\$30,000.00	\$30,000.00	\$30,000.00	\$2,500.00	
Lighting Contract	\$18,585.00	\$18,585.00	\$17,700.00	\$1,475.00	
Pest Control	\$1,500.00	\$1,140.00	\$1,225.00	\$102.08	
Playground Equip Maint Contract	\$4,200.00	\$2,388.00	\$2,388.00	\$199.00	
Gate Officer Contract	\$614,475.89	\$625,116.00	\$636,816.00	\$53,068.00	3% increase
Fire System Monitoring/Inspection	\$500.00	\$500.00	\$100.00	\$8.33	
Street Sweeping/SWPPP	\$6,000.00	\$6,000.00	\$14,000.00	\$1,166.67	Increased based on actuals
Park Improvements/Dog Park	\$30,000.00	\$110,000.00	\$0.00	\$0.00	
Park Improvements/Addition of Restroom in Common Area	\$0.00	\$65,000.00	\$0.00	\$0.00	
Park Improvements/Shade Structure at Tot Lot	\$0.00	\$25,000.00	\$0.00	\$0.00	
Park Improvements/Addition of Swing Set	\$0.00	\$0.00	\$7,500.00	\$625.00	
General Common Area Improvements	\$0.00	\$0.00	\$40,000.00	\$3,333.33	
Two Radar Speed Signs	\$0.00	\$7,000.00	\$7,000.00	\$583.33	
Contingencies	\$21,288.00	\$10,000.00	\$10,000.00	\$833.33	
TOTAL MAINT & REPAIRS	\$870,628.89	\$1,092,089.00	\$970,089.00	\$80,840.75	
POOL/FOUNTAIN					
Pool/Fountain Contract	\$6,000.00	\$6,000.00	\$6,000.00	\$500.00	
Pool/Fountain Misc. Repairs	\$6,000.00	\$2,500.00	\$1,000.00	\$83.33	Reduced based on actuals
TOTAL POOL/FOUNTAIN	\$12,000.00	\$8,500.00	\$7,000.00	\$583.33	
UTILITIES					
Electric	\$65,278.40	\$55,030.00	\$61,298.00	\$5,108.17	Based on actuals plus 7%
Telephones	\$7,000.00	\$7,050.00	\$7,460.00	\$621.67	Based on actuals
Sewer/Water	\$120,382.71	\$141,243.00	\$142,896.00	\$11,906.00	Based on actuals plus 7%
Total Utilities	192,661.11	203,323.00	211,654.00	\$17,637.83	
RESERVES					
Reserve Transfer	\$60,000.00	\$60,000.00	\$192,000.00	\$5,000.00	
One Time Reserve Transfer	\$0.00	\$0.00	\$200,000.00	\$16,666.67	
Total Reserves	\$60,000.00	\$60,000.00	\$392,000.00	\$21,666.67	
TOTAL EXPENDITURES	\$1,820,350.00	\$2,051,247.00	\$2,204,763.00	\$156,063.58	
NET INCOME/LOSS	(\$60,000.00)	(\$223,987.00)	(\$337,403.00)	(\$28,116.92)	
Application of Operating Surplus	\$60,000.00	\$223,987.00	\$337,403.00	\$28,116.92	
FINAL INCOME/LOSS	\$0.00	\$0.00	\$0.00	\$0.00	

Reserve Budget

Anticipated Reserve Money 12-31-14	\$ 392,110.73	A reserve study was performed in July 2013.
Transfer from Operating 2015	\$ 192,000.00	The reserve study shows that \$1,049,170 is the current estimate of the amount
One Time Reserve Transfer	\$ 200,000.00	of cash reserves that are necessary at the end of 2015. The Executive Board does not anticipate
Interest-Reserve Account 2015	\$ 2,000.00	that a special assessment will be required to repair, replace, or restore any major component
Total Expenses 2015		of the common elements or to provide adequate reserves for that purpose.
Drinking Fountains - Replace	\$ (4,635.00)	The current estimated replacement cost, estimated remaining life and estimated useful life
Flat Roofs - Replace	\$ (13,596.00)	of each major component of the common elements is attached.
Anticipated Reserve Money 12-31-15	\$ 767,879.73	Component procedures were used in the reserve study for the estimation and accumulation of

THE FOOTHILLS at MacDONALD RANCH MASTER ASSOCIATION
2015 ADOPTED BUDGET - 466 HOMES

	INCOME	2013 BUDGET	2014 BUDGET	2015 BUDGET	2015 Monthly	
cash reserves. A statement of qualifications of the person responsible for the preparation of						
Reserve Cash Required by 12-31-15	\$ 1,049,170.00					the reserve study is also enclosed.
Percent Funded	73.19%					
Note: Reserve account was significantly reduced due to street maintenance project in 2014 which was not projected in reserve study until 2019. One time reserve transfer to be completed to replenish reserve levels.						
LAIRMONT - 100 16 Homes @ \$54.00						
	2013 Budget	2014 Budget	2015 Budget	2015 Monthly		
REVENUES						
Assessments- Lairmont	\$8,640.00	\$8,640.00	\$10,368.00	\$864.00	\$9.00 monthly increase	
	\$8,640.00	\$8,640.00	\$10,368.00	\$864.00	(20% increase)	
TOTAL REVENUES						
EXPENSES						
Entry Gate Phone	\$360.00	\$385.00	\$380.00	\$31.67		
Nevada Power	\$300.00	\$300.00	\$350.00	\$29.17		
Entry Gate Maintenance	\$200.00	\$200.00	\$200.00	\$16.67		
Common Water - Irrigation	\$300.00	\$400.00	\$350.00	\$29.17	8% of meter total use	
Landscape Maintenance	\$2,400.00	\$2,400.00	\$2,400.00	\$200.00	Approx. 3,000 sq. ft.	
Repayment to Master Association	\$0.00	\$0.00	\$1,935.67	\$161.31		
Reserve Transfer-Lairmont	\$5,080.00	\$4,955.00	\$4,752.33	\$396.03	plus annual flowers	
TOTAL EXPENSES	\$8,640.00	\$8,640.00	\$10,368.00	\$864.00		
REVENUES OVER EXPENSES	\$0.00	\$0.00	\$0.00	\$83.33		
Reserve Budget						
Anticipated Reserve Money 12-31-14	\$ 48,600.61					A reserve study was performed in July 2013.
Transfer from Operating 2015	\$ 4,752.33					The reserve study shows that \$53,580 is the current estimate of the amount
Interest-Reserve Account 2015	\$ 100.00					of cash reserves that are necessary at the end of 2015. The Executive Board does not anticipate
Total Expenses 2015	\$ -					that a special assessment will be required to repair, replace, or restore any major component
None	\$ -					of the common elements or to provide adequate reserves for that purpose.
Anticipated Reserve Money 12-31-15	\$ 53,452.94					The current estimated replacement cost, estimated remaining life and estimated useful life
Reserve Cash Required by 12-31-15	\$ 53,560.00					of each major component of the common elements is attached.
Percent Funded	99.80%					Component procedures were used in the reserve study for the estimation and accumulation of
cash reserves. A statement of qualifications of the person responsible for the preparation of						
the reserve study is also enclosed.						
LEIGE - 200 14 Homes @ \$223						
	2013 Budget	2014 Budget	2015 Budget	2015 Monthly		
REVENUES						
Assessments- Leige	\$31,584.00	\$31,584.00	\$37,464.00	\$166.67	\$5.00 monthly increase	
	\$31,584.00	\$31,584.00	\$37,464.00	\$166.67	(19% increase)	
TOTAL REVENUES						
EXPENSES						
Entry Gate Phone	\$360.00	\$359.00	\$360.00	\$30.00		
Nevada Power	\$1,000.00	\$1,000.00	\$1,125.00	\$93.75		
Entry Gate Maintenance	\$150.00	\$150.00	\$150.00	\$12.50		
Common Water - Irrigation	\$5,000.00	\$6,600.00	\$6,350.00	\$529.17		
Landscape Maintenance	\$22,200.00	\$22,200.00	\$22,200.00	\$1,850.00	Approx. 74,000 sq. ft.	
Repayment to Master Association	\$0.00	\$0.00	\$6,004.00	\$500.33	(see note below)	
Reserve Transfer-Leige	\$2,874.00	\$1,275.00	\$1,275.00	\$106.25		
TOTAL EXPENSES	\$31,584.00	\$31,584.00	\$37,464.00	\$3,122.00		
REVENUES OVER EXPENSES	\$0.00	\$0.00	\$0.00	\$83.33		
Note: Remaining balance owed to master association will be \$1,086.68 - will be added to 2016 budget. Once master is reimbursed in full, funds from this line item will be reallocated to reserve contributions to bring reserve transfers up to the required amount						
Reserve Budget						
Anticipated Reserve Money 12-31-14	\$ 72,673.33					A reserve study was performed in July 2013.
Transfer from Operating 2015	\$ 1,275.00					The reserve study shows that \$68,934 is the current estimate of the amount
Interest-Reserve Account 2015	\$ 200.00					of cash reserves that are necessary at the end of 2015. The Executive Board does not anticipate
Total Expenses 2015	\$ (884.84)					that a special assessment will be required to repair, replace, or restore any major component
Due to Master Association from Neighborh	\$ (884.84)					of the common elements or to provide adequate reserves for that purpose.
Anticipated Reserve Money 12-31-15	\$ 73,263.49					The current estimated replacement cost, estimated remaining life and estimated useful life
Reserve Cash Required by 12-31-15	\$ 68,934.00					of each major component of the common elements is attached.
Percent Funded	106.28%					Component procedures were used in the reserve study for the estimation and accumulation of
cash reserves. A statement of qualifications of the person responsible for the preparation of						
the reserve study is also enclosed.						
THE RETREAT - 300 52 Homes @ \$60						
	2013 Budget	2014 Budget	2015 Budget	2015 Monthly		
REVENUES						
Assessments- The Retreat	\$0.00	\$36,000.00	\$37,440.00	\$166.67		
	\$0.00	\$36,000.00	\$37,440.00	\$166.67		
TOTAL REVENUES						
EXPENSES						
Entry Gate Phone	\$0.00	\$450.00	\$450.00	\$37.50		
Nevada Power	\$0.00	\$2,160.00	\$2,266.00	\$188.83		
Entry Gate Maintenance	\$0.00	\$250.00	\$250.00	\$20.83		
Common Water - Irrigation	\$0.00	\$5,120.00	\$5,170.00	\$430.83		
Landscape Maintenance	\$0.00	\$27,000.00	\$28,284.00	\$2,357.00	Approx. 78,552 sq ft	
Lighting Maintenance	\$0.00	\$1,020.00	\$1,020.00	\$85.00		
Reserve Transfer-Retreat	\$0.00	\$0.00	\$0.00	\$0.00	(No reserve contribution at this time)	

THE FOOTHILLS at MacDONALD RANCH MASTER ASSOCIATION
2015 ADOPTED BUDGET - 466 HOMES

		2013	2014	2015	2015
	INCOME	BUDGET	BUDGET	BUDGET	Monthly
	TOTAL EXPENSES	\$0.00	\$36,000.00	\$37,440.00	\$3,120.00
	REVENUES OVER EXPENSES	\$0.00	\$0.00	\$0.00	\$83.33
Reserve Budget					
	Anticipated Reserve Money 12-31-14	\$ 175,815.06	A reserve study was performed in July 2013.		
	Transfer from Operating 2015	\$ -	The reserve study shows that \$151,775.00 is the current estimate of the amount		
	Interest-Reserve Account 2015	\$ 350.00	of cash reserves that are necessary at the end of 2015. The Executive Board does not anticipate		
	Total Expenses 2015		that a special assessment will be required to repair, replace, or restore any major component		
	None	\$ -	of the common elements or to provide adequate reserves for that purpose.		
	Anticipated Reserve Money 12-31-15	\$ 176,165.06	The current estimated replacement cost, estimated remaining life and estimated useful life		
			of each major component of the common elements is attached.		
	Reserve Cash Required by 12-31-15	\$ 151,775.00	Component procedures were used in the reserve study for the estimation and accumulation of		
			cash reserves. A statement of qualifications of the person responsible for the preparation of		
			the reserve study is also enclosed.		
	Percent Funded	116.07%			
Note: Assessments to commence upon The Foothills at MacDonald Ranch Master Association assuming responsibility for the common areas from Toll Brothers					
DRAGONRIDGE - 400 9 Homes @ \$420					
		2013	2014	2015	2015
	REVENUES	Budget	Budget	Budget	Monthly
	Assessments- DragonRidge	\$0.00	\$0.00	\$45,360.00	\$166.67
	TOTAL REVENUES	\$0.00	\$0.00	\$45,360.00	\$166.67
	EXPENSES				
	Entry Gate Phone	\$0.00	\$0.00	\$516.00	\$43.00
	Nevada Power	\$0.00	\$0.00	\$1,125.00	\$93.75
	Entry Gate Maintenance	\$0.00	\$0.00	\$250.00	\$20.83
	Common Water - Irrigation	\$0.00	\$0.00	\$3,293.00	\$274.42
	Landscape Maintenance	\$0.00	\$0.00	\$21,516.00	\$1,793.00
	Reserve Transfer-DragonRidge	\$0.00	\$0.00	\$18,660.00	\$1,555.00
	TOTAL EXPENSES	\$0.00	\$0.00	\$45,360.00	\$3,780.00
	REVENUES OVER EXPENSES	\$0.00	\$0.00	\$0.00	\$83.33
Reserve Budget					
	Anticipated Reserve Money 12-31-14	\$ 36,628.00	A reserve study was performed in June 2014.		
	Transfer from Operating 2015	\$ 18,660.00	The reserve study shows that \$51,471 is the current estimate of the amount		
	Interest-Reserve Account 2015	\$ 290.00	of cash reserves that are necessary at the end of 2015. The Executive Board does not anticipate		
	Total Expenses 2015		that a special assessment will be required to repair, replace, or restore any major component		
	None	\$ (6,500.00)	of the common elements or to provide adequate reserves for that purpose.		
	Anticipated Reserve Money 12-31-15	\$ 49,078.00	The current estimated replacement cost, estimated remaining life and estimated useful life		
			of each major component of the common elements is attached.		
	Reserve Cash Required by 12-31-15	\$ 51,471.00	Component procedures were used in the reserve study for the estimation and accumulation of		
			cash reserves. A statement of qualifications of the person responsible for the preparation of		
			the reserve study is also enclosed.		
	Percent Funded	95.35%			

**THE FOOTHILLS AT MACDONALD RANCH MASTER ASSOCIATION
BOARD OF DIRECTORS RESOLUTION
RE: DELINQUENT ASSESSMENT POLICY & PROCEDURE AND POLICY FOR
COLLECTION OF FINES**

The Board of Directors ("Board") for The Foothills at MacDonald Ranch Master Association (the "Association") hereby adopts the following Delinquent Assessment Policy and Procedure for implementation within the Association, with the capitalized terms having the same meaning as those terms are defined in the Declaration of Covenants, Conditions & Restrictions for the Association, which was recorded with the Clark County Recorder's Office on August 20, 1997, in Book No. 970820, as Instrument No. 01249 (the "Declaration"):

1. Pursuant to the Declaration and applicable Nevada law, the Association has a duty to levy annual Common Assessments for common expenses, Capital Improvement Assessments, and Special Assessments, as defined in the Declaration, and reserve assessments as set forth in NRS 116 (collectively the "Assessments"), sufficient to perform its obligations under the Declaration, Bylaws, Articles of Incorporation and any rules, regulations and resolutions adopted by the Board, which may be amended from time to time (collectively the "Governing Documents") and Nevada law. See Declaration, Article 10, Sections 10.1, 10.5 and 10.6, and NRS 116.3102(1) (b) and 116.31152(1). Common Assessments in an amount sufficient to pay the common expenses pursuant to the Association's budget, are levied annually and are payable during the year in monthly installments. See Declaration, Article 10, Section 10.1.

2. Each Assessment or charge is the personal obligation of the Owner at the time the Assessment or other sums are levied. See Declaration, Article 10, Section 10.1. In addition, the Assessment is also a charge or lien upon the Owner's Unit. See Declaration, Article 10, Section 10.1 and 10.7. Recordation of the Declaration constitutes record notice and perfection of the Association's lien. No further recordation of any claim or lien for any unpaid Assessment is required. See NRS 116.3116(4). However, pursuant to this Policy, the Association may record a lien for unpaid Assessments and related charges.

3. The Association will give the Owners notice of any increase in the common expenses, through the budget process set forth in the Association's Governing Documents and Nevada law, at least 30 days in advance of each Common Assessment period. See NRS 116.31151. Notice will be sent by first-class mail to the Owners at the addresses on the Membership register as of the date the notice is issued, or via email if the Owner has elected to receive Association communications electronically. It is the responsibility of each Owner to advise the Association of any changes in their mailing address. The Board may elect from time to time to provide additional periodic statements of Assessments and charges, but failure to transmit such additional statements does not relieve the Owners of the obligation to pay Assessments.

4. The Board may designate an agent to collect Assessment payments and administer this Assessment collection policy. Such designated agent may be a collection company, trustee company, law firm or any other agent properly licensed to provide the service (the "Designated Collection Agent").

5. Unless otherwise specified by the Board, an Assessment is due on or before the first day of the month for which it is due. See Declaration, Article 10, Section 10.8.

6. Any installment of an Assessment, or portion thereof, that is not received by the Association within 30 days the due date, shall result in a late fee being imposed in the amount of \$10.00 per month. See Declaration, Article 10, Section 10.12 and NRS 116.3102(1) (k).

7. Any installment of an Assessment, or portion thereof, which is not received by the Association within 60 days after the due date, shall bear interest at the rate of prime plus two percent (2%) per annum. See Declaration, Article 10, Section 10.12. See also NRS 116.3115(3). The prime rate shall be determined by the prime rate at the largest bank in Nevada as ascertained by the Commissioner of Financial Institutions on January 1 or July 1, as the case may be, immediately preceding the date the Assessment becomes due.

8. The Association shall charge an Owner reasonable fees to cover the costs of collecting any delinquent Assessments in an amount not to exceed the amount established by the Commission for Common-Interest Communities and Condominium Hotels (the "Commission"). Such costs shall include, but shall not be limited to, any fee, charge or costs, by whatever name, any collection fee; filing fee; recording fee; fee related to the preparation, recording or delivery of a lien or lien rescission; title search lien fee; bankruptcy search fee; referral fee; fee for postage or delivery; and any other fee or cost that the Association may charge an Owner for the investigation, enforcement or collection of a delinquent Assessment (collectively, the "Collection Costs"). Such Collection Costs shall become additional charges against the Owner's Lot and shall be subject to collection pursuant to this Policy.

9. Unless otherwise specified by an Owner, payments received by the Association shall be applied as mandated by NRS 116, NRS 116A and NAC 116. The Association may not apply any Assessment, fee or other charge that is paid by an Owner toward a fine or monetary penalty imposed by the Association against the Owner, without the Owner's consent. See NRS 116.310315.

10. In addition to all other remedies available to the Association, if any installment of an Assessment, or portion thereof, is not received by the Association within 60 days after the obligation becomes past due, then the Association shall transmit a letter to the Owner ("Disclosure and Payment Plan") that includes:

- (a) A schedule of the fees that may be charged if the Owner fails to pay the past due obligation;
- (b) A proposed repayment plan; and
- (c) A notice of the right to contest the past due obligation at a hearing before the Board and the procedures for requesting such a hearing.

NOTE 1: The schedule of fees referenced in subparagraph (a), above, is included as an attachment to this Board Resolution. The Association may satisfy subparagraph (a), above, by re-sending to the Owner a copy of this Resolution, as may be amended.

NOTE 2: Unless otherwise determined by the Board after the hearing referenced in subparagraph (c), above, all repayment plans shall be: (i) signed by the Owner and returned to the Association within 15 days of the date of the Disclosure and Payment plan, (ii) be completed in 6 months, and (iii) require the Owner to stay current on future accruing Assessments.

NOTE 3: If an Owner wants to request a hearing to contest the past due obligation, then, within 15 days of the date of the Disclosure and Payment Plan, the Association must receive a written request for the hearing. The written request must be sent to and received by the Association's community manager within the time period provided.

11. If within 15 days of the date of the Disclosure and Payment Plan, the Owner has not: (a) signed and returned the Disclosure Payment Plan, or (b) submitted a written request for a hearing as set forth in NOTE 3 of Paragraph 10, above, then the Association shall transmit a letter to the Owner notifying him or her of the delinquency and requesting payment thereof (the "Notice of Intent"). The Notice of Intent shall be mailed by certified mail, return receipt requested to the address of the Lot and, if different, to a mailing address specified by the Owner, and shall include, at a minimum, the following.

- (a) the fact that the installment is delinquent;
- (b) the amount of the delinquency, including any charges associated with the delinquency including, but not limited to, interest, late fees, attorneys' fees or other Collection Costs;
- (c) the action that is required to be taken by the Owner to cure the default;
- (d) the date, not less than 30 days from the date the Notice of Intent is mailed to the Owner, by which such default may be cured;

In addition, the Notice of Intent may include the following:

- (e) that, subject to the Owner's right to request a hearing, the Owner's and the Owner's family, tenants and guests right to use the recreational facilities, including, but not limited to, the gym, pools and spas is suspended during the time that Owner is delinquent in the payment of assessments;
- (f) that the failure to cure to the default on or before the date specified in the Notice of Intent may result in acceleration of the balance of the installment of the Assessments for the then current fiscal year; and
- (g) what action the Owner may take to cure the default after acceleration.

12. If the Owner fails or refuses to pay the balance due and owing to the Association as set forth in the Notice of Intent, then not less than 30 days after the Notice of Intent is mailed to the Owner, then the Association may record a lien against the Unit owned by the Owner (the "Lien"). The Lien must specify:

- (a) the amount of Assessments and other sums due;
- (b) a description of the Unit upon which the lien is imposed;
- (c) the name of the record owner of the Unit;
- (d) the fact that the installment is delinquent;

- (e) the action required to cure the default;
 - (f) the date, not less than 30 days from the date the notice is mailed to the Owner, by which such default must be cured; and
 - (g) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of such Assessment for the then-current fiscal year and sale of the Unit.
- See NRS 116.31162(1).

13. If the Owner fails or refuses to pay the balance due and owing to the Association as set forth in the Lien, including any interest, late charges, attorneys' fees or fees and Collection Costs, then not less than 30 days after the Lien is recorded and mailed to the Owner, in the manner prescribed by Nevada law, then the Association may initiate foreclosure proceedings against the Unit by recording a notice of default (the "Notice of Default") with the County Recorder. The Notice of Default shall contain the same information as the Notice of Lien, as well as any other information required by Nevada law, and shall be mailed in the manner prescribed by Nevada law. See NRS 116.31162.

14. If the Owner fails or refuses to pay the balance due and owing to the Association as set forth in the Notice of Default, including any interest, late charges, attorneys' fees or fees and Collection Costs, then not less than 90 days after the Notice of Default is recorded and mailed to the Owner and any other parties entitled to notice under Nevada law, in the manner prescribed by Nevada law, then the Association may schedule a sale of the Living Unit by issuing a notice of sale (the "Notice of Sale"). The issuance of the Notice of Sale, as well as publishing and posting of the Notice of Sale shall be in compliance with Nevada law. See NRS 116.311635.

15. The following provisions shall apply to payments made: a) if an Owner physically delivers a payment for delinquent Assessments to the Association or the Association's community manager or its Designated Collection Agent, then the Association must accept such payment; b) if an Owner remits a payment and makes a notation on the check that it is "payment in full," or some other similar verbiage, but the payment does not constitute full payment of the Assessments then due, the Association, the community manager or its Designated Collection Agent need not accept such payment; c) if the Association has entered into an agreement with a Designated Collection Agent to collect delinquent Assessments, and such agreement provides that the Association, its community manager or its Designated Collection Agent need not accept payments from an Owner after the Owner's account has been referred to collections, the Association, its community manager or its Designated Collection Agent must accept payments received from that Owner notwithstanding the provisions of the agreement with the Designated Collection Agent to the contrary. Upon acceptance and deposit of such payment, the Association, its community manager or its Designated Collection Agent must either forward the check to the Designated Collection Agent or email or fax a copy of the check to the Designated Collection Agent; and d) if the Association has entered into an agreement with a Designated Collection Agency as set forth in subsection (c) and the payment received from the Owner has been noted "payment in full," but does not constitute full of the Assessments then due, the Association, its community manager or its designated agent need not accept such payment.

16. At any time after the Notice of Intent has been issued, an Owner may petition the Board in writing for a payment agreement to allow the Owner to make periodic partial payments

on the entire balance of the Assessment account. However, after the Notice of Intent has been issued, the Association has no obligation to enter into such a payment agreement. Notwithstanding the foregoing, if the Board agrees to enter into a payment agreement and to accept a reasonable payment plan with the Owner, then the terms of any payment agreement shall include, at a minimum:

- (a) the Owner staying current on all future accruing Assessments as they come due; and
- (b) paying off the past due balance in installments over a term acceptable to the Board.

Any payment agreement entered into with the Owner shall be reasonable, as determined in the sole discretion of the Board, and for the sole purpose of assuring that the best interests of the Association are served. The payment agreement shall be in writing and a provision shall be included that failure to meet any terms of the agreement shall give the Board the right to immediately continue the collection/lien/foreclosure process without further notice to the Owner. Neither the Association nor its Manager shall have the authority to waive any amounts incurred for any Collection Costs imposed directly by the Designated Collection Agent. If any Owner wishes to request a waiver of any Collection Costs imposed by any Designated Collection Agent, such Owner shall be responsible for contacting the Designated Collection Agent directly in order to make arrangements.

17. A Release of Lien ("Release") and/or Rescission of Notice of Default ("Rescission") will not be recorded until the entire balance of the Owner's Assessment account is paid. All charges incurred in recording a Release and Rescission, including reasonable attorney's fees, if any, will be charged to the Owner's Assessment account.

18. At any time that the Association or its Designated Collection Agent receives a check dishonored by the bank for any reason, a charge of \$20.00 shall be imposed and added to the Owner's account. Upon receipt of a returned check, the Association shall notify the Owner of the same in writing (the "NSF Notice"), and the Owner shall be required to resubmit payment for his or her Assessment in the form of a cashier's check or money order only within 10 days of the date of the NSF Notice. The Association will not resubmit a previously returned personal or business check for payment. Furthermore, if any Owner is required to resubmit payment due to insufficient funds, the Owner will be subject to the Late Fee and interest charges as set forth and more fully described in Paragraphs 6 and 7 above. The Board may immediately proceed with the collection process if the entire past due Assessment balance is not paid within 10 days after notice of the dishonored check is sent to the Owner. The Association may also seek any other damages, in accordance with Nevada law.

19. After the second occurrence of a returned check, only cashier's checks or money orders will be accepted for future payments for 6 months. After the 6 month period, personal checks may again be submitted. However, after reinstatement, if there is one (1) subsequent occurrence of a returned check, then all future payments shall be by cashier's checks or money orders.

20. At any time the Notice of Intent has been issued, if the Owner disputes the accuracy of the calculation of an account or the amount charged to the Owner's Assessment

account, an objection to the specific charges must be received by the Board within 30 days of the date notice was received by the Owner of the charge or balance. The disputed amount may remain unpaid during the investigation, but undisputed portions of the account must be paid before the delinquency date in order to avoid collection charges. No action will be taken to collect the disputed amounts until completion of the investigation and the Board makes a decision. The Owner must provide the following information in writing regarding any dispute:

- (a) The Owner's name, mailing address, and account number;
- (b) The exact dollar amount in dispute or in error.
- (c) For each charge in dispute, an explanation of the reasons the Owner believes there is an error, including evidence that may assist the Board in resolving the issue, i.e., dates, names, and check numbers, so that the dispute may be investigated efficiently and effectively.
- (d) Copies of checks (both front and back), letters or other documents applicable to the account and claimed error must accompany the written objection.

21. The Association reserves the right to avail itself of any other remedy permitted by law and the Association's governing documents to collect Assessments and related costs and charges, including, but not limited to, initiating an action through the Nevada Real Estate Division and/or bringing an action in Small Claims, Justice or District Court. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy.

22. Owners should respond in writing or make payments to the address as directed by the Designated Collection Agent. If no address is given, responses and petitions should be mailed to the Association at the following address:

The Foothills at MacDonald Ranch Master Association
c/o Real Property Management Group
P.O. Box 95606
Las Vegas, NV 89193

23. Pursuant to the Declaration and applicable Nevada law, the Association has a right to levy violation fines to noncompliant Owners as set forth in NRS 116 and the Association Compliance Fine Policy & Schedule adopted by the Board, which may be amended from time to time (collectively the "Governing Documents"). Delinquent violation fines and fees will be collected in accordance with this policy as Assessments are scheduled to be collected, with the exception that violation fines may not incur interest and foreclosure proceedings may not occur for past due or unpaid violation fines; however the Association may include any costs incurred during a civil action to enforce the payment of the past due fines. See NRS 116.31031 & NRS 116.31162.

24. The collection fees and costs of the Association or its Designated Collection Agent are attached hereto as Exhibit "A".

DATED this 23rd day of October, 2013.

The Foothills at MacDonald Ranch Master Association

By: Paul [Signature]

Its: President

By: [Signature]

Its: Vice-President

By: [Signature]

Its: Secretary

By: [Signature]

Its: Treasurer

By: [Signature]

Its: Director

Exhibit "A"

FEE SCHEDULE

Third Party Collection Costs for Collection of Delinquent Assessments and Fines Cannot Exceed the Rates Established by the Regulation adopted by the Commission For Common Interest Communities and Condominium Hotels, as noted below.

a) Demand or Intent to Lien Letter	\$150.00
b) Notice of Delinquent Assessment Lien	\$325.00
c) Intent to Notice of Default Letter	\$ 90.00
d) Notice of Default	\$400.00
e) Intent to Notice of Sale Letter	\$ 90.00
f) Notice of Sale	\$275.00
g) Intent to Conduct Foreclosure Sale	\$ 25.00
h) Conduct Foreclosure Sale	\$125.00
i) Prepare and Record Transfer Deed	\$125.00
j) Payment Plan Agreement – One Time Fee	\$ 30.00
k) Payment Plan Breach Letter	\$ 25.00
l) Release of Notice of Delinquent Assessment Lien	\$ 30.00
m) Notice of Rescission Fee	\$ 30.00
n) Bankruptcy Package Preparation and Monitoring	\$100.00
o) Mailing Fee Per Piece, Subsections (a), (b), (d), (f) hereof only	\$2.00
p) NSF Fee	\$ 20.00
q) Escrow Payoff Demand Fee	\$150.00
r) Substitution of Agent Document Fee	\$ 25.00
s) Postponement Fee	\$ 75.00
t) Foreclosure Fee	\$150.00
u) Reasonable Management Company Fees not to exceed:	\$200.00
v) Reasonable attorney's fees and actual costs	
w) Additional costs include, but are not limited to, the cost of a trustee's sale guarantee, recording costs, posting and publishing costs, sale costs, mailing costs, express delivery costs and skip trace fees, which may be charged at the actual cost incurred.	

THE FOOTHILLS at MACDONALD RANCH MASTER ASSOCIATION

Professionally Managed by: Real Properties Management Group, Inc.

INVESTMENT POLICY AND PROCEDURES

WHEREAS, The Foothills at MacDonald Ranch Master Association (the "Association") is a Nevada nonprofit corporation organized under Chapter 82, and

WHEREAS, the Association is subject to the Uniform Common Interest Ownership Act, Chapter 116 of the Nevada Revised Statutes, and

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

WHEREAS, the Association is subject to the Declaration of Covenants, Conditions, Restrictions, Reservations of Easements, recorded in Clark County on August 20, 1997 and the Bylaws of the Association, duly adopted by the Board of Directors on August 29, 1997, and

WHEREAS, the Association Bylaws Article VIII, Section 8.2(b), gives the Board rule making authority, and

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

WHEREAS, NRS 116A, as amended by AB 350, requires the executive board to establish and adopt written investment policies and procedures, and

WHEREAS, NRS 116, as amended by AB 350, establishes the required insurance for association funds, and

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

NOW THEREFORE, BE IT RESOLVED:

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

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

All checks from the Association accounts will be signed by two members of the board of Directors or an officer and a member of the Board of Directors. The manager will not be a signor on any account maintained by the Association.

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

- No individual investment will be placed in any instrument that will exceed the \$250,000 per account Federal Insurance and steps will be taken to calendar each account to ensure that any interest obtained over a specific investment period will not exceed the maximum as well.
- No accounts will be authorized to be covered by private insurance to allow the investment to exceed the \$250,000 Federal protection.

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

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

OPERATING FUNDS

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

All checks for disbursements from the operating account will be provided by the contracted management company in a timely manner to avoid late charges.

RESERVE FUNDS

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

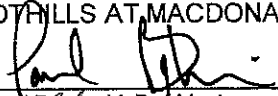
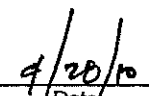
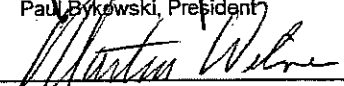
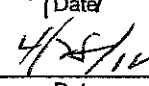
Money deposited in the designated reserve funds will be invested to ensure liquidity at the time of the major replacement, restoration, or repair of the common element or other maintenance item is scheduled in the reserve study, or upon a schedule as decided by the Board of Directors.

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

1. current year-to-date financial statement of the association;
2. A current year-to-date schedule of revenues and expenses for the operating account and the reserve account, compared to the budget of those accounts;
3. A current reconciliation of the operating account of the association;
4. A current reconciliation of the reserve account of the association;
5. The latest account statements prepared by the financial institutions in which the accounts of the Association are maintained; and
6. The current status of any civil action or claim submitted in arbitration or mediation in which the association is a party.

This Resolution adopted by the Board of Directors of The Foothills at MacDonald Ranch Master Association at the Organizational Board of Directors meeting held on October 28, 2009 as evidenced by the signatures below:

THE FOOTHILLS AT MACDONALD RANCH MASTER ASSOCIATION:

By: 	
Paul Bykowski, President	Date
By: 	
Martin Wilner, Secretary	Date

THE FOOTHILLS at MACDONALD RANCH MASTER ASSOCIATION

Professionally Managed by: Real Properties Management Group, Inc.

COMPLIANCE FINE SCHEDULE

WHEREAS, there is a need to establish a consistent compliance fine schedule for the enforcement of the Covenants, Conditions, and Restrictions, and

WHEREAS, it is the intent of the Board of Directors to implement such a procedure for the enforcement of the Covenants, Conditions, and Restrictions, and Restrictions,

NOW, THEREFORE BE IT RESOLVED that the following policy has been adopted by the Board of Directors to be in effect thirty (30) days from adoption of the resolution. Upon effectiveness of this policy, all other previous fine policies shall be null and void.


The following is the fine schedule to be followed when a HOMEOWNER is found in violation of the CC&R's, Rules and Regulations or Architectural Guidelines:

The following is a list of fines for the most frequent types of non-compliance issues of the Governing Documents of The Foothills at MacDonald Ranch Master Association. All violations of the association's governing documents generally fit within the categories listed below. The Board of Directors reserves the right to increase the fine amount for more serious or continuing violations in accordance with NRS 116.

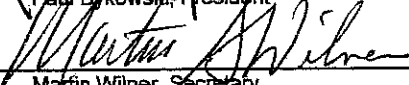
INFRACTION	1 ST OFFENSE	2 ND OFFENSE	3 RD OFFENSE	CONTINUING
Dogs/Cats Failure to clean droppings Non-Compliance of Clark County Leash law	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Unkempt Exteriors Including home exteriors, front & sides of property, landscaping, exposed trash cans, storage of unsightly objects	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Violation of Common Area Rules Oil spill/fluids, speeding, misconduct in park area	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Damage to Common Area	Cost to Repair			
Parking Violations/ Speeding Fines	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Nuisances Noise, noxious or offensive activities	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Prohibited Vehicles Fine RV's Boats, ATVs, Trailers, unlicensed vehicles, etc.	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Architectural Violations	Courtesy Notice	Formal Notice	Hearing Notice	\$50 fine every seven (7) days
Health/Safety Violations	Immediate Hearing - Fines will be commensurate with the infraction			

This Resolution adopted by the Board of Directors of The Foothills at MacDonald Ranch Master Association at the Organizational Board of Directors meeting held on October 28, 2009 as evidenced by the signatures below:

THE FOOTHILLS AT MACDONALD RANCH MASTER ASSOCIATION:

By: 
Paul Bykowski, President

7/20/10
Date

By: 
Martin Wilner, Secretary

4/28/10
Date

ASSESSMENT PAYMENT INFORMATION SHEET

Payment of Assessments:

Coupons: Coupons will be mailed for your use to mail your payments to the lockbox at the bank. You may send a check with the coupon directly to the address on the coupon. It is critical that a coupon accompany the payment to ensure credit to the proper account. Do not send correspondence with your payment.

You may mail any correspondence to:
The Foothills at MacDonald Ranch Master Association
c/o RPMG
P.O. Box 95606
Las Vegas, NV 89193

Using this bank gives homeowners the option of having payments deducted directly from their individual checking accounts to pay their assessments. This process, called **ACH**, is available the month following sign up. If you are interested in using this service, please complete the attached form and return it to the management office.

If you use **on-line bill pay**, please mail the payments to P.O Box 93177, Las Vegas, NV 89193-3177. **REFERENCE THE ACCOUNT NUMBER OR PROPERTY ADDRESS.** This will ensure proper credit to your account.

Payment in person: If you pay your assessments in person at the management company, be aware that only checks or money orders are acceptable. **No cash or credit card payments** will be accepted at the management company.

Online Payment: Visit our website at www.rpmginc.com. On the left side of the webpage, scroll to your association name and click on the link. On the following webpage, click on "Online Assessment Payment". You will be redirected to Alliance Association Financial Services website. Follow the prompts to make a payment with your credit card or an E-check.

Real Properties Management Group, Inc.

ACH Authorization Form

***Worried you will forget to pay your HOA Assessment?
Looking for a quick and easy way to process your HOA Assessment?
Then look no further, we proudly provide ACH Assessment Payment!***

Preauthorized Electronic Assessment Payment Services Authorization Card (please print)

Association Name:	Unit ID:
Name(s) Last:	First:
Name(s) Last:	First:
Daytime Phone Number:	

I (we) herby authorize Real Properties Management Group Inc, hereinafter referred to as RPMG Inc., as agent for the association named above to initiate debit entries to my (our) checking/savings account at the depository named below, hereinafter referred to as DEPOSITORY, to debit the same to such account.

DEPOSITORY NAME:

This authority is granted in accordance with the terms and conditions of the RPMG Inc. Preauthorized Electronic Assessment Payment Service Agreement & Disclosure Statement receipt of which I hereby acknowledge. This authority is to remain in full force and effect until RPMG Inc. has received written notification from me (or either of us) of its termination in such mean as to afford RPMG Inc. a reasonable opportunity to act on it.

Signature Required

Date

PLEASE RETAIN A COPY FOR YOUR RECORDS

Preauthorized Electronic Assessment Payment Service Agreement & Disclosure

Preauthorized charges to your account will be processed, when due, for the amount of your regular assessment payment. Payments so collected will be deposited to the operating account of your ASSOCIATION, maintained with Bank of Nevada.

There may be changes to the assessment amounts and/or due dates in accordance with the ASSOCIATION'S governing documents and applicable statutes including notification requirements of the ACH (Automated Clearing House) rules.

We reserve the right to make changes in the agreement at any time. We may cancel Preauthorized Electronic Assessment Payments at any time without cause and you can terminate this agreement at any time by giving sufficient written notice or by closing the designated accounts.

To Enroll: ATTACH A VOIDED CHECK WITH THIS FORM AND MAIL TO:

Real Properties Management Group Inc.

P.O. Box 95606

Las Vegas NV 89193-5606

FAX: 702-933-7774

Authorization must be received by the 15th day of the current month for processing to start the following month and your account must have a -0- balance.

THE FOOTHILLS AT MACDONALD RANCH MASTER ASSOCIATION
FEES CHARGED TO OWNER BY
ASSOCIATION AND THIRD-PARTY

Association

- Late Fee on Assessments - \$10.00
- Interest on past due balances may be charged at the prime rate of the largest bank in Nevada plus 2% adjusted each Jan. 1 and July 1
- NSF Charge - \$20.00
- Intent to Lien - \$50.00
- Violation Fines – As outlined in the Compliance Fine Schedule as they may be amended from time to time.
- Architectural Application Fees/Deposits – As outlined in the Architectural Design Guidelines as they may be amended from time to time.
- Records Inspection - \$10.00 per hour
- Copies of Records & Minutes - \$.25 per page
- Hard Copy of Audio Recording of meetings - \$25.00
- Gate Remotes/Transponders - \$50.00 (Windshield) or \$75.00 (Bumper)
- Replacement Remotes/Transponders - \$50.00 (Windshield) or \$75.00 (Bumper)
- Park Reservations - \$100.00

Management Company

- Account Set-up Fee - \$250.00
- Demand Fee - \$100.00
- Expedited (Less than 48 hrs.) Demand Charge – Additional \$50.00
- Updates to Demand after 15 days – \$50.00
- Re-sale package - \$160.00
- Expedited (Less than 72 hrs.) Re-sale package – Additional \$125.00
- Account to Collection Company - \$200.00

Third Party Collection Costs For Collection of Delinquent Assessments Cannot Exceed the Rates Established by the Regulation adopted by the Commission For Common Interest Communities and Condominium Hotels, LCB File No. R199-09 as noted below.

a) Demand or Intent to Lien Letter	\$150.00
b) Notice of Delinquent Assessment Lien	\$325.00
c) Intent to Notice of Default Letter	\$ 90.00
d) Notice of Default	\$400.00
e) Intent to Notice of Sale Letter	\$ 90.00
f) Notice of Sale	\$275.00
g) Intent to Conduct Foreclosure Sale	\$ 25.00
h) Conduct Foreclosure Sale	\$125.00
i) Prepare and Record Transfer Deed	\$125.00
j) Payment Plan Agreement – One Time Fee	\$ 30.00
k) Payment Plan Breach Letter	\$ 25.00
l) Release of Notice of Delinquent Assessment Lien	\$ 30.00
m) Notice of Rescission Fee	\$ 30.00
n) Bankruptcy Package Preparation and Monitoring	\$100.00

- o) Mailing Fee Per Piece, Subsections (a), (b), (d), (f) hereof only \$ 2.00
- p) NSF Fee \$ 20.00
- q) Escrow Payoff Demand Fee \$150.00
- r) Substitution of Agent Document Fee \$ 25.00
- s) Postponement Fee \$ 75.00
- t) Foreclosure Fee \$150.00
- u) Reasonable Management Company Fees not to exceed: \$200.00
- v) Reasonable attorney's fees and actual costs
- w) Additional costs include, but are not limited to, the cost of a trustee's sale guarantee, Recording costs, posting and publishing costs, sale costs, mailing costs, express delivery costs and skip trace fees, which may be charged at the actual cost incurred.

Master

Table 1. Executive Summary

25020-0a

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
General Common Area					
201	Asphalt - Overlay	24	20	\$1,726,500	\$3,118,251
202	Asphalt - Slurry Seal	6	5	\$370,500	\$429,511
205	Concrete Driveway - Repair	25	9	\$70,000	\$91,334
206	Decorative Driveway Pavers- Replace	25	9	\$96,500	\$125,911
305	Surveillance System - Modernize	10	3	\$22,500	\$24,586
320	Street Lights (10ft) - Replace	20	4	\$45,100	\$50,760
320	Street Lights (20ft) - Replace	20	4	\$18,500	\$20,822
321	Walkway Lights - Replace	20	4	\$1,250	\$1,407
322	Bollard Lights - Replace	18	4	\$36,600	\$41,194
403	Mailboxes - Partial Replace	20	5	\$16,350	\$18,954
405	Play Spring Toys - Replace	16	3	\$9,450	\$10,326
405	Play Structure - Replace	18	5	\$35,000	\$40,575
406	Swing Set - Replace	18	5	\$3,000	\$3,478
410	Park Furniture - Replace	15	3	\$22,500	\$24,586
411	Drinking Fountains - Replace	12	1	\$4,500	\$4,635
412	Playground Surfaces - Replace	6	2	\$17,600	\$18,672
420	Gazebo (Beneficial) - Refurbish	20	8	\$4,500	\$5,700
425	Park Awning - Replace	10	3	\$3,000	\$3,278
503	Metal Fencing - Replace	30	14	\$10,300	\$15,580
700	Pedestrian Gates (MacDonald) - Replace	30	14	\$5,800	\$8,773
700	Pedestrian Gates (Stephanie) - Replace	30	14	\$3,500	\$5,294
700	Vehicle Gates (MacDonald) - Replace	30	14	\$27,000	\$40,840
700	Vehicle Gates (Stephanie) - Replace	30	14	\$30,000	\$45,378
702	Vehicle Access Systems - Replace	10	7	\$7,000	\$8,609
704	Barrier Arm Operators - Replace	15	6	\$15,200	\$18,150
705	Gate Operator (MacDonald) - Replace	12	0	\$6,500	\$9,267
705	Gate Operator (Stephanie) - Replace	12	3	\$6,500	\$7,103
1107	Metal Fence/Gates - Repaint	4	0	\$7,650	\$8,610
1111	Bollard Lights - Repaint	5	0	\$2,700	\$3,130
1111	Street Lights (10ft) - Repaint	5	0	\$5,700	\$6,608
1111	Tennis Court Light Poles - Repaint	5	0	\$2,250	\$2,608
1403	Monument Signs - Refurbish	30	14	\$4,500	\$6,807
1604	Tennis Courts - Resurface	7	3	\$12,000	\$13,113
1605	Tennis Windscreen - Replace	7	3	\$5,050	\$5,518
1606	Tennis Court Light Fixtures - Replace	20	4	\$15,000	\$16,883
1607	Tennis Court Fencing - Replace	30	14	\$12,400	\$18,756
1700	Water Features - Refurbish	20	5	\$27,000	\$31,300
1701	Fountain Pumps - Partial Replace	2	0	\$3,500	\$3,713
1730	Landscaping - Renovate	10	5	\$87,500	\$101,436
MacDonald Ranch Drive Guard Station					
303	HVAC System - Replace	15	7	\$4,400	\$5,411
324	Exterior Wall Lights - Replace	20	4	\$3,200	\$3,602
325	Recessed Lights - Replace	20	4	\$2,300	\$2,589
910	Guard Station Interiors - Remodel	18	7	\$20,000	\$24,597
1301	Flat Roof - Replace	15	1	\$13,200	\$13,596

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
Stephanie Street Guard Station					
303	HVAC Split-System - Replace	15	2	\$2,900	\$3,077
910	Guard Station Interiors - Remodel	18	7	\$10,000	\$12,299
1308	Metal Roof - Replace	30	14	\$6,650	\$10,059
47	Total Funded Components				

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: highlighted line items are expected to require attention in the initial year

Lairmont

Table 1: Executive Summary

25020-0b

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
201	Asphalt - Overlay	24	14	\$53,250	\$80,545
202	Asphalt - Slurry Seal	6	5	\$8,500	\$9,854
320	Street Light (10ft) - Replace	20	10	\$850	\$1,142
700	Pedestrian Gate - Replace	30	20	\$1,150	\$2,077
700	Vehicle Gates - Replace	30	20	\$18,000	\$32,510
702	Vehicle Access System - Replace	10	7	\$3,500	\$4,305
704	Intercom - Replace	12	2	\$4,000	\$4,244
705	Gate Operators - Replace	12	2	\$6,500	\$6,896
1107	Metal Gates - Repair/Repaint	4	2	\$1,400	\$1,485
1730	Landscaping - Renovate	10	3	\$6,500	\$7,103
10	Total Funded Components				

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: highlighted line items are expected to require attention in the initial year

Leige

Table 1: Executive Summary

25020-0c

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
201	Asphalt - Overlay	24	16	\$83,500	\$133,993
202	Asphalt - Slurry Seal	6	5	\$13,300	\$15,418
320	Street Light (10ft) - Replace	20	12	\$1,700	\$2,424
700	Vehicle Gates - Replace	30	22	\$18,000	\$34,490
702	Vehicle Access System - Replace	10	7	\$3,500	\$4,305
704	Intercom - Replace	12	4	\$4,000	\$4,502
705	Gate Operators - Replace	12	4	\$6,500	\$7,316
1001	Backflow Device - Replace	20	12	\$1,750	\$2,495
1003	Irrigation Controller - Replace	15	7	\$1,900	\$2,337
1107	Vehicle Gates - Repair/Repaint	4	0	\$1,250	\$1,407
1730	Landscaping - Renovate	10	2	\$15,000	\$15,914
11	Total Funded Components				

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: highlighted line items are expected to require attention in the initial year

The Retreat

Table 1: Executive Summary

25020-0d

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost	Future Average Cost
201	Asphalt - Overlay	24	16	\$136,500	\$219,042
202	Asphalt - Slurry Seal	6	5	\$21,800	\$25,272
206	Decorative Pavers - Replace	25	17	\$45,500	\$75,205
322	Bollard Lights - Replace	18	10	\$19,600	\$26,341
401	Park Gazebo - Refurbish	20	12	\$4,500	\$6,416
408	Park Furniture - Replace	15	7	\$2,200	\$2,706
503	Metal Fencing - Replace	30	22	\$35,050	\$67,159
700	Pedestrian Gate - Replace	30	22	\$1,150	\$2,204
700	Vehicle Gates - Replace	30	22	\$30,000	\$57,483
704	Intercom - Replace	12	4	\$4,000	\$4,502
705	Gate Operators - Replace	12	4	\$13,000	\$14,632
1003	Irrigation Controller - Replace	15	7	\$1,900	\$2,337
1107	Metal Fencing/Gates -Repair/Repaint	4	0	\$6,500	\$7,316
1730	Landscaping - Renovate	10	3	\$30,000	\$32,782
14	Total Funded Components				

Note 1: a Useful Life of "N/A" means a one-time expense, not expected to repeat.

Note 2: highlighted line items are expected to require attention in the initial year

Accuracy, Limitations, and Disclosures

Because we have no control over future events, we cannot claim that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect that financial institutions will provide interest earnings on funds on-deposit. We believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. The things we can control are measurements, which we attempt to establish within 5% accuracy. Your starting Reserve Balance and current Reserve interest earnings are also numbers that can be identified with a high degree of certainty. These figures have been provided to us, and were not confirmed by our independent research. Our projections assume a stable economic environment and lack of natural disasters.

Because both the physical status and financial status of the association change each year, this Reserve Study is by nature a "one-year" document. This information can and should be adjusted annually as part of the Reserve Study Update process so that more accurate estimates can be reflected in the Reserve plan. Reality often differs from even the best assumptions due to changing economic factors, physical factors, or ownership expectations. Because many years of financial preparation help the preparation for large expenses, this Report shows expenses for the next 30 years. We fully expect a number of adjustments will be necessary through the interim years to both the cost and timing of distant expense projections. It is our recommendation and that of the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually.

Association Reserves - NV, LLC, and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Matthew C. Swain, N.R.S.S., R.S., company president, is a CAI-credentialed Reserve Specialist (#134) as well as a Nevada Real Estate Division Permitted Nevada Reserve Study Specialist (#57). All work done by Association Reserves -NV, LLC is performed under his Responsible Charge. There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the association's situation.

We have relied upon the client to provide the current (or projected) Reserve Balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the Reserve Fund. In addition, we have considered the association's representation of current and historical Reserve projects reliable, and we have considered the representations made by its vendors and suppliers to also be accurate and reliable.

Component quantities indicated in this Report were developed by Association Reserves unless otherwise noted in our "Site Inspection Notes" comments. No destructive or intrusive testing was performed, nor should the site inspection be assumed to be anything other than for budget purposes.

Preparers Qualifications:

Matthew joined Association Reserves in 2005 just prior to completing his Bachelors of Science in Physics at California Lutheran University. He completed his degree in May of 2005 with honors. His background, which gave him a wide range of knowledge in mathematics, statistics, electronics, and fluid dynamics, has been a benefit to clients as he models complex physical and financial change at a wide range of properties. For his expertise, Matthew earned the Community Association Institute's (CAI) Reserve Specialist (RS) designation and has the distinction of being RS #134. In 2008, he moved to La Mesa, CA to open the San Diego regional office in order to better serve the needs of a growing portfolio of clients throughout San Diego County. In 2010 he was licensed by the State of Nevada as a Nevada Reserve Study Specialist (NRSS #57) and in 2011 he capitalized on an opportunity to oversee and expand the Nevada regional office. Matthew caters to a variety of local residential and resort facilities, including mobile home parks, condominiums, vacation ownership associations, and prominent Las Vegas hotel-condo properties, among others. On weekends and holidays Matthew can generally be found either working with his wife restoring their 1930s home or outdoors hiking in one of our local, state or national parks.