

*Department of Real Estate
Of the
State of California*

**FINAL SUBDIVISION PUBLIC REPORT
PLANNED DEVELOPMENT**

In the matter of the application of

TAYLOR MORRISON OF CALIFORNIA, LLC,
a California limited liability company

FILE NO.: 160706SA-F00

ISSUED: DECEMBER 11, 2019

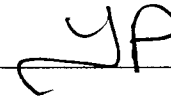
EXPIRES: DECEMBER 10, 2024

for a Final Subdivision Public Report on

SUBDIVISION NO. PL16-0170
FINAL MAP OF BRETON VILLAGE
RESIDENTIAL
"LIBERTY VILLAGE" (PHASE 2)

DEPARTMENT OF REAL ESTATE

by



PLACER COUNTY, CALIFORNIA

Teresa Pacheco

CONSUMER INFORMATION

- ◆ **This report is not a recommendation or endorsement of the subdivision; it is informative only.**
- ◆ **Buyer or lessee must sign that (s)he has received and read this report.**
- ◆ A copy of this subdivision public report along with a statement advising that a copy of the public report may be obtained from the owner, subdivider, or agent at any time, upon oral or written request, *must* be posted in a conspicuous place at any office where sales or leases or offers to sell or lease interests in this subdivision are regularly made. [Reference Business and Professions (B&P) Code Section 11018.1(b)]

This report expires on the date shown above. All material changes must be reported to the Department of Real Estate. (Refer to Section 11012 of the B&P Code; and Chapter 6, Title 10 of the California Administrative Code, Regulation 2800.) Some material changes may require amendment of the Public Report; which Amendment must be obtained and used in lieu of this report.

Section 12920 of the California Government Code provides that the practice of discrimination in housing accommodations on the basis of race, color, religion, sex, marital status, domestic partnership, national origin, physical handicap, ancestry, gender identity, gender expression, sexual orientation, familial status, source of income, disability, or genetic information is against public policy.

Under Section 125.6 of the B&P Code, California real estate licensees are subject to disciplinary action by the Real Estate Commissioner if they discriminate or make any distinction or restriction in negotiating the sale or lease of real property because of the race, color, sex, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, or physical handicap of the client. If any prospective buyer or lessee believes that a licensee is guilty of such conduct, (s)he should contact the Department of Real Estate.

Read the entire report on the following pages before contracting to buy or lease an interest in this subdivision.

COMMON INTEREST DEVELOPMENT GENERAL INFORMATION

Common Interest Development

The project described in the attached Subdivision Public Report is known as a common-interest development. Read the Public Report carefully for more information about the type of development. The development includes common areas and facilities which will be owned and/or operated by an owners' association. Purchase of a lot or unit automatically entitles and obligates you as a member of the association and, in most cases, includes a beneficial interest in the areas and facilities. Since membership in the association is mandatory, you should be aware of the following information before you purchase:

Governing Instruments

Your ownership in this development and your rights and remedies as a member of its association will be controlled by governing instruments which generally include a Declaration of Restrictions (also known as CC&R's), Articles of Incorporation (or association) and bylaws. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a subdivision interest.

Assessments

In order to provide funds for operation and maintenance of the common facilities, the association will levy assessments against your lot or unit. If you are delinquent in the payment of assessments, the association may enforce payment through court proceedings or your lot or unit may be liened and sold through the exercise of a power of sale. The anticipated income and expenses of the association, including the amount that you may expect to pay through assessments, are outlined in the proposed budget. Ask to see a copy of the budget if the subdivider has not already made it available for your examination.

Common Facilities

A homeowner association provides a vehicle for the ownership and use of recreational and other common facilities which were designed to attract you to buy in this development. The association also provides a means to accomplish architectural control and to provide a base for homeowner interaction on a variety of issues. The purchaser of an interest in a common-interest development should contemplate active participation in the affairs of the association. He or she should be willing to serve on

the board of directors or on committees created by the board. In short, "they" in a common interest development is "you". Unless you serve as a member of the governing board or on a committee appointed by the board, your control of the operation of the common areas and facilities is limited to your vote as a member of the association. There are actions that can be taken by the governing body without a vote of the members of the association which can have a significant impact upon the quality of life for association members.

Subdivider Control

Until there is a sufficient number of purchasers of lots or units in a common interest development to elect a majority of the governing body, it is likely that the subdivider will effectively control the affairs of the association. It is frequently necessary and equitable that the subdivider do so during the early stages of development. It is vitally important to the owners of individual subdivision interests that the transition from subdivider to resident-owner control be accomplished in an orderly manner and in a spirit of cooperation.

Cooperative Living

When contemplating the purchase of a dwelling in a common interest development, you should consider factors beyond the attractiveness of the dwelling units themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interests of the individual. Remember that managing a common interest development is very much like governing a small community ... the management can serve you well, but you will have to work for its success. [B & P Code Section 11018.1(c)]

Informational Brochure

The Department of Real Estate publishes the Common Interest Development Brochure. The information in this brochure provides a brief overview of the rights, duties and responsibilities of both associations and individual owners in common interest developments. To obtain a free copy of this brochure, please send your request to:

Book Orders
Department of Real Estate
P.O. Box 137006
Sacramento, CA 95813-7006

RE 646 (Rev. 12/99)

THIS REPORT COVERS PHASE 2 OF LIBERTY VILLAGE ("**SUBDIVISION**") WHICH CONSISTS OF LOTS 25 THROUGH 53 OF SUBDIVISION NO. PL 16-0170, FINAL MAP OF BRETON VILLAGE RESIDENTIAL. THE LOTS ARE BEING DEVELOPED BY TAYLOR MORRISON OF CALIFORNIA, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY ("**SUBDIVIDER**").

THE PHASE IS PART OF A MULTI-PHASE SUBDIVISION THAT WILL BE SUBJECT TO THE JURISDICTION OF THE LIBERTY VILLAGE HOMEOWNERS ASSOCIATION ("**ASSOCIATION**").

SPECIAL INTEREST AREAS IN THIS CONDITIONAL SUBDIVISION PUBLIC REPORT: YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPHS BELOW ENTITLED: MANAGEMENT AND OPERATION, MAINTENANCE AND OPERATIONAL EXPENSES, USES/ZONING/HAZARD DISCLOSURES, TITLE, TAXES, FINANCING, PURCHASE MONEY HANDLING, UTILITIES AND OTHER SERVICES.

NOTE: IN ADDITION TO THESE AREAS, IT IS IMPORTANT TO READ AND THOROUGHLY UNDERSTAND THE REMAINING SECTIONS SET FORTH IN THIS CONDITIONAL SUBDIVISION PUBLIC REPORT PRIOR TO ENTERING INTO A PURCHASE AGREEMENT (TOGETHER WITH ALL APPLICABLE ESCROW INSTRUCTIONS, ADDENDA AND AMENDMENTS, COLLECTIVELY, THE "**CONTRACT**") TO PURCHASE IN THE SUBDIVISION.

BEFORE SIGNING, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL SALES CONTRACT AND LOAN DOCUMENTS. IF YOU DO NOT UNDERSTAND THE TERMS OF YOUR CONTRACT OR LOAN DOCUMENTS, YOU MAY WISH TO CONSIDER CONSULTING WITH YOUR OWN ATTORNEY BEFORE ENTERING INTO A CONTRACT TO PURCHASE THE PROPERTY.

CONDITIONAL SUBDIVISION PUBLIC REPORT: IF YOU ENTERED INTO A PURCHASE AGREEMENT/CONTRACT TO PURCHASE OR LEASE AN INTEREST IN THE SUBDIVISION UNDER AUTHORITY OF A CONDITIONAL SUBDIVISION PUBLIC REPORT ("**CONDITIONAL PUBLIC REPORT**"), THE PURCHASE AGREEMENT/CONTRACT AND THE ESCROW INSTRUCTIONS CONTAINED ARRANGEMENTS FOR THE RETURN TO YOU OF MONIES PAID OR ADVANCED IF YOU ARE DISSATISFIED WITH THIS FINAL SUBDIVISION PUBLIC REPORT ("**FINAL PUBLIC REPORT**") BECAUSE OF A MATERIAL CHANGE IN THE SETUP OF THE OFFERING COVERED BY CALIFORNIA BUSINESS & PROFESSIONS CODE SECTION 11012. YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND POSSIBLY DIFFERENT FROM THAT INCLUDED IN THE CONDITIONAL PUBLIC REPORT.

PRELIMINARY SUBDIVISION PUBLIC REPORT: IF YOU RECEIVED A PRELIMINARY SUBDIVISION PUBLIC REPORT ("**PRELIMINARY PUBLIC REPORT**") FOR THIS SUBDIVISION, YOU ARE ADVISED TO CAREFULLY READ THIS FINAL PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND PROBABLY DIFFERENT FROM THAT INCLUDED IN THE PRELIMINARY PUBLIC REPORT.

THE USE OF THE TERM "**PUBLIC REPORT**" SHALL MEAN AND REFER TO THIS FINAL PUBLIC REPORT.

OVERVIEW OF SUBDIVISION

Location: This subdivision is located at Pleasanton Grove Boulevard and Foothills Boulevard within the city limits of Roseville, California. Prospective purchasers should acquaint themselves with the kinds of city services available.

Type of Subdivision: This subdivision is a common-interest development of the type referred to as a planned development. It includes common areas and common amenities which will be maintained by an incorporated association.

Interests to Be Conveyed: You will receive fee title to a specified lot, together with a membership in the Liberty Village Homeowners Association ("**Association**") and rights to use the common area.

About This Phase: This public report is for the second phase which consists of approximately 5.01 acres divided into 29 lots in addition to the common area, which consists of Lots B through E, inclusive and Lots H through M, inclusive.

Association owned and/or maintained amenities consisting of landscaping, paved areas, walls and fences, site furniture (trash receptacle, picnic tables, pedestal grills, benches) and mailboxes will be constructed in the common area in this phase. The estimated completion date is December 2020.

This phase is part of a total subdivision which, if developed as proposed, will consist of a total of two phases containing 53 lots. The estimated completion date is December 2020.

There is no assurance that the subdivision will be completed as proposed or that the number or style of homes will be actually constructed.

FUTURE DEVELOPMENT OF THE SUBDIVISION CANNOT BE PREDICTED WITH ACCURACY. THE SUBDIVIDER HAS THE RIGHT TO BUILD MORE OR FEWER THAN THE NUMBER OF HOMES CURRENTLY PLANNED, CHANGE PRODUCT LINES, ENLARGE OR DECREASE THE SIZE OF HOMES, ADDING LARGER, SMALLER OR DIFFERENTLY DESIGNED MODELS OR CHANGING (PARTIALLY OR IN TOTAL) DESIGNS AND/OR MATERIALS, AT ANY POINT DURING DEVELOPMENT.

DUE TO THE INABILITY TO PREDICT FUTURE MARKET CONDITIONS WITH ACCURACY, THERE ARE NO ASSURANCES THAT THE SUBDIVISION WILL BE BUILT AS CURRENTLY PLANNED, OR PURSUANT TO ANY PARTICULAR BUILD-OUT SCHEDULE. TOPOGRAPHICAL MAPS IN THE SALES OFFICE, LOT PLOTTING MAPS, MAPS OFFERED BY SUBDIVIDER AND OTHER FORMS SHOWING "COMPLETE" SUBDIVISION PROJECTIONS DO NOT NECESSARILY COMMIT THE SUBDIVIDER TO COMPLETE THE SUBDIVISION OR, IF COMPLETED, TO COMPLETE THE SUBDIVISION AS SHOWN. THE SUBDIVIDER MAY SELL AT ANY TIME, ALL OR ANY PORTION OF THE LOTS OR CONDOMINIUM UNITS WITHIN THE SUBDIVISION TO ANY THIRD PARTY, INCLUDING OTHER DEVELOPERS OR BUILDERS.

Sale of All Residences: The Subdivider has indicated that he intends to sell all of the lots in this subdivision; however, any owner, including the Subdivider, has a legal right to rent or lease the lots.

SUBDIVIDER AND PURCHASER OBLIGATIONS: IF YOU PURCHASE FIVE OR MORE LOTS FROM THE SUBDIVIDER, THE SUBDIVIDER IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL YOUR INTERESTS OR LEASE THEM FOR TERMS LONGER THAN ONE YEAR, YOU ARE REQUIRED TO OBTAIN AN AMENDED FINAL PUBLIC REPORT BEFORE YOU CAN OFFER THE INTERESTS FOR SALE OR LEASE.

NOTE: WHEN YOU SELL YOUR LOT TO SOMEONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION, ARTICLES OF INCORPORATION, THE BYLAWS AND A TRUE STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS, PENALTIES, ATTORNEYS FEES OR OTHER CHARGES, PROVIDED BY THE DECLARATION OR OTHER MANAGEMENT DOCUMENTS ON THE LOT THE DATE THE STATEMENT WAS ISSUED.

WARNING: IF YOU FORGET TO DO THIS, IT MAY COST YOU A PENALTY OF \$500.00 – PLUS ATTORNEY'S FEES AND DAMAGES (CALIFORNIA CIVIL CODE SECTION 4540).

Completion of Common Area: The Subdivider has posted a bond acceptable to the Department of Real Estate to assure completion of common area improvements described in the Planned Construction Statement attached to the bond. The estimated completion date for these improvements is December 2020.

NOTWITHSTANDING ANY PROVISION IN THE CONTRACT TO THE CONTRARY, A PROSPECTIVE BUYER HAS THE RIGHT TO NEGOTIATE WITH THE SELLER TO ALLOW AN INSPECTION OF THE PROPERTY BY THE PURCHASER OR THE PURCHASER'S DESIGNEE UNDER TERMS MUTUALLY AGREEABLE TO THE PROSPECTIVE BUYER AND SELLER.

MANAGEMENT AND OPERATION

Association Obligations and Governing Documents: The Association, of which you become a member at time of purchase, is governed by and manages, maintains, and operates the subdivision in accordance with the Covenants, Conditions and Restrictions (the "**Declaration**" or "**CC&Rs**"), the Articles of Incorporation ("**Articles**"), and the Bylaws. In addition, the Association has the right to adopt rules and regulations and guidelines for the subdivision and which will include subdivision design/architectural guidelines which will set forth the guidelines and procedures for design/architectural review within the subdivision. There may also be supplementary declarations or notices of annexation ("**Supplementary Declarations**") which will be recorded against portions of the subdivision which may set forth additional restrictions and easements covering the areas covered by the Supplementary Declaration(s). There is also a Master Title 7 & Dispute Resolution Declaration ("**Title 7 Master Declaration**") recorded against the Subdivision and each home to address disputes between the Subdivider, on the one hand, and an owner or the Association, on the other hand, concerning construction defect claims and disputes. The CC&Rs, Bylaws, Articles, Supplementary Declaration(s), Title 7 Master

Declaration and rules and regulations and design/architectural guidelines may hereinafter be referred to as the "**Governing Documents**"). You should review each of these documents carefully.

INITIAL MEETING: THE ASSOCIATION WILL BE FORMED PURSUANT TO THE TERMS AND PROVISIONS OF GOVERNING DOCUMENTS. SINCE THE COMMON AREA IMPROVEMENTS, AMENITIES, AND FACILITIES WILL BE MAINTAINED BY THE ASSOCIATION, IT IS ESSENTIAL THAT THIS ASSOCIATION BE FORMED EARLY AND PROPERLY. THE ASSOCIATION MUST HOLD THE FIRST MEMBERSHIP MEETING AND ELECTION OF THE ASSOCIATION'S GOVERNING BODY WITHIN SIX MONTHS AFTER THE CLOSING OF THE SALE OF THE FIRST SUBDIVISION INTEREST UNDER THE FIRST FINAL PUBLIC REPORT FOR THE SUBDIVISION. (REGULATIONS 2792.17 AND 2792.19.) THE ASSOCIATION MUST ALSO PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT. THEREAFTER THE ASSOCIATION MUST HOLD ELECTIONS OF THE ASSOCIATION'S GOVERNING BODY IN ACCORDANCE WITH THE GOVERNING DOCUMENTS. THE ASSOCIATION MUST THEN ALSO PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT AND A SUMMARY OF THE ASSOCIATION'S RESERVES BASED UPON THE MOST RECENT REVIEW OR STUDY CONDUCTED PURSUANT TO SECTIONS 5500 ET. SEQ. OF THE CALIFORNIA CIVIL CODE.

The CC&Rs: This subdivision is subject to the Declaration of Covenants, Conditions and Restrictions for Liberty Village recorded on May 10, 2019 as Document No. 2019-0030539, First Amendment recorded July 11, 2019 as Document No. 2019-0048429, and any and all supplements, amendments and modifications (collectively "**Declaration**" or "**CC&Rs**"), all in the Office of the Placer County Recorder, which includes among other provisions, the following:

Article IV – Use Restrictions, including but not limited to:

Section 4.6 Disclosure – Adjacent Commercial Center

Section 4.15 Parking and Vehicle Restrictions

Section 4.18 Rental of Lots and Residences

Section 4.21 Solar Energy Systems

Article V – Maintenance Obligations

Article VI – Architectural Review and Approval Procedures

Article IX – Assessments

Article XIV – Dispute Resolution Procedures

This Phase is subject to a Declaration of Annexation recorded on August 7, 2019 as Document No. 2019-0056936 in the office of the Placer County Recorder.

The subdivision is subject to a Title 7 Master Declaration recorded July 11, 2019 as Document No. 2019-0048430.

FOR INFORMATION AS TO YOUR OBLIGATIONS AND RIGHTS, YOU SHOULD READ THE CC&Rs. THE SUBDIVIDER MUST MAKE THEM AVAILABLE TO YOU.

TO SECURE FINANCING FOR THIS SUBDIVISION ACCEPTABLE FOR ACQUISITION BY FNMA, FHA, VA AND OR FHLMC, IT HAS BEEN NECESSARY FOR THE SUBDIVIDER TO INCORPORATE INTO THE CC&RS AND OTHER GOVERNING DOCUMENTS, PROVISIONS WHICH GIVE THE MORTGAGE LENDER A VOICE IN THE AFFAIRS OF THE ASSOCIATION AND IN THE MANAGEMENT AND OPERATION OF THE SUBDIVISION WHICH A LENDER DOES NOT ORDINARILY HAVE.

DOCUMENTS TO BE FURNISHED: THE SUBDIVIDER STATED THAT HE WILL FURNISH THE CURRENT BOARD OF DIRECTORS OF THE ASSOCIATION AND EACH INDIVIDUAL PURCHASER WITH THE DRE REVIEWED ASSOCIATION BUDGET.

THE SUBDIVIDER MUST MAINTAIN AND DELIVER TO THE ASSOCIATION THE SPECIFIC RECORDS AND MATERIALS LISTED IN REAL ESTATE COMMISSIONER'S REGULATION 2792.23 WITHIN THE STATED TIME PERIOD. THESE RECORDS AND MATERIALS DIRECTLY AFFECT THE ABILITY OF THE ASSOCIATION TO PERFORM ITS DUTIES AND RESPONSIBILITIES (SECTION 11018.5 OF THE CALIFORNIA BUSINESS & PROFESSIONS CODE AND SECTION 4800 OF THE CALIFORNIA CIVIL CODE).

THE SUBDIVIDER SHALL MAKE A COPY OF THE GOVERNING DOCUMENTS AVAILABLE FOR EXAMINATION BY A PROSPECTIVE BUYER BEFORE EXECUTION OF AN OFFER TO PURCHASE A LOT. A COPY OF THE GOVERNING DOCUMENTS MUST ALSO BE GIVEN TO EACH BUYER AS SOON AS PRACTICABLE BEFORE CLOSE OF ESCROW. THESE DOCUMENTS CONTAIN NUMEROUS MATERIAL PROVISIONS THAT SUBSTANTIALLY AFFECT AND CONTROL YOUR RIGHTS, PRIVILEGES, USE, OBLIGATIONS, AND COSTS OF MAINTENANCE AND OPERATION. YOU SHOULD READ AND UNDERSTAND THESE DOCUMENTS BEFORE YOU OBLIGATE YOURSELF TO PURCHASE A LOT (CALIFORNIA BUSINESS & PROFESSIONS CODE SECTION 11018.6).

MAINTENANCE AND OPERATIONAL EXPENSES

Association to Levy Assessments: The Association has the right to levy assessments against you for maintenance of the common areas, amenities and facilities, and other purposes. Your control of operations and expenses is limited to the right of your elected representatives to vote on certain provisions at Association meetings.

Proposed Budget: The Subdivider has submitted a budget for the management, maintenance and operation of the Association obligations and for long-term reserves. This budget was reviewed by the DRE in November 2019. You should obtain a copy of this budget from the Subdivider.

Under this budget, the monthly assessment against each lot will be approximately \$198.47 of which approximately \$42.39 is a monthly contribution to long-term reserves and is not to pay for current management, maintenance and operating expenses.

YOU SHOULD BE AWARE THAT IF, AND WHEN ADDITIONAL PHASE(S) ARE ANNEXED INTO THE SUBDIVISION, THE MONTHLY ASSESSMENTS AGAINST YOUR LOT MAY INCREASE OR DECREASE DEPENDING UPON, AMONG OTHER THINGS, THE NUMBER OF LOTS BEING ANNEXED IN SUCH SUBSEQUENT PHASE(S) AND WHETHER ANY

ADDITIONAL COMMON AREA AND/OR COMMON FACILITIES ARE ALSO BEING ANNEXED AS PART OF ANY SUCH PHASE(S).

According to the Subdivider, assessments under the budget should be sufficient for proper management, maintenance and operation of Association obligations until the subdivision is completed at which time it may be anticipated that assessments will be adjusted.

IF THE BUDGET FURNISHED TO YOU BY THE SUBDIVIDER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH IS AT LEAST 20% MORE OR AT LEAST 10% LESS THAN THE ASSESSMENT AMOUNT SHOWN IN THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DRE BEFORE ENTERING INTO AN CONTRACT TO PURCHASE.

NOTE: THE BUDGET INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF BUDGET REVIEW AS SHOWN ABOVE. EXPENSES OF OPERATION ARE DIFFICULT TO PREDICT AND EVEN IF ACCURATELY ESTIMATED INITIALLY, MOST EXPENSES INCREASE WITH THE AGE OF FACILITIES AND WITH INCREASES IN THE COST OF LIVING.

BUDGET INFORMATION PROVIDED BY SUBDIVIDER: DELINQUENCIES IN THE PAYMENT OF ASSOCIATION ASSESSMENTS AFFECT THE ABILITY OF THE ASSOCIATION TO PERFORM ANY OR ALL OF ITS RESPONSIBILITIES AND COULD ALSO RESULT IN UNFORESEEN SPECIAL ASSESSMENTS LEVIED AGAINST ALL HOMES OR A SIGNIFICANT REDUCTION IN BUDGETED ASSOCIATION SERVICES. THE SUBDIVIDER MUST IMMEDIATELY NOTIFY THE DEPARTMENT OF REAL ESTATE IN WRITING, IF DELINQUENT ASSESSMENTS HAVE CAUSED THE ASSOCIATION TO RECEIVE TEN PERCENT (10%) LESS INCOME THAN REFLECTED IN THE THEN CURRENT ASSOCIATION BUDGET (REGULATION 2800K).

THE SUBDIVIDER MUST MAKE AVAILABLE TO YOU A STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS AND RELATED CHARGES AS PROVIDED BY THE GOVERNING DOCUMENTS AND, IF AVAILABLE, CURRENT FINANCIAL INFORMATION AND RELATED STATEMENTS (CALIFORNIA BUSINESS & PROFESSIONS CODE SECTION 11018.6).

In addition to other documentation provided to each prospective Buyer, a copy of the current financial information, and related statements, to the extent available, as specified by California Civil Code Section 5300(b), must be made available for examination by a prospective Buyer before the execution of an offer to purchase a Lot. A copy of this financial information must also be given to each Buyer as soon as practicable before close of escrow. YOU SHOULD PAY SPECIAL ATTENTION TO THIS FINANCIAL INFORMATION, AS IT PERTAINS TO CURRENT AND POSSIBLE FUTURE FINANCIAL OBLIGATIONS AFFECTING ALL HOMEOWNERS WITHIN THE SUBDIVISION ASSOCIATION. If you do not understand the contents of these financial documents, you may wish to consult with your own professional advisors. Should the amounts collected by the Association prove insufficient to properly maintain, operate, repair or replace the common facilities, the Association may increase Regular Assessments or levy one or more Special Assessments in accordance with the Governing Documents in order to provide such

funding, which may affect your ability to purchase, or, as an alternative, the Association may decide to defer maintenance or eliminate services.

Exemptions from Association Regular Assessments: The Covenants, Conditions and Restrictions provide that the subdivider or other owner of a subdivision interest will be allowed to defer from payment, that portion of any assessment which is directly attributable to any structural improvement and/or common facility that is not complete at the time assessments commence. The amount of the deferment may be a fixed amount, or may vary based upon dates of completion or use. Once the established criterion is met and the authority allowing the deferment is eliminated, all owners must pay the full amount of the monthly assessment as outlined herein. The limitations of this allowance are specifically set forth in the Restrictions. (Regulation 2792.16c).

Utility Rates: The utility rates used for the calculations within the above referenced budgets are based on information available at the time of the budget review dates (as shown above). Increases in assessments may be required as a measure to provide adequate funds to compensate for potential utility rate increases. Purchasers should be aware of the possible affect these increases may have on their assessments.

Assessments Increases/Decreases: The Association may increase or decrease assessments at any time in accordance with the procedure prescribed in the CC&Rs or Bylaws. In considering the advisability of a decrease (or a smaller increase) in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

Commencement of Assessments: Regular assessments for the Association will commence on all lots in this phase on the first day of the month following the conveyance of the first lot in the phase. The Subdivider must pay assessments to the Association for all unsold lots (Regulations 2792.9 and 2792.16).

Failure to Pay: The remedies available to the Association against owners who are delinquent in the payment of assessments are set forth in the CC&Rs. These remedies are available against the Subdivider as well as against other owners.

Subdivider's Assessment Security: The Subdivider has posted a bond as partial security for the obligation to pay these assessments. The governing body of the Association should assure itself that the Subdivider has satisfied these obligations to the Association with respect to the payment of assessments before agreeing to a release or exoneration of the security.

USES/ZONING/HAZARD DISCLOSURES

The Subdivider has set forth below references to various uses, zoning, hazards and other matters based on information from a variety of sources. You should independently verify the information regarding these matters, as well as all other matters, that may be of

concern to you regarding the subdivision and all existing, proposed or possible future uses adjacent to or in the vicinity of the subdivision. At the time this public report was issued, some of the land uses that surround the subdivision include, but are not limited to, the following:

Zoning: The subdivider advises that the following zoning exists within or near this subdivision:

North - Single-family residential
South - Pleasant Grove Blvd., proposed assisted care facility
East - Foothills Boulevard, proposed assisted care facility
West - Single-family residential

Uses: The subdivider advises that the following uses exist within or near this subdivision:

- The adjacent Pleasant Grove Boulevard and Foothills Boulevard are major thoroughfares
- Commercial properties are south of Pleasant Grove Boulevard
- Telefunken Semiconductors are approximately 0.25 miles north
- Industrial uses are approximately 1 mile north

Hazards: The subdivider advises that the following hazards exist within or near this subdivision:

- Railroad tracks are approximately 0.34 miles east
- High voltage powerlines are approximately 0.39 miles south
- Seasonal creek approximately 0.17 west and south

If your lot is located within one or more Statutory Natural Hazard Areas, your ability to further develop the real property, to obtain insurance, or to receive assistance after a disaster may be affected. You should therefore contact your lender and insurance carrier for more information regarding types of insurance and costs to cover your property. Additionally, since purchasers are not required to receive a separate disclosure for property owned by the Association, you should also contact the Association regarding any assessment increases due to additional insurance costs associated with the Statutory Natural Hazard Areas which may affect the Association maintained areas, if any.

Notice of Right to Farm: This property is located within one mile of a farm or ranch land designated on the current county-level GIS "Important Farmland Map," issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconveniences or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to, noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers, pesticides, and

herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted customs and standards pursuant to Section 3482.5 of the California Civil Code or any pertinent local ordinance.

If any disclosure, or any material amendment to any disclosure, required pursuant to California Civil Code Section 1103, et seq., is delivered after the execution of an offer to purchase, the purchaser shall have three days after delivery in person, five days after delivery by deposit in the mail, or five days after delivery of an electronic record in transaction where the parties have agreed to conduct the transaction by electronic means pursuant to the Uniform Electronic Transactions Act (California Civil Code Section 1633.1, et seq.) to terminate the offer by delivery of a written notice of termination to the Subdivider or the Subdivider's agent.

PURCHASERS SHOULD FAMILIARIZE THEMSELVES WITH THE SURROUNDING AREAS OF THE SUBDIVISION BEFORE SIGNING A CONTRACT.

TITLE

Preliminary Report: A preliminary report will be issued by the title insurer to reflect those items that affect the condition of title. You are encouraged to request a copy of this preliminary report for review of those items that affect the lot you are purchasing. Those items typically shown on a report include, but are not limited to, general and special taxes, easements, mechanic liens, monetary encumbrances, trust deeds, utilities, rights of way and CC&Rs. In most instances, copies of documents can be provided to you upon request.

Easements: Easements for utilities, landscaping, bike paths and other purposes are shown on the title report and Subdivision Map recorded May 10, 2019 in Book EE of Maps at Page 52, filed in the Office of the Placer County Recorder.

Adjustments to the original subdivision map(s) may also be recorded. You may ask the Subdivider about such changes. If you purchase a lot subject to said adjustment, this information will be included in your title policy.

TAXES

Regular Taxes: The maximum amount of any tax on real property that can be collected annually by counties is 1% of the full cash value of the property. With the addition of interest and redemption charges on any indebtedness, approved by voters prior to July 1, 1978, the total property tax rate in most counties is approximately 1.25% of the full cash value. In some counties, the total tax rate could be well above 1.25% of the full cash

value. For example, an issue of general obligation bonds previously approved by the voters and sold by a county water district, a sanitation district or other such district could increase the tax rate.

For the purchaser of a lot in this subdivision, the full cash value of the lot will be the valuation, as reflected on the tax roll, determined by the county assessor as of the date of purchase of the lot or as of the date of completion of an improvement on the lot if that occurs after the date of purchase.

Notice of Your 'Supplemental' Property Tax Bill

California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes. The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector. If you have any questions concerning this matter, please call your local Tax Collector's Office.

Special Taxes & Assessments: This subdivision lies within the boundaries of the following districts and is subject to any taxes, assessments and obligations thereof:

- Placer County Mosquito and Vector Control

This subdivision lies within the Community Facilities District No. 3 (Municipal Services) and another Community Facilities District to be formed (for city impact and school fees) and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with disclosures entitled, "Notice of Special Tax" prior to a purchaser entering into a contract to purchase. These Notices contain important information about district functions, purchaser's obligations, right of the districts, and information on how to contact the districts for additional materials. Purchasers should thoroughly understand the information contained in the Notices prior to entering into a contract to purchase. These special taxes appear on the yearly property tax bill, and are in addition to the tax rate affecting the property described above in the section entitled "Regular Taxes."

The buyer has five days after delivery of these Notices by deposit in the mail, or three days after delivery of any notice in person, to terminate the Contract by giving written notice of that termination to the owner, Subdivider, or agent selling the property.

FINANCING

If your purchase involves financing, a form of deed of trust and note will be used. The provisions of these documents may vary depending upon the lender selected. These documents may contain the following provisions:

Acceleration Clause: This is a clause in a mortgage or deed of trust which provided that if the borrower (trustor) defaults in repaying the loan, the lender may declare the unpaid balance of the loan immediately due and payable.

Due-on-Sale Clause: If the loan instrument for financing your purchase of an interest in this subdivision includes a due-on-sale clause, the clause will be automatically enforceable by the lender when you sell the property. This means that the loan will not be assumable by a purchaser without the approval of the lender. If the lender does not declare the loan to be all due and payable on transfer of the property by you, the lender is nevertheless likely to insist upon modification of the terms of the instrument as a condition to permitting assumption by the purchaser. The lender will almost certainly insist upon an increase in the interest rate if the prevailing interest rate at the time of the proposed sale of the property is higher than the interest rate of your promissory note.

Balloon Payment: This means that your monthly payments are not large enough to pay off the loan, with interest, during the period for which the loan is written and that at the end period, you must pay the entire remaining balance in one payment. If you are unable to pay the balance and the remaining balance is a sizable one, you should be concerned with the possible difficulty in refinancing the balance. If you cannot refinance or sell your property, or pay off the balloon payment, you will lose your property.

Prepayment Penalty: This means that if you wish to pay off your loan in whole or in part before it is due, you must, in addition, pay a penalty.

Late Charge: This means that if you fail to make your installment payment on or before the due date or within a specified number of days after the due date, you, in addition, must pay a penalty.

Adjustable Rate Loan: The Subdivider may assist you in arranging financing from a federal or state regulated lender which will make loans that allow the interest rates to change over the life of the loan. An interest rate increase ordinarily causes an increase in the monthly payment that you make to the lender. The lender will provide you with a disclosure form about the financing to assist you in the evaluation of your ability to make increased payments during the term of the loan. This disclosure form will be furnished to you at the time you receive your loan application and before you pay a nonrefundable fee.

BEFORE AGREEING TO ANY FINANCING PROGRAM OR SIGNING ANY LOAN DOCUMENTS, YOU SHOULD READ AND THOROUGHLY UNDERSTAND ALL THE PROVISIONS CONTAINED IN THE LOAN DOCUMENTS.

Affordable Housing Program: There will be lots offered below-market-rate which will be subject to city financing requirements and resale restrictions. It is strongly advised for purchasers to review these restrictions, in addition to other requirements, imposed by the City of Roseville.

PURCHASE MONEY HANDLING

The subdivider must impound all Purchase Money received from you in an escrow depository until legal title is delivered to you. [Refer to California Business & Professions Code Sections 11013, 11013.1, and 11013.4(a)]

If the escrow has not closed on your lot within one (1) year of the date of your deposit receipt, you may request the return of your purchase money deposit.

THE CONTRACT INTENDED FOR USE BY THE SUBDIVIDER INCLUDES A PROVISION WHERE THE SELLER (SUBDIVIDER) MAY IN ITS SOLE AND ABSOLUTE DISCRETION GRANT THE BUYER AN EXTENSION OF THE CLOSING DATE. UNDER THIS PROVISION THE BUYER SHALL PAY A SPECIFIED DOLLAR AMOUNT PER DAY (EXTENSION FEE) FOR EACH DAY THE ESCROW IS EXTENDED.

NOTE: Section 2995 of the California Civil Code provides that no real estate subdivider shall require as a condition precedent to the transfer of real property containing a single-family residential dwelling that escrow services effectuating such transfer shall be provided by an escrow entity in which the subdivider has a financial interest of 5% or more.

THE SUBDIVIDER HAS NO FINANCIAL INTEREST IN THE ESCROW COMPANY WHICH IS TO BE USED IN CONNECTION WITH THE SALE OR LEASE OF LOTS IN THIS SUBDIVISION.

SOILS AND GEOLOGIC CONDITIONS

Soils and geologic information is available at City of Roseville Engineering Department, 311 Vernon St., Roseville, California 95678.

CALIFORNIA IS SUBJECT TO GEOLOGIC HAZARDS SUCH AS LANDSLIDES, FAULT MOVEMENTS, EARTHQUAKE SHAKING, RAPID EROSION, OR SUBSIDENCE. THE UNIFORM BUILDING CODE, APPENDIX CHAPTER 33, PROVIDES FOR LOCAL BUILDING OFFICIALS TO EXERCISE PREVENTIVE MEASURES DURING GRADING TO ELIMINATE OR MINIMIZE DAMAGE FROM SUCH GEOLOGIC HAZARDS. THIS SUBDIVISION IS LOCATED IN AN AREA WHERE SOME OF THESE HAZARDS MAY EXIST. SOME CALIFORNIA COUNTIES AND CITIES HAVE ADOPTED ORDINANCES THAT MAY OR MAY NOT BE AS EFFECTIVE IN THE CONTROL OF GRADING AND SITE PREPARATION.

PURCHASERS MAY CONTACT THE SUBDIVIDER, THE SUBDIVIDER'S ENGINEER, THE ENGINEERING GEOLOGIST AND THE LOCAL BUILDING OFFICIALS TO DETERMINE IF THE ABOVE-MENTIONED HAZARDS HAVE BEEN CONSIDERED AND IF THERE HAS BEEN ADEQUATE COMPLIANCE WITH APPENDIX CHAPTER 33 OR AN EQUIVALENT OR MORE STRINGENT GRADING ORDINANCE DURING THE CONSTRUCTION OF THIS SUBDIVISION.

UTILITIES AND OTHER SERVICES

Water: City of Roseville

Sewage Disposal: City of Roseville

Gas: PG&E

Electricity: City of Roseville

Telephone: Comcast

Fire Protection: City of Roseville

Streets and Roads: The private streets within this subdivision will be maintained by the Association. The costs of repair and maintenance of these private streets are included in the budget and are a part of your regular assessment.

Access Easement and Maintenance Agreement: The initial maintenance of the private streets in the subdivision will be performed in accordance with the Access Easement and Maintenance Agreement between the Association and Subdivider, a copy of which will be on file with the Association, and Easement Deed recorded on July 11, 2019 as Document No. 2019-0048431 in the Office of Placer County Recorder.

The Access Easement and Maintenance Agreement will be in effect until title is conveyed to the Association.

Schools: This project lies within the Dry Creek Joint Elementary School District and the Roseville Joint Union High School District. These districts advise that the schools initially available to this subdivision are the following:

Heritage Oak Elementary School (Grades K-5)
2271 Americana Drive
Roseville, CA 95757

Silverado Middle School (Grades 6-8)
2525 Country Club
Roseville, CA 95757

Woodcreek High School (Grades 9-12)
2551 Woodcreek Oaks Blvd.
Roseville, CA 95747

The above school information was provided prior to the date of issuance of this Public Report and is subject to change. For the most current information regarding school assignments, facilities and bus service, purchasers are encouraged to contact the school districts.

CONTACTING THE DEPARTMENT OF REAL ESTATE

If you need clarification as to the statements in this Public Report or if you desire to make arrangements to review the documents submitted by the Subdivider which the Department of Real Estate used in preparing this Public Report you may contact:

Department of Real Estate
Northern California Office
Subdivisions North
1651 Exposition Blvd.
Sacramento, CA 95815
(916) 576-3374

RECEIPT FOR PUBLIC REPORT

The Laws and Regulations of the California Real Estate Commissioner require that you as a prospective purchaser or lessee be afforded an opportunity to read the public report for this subdivision before you make any written offer to purchase or lease a subdivision interest or before any money or other consideration toward purchase or lease of a subdivision interest is accepted from you.

In the case of a preliminary or interim public report, you must be afforded an opportunity to read the public report before a written reservation or any deposit in connection therewith is accepted from you.

In the case of a conditional public report, delivery of legal title or other interest contracted for will not take place until issuance of a final public report. Provision is made in the sales agreement and escrow instructions for the return to you of the entire sum of money paid or advanced by you if you are dissatisfied with the final public report because of a material change. (See California Business and Professions Code Section 11012.)

**DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED
A COPY OF THE PUBLIC REPORT AND HAVE READ IT.**

I read the Commissioner's Public Report on 160706SA-F00
[FILE NUMBER]

SUBDIVISION NO. PL16-0170, FINAL MAP OF BRETON VILLAGE RESIDENTIAL

"LIBERTY VILLAGE" (PHASE 2)

[LOT/UNIT NUMBER]

I understand the public report is not a recommendation or endorsement of the subdivision, but is for information only.

The issue date of the public report which I received and read is:

DECEMBER 11, 2019

[DATE AMENDED]

[NAME]

[SIGNATURE]

[ADDRESS]

[DATE]