



KNIGHTS BRIDGE

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Homeowners Association

General HOA Questions

1. What is a "management company," what do they do, and how do I reach them?

A management company is contracted by the Board of Directors to provide such services as: Collection of assessments, supervision of subcontractors, obtaining bids for subcontracted services, providing financial statements and collection reports, as well as a general clearing house for problem solving, communications with homeowners and the Board of Directors and to serve in an advisor capacity. The management company reports directly to the Board and all decisions are made by a majority vote of the Board of Directors. Junction Property Management may be reached by calling (972) 484-2060.

2. What is a homeowners association?

It is a non-profit corporation registered with the State and managed by a duly elected Board of Directors. Its purpose is to maintain all common areas and to govern the community in accordance with the provision of the legal documents: CC&Rs, Bylaws, and Articles of Incorporation. The corporation is financially supported by all members of the homeowners association. Membership is both automatic and mandatory.

3. What are the CC&Rs?

The Covenants, Conditions and Restrictions (CC&Rs) are the governing legal documents that set up the guidelines for the operation of the planned community as a non-profit corporation. The CC&Rs were recorded by the County recorder's office of the County in which the property is located and are included in the title to your property. Failure to abide by the CC&Rs may result in a fine to a homeowner by the Association.

4. What are the Bylaws?

The Bylaws are the guidelines for the operation of the non-profit corporation. The Bylaws define the duties of the various offices of the Board of Directors, the terms of the Directors, the membership's voting rights, required meetings and notices of meetings, and the principal office of the Association, as well as other specific items that are necessary to run the Association as a business.

5. What is the Board of Directors?

The Homeowners Association again is a corporation and therefore a governing body is required to oversee its business. The Board of Directors is elected by the homeowners, or as otherwise specified in the bylaws. The limitation and restrictions of the powers of the Board of Directors is outlined in the Association governing documents.

6. Are there any other rules?

Most associations have developed Rules and Regulations as provided for in the CC&Rs and adopted by the Board of Directors. Rules are established to provide direction to the homeowners for common courtesies with regard to parking, vehicles, pets and pool use hours, etc. In addition, your Association will adopt Architectural Guidelines with procedures for submitting requests* to make exterior changes to your home. Such changes may include patio covers, decks, landscaping, exterior color changes or extensive interior changes and additions. These rules and guidelines are set up to maintain the aesthetic value and integrity of the community on behalf of all owners, and hopefully protect the market value of your investment as well. Violations of these rules may result in action by the Board of Directors

and a fine. In addition, if you proceed with an exterior improvement or change, without written approval of the Board of Directors, or Architectural Review Committee (ARC), as applicable, you will be required to remove or correct the alteration and/or be fined for the violation.

* The ARC Request Form is located in the KBE HOA Neighborhood Directory & CrimeWatch Handbook (Section 7) and on the website: www.kbehoa.info

7. If I am having a problem with a neighbor for a violation of the Policies and Guidelines, what can I do?

If residents cannot resolve a situation between themselves, then turn to your Association. Should you have a situation that does not appear to be resolved through neighborly means, and you are willing to actively participate in the enforcement provided by the Policies and Guidelines, you may contact us to complete a Violation Report Form that will be forwarded to your Association Manager. If the situation is deemed in violation of the Policies and Guidelines, the Board of Directors will institute the enforcement policy. Your continued assistance may be required.

8. What is my assessment?

The assessment is the annual amount due from each homeowner to cover the operating expenses of the common area and provide for reserve funds for replacement of common facilities in future years. Your assessments are due in January of each year. Statements will be sent for assessments as a reminder of the amount due.

9. How is the amount of my assessment determined?

The Department of Real Estate typically requires a budget from the developer for each community that a developer proposes to build. This budget is set upon specific guidelines for utilities, landscaping, administration, etc. Reserve funds are moneys set aside for future expenses due to the life expectancy of certain items: lighting, street resurfacing, pool equipment, etc. These amounts are then divided by the number of units built in a given phase of the development. Subsequent budgets are developed by the Board of Directors.

10. Will my assessment go up?

There is no concrete answer to this. Typically the Civil Code provides for annual increases, but not to exceed 20 percent per year without the vote of the membership. The Board of Directors may approve an increased budget, increasing your assessment up to this percentage in order to cover increased costs of operating and maintaining the common area and sufficient reserve funds.

11. What happens if I don't pay my assessment?

The maintenance and management services incurred by the Association are dependent upon timely receipt of the assessments due from each homeowner. Late payments will result in a late charge as assessments are due on the first of the month. In addition, the CC&Rs allows the Association to charge late charges and interest and proceed with a lien on your property, or foreclosure proceeding for nonpayment of assessments.

12. Are Board Meetings open to all residents? If so, where and when are they held?

Yes. Notice of the time and place of any regular board meeting will be noted in the community newsletter, or accessed via the website.