



November 2, 2021

Dear South Shores Community Association Valued Homeowner(s),

In accordance with Nevada Revised Statutes (NRS), we are enclosing a copy of the proposed 2022 Operating and Reserve Annual Budgets for your association, which the Board of Directors adopted on October 19, 2021. Please note that:

- The Regular Assessment will be increased by **15%**, bringing the Regular Assessment to **\$92.00 per unit per quarter** for single family homes.
- Commercial Units will increase by 15%.
- *Assembly Bill 356, which was passed during the most recent legislative session, requires all non-functional turf to be converted to drought tolerant plant materials within 5 years. LVVWD will impose penalties on our community for failure to abide with these new standards. Meanwhile, LVVWD has also reduced the annual rebates previously offered to HOAs for this conversation, which regrettably increases the financial burden of this expense on homeowners. South Shores' projected cost is \$700,000, including the remaining rebate.*

As we plan the turf conversation expenditure, the board will continue to look at ways of reducing this increased cost for our community but must raise assessments to meet these anticipated expenditures. These cost reducing items include, but are not limited to, applying for the reduced annual turf conversion rebates and implementing less expensive landscape design throughout the community. During this conversation, special efforts are being considered to maintain the health of our trees.

- Homeowners will receive **coupons** for assessment payments in 2022. **Coupon books take 4-6 weeks for production/delivery. Therefore, please send your January 2022 payment to Name of Association via PO Box 61533, Phoenix, AZ 85082 (Association account number MUST be listed on payment for proper processing).**

This letter also serves as notice that the meeting of unit owners to ratify the Budget proposed for the 2022 fiscal year is scheduled to be held on **December 14, 2021 at 10:00 am** at the **Terra West Sky Pointe Office, 6628 Sky Pointe Drive, Ste. 290, Las Vegas, NV 89131**. Unless at this meeting a majority, 51% of all the unit owners reject the proposed budget, the proposed budget is ratified whether or not a quorum is present. The ratified budget will take effect on January 1, 2022. It is not necessary for the Board of Directors to attend this meeting nor are they required to attend. The Agenda for the Budget Ratification Meeting is as follows:

1. Call to Order/Quorum Establishment
2. Homeowners Forum
3. Budget Ratification1
4. Adjournment

This agenda is made available to the association's membership in accordance with NRS 116.31151. Unit owners have the right to speak to the association or executive board unless the executive board is meeting in executive session.

To enhance timely and effective communication between the Association and the membership, including **saving the association (and ultimately YOU!!) funds by minimizing postage** whenever possible, the Association would like to send email "blasts" to all owners, who approve, which contain official notices previously required by law to be delivered by the United States Postal Service.

To login or enroll, you can access the Association's web portal at <http://terrawest.com>, and select "HOA Login" on the bottom left of the page. This will take you to the main login screen. If you have not created an account, select the "Click here to obtain initial login" link and it will prompt you to enter your account number and information. Once logged in, select "Profile" from the left menu, then "Preferences" under the "Settings" menu on the right side of the screen. Under the "Electronic Communication" menu, please check your preference box for "I wish to

receive communications electronically including my newsletters, assessment and reminder statements, and other community notifications.” Select the acknowledgement checkbox when prompted with the disclaimer statement outlining the following:

“If eCommunication is selected, Terra West Management Services will be sending Association information and notifications via email per NRS 116.31068. Please note, the following information will continue to be sent via hard copy to the mailing address of record per NRS or Terra West policy: (1) Notice of change to governing documents, (2) Amendments to bylaws, articles, CC&Rs, plat plans, etc., (3) Restriction on voting or common area use, (4) Elections – nomination form, ballots, etc., (5) Removal of board members, (6) Annual Budgets, and (7) All policies and resolutions.

If you wish to receive eCommunications, check the first box. If you wish to also receive eStatements (assessment and reminders), check the second box. Click “Save” at the bottom of your page to save your preferences.

Please ensure Southshores@terrawest.com, noreply@eunify.net, and customerservice@terrawest.com email addresses are added to your email's safe sender's list. Terra West Management Services has no way of knowing if an email notice failed to be received due to your individual security settings. The Association has a duty to send to the email provided but, not guarantee delivery. If you need to update your mailing address or email(s) in your profile/contact information, please submit your request in writing to customerservice@terrawest.com.”

IMPORTANT! If you have previously provided the Association an eConsent form and you did not complete your registration for the web portal, please ensure you complete this step in order to receive the electronic communications. Furthermore, if you provide the Association a written request to add an “Alternate” or second email to your account, this email will also receive all electronic communications you have registered for under your profile. Please ensure any change requests to your profile contact information are provided to the Association in writing. Please note, you have the option to select the box “I wish to receive eStatements,” if you would like statement reminders sent electronically.

Should you have any questions regarding the above or need assistance with your initial login, please contact Terra West Management Services at customerservice@terrawest.com or by calling (702) 362-6262 for further assistance.

NRS 116.31031 provides the Association the ability to impose monetary fines to a unit owner for non-compliance of the governing documents in an amount not to exceed \$1,000 for the initial violation (or combination thereof) and up to \$100 every 7 days for each violation deemed a continuing violation per statute, with no fine cap. Imposing monetary sanctions applies after the owner has been provided notice to cure and a notice of hearing before the Board to address the matter and that matter remains unresolved. Please see your governing documents for further detail on the notice process specific to your community; documents are posted on the community's web portal for ease of reference.

NRS 116.31151 also requires the Association to distribute the Collection Policy annually, in the same manner that the executive board makes the budget available to owners. A copy of the Collection Policy is enclosed for your records.

Sincerely,

South Shores Community Association

Terra West Management Services
6655 S. Cimarron Road, Suite 200
Las Vegas, Nevada 89113
Phone 775-853-9777 | Fax 775-853-9771

Budget Summary Report

South Shores Community Association

2022 Budget

	2021 Budget	2022 Budget
Operating Revenue		
4110 - Monthly Assessments	460,840.00	527,712.00
4112 - Monthly Assessments-Stores	13,300.00	15,295.00
4113 - Monthly Assessments-Commercial	16,204.00	18,634.60
4117 - Bad Debt - Contra Account	(40,000.00)	(13,000.00)
Total Operating Revenue	450,344.00	548,641.60
Total SOUTH SHORES Income	450,344.00	548,641.60
Operating Expenses		
6044 - Insurance - D & O	11,000.00	11,000.00
6045 - Insurance - Liability	7,300.00	7,300.00
6047 - Insurance - Workers Comp	540.00	540.00
Total Operating Expenses	18,840.00	18,840.00
Utilities Expense		
6060 - Electricity	450.00	450.00
6081 - Water	120,000.00	120,000.00
6083 - Water Waste Fines	0.00	5,000.00
Total Utilities Expense	120,450.00	125,450.00
Landscape Expenses		
6305 - Landscaping - Contract	125,772.00	131,112.00
6315 - Landscaping - Major Repairs	0.00	5,000.00
6317 - Landscaping - Improvements	15,000.00	15,000.00
6320 - Landscaping - Repair/Supply	17,000.00	17,000.00
Total Landscape Expenses	157,772.00	168,112.00
Repairs and Maintenance		
6367 - R & M - General	10,000.00	10,000.00
6370 - R & M - Pest Control	7,000.00	7,000.00
6374 - R & M - Pet Waste Removal	0.00	3,600.00
Total Repairs and Maintenance	17,000.00	20,600.00
Administrative Expenses		
6405 - Management Fees	82,950.00	85,250.00
6406 - Resident Agent Fee	200.00	200.00
6407 - Ombudsman Fee	6,210.00	6,210.00
6409 - Secretary of State Filing	50.00	50.00
6431 - Legal	30,000.00	30,000.00
6433 - Accounting/Audit	1,825.00	1,825.00
6434 - Collection/Recovery Costs	2,500.00	2,500.00
6450 - Postage & Copies	13,000.00	25,000.00
6455 - CAI Expenses	500.00	500.00
6457 - Coupon Books	7,000.00	7,000.00
6458 - Community Events	10,000.00	10,000.00
6467 - Miscellaneous Expense	1,000.00	1,000.00
6472 - Meeting Room Exp	1,500.00	1,500.00
Total Administrative Expenses	156,735.00	171,035.00

Budget Summary Report
South Shores Community Association
2022 Budget

	<u>2021 Budget</u>	<u>2022 Budget</u>
Other Expenses		
7040 - Transfers to Reserve Funds	30,413.00	46,858.00
Total Other Expenses	<u>30,413.00</u>	<u>46,858.00</u>
Total SOUTH SHORES Expense	<u>501,210.00</u>	<u>550,895.00</u>
Total Association Net Income / (Loss)	<u>(50,866.00)</u>	<u>(2,253.40)</u>

RESERVE BUDGET SUMMARY REPORT
Fiscal Year 2022 Reserve Budget
South Shores Community Association

Projected Reserve Balance January 1, 2022

\$246,279.66

INCOME

Reserve Income

3020 Transfers to Reserves

TOTAL RESERVE INCOME

2021 BUDGET

\$ 30,413.00

\$ 30,413.00

2022 BUDGET

\$ 46,858.00

\$ 46,858.00

EXPENSES

Reserve Expenses

3110 Reserve Expenses

TOTAL RESERVE EXPENSES

\$ 47,129.60

\$ 47,129.60

\$ 49,000.00

\$ 49,000.00

Reserve Net Income/(Loss)

\$ (16,716.60)

\$ (2,142.00)

Anticipated Reserve Balance End 2022

\$244,137.66

Recommended Reserve Balance as of December 31, 2022

\$ 299,114.00

NOTES:

Through the preparation of this budget the Board of Directors has been made aware that the projected reserve fund balances for fiscal year ending 2022 are at a funding level of:

81.6%

(funding level is determined at the Board's discretion)

Pursuant to NRS 116.3115, the Association shall establish adequate reserves, funded on a reasonable basis, for the repair, replacement, and restoration of the major components of the common elements. Enclosed you will find a copy of the inventory for those components to be repaired, replaced or restored with the cash reserves set aside as outlined in the reserve study plan prepared by reserve consultant Don Barry and RS-40 RSS-03 with Reserve Studies and More via the cash flow funding method. Such report reflects the current estimated replacement cost, estimated useful life and estimated remaining life of the major components of the Association, based off the most recent Reserve Study report adopted by the Board of Directors.

2022 RESERVE STUDY EXPENDITURES and ESTIMATED COST PER RESERVE STUDY	
Deferred Expenditures:	\$ -
Ash Tree & Pine Tree Pruning	\$ 49,000.00
Scheduled Expenditures	\$ -
Lighting - Landscape, Monument	\$ 3,855.72
Perimeter Walls- Repairs	\$ 43,273.88
Subtotal	\$ 96,129.60

The above "Projected Reserve Expenditures for fiscal year 2022" represents those scheduled items within the referenced reserve study for the upcoming calendar year, including items deferred from the prior year budget. The Board will review the condition of the assets and determine if work is needed, which will be at a noticed meeting of the Board of Directors. Contracts have not been engaged for the work above, this is only provided as a summary of the scheduled items for review as outlined in the reserve study for further discussion/analysis by the Board. A copy of the full Reserve Study is available by visiting the Association's web portal or emailing: Southshores@terrawest.com

South Shores Community Association

Membership Disclosure Summary

Sorted by Category

Major Reserve Components	Current Cost	Remaining Life Range	Useful Life Range
010 Streets	\$5,000	0	5
020 Painting	\$54,797	0	5-10
030 Fencing	\$33,202	9	20
040 Fencing	\$36,000	18	25
040 Signage	\$22,990	9	20
050 Lighting	\$3,706	2	12
060 Walls	\$41,594	2	8
100 Grounds	\$20,000	10	10
100 Landscape	\$214,790	0-6	5-10
Contingency	n.a.	n.a.	n.a.
Total	\$432,078	0-18	5-25

This report page meets the requirements of NRS 116 and any other statute disclosure requirements for Nevada Reserve Providers. This page should be provided to the homeowners at budget time as an integral part of the operating and reserve budget package. This reserve report was prepared by CSIReserves (Community Solutions Inc., Henderson, Nevada). The preparer was awarded the national CAI Reserve Specialist designation (RS) in March of 2000 and held the AMS (Association Management Specialist) and PCAM (Professional Community Association Manager) designations from 1994-2014). He is Nevada RSS (Reserve Study Specialist) permit holder No. 0003 and has over 15 years experience in the preparation of reserve studies for common interest and commercial communities. The Preparer creates and teaches maintenance and reserve study classes for CID manager license candidates in the State of Nevada and has, in the past, lectured on maintenance and reserves for the State of Nevada Ombudsman's Office..

Type of Study is ... Update with Site
(Full, Update with Site Visit, or Update w/o Site Visit)

The Method of Funding utilized for projecting future funding is Full Funding
(Component (Full Funding), Threshold, or Baseline)

This report was produced in 2019. The data in this report was only current in the year the report was produced.

South Shores Community Association

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Theoretically Ideal Balance
<u>010 Streets</u>				
Concrete - Funded	0	5	\$5,000.00	\$5,000.00
Sub Total	0	5	\$5,000.00	\$5,000.00
<u>020 Painting</u>				
Painting - Perimeter Stucco Walls	0	10	\$50,260.00	\$50,260.00
Painting - Wrought Iron	0	5	\$4,537.00	\$4,537.00
Sub Total	0	5-10	\$54,797.00	\$54,797.00
<u>030 Fencing</u>				
Fencing - Wrought Iron	9	20	\$33,201.78	\$18,260.98
Sub Total	9	20	\$33,201.78	\$18,260.98
<u>040 Fencing</u>				
Walls - Block, Stone Veneer	18	25	\$36,000.00	\$10,080.00
Sub Total	18	25	\$36,000.00	\$10,080.00
<u>040 Signage</u>				
Signage - Community Signage	9	20	\$22,990.00	\$12,644.50
Sub Total	9	20	\$22,990.00	\$12,644.50
<u>050 Lighting</u>				
Lighting - Landscape, Monument	2	12	\$3,706.00	\$3,088.33
Sub Total	2	12	\$3,706.00	\$3,088.33
<u>060 Walls</u>				
Perimeter Walls - Repairs	2	8	\$41,593.50	\$31,195.13
Sub Total	2	8	\$41,593.50	\$31,195.13
<u>100 Grounds</u>				
Grounds - Misc Above and In-Ground Utilities	10	10	\$20,000.00	\$0.00
Sub Total	10	10	\$20,000.00	\$0.00
<u>100 Landscape</u>				
Irrigation - Backflow Devices	6	6	\$15,000.00	\$0.00
Landscape - Ground Cover, Crushed Stone	1	10	\$20,300.00	\$18,270.00
Landscape - Irrigation Controllers	6	6	\$39,490.00	\$0.00
Landscape - Irrigation Renovation	4	8	\$50,000.00	\$25,000.00
Landscape - Periodic Tree Maint & Rplcmnt	0	5	\$35,000.00	\$35,000.00
Landscape - Refurbish/Renovate	1	5	\$55,000.00	\$44,000.00

South Shores Community Association

Calculation of Percent Funded

Sorted by Category

	Remaining Life	Useful Life	Current Cost	Theoretically Ideal Balance
Sub Total	0-6	5-10	\$214,790.00	\$122,270.00
Contingency	n.a.	n.a.	n.a.	\$12,866.80
Total	0-18	5-25	\$432,078.28	\$270,202.73
Anticipated Reserve Balance				\$293,674.00
Percent Funded				108.69%

South Shores Community Association
Distribution of Current Reserve Funds
Sorted by Remaining Life

	Remaining Life	Theoretically Ideal Balance	Internally Assigned Reserves
Concrete - Funded	0	\$5,000.00	\$5,000.00
Landscape - Periodic Tree Maint & Rplcmnt	0	\$35,000.00	\$35,000.00
Painting - Perimeter Stucco Walls	0	\$50,260.00	\$50,260.00
Painting - Wrought Iron	0	\$4,537.00	\$4,537.00
Landscape - Ground Cover, Crushed Stone	1	\$18,270.00	\$20,300.00
Landscape - Refurbish/Renovate	1	\$44,000.00	\$55,000.00
Lighting - Landscape, Monument	2	\$3,088.33	\$3,706.00
Perimeter Walls - Repairs	2	\$31,195.13	\$39,901.05
Landscape - Irrigation Renovation	4	\$25,000.00	\$25,000.00
Irrigation - Backflow Devices	6	\$0.00	\$0.00
Landscape - Irrigation Controllers	6	\$0.00	\$0.00
Fencing - Wrought Iron	9	\$18,260.98	\$18,260.98
Signage - Community Signage	9	\$12,644.50	\$12,644.50
Grounds - Misc Above and In-Ground Utilities	10	\$0.00	\$0.00
Walls - Block, Stone Veneer	18	\$10,080.00	\$10,080.00
Contingency	n.a.	\$12,866.80	\$13,984.48
Total	0-18	\$270,202.73	\$293,674.00
Percent Funded			108.69%

**South Shores Community Association
ASSESSMENT, ABATEMENT & FINE COLLECTION POLICY**

RESOLUTION OF THE BOARD OF DIRECTORS

WHEREAS the Board of Directors of the South Shores Community Association is charged with the responsibility of collecting assessments, abatement expenses, and fines; and

WHEREAS from time-to-time unit owners become delinquent in their payments of these assessments, abatement expenses, and fines and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS the Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interest of the Association to refer these accounts promptly for collection so as to minimize the Association's loss of revenue;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Association adopts the following policy and practice effective thirty days after distribution to owners.

This document sets forth the Association's policy regarding the collection of assessments, abatement expenses, and fines pursuant to the Association's Declaration of Covenants, Conditions, and Restrictions and Nevada Revised Statute Chapter 116.

The Board establishes the Association's fiscal year, January 1 to December 31, as the regular assessment period.

1.0 Assessments in General. The Association has a duty to levy regular, reserve, special and/or other assessments sufficient to perform its obligations under the governing documents and Nevada law. The regular/common assessment is payable Quarterly. Each installment is due on the first day of the month for which it is due as specified on the annual budget and/or notice of assessment issued for the calendar year. Special or other assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the assessment or in the ballot presenting the special or other assessment to the members for approval. (Reserve assessments do not require membership approval.)

2.0 Obligation to Pay. The Association has a lien on a unit for any construction penalty that is imposed against the unit's owner, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment, abatement expense or fine becomes due. Further, unit owners have a personal obligation to pay each assessment, abatement charge, or fines.

3.0 Notice of Address Change. It is the responsibility of each owner to advise the Association of any mailing address changes. The Board of Directors may elect from time-to-time to provide additional periodic statements of assessments and charges, but lack of such statements does not relieve the owners of the obligation to pay assessments.

4.0 Designation of Agent. The Board of Directors designates Terra West Management Services as its managing agent to process non-delinquent assessment, abatement and fine payments prior to sending a delinquent account to collections. The Board of Directors shall designate a third party entity to collect assessments, abatement expenses, and fines on all accounts transferred to an agent or attorney for collections pursuant to this policy.

5.0 Charges on Delinquent Amounts. After 30 days past due, an assessment, or any portion thereof, that is delinquent shall incur a late charge of \$10.00 per month.

6.0 Interest Charges. Any past due assessment for common expenses or installment thereof that is more than 60 days' past due bears interest at the rate equal to 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 past due, plus 2%. The rate must be adjusted accordingly on each January 1 and July 1 thereafter until the balance is satisfied. The rate shall not exceed 18% per year.

7.0 Interest and Collection Charges. Any costs and fees incurred in processing and collecting delinquent amounts, including, without limitation, late and interest charges, charges for preparation of delinquency notices or referral for collection, postage, and copies, and attorney's fees and costs, shall become an additional assessment against the owner and the owner's lot and shall be subject to collection action pursuant to this policy.

8.0 Application of Payment. Payments shall be applied first to any past due assessments then to the most delinquent of late fees, interest, collection fees, transfer fees, and any other charge to an owner's account. Partial payments may be applied to the amounts due, but may not halt further collection activity.

9.0 Nevada Servicemembers' Civil Relief Act. If a homeowner or his or her successor in interest is a "Servicemember," as defined by Nevada law, or is a dependent of a Servicemember, the Association shall not initiate any foreclosure of a lien while the Servicemember is on active duty or deployment or for a period of one year immediately following the end of such active duty or deployment. Furthermore, in accordance with Nevada law, the Association shall:

1. Inform each unit owner or his or her successor in interest that if the owner is a Servicemember or a dependent of a Servicemember he or she may be entitled to certain protections; and
2. Give that owner the opportunity to provide information to verify he or she is entitled to protections under Nevada law on the form attached hereto.

- a. Upon receipt of such information from a homeowner, the Association must verify the same or, even without receipt of information, the Association shall make a good faith effort to independently verify if the homeowner is entitled to protections.

9.1 ATTENTION: GOVERNMENT & TRIBAL OPERATIONS/GOVERNMENT SHUTDOWN

Certain persons may have protections if they are affected by a government shutdown. If you feel that you are qualified for such protections and delinquent in the payment of assessments, please make application to the Association – by way of mailing address, fax or email on this letterhead – for such protections by sending response and documentation immediately, time being of the essence. Upon receipt of the documentation, verification will be made as to whether you are entitled to the protections under Nevada and/or Federal Law.

10.0 61st Day Delinquency Notice. After the expiration of at least sixty (60) days from the due date of any assessment, abatement charge, fine, any portion thereof, or any other obligation remaining unpaid, the Association shall mail to the address on file for the unit's owner: (a) a schedule of the fees that may be charged; (b) a proposed plan; and (c) notice of the right to contest the plan. The unit owner then has thirty (30) days after such mailing to enter into a payment plan or request a hearing.

10.1 Failure to resolve the delinquency. If the owner is unsuccessful at the hearing, the Association may pursue collections.

10.2 Failure to make a payment under a plan. If the owner enters into a payment plan and fails to make a payment within ten (10) days of the scheduled payment date, the Association may pursue collections.

11.0 Collections. Subsequent to the expiration of the time following the 61st Day Delinquency Notice set forth in paragraph 10.0, above, the account may be forwarded to a licensed collection agency to pursue any and all legal remedies available.

12.0 Audit and Recording of Lien. Prior to forwarding of an account to a third party agency for collections, or performing the initial steps up to and including recording a lien on behalf of the Association, the managing agent shall impose a management company fee, not to exceed \$200 per NAC 116.425 (4)(a), to perform an audit of the delinquent account.

13.0 Fines. When fines for non-health, safety or welfare violations total \$1500 or more, and remain delinquent for 60 days, procedures for collections of the same shall be done in accordance with the collection procedures set forth herein with respect to imposing a lien. Where fines involve health, safety or welfare violations then they shall be collected and subject to foreclosure as set forth herein and NRS 116.31031.

NRS 116.31031 provides the Association the ability to impose monetary fines to a unit owner for non-compliance of the governing documents in an amount not to exceed \$1,000 for the initial violation (or combination thereof) and up to \$100 every 7 days for each violation deemed a continuing violation per statute, with no fine cap. Imposing monetary sanctions applies after

the owner has been provided notice to cure and a notice of hearing before the Board to address the matter and that matter remains unresolved. Please see your governing documents for further detail on the notice process specific to your community; documents are posted on the community's web portal for ease of reference.

14.0 Forbearance Agreement (Payment Plan Agreement). Forbearance agreement requests must be submitted in writing for approval. Any agreement entered into with the owner shall be reasonable, as determined by the Board, and for the purpose of assuring that the best interest of the Association is served. Failure of an owner to comply with an approved payment schedule shall give the Board and/or its attorney/agent, subject to paragraph 9, above, the right to immediately continue with the collection process without further notice to the owner. The Association may, but is not obligated to, enter into a Forbearance Agreement.

The Association and/or its managing agent may accept partial payments on an assessment account as long as the same is provided without stipulation(s) that may not be acceptable by the Board of Directors.

14.1 Approval of Forbearance Agreements (Payment Plan Agreements). Prior to a delinquent account being sent to a third party for collections, the Association's managing agent may approve a payment plan that includes current payments and satisfies the entire account within six (6) months. After the delinquent account is sent to a third party for collection, the Association's collection agent or attorney may approve a payment plan (or the Association's managing agent may approve a payment plan submitted by the third party collections agent for approval), which includes current payments and satisfies the entire account within twelve (12) months. Payment plans in excess of twelve (12) months may require emergency board approval.

15.0 Dishonored Checks. At any time that the Association or its designated agent receives a check dishonored by the bank for any reason, a charge of \$20.00 shall be imposed by the Association as well as a Returned Check Fee by the managing agent. The Association may also seek damages in accordance with Nevada Revised Statutes.

15.1 Dishonored Checks By Previous Owners. Any time that an owner presents a check to the Association prior to, or immediately following, their transfer of ownership, and the Association cannot enforce this collection policy as outlined herein, the Association, through its managing agent or collections agent, shall forward all necessary documentation to the appropriate law enforcement division for assistance in collecting the sums included in the dishonored check plus attorney's fees if applicable.

16.0 Dispute of Charges. If the owner questions the accuracy of the calculation of an account or the amount charged to the assessment, abatement or fine account, a written objection to the specific charges must be made (received) to the Board of Directors within 30 days of the date of the delinquency notice sent to the owner of the charge or balance seeking a hearing before the board of directors. The owner must provide the following information in writing regarding any dispute:

1. The owner's name, mailing address, and account number.
2. The exact dollar amount and description of the charges in dispute or allegedly in error.
3. For each charge in dispute, an explanation of the reasons the owner believes there is an error, with sufficient detail such as dates, names, and check numbers, so that the dispute may be investigated efficiently and effectively. If the owner does not know the error was made, that statement may be made, but the dates and check numbers, etc., must be given.
4. Copies of checks (both front and back, mandatory), letters or other documents referred to or claimed must accompany the written objection.

16.1 Reversal of Additional Charges. The Association's managing agent is permitted to perform additional charge reversals from time to time and as needed to assist the owner with account reconciliation, provided that the unit owner is not delinquent on their regular quarterly assessments or other principal amounts. Anything outside of these terms must be submitted to the Board for their review and approval as described above. Additional Charges include, but are not limited to, Late Fees, Late Interest, delinquency Notice Fees, and Intent to Lien fees.

17.0 Other Remedies. The Association reserves the right to avail itself of any other remedy permitted by law and the Association's governing documents to collect assessments, abatement charges, fines and related costs and charges, including but not limited to restricting access to or use of common elements, revoking voting privileges, bringing an action in Small Claims,

Municipal, District Court, judicial foreclosure, or any other legal action allowed by law. 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, unless otherwise restricted by law.

18.0 Common Assessment Write Offs. Per Nevada Statutes, Terra West Management Services, along with other third party agents, are not authorized to write off any principal assessment, abatement or fine amounts due to the Association. The Board of Directors is required to make these decisions during the Executive Session of a Board Meeting. Community Manager must provide timely updates and reports as necessary to the Association's board regarding Association's assessments and related financials.

19.0 Incorporation by Reference of Collection and Management Related Fees and Costs. An owner shall be responsible for any and all fees and costs incurred or arising due to a delinquency in their account and the related necessity to pursue collection of such delinquencies. The foregoing notwithstanding, any such fees and costs shall be imposed pursuant to the Nevada Revised Statutes and the Nevada Administrative Code.

20.0 Payments and/or Correspondence to the Association.

20.1 Timely Payments. Timely payments (or request for payment plans) should be directed to the Association's management company at South Shores Community Association, c/o Terra West Management Services, 6655 S. Cimarron Road, Ste 200, Las Vegas, NV 89113.

20.2 Delinquent Payments. Delinquent payments (or requests for payment plans) should be directed to the attorney or collection agent from whom the owner has received correspondence regarding account delinquency at the address noted in such correspondence.

21.0 Void Provisions. If any provision of this policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.

22.0 Effective Date. This policy was duly adopted by the action of the Board of Directors on September 10, 2019 and shall be effective thirty (30) days after the date of mailing to the Association's membership.

23.0 Legal Advice. The Association hereby acknowledges that it is not reliant upon Terra West Management Services for any legal advice in relation to this policy. The Association represents that it had the opportunity to have this policy reviewed by independent counsel and shall not hold Terra West Management Services liable for any action or inaction undertaken pursuant to this policy.

24.0 Governing Law. The terms of this policy are to be strictly adhered to pursuant to Nevada Law.

By: Scott Magee, President

Attested By: Ken K. Boy, Secretary

South Shores Community Association
C/O TERRA WEST MANAGEMENT SERVICES
6655 S. CIMARRON ROAD, SUITE 200 * LAS VEGAS NV 89113 * (702) 251-4596 * FAX (702) 251-4599
E-mail: MilitaryStatus@terrawest.com

MILITARY, GOVERNMENT & TRIBAL OPERATIONS VERIFICATION FORM

Dear Unit Owner (or Unit Owner’s Successor in Interest):

If you are a Servicemember* or a dependent of a Servicemember, who is on active duty or deployment or for a period of one year immediately following the end of such active duty** or deployment***, you may be entitled to certain protections under the Nevada Servicemembers’ Civil Relief Act and/or the Servicemembers’ Civil Relief Act regarding the foreclosure of a lien by sale of your unit.

Please complete this form if you are a Servicemember or a dependent of a Servicemember and return it to the address above, **along with your Military ID Number or any other information you wish to provide to verify whether you are entitled to protections under the Law.**

Full Name _____
Date of Birth _____
Unit Address _____
Mailing Address (if different) _____
Branch of Military _____
Military ID Number _____ Date Entered into Service _____

GOVERNMENT & TRIBAL OPERATIONS/GOVERNMENT SHUTDOWN

Certain persons may have protections if they are affected by a government shutdown. If you feel that you are qualified for such protections and delinquent in the payment of assessments, please make application to the Association – by way of mailing address, fax or email on this letterhead – for such protections by sending response and documentation immediately, time being of the essence. Upon receipt of the documentation, verification will be made as to whether you are entitled to the protections under Nevada and/or Federal Law.

I certify under penalty of perjury that the information provided herein is accurate and truthful.

Signature

Date

**Servicemember means a member of the Armed Forces of the United States, a reserve component thereof or the National Guard.*

***Active duty means full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 USC 1209 and 1211.*

****Deployment means the movement or mobilization of a Servicemember from his or her home station to another location for more than 90 days pursuant to military orders.*

**RESOLUTION OF THE BOARD OF DIRECTORS OF
South Shores Community Association
Governing Document Enforcement Workflow & Fine Policy**

BE IT RESOLVED that at a duly noticed and conducted meeting of the Board of Directors of the South Shores Community Association, held on the 10/8/2019, at which quorum was present, the following resolution was adopted:

WHEREAS, The Association shall have the power to do any lawful act that may be authorized, required or permitted to be done by the Association under this Declaration, the Articles, the Bylaws and to do and perform any act that may be necessary or proper for or incidental to the exercise of any of the express powers of the Association.

WHEREAS, the Executive Board has the ability to create rules and regulations of the Association without the vote of the membership;

WHEREAS, the Association's Declaration of Covenants, Conditions and Restrictions for South Shores Community Association recorded April 13, 1989 as document number 3152-89 outlines use restrictions pertaining to enforcement; The Executive Board hereby adopts the following **Governing Document Enforcement Workflow & Fine Policy** as follows:

Violation Enforcement Workflow

All homeowners of the South Shores Community Association signed and received a copy of the Governing Documents. Every homeowner and resident is required to abide by these Governing Documents. The responsibility of the Board of Directors is to enforce the articles of these documents to, among other things, maintain the integrity and property values of the Community.

Upon noticing a violation of the CC&R's/Governing Documents, by the Management Company, Board of Directors or a Homeowner, a Courtesy Notice of Alleged Violation will be sent to the address of record for the homeowner as well as the address of the home itself stating the alleged violation. Included with this letter will be a Homeowner Response Form to be completed and returned to the Management Company.

The homeowner will be given 10 days, from the date of notification, to correct the violation and return the Homeowner Response Form. If the violation is corrected and the form is returned promptly, no further action will be required. A record of the letter, response and correction will be kept on file.

If the violation has not been corrected within the 10 days allowed, a Formal Violation notice is sent to the address of record for the homeowner as well as the address of the home itself. This notice will also include a Homeowner Response Form to complete and return to the Management Company. This notice will allow a final 15-day period to correct the violation.

If the violation has not been corrected within 10 days from the date of the Formal notification, a Notice of Hearing will be sent disclosing the fine amount. A Hearing before the Board will be scheduled for not less than 10 days from the date of notification. The homeowner will be given the opportunity to appear before the Board to discuss the violation and/or show cause why a fine should not be imposed.

After deliberation, if the Board's decision is to impose a fine and/or any fee reimbursement, per NRS 116.31031(7) the homeowner will be given 14 days after issuance of the decision to correct the violation and pay any outstanding fines (or fees if applicable). If the violation is not corrected within 14 days or any longer period that may be established by the Executive Board following the Hearing, the violation will be considered to be an ongoing violation and the fine will be continuing and be imposed for every 7-day period thereafter until the violation is corrected.

Habitual Violations

If, after a Hearing, the same violation of the CC&R's/Governing Documents is repeated within 30 days, the violation will be considered to be a Habitual/Repeat Violation. A Subsequent Notice of Hearing will be sent. A Hearing before the Board will be scheduled for not less than 10 days from the date of notification. The homeowner will be given the opportunity to appear before the Board to discuss the violation and/or show cause why a fine should not be imposed. After deliberation, if the Board's decision is to impose a fine and/or any fee reimbursement, per NRS 116.31031(7) the homeowner will be given 14 days after issuance of the decision to correct the violation and pay any outstanding fines (or fees if applicable). If the Board deems this violation as habitual, the violation will remain on hold for further inspections and will be automatically called to hearing upon each subsequent occurrence of the same violation. If the violation is not corrected within 14 days following the Hearing, the violation will be considered an ongoing violation and the fine will be continuing and be **imposed for every 7-day period thereafter until the violation is corrected**. A letter of determination reflecting this procedure will be issued to the homeowner at the time of the Board's decision and at any subsequent violation.

Fines

NRS 116.31031 Power of executive board to impose fines and other sanctions for violations of governing documents; limitations; procedural requirements; continuing violations; collection of past due fines; statement of balance owed. If a violation is not cured within 14 days, or within any longer period that may be established by the executive board, the violation shall be deemed a continuing violation. Thereafter, the executive board may impose an additional fine for the violation for each 7-day period or portion thereof that the violation is not cured. Any additional fine may be imposed without notice and an opportunity to be heard. The amount of the fine must be commensurate with the severity of the violation and must be determined by the executive board in accordance with the governing documents, but the amount of the fine must not exceed \$100 for each violation or a total amount of \$1,000, whichever is less. Any past due fine must not bear interest but may include any costs incurred by the association during a civil action to enforce the payment of the past due fine. Fines/fees are considered past due after 60 days of the initial fine or when a balance of \$1,500.00 or more has been reached. Accounts in the amount of \$1,500.00 or more than 60 days past due will automatically go to collections and subject to a lien. Payment plans are accepted for fines prior to the collection process. Requests must be submitted in writing for Board review prior to the 60-day timeframe in which the fines go to collections. No fees such as hard costs/liens or other charges imposed to collect the fines owed will be waived.

Complaints/Reporting of a Violation

All complaints must be sent in writing to the management company for documentation and Board review. Per NRS116.31031 4b. a photo of the violation of the must accompany the violation when reasonable. The Board will confirm that the violation is valid. If the violation is not visible from common areas or the street, an appointment will be made with the complainant to allow the Board to witness and confirm the violation. If the violation cannot be confirmed, the Board may not be able to proceed with the violation. Once the violation is confirmed, the notification process will begin.

Confidentiality

It is industry standard that all violations are considered confidential. Should a violation go to hearing or litigation, the confidentiality may no longer be valid at that time depending on the circumstances.

Health Safety and Welfare Violations

NRS 116.31031(1) If the violation poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community, the amount of the fine must be commensurate with the severity of the violation and must be determined by the Executive Board in accordance with the governing documents. Any violation deemed to be a Health, Safety and Welfare violation will be automatically called to a hearing. The Board shall have the authority to sanction, fines, loss of privileges, and start the abatement process. Unpaid Health, Safety and Welfare fines are foreclosable. If the violation does not pose an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the units' owners or residents of the common-interest community, the amount of the fine must be commensurate with the severity of the violation and must be determined by

the executive board in accordance with the governing documents, but the amount of the fine must not exceed \$100 for each violation or a total amount of \$1,000, whichever is less. The limitations on the amount of the fine do not apply to any charges or costs that may be collected by the association pursuant to this section if the fine becomes past due.

Violation Fine Schedule

Please see your copy of the CC&Rs for the full verbiage for each section listed below:

CC&R Provision	Section Description	Potential Fine
Section 1.01	Additional Declaration	\$50
Section 1.02	Apartment Area	\$50
Section 1.03	Architectural Committee	\$50
Section 1.04	Architectural Committee Rules	\$50
Section 1.05	Articles	\$50
Section 1.06	Assessment, Capital Improvement	\$50
Section 1.07	Assessment, Common	\$50
Section 1.08	Assessment, Reconstruction	\$50
Section 1.09	Assessment, Special	\$50
Section 1.10	Association Property	\$50
Section 1.11	Beneficiary	\$50
Section 1.12	Board	\$50
Section 1.13	Bylaws	\$50
Section 1.14	Close of Escrow	\$50
Section 1.15	Commercial Area	\$50
Section 1.16	Commercial Lot	\$50
Section 1.17	Common Area	\$50
Section 1.18	common Expenses	\$50
Section 1.19	Condominium	\$50
Section 1.20	Condominium Project	\$50
Section 1.21	Declarant	\$50
Section 1.22	Delegate	\$50
Section 1.23	Delegate District	\$50
Section 1.24	Family	\$50
Section 1.25	First Subdivision	\$50
Section 1.26	Improvement	\$50
Section 1.27	Lot	\$50
Section 1.28	Maintenance Funds	\$50
Section 1.29	Manager	\$50
Section 1.30	Master Association	\$50
Section 1.31	Master Declaration	\$50
Section 1.32	Member	\$50
Section 1.33	Mortgage	\$50
Section 1.34	Mortgagee	\$50
Section 1.35	Notice and Hearing	\$50
Section 1.36	Owner	
Section 1.37	Participating Building	\$50
Section 1.38	Person	\$50
Section 1.39	Phase of Development	\$50
Enforcement Workflow	Habitual Violations	\$50
May Vary	Any other Violation not listed that my go against the Governing Documents	Up to \$100

Super Priority abatement process

NRS 116.310312, allows an association to enter the grounds of a unit to maintain the property or abate a nuisance existing on the exterior of the unit. NRS 116.310312 specifically provides for the association’s expenses to be a lien on the unit and provides that the lien is prior to the first security interest. NRS 116.3102(1)(j) was amended to allow these expenses to be part of the lien described in NRS 116.3116(1). And NRS 116.3116(2) was amended to allow these expenses to be included in the association’s super priority lien. The HOA should follow the violation process. When the violation escalates to the hearing stage, you will need to get your Attorney involved to send the abatement hearing notice and to guide you on how to proceed moving forward.

Squatter abatement process

All homeowners are responsible for maintaining their property at all times. Abandoning your home or leaving it unattended leaves the property vulnerable and susceptible to potential Squatters. In Nevada, squatting is prohibited by NRS 205.0817, Nevada’s law against unlawful occupancy. It is commonly charged along with housebreaking (NRS 205.0813) or unlawful reentry (NRS 205.082), although forcible or unlawful entry is not required. The HOA should report the possible squatting issue to Clark County Public Response Division at <http://www.clarkcountynv.gov/administrative-services/pro/Pages/default.aspx> or 702-455-4191. The HOA should follow the violation process. When the violation escalates to the hearing stage, you will need to get your Attorney involved to guide you on how to proceed moving forward.

Short Term Rental Violation Process

It is illegal under Clark County Code 30.44.010(b)(7)(C) to rent residential property for fewer than 31 days in unincorporated Clark County. The HOA should report the violation to code enforcement at publicresponseinfo@clarkcountynv.gov. The HOA should follow the violation process. When the violation escalates to the hearing stage, you will need to get your Attorney involved to guide you on how to proceed moving forward.

Lease Agreement Process

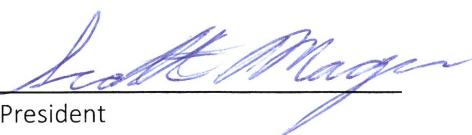
If your governing documents allow for lease tracking and enforcement, the HOA should enforce the policies as written. Violations should be enforced per your violation policy. When the violation escalates to the hearing stage, you will need to get your Attorney involved to guide you on how to proceed moving forward.

For any violation that is not cured by the normal violation procedures, you may to seek legal counsel for possible further action which may include but not limited to Mediation, abatement, Sheriffs Sale or a Receivership Process.

This Governing Document Enforcement Workflow & Fine Policy supersedes any prior enforcement workflows or fine policies. Upon any subsequent changes to NRS or laws that conflict with this policy, the laws or NRS shall supersede this policy.

IN WITNESS WHEREOF, the said Board of Directors has caused this Resolution and Policy to be signed by its President and Secretary, October 8, 2019.

South Shores Community Association.

By: 
President

By: 
Secretary



TERRA WEST MANAGEMENT SERVICES
SCHEDULE OF COLLECTION RELATED FEES/COSTS

If an Assessment and/or Violation Fine account remains unpaid and becomes delinquent pursuant to the Association's Collection Policy, the additional Fees and Costs* listed below are billed directly to the delinquent homeowner(s) in accordance with NAC 116.470. Fees and costs are subject to change and may not be all-inclusive.

- Reasonable Management Company Fees not to exceed \$200.00 – Audit for Collections
 - 60-Day Notice (Mandatory) only \$150.00
 - 60-Day Notice (Mandatory) and 90-Day Notice \$200.00
- Demand or Intent to Lien Letter \$150.00
- Notice of Delinquent Assessment/Violation Lien \$325.00
- Release of Notice of Delinquent Assessment/Violation Lien \$ 30.00
- Mailing Fee per Piece (Demand or Intent to Lien Letter, Notices of Delinquent Lien) \$ 2.00
- Returned Payment Fee \$ 20.00
- Escrow/Payoff Demand Fee (Statement of Demand) \$165.00
- Payment Plan Agreement (One-Time Set-Up Fee) \$ 30.00
- Payment Plan Breach Letter \$ 25.00
- Additional costs include, but are not limited to, recording costs and mailing costs, which may be charged at the actual cost incurred.
- Any other fees or costs allowed by law

**Additional fees and costs charged directly by the attorney or the designated collection agent may also be incurred by the homeowner in accordance with the above-referenced statute.*

LEACH KERN GRUCHOW ANDERSON SONG
2021 LIEN/FORECLOSURE FEE SCHEDULE¹

1. <u>NRS 116.31162(4) sixty (60) day Payment Plan/Fee Disclosure Letter</u>	\$150.00
2. <u>Attorney Demand Letter</u> (provided on LKG letterhead)	\$150.00
3. <u>Intent to Notice of Delinquent Assessment Lien</u>	\$150.00
4. <u>Notice of Delinquent Assessment Lien</u> (preparation and recordation of lien and all statutorily required mailings)	\$325.00 ²
<u>Release of Notice of Delinquent Assessment Lien</u> (upon payment of all amounts owed by HO) – [includes contact from owner to pay lien without dispute, preparation of document, obtaining appropriate signature from Client, recordation of document, and providing recorded copies to Client and HO]	\$30.00
5. <u>Intent to Notice of Default Letter</u>	\$90.00
6. <u>Notice of Default</u> (preparation and recordation of NOD and all statutorily required mailings)	\$400.00
Trustee’s Sale Guarantee (at actual cost charged by title company – the cost is based on the amount of the lien)	At actual cost charged by title company
<u>Rescission of NOD</u> (upon payment of all amounts owed by HO) – [includes contact from owner to pay lien without dispute, preparation of document, obtaining appropriate signature from Client, recordation of document, and providing recorded copies to Client and HO]	\$30.00
7. <u>Intent to Notice of Sale Letter</u>	\$90.00
8. <u>Foreclosure Sale</u> – includes: Notice of Sale Publication & Posting Costs Conduct Sale Transfer Deed	At fee rates provided in NAC 116.470, including subsections (e)-(i), (s)-(t).
9. <u>Payoff Demand(s)/Escrow Demand(s)</u>	\$165.00
• <u>Check Letter</u>	\$50.00

¹ Each line item amount is the fee for that task. Pursuant to NAC 116.470(3), actual costs incurred in performing each line item task are in addition to the fee for each task.

² Violation Lien(s) may be filed in accordance with NRS Chapter 116.

10. <u>Expediting Fee</u> (Payoff requested within 3 days of receipt)	\$100.00
11. <u>Repayment Agreement(s) – Between Owner(s) and Association</u> Set-up Fee Payment Plan Breach Letter Intent to Notice NOD or NOS Check Letter	\$30.00 \$25.00 \$90.00 \$7.38
12. <u>Mailing Fee Per Piece – Intent to Lien Letter, Demand Letter, Notice of Delinquent Assessment Lien, Notice of Default</u>	\$2.00 per piece
13. Insufficient Funds Fee (NAC 116.470(2)(p))	\$20.00 + third party costs (NAC 116.470(3))
14. Paralegal Services performed @ Hourly Rate (NAC 116.470(4)(b))	\$160.00-\$195.00
15. All other attorney services performed @ Hourly Rate (NAC 116.470(4)(b))	Partner \$325.00-\$425.00 Associates \$185.00-\$350.00
16. Copy/Facsimile Charges	\$.20/page
17. Postage Charges	At cost of postage
18. Certified Mail Charges	At cost of certified mailer
19. Recording Fees	At cost charged by Recorder's Office
20. Pacer Charges	At cost charged by Courts (CM/ECF)
21. Servicemembers Civil Relief Act Central Verification Service	At cost charged by third party
22. Other Third Party Costs	At cost charged by third party

**LEACH KERN GRUCHOW ANDERSON SONG
2021 BANKRUPTCY FEE SCHEDULE³**

1. <u>Bankruptcy Package Preparation and Monitoring</u>	\$100.00 Flat Fee
2. <u>File Evaluation/Recommendation</u> This can be utilized in conjunction with any of the following items or not at all	\$195.00 Flat Fee
3. <u>Proof of Claim</u> Includes coordination with manager to obtain updated account history and prepare and file Proof of Claim	\$175.00 Flat Fee
4. <u>Demand Letter Regarding Payment of Post-Petition Payments</u> Includes coordination with manager to obtain updated account history and prepare and deliver demand letter	\$215.00 Flat Fee
5. Motion for Relief From Stay	\$500.00 Flat Fee + Court Filing Fees (Filing fees are currently \$176.00 and are subject to change)
6. Bankruptcy Letter to Lender(s) (in case of Property Surrender to Lender(s) and/or Lender(s) Motion for Relief From Stay Granted)	\$175.00 Flat Fee
7. Filing of pleadings other than Motion to Terminate Stay (i.e., Opposition, Reply, Objection to Plan Confirmation, etc.), Court appearances and Board meeting appearances at professional's hourly rate	At hourly rate set forth below
8. Paralegal Services performed @ Hourly Rate	\$160.00-\$195.00/hour
9. All other attorney services performed @ Hourly Rate	Partner \$325.00-\$425.00 Associates \$185.00-\$350.00
10. Copy/Facsimile Charges	\$.20/page
11. Postage Charges	At cost of postage
12. Certified Mailing Charges	At cost of certified mailer
13. Recording Fees	At cost charged by Recorder's Office
14. Pacer Charges	At cost charged by CM/ECF
15. Other Third Party Costs	At cost charged by third party

³ Each line item amount is the fee for that task. Pursuant to NAC 116.470(3), actual costs incurred in performing each line item task are in addition to the fee for each task.