

**Department of Real Estate
of the
State of California**

In the matter of the application of

**RSI COMMUNITIES - CALIFORNIA LLC,
A DELAWARE LIMITED LIABILITY COMPANY**

**FINAL SUBDIVISION PUBLIC REPORT
PLANNED DEVELOPMENT**

FILE NO.: 162825LA-F00

ISSUED: NOVEMBER 12, 2020

EXPIRES: NOVEMBER 11, 2025

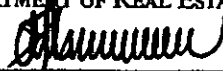
for a Final Subdivision Public Report on

TRACT NO. 37067

"CAMDEN PLACE" (PHASE 13)

DEPARTMENT OF REAL ESTATE

by



Signature

MARTHA N. TCHOUA

Printed Name

RIVERSIDE COUNTY, CALIFORNIA

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, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, 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 *Living in a California 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 review or obtain a *free* copy of this brochure, please visit the Department of Real Estate (DRE) website: www.dre.ca.gov.

SPECIAL NOTES

THIS REPORT COVERS ONLY RESIDENTIAL LOTS 20 THROUGH 24, INCLUSIVE, AND LOT 99 OF TRACT NO. 37067.

CAMDEN PLACE (“**PROJECT**” OR “**CAMDEN PLACE**”) IS BEING DEVELOPED BY RSI COMMUNITIES – CALIFORNIA LLC, A DELAWARE LIMITED LIABILITY COMPANY (“**SUBDIVIDER**”). CAMDEN PLACE IS PART OF THE OVERALL MIXED USE MASTER PLANNED DEVELOPMENT KNOWN AS MENIFEE TOWN CENTER WHICH IS BEING DEVELOPED BY STARK MENIFEE LAND, LLC, A WISCONSIN LIMITED LIABILITY COMPANY (“**MASTER DECLARANT**”).

SPECIAL INTEREST AREAS IN THIS FINAL SUBDIVISION REPORT: YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPHS BELOW ENTITLED: CONDITIONAL SUBDIVISION PUBLIC REPORT, MAINTENANCE AND OPERATIONAL EXPENSES, AND USES, ZONING AND HAZARDS.

NOTE: IN ADDITION TO THESE AREAS, IT IS IMPORTANT TO READ AND THOROUGHLY UNDERSTAND THE REMAINING SECTIONS SET FORTH IN THIS FINAL SUBDIVISION PUBLIC REPORT PRIOR TO ENTERING INTO A CONTRACT TO PURCHASE.

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 A RESIDENTIAL LOT IN THE PROJECT 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 BUSINESS AND 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 (“PRELIMINARY PUBLIC REPORT”): IF YOU HAVE RECEIVED A PRELIMINARY PUBLIC REPORT FOR THIS PROJECT, 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 MENIFEE TOWN CENTER

Menifee Town Center, located one-quarter mile west of Interstate 215 in the City of Menifee, will be the community core for the City combining civic, hotel, residential, education, recreation, entertainment and commercial uses to form a landmark project, delivering a unique pedestrian-oriented and urban experience with access to state-of-the-art amenities. The project consists of approximately 650 single family homes, 330 multifamily residences and 1,075,000 square feet of commercial development on 200 acres.

There is no assurance that Menifee Town Center will be completed as proposed.

OVERVIEW OF CAMDEN PLACE

Location:

Camden Place is located at La Piedra Road and Great Oak Road within the city limits of Menifee. Prospective purchasers should acquaint themselves with the kinds of city services available.

Type of Subdivision:

Camden Place is a common-interest development of the type referred to as a planned development. It includes Master Association Areas and Master Association Facilities which will be maintained by an incorporated association.

Interests to Be Conveyed:

You will receive fee title to a residential lot together with a membership in the Menifee Town Center Master Association ("**Master Association**") and rights to use the Master Association Property.

About This Phase:

This Public Report is for the thirteenth phase which consists of approximately 1.02 acres divided into 6 lots.

This phase is part of a total subdivision which, if developed as proposed, will consist of a total of 23 phases containing 151 lots within the overall projected development. The estimated completion date is February 2022.

There is no assurance that Menifee Town Center or Camden Place will be completed as proposed.

FUTURE DEVELOPMENT OF THE PROJECT 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 PROJECT 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 PROJECT OR, IF COMPLETED, TO COMPLETE THE PROJECT AS SHOWN. THE SUBDIVIDER MAY SELL AT ANY TIME, ALL OR ANY PORTION OF THE LOTS WITHIN THE SUBDIVISION TO ANY THIRD PARTY, INCLUDING OTHER DEVELOPERS OR BUILDERS.

Sale of All Residences:

The Subdivider has indicated that it intends to sell all of the lots in this Project; 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 LOTS FOR SALE OR LEASE.

NOTE: WHEN YOU SELL YOUR LOT TO SOMEONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION OF RESTRICTIONS, ARTICLES OF INCORPORATION, BYLAWS AND A TRUE STATEMENT CONCERNING ANY DELINQUENT ASSESSMENTS, PENALTIES, ATTORNEY'S FEES OR OTHER CHARGES, PROVIDED BY THE

RESTRICTIONS OR OTHER MANAGEMENT DOCUMENTS ON THE LOT AS OF 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 (CIVIL CODE SECTION 4540).

Completion of Common Area:

The Recreational Facility has been completed as evidenced by the Notice of Completion recorded on **July 31, 2020** as Instrument No. **2020-0345644** in the Office of the Riverside County Recorder.

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

MANAGEMENT AND OPERATION

Master Association Obligations and Governing Documents: The Master Association, of which you become a member at time of purchase, is governed by and manages, maintains and operates the Project in accordance with the Master Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Menifee Town Center (“**Master Declaration**”), the Articles of Incorporation for the Menifee Town Center Master Association (“**Articles**”) and the Bylaws for the Menifee Town Center Master Association (“**Bylaws**”). In addition, the Master Association has the right to adopt rules and regulations and guidelines for the Project and which will include subdivision design/architectural guidelines which will set forth the guidelines and procedures for design/architectural review within the Project. 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 Declarations (the Master Declaration, Bylaws, Articles, Supplementary Declarations 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.

Existing Master Association: SINCE THE COMMUNITY COMMON AREA AND COMMUNITY MAINTENANCE AREAS ARE MAINTAINED BY THE MASTER ASSOCIATION, THE MASTER ASSOCIATION MUST HOLD ELECTIONS OF THE MASTER ASSOCIATION’S GOVERNING BODY IN ACCORDANCE WITH ITS COMMUNITY GOVERNING DOCUMENTS. THE MASTER ASSOCIATION MUST ALSO PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT AND A SUMMARY OF THE MASTER ASSOCIATION’S RESERVES BASED UPON THE MOST RECENT REVIEW OR

STUDY CONDUCTED PURSUANT TO SECTION 5500 ET SEQ. OF THE CIVIL CODE.

The Master Declaration: Camden Place will be subject to the Master Declaration recorded on **September 24, 2015** as Instrument No. **2015-0423856**, the First Amendment to the Master Declaration recorded **November 16, 2017** as Instrument No. **2017-0481527**, the Supplementary Declaration of Menifee Town Center recorded **November 7, 2017** as Instrument No. **2017-0466365**, the Supplementary Declaration of Covenants, Conditions and Restrictions for Menifee Town Center (Camden Place: Tract No. 37067) recorded **January 24, 2019** as Instrument No. **2019-0026786**, and the Supplementary Declaration of Covenants, Conditions and Restrictions and Designation of Phase for Menifee Town Center (Camden Place: Lots 20 through 24 and Lot 99 of Tract No. 37067) recorded **October 27, 2020** as Instrument No. **2020-0520532**, all in the Office of the Riverside County Recorder, as the same may be modified or amended.

FOR INFORMATION AS TO YOUR OBLIGATIONS AND RIGHTS, YOU SHOULD READ THE MASTER DECLARATION. THE SUBDIVIDER MUST MAKE THEM AVAILABLE TO YOU.

Documents to be Furnished:

THE SUBDIVIDER STATED IT WILL FURNISH THE CURRENT BOARD OF OFFICERS OF THE MASTER ASSOCIATION AND EACH INDIVIDUAL PURCHASER WITH THE DEPARTMENT OF REAL ESTATE REVIEWED MASTER ASSOCIATION BUDGET.

THE SUBDIVIDER MUST MAINTAIN AND DELIVER TO THE MASTER 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 MASTER ASSOCIATION TO PERFORM ITS DUTIES AND RESPONSIBILITIES. (SECTION 11018.5 OF THE BUSINESS AND PROFESSIONS CODE)

THE SUBDIVIDER SHALL MAKE A COPY OF THE ARTICLES, BYLAWS AND THE MASTER DECLARATION AVAILABLE FOR EXAMINATION BY A PROSPECTIVE BUYER BEFORE EXECUTION OF AN OFFER TO PURCHASE A LOT. A COPY OF EACH 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. (BUSINESS AND PROFESSIONS CODE SECTION 11018.6)

MAINTENANCE AND OPERATIONAL EXPENSES

Master Association to Levy Assessments. The Master Association has the right to levy assessments against you for the 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 Master Association meetings.

Proposed Master Association Base Budget. The Subdivider has submitted a budget for the management, maintenance and operation of the Master Association's obligations and for long-term reserves. This budget was reviewed by the Department of Real Estate in February 2019. Under this budget, the monthly assessment against each lot will be \$137.00 of which \$21.42 is a monthly contribution to long-term reserves and is not to pay for current management, maintenance and operating expenses. *The Camden Place portion of the monthly assessment to the Master Association Base Budget will be \$24.16.

Proposed Master Association Recreation Facility Cost Center Budget. The Subdivider has submitted a budget for the management, maintenance and operation of the Master Association Recreation Cost Center Budget obligations and for long-term reserves. This budget was reviewed by the Department of Real Estate in February 2019. Under this budget, the monthly assessment against each lot will be \$40.00 of which \$9.17 is a monthly contribution to long-term reserves and is not to pay for current management, maintenance and operating expenses.

Proposed Cost Center Budgets for Camden Place. The Subdivider has submitted budgets for the management, maintenance and operation of the Camden Place Cost Center and for long-term reserves when Camden Place is substantially completed (built-out budget) and an interim budget applicable to this phase. These budgets reviewed by the Department of Real Estate in February 2019.

Under the built-out budget, the monthly assessment against each lot will be \$37.00. the Master Association may or may not elect to use this budget when additional phases are annexed. Under the interim budget, the monthly assessment against each lot will be \$42.00. Of these amounts, the monthly contributions to long-term reserves, which are not to be used to pay for current management, maintenance and operating expenses are \$12.73 (interim) and \$11.32 (built-out).

YOU SHOULD BE AWARE THAT IF, AND WHEN ADDITIONAL PHASES ARE ANNEXED INTO THE PROJECT, THE MONTHLY ASSESSMENTS AGAINST YOUR LOT MAY INCREASE OR DECREASE DEPENDING UPON, AMONG OTHER THINGS, THE NUMBER OF LOTS BEING ANNEXED IN SUCH SUBSEQUENT PHASES AND WHETHER ANY ADDITIONAL COMMON AREA AND/OR COMMON FACILITIES ARE ALSO BEING ANNEXED AS A PART OF SUCH PHASES.

According to the Subdivider, assessments under the interim budget should be sufficient for proper management, maintenance and operation of the Master Association's obligations until the Project 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 DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO AN AGREEMENT 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 OPERATIONS 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 MASTER ASSOCIATION ASSESSMENTS AFFECT THE ABILITY OF THE MASTER 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 MASTER ASSOCIATION SERVICES. THE SUBDIVIDER MUST IMMEDIATELY NOTIFY THE DEPARTMENT OF REAL ESTATE IN WRITING, IF DELINQUENT ASSESSMENTS HAVE CAUSED THE MASTER ASSOCIATION TO RECEIVE TEN PERCENT (10%) LESS INCOME THAN REFLECTED IN THE THEN CURRENT MASTER 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 (BUSINESS AND 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 Section (b) of Civil Code Section 5300 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 Master Association prove insufficient to properly maintain,

operate, repair or replace the common facilities, the Master 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 Master Association may decide to defer maintenance or eliminate services.

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.

Assessment Increases/Decreases: The Master Association may increase or decrease assessments at any time in accordance with the procedure prescribed in the Master Declaration or Bylaws. In considering the advisability of a decrease (or a small 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 Master Association will commence on all lots in this phase on the first day of the month following the conveyance of the first lot in this phase. The Subdivider must pay assessments to the Master Association for all unsold lots in this phase (Regulations 2792.9 and 2792.16).

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

Subdivider's Assessment Security: The Subdivider has posted a bond as partial security for its obligation to pay the assessments. The governing body of the Master Association should assure itself that the Subdivider has satisfied these obligations to the Master 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 Project and all existing, proposed or possible future uses adjacent to or in the vicinity of the Project. At the time this public report was issued, some of the land uses that surround Camden Place, include, but are not limited to, the following:

Zoning

North:	Public Park
South:	School/Residential
East:	Flood Control Channel/Commercial
West:	Multi Family Residential

Uses and Hazards

The Subdivider advises that the following uses and hazards exist within or near Camden Place:

- The 215 (Escondido Freeway) is located approximately 0.5 miles east of the Project.
- Paloma Valley Wash Channel is located adjacent to the Project.

Electrical Power Lines, Substation, Wireless Communications Facilities and Human Health. Underground and overhead electric transmission and distribution lines and transformers ("**Power Lines**") are located within or in the vicinity of all residential communities, including this Project. In addition, a substation is located to the immediate south west of the Project, at the northeast corner of the intersection of Archibald Avenue and Ontario Ranch Road. The Power Lines within and in the vicinity of the Project, as well as the substation, are owned by Southern California Edison Company, and produce some noise and extremely low-frequency electromagnetic fields ("**ELF-EMF**"). In addition, antennas and other equipment for wireless telecommunications (for example, cellular phones) may also be located in or in the vicinity of the Project. Like all wireless communications facilities, these facilities produce radio-frequency fields ("**RF**"). Numerous studies concerning the effects of ELF-EMF and/or RF on human health have been undertaken over recent years and some are ongoing. There are studies that have reported a possible relationship between ELF-EMF exposure and some health conditions, such as childhood leukemia, miscarriages, and certain neurological disorders, while other studies found no such relationship. Some studies have reported associations between RF exposure and brain cancer, while other studies found no such relationship. Additional information about ELF-EMF and RF is available from the following agencies:

the World Health Organization's International EMF Project website at www.who.int/peh-emf/project/en/;

the U.S. National Institute of Environmental Health Sciences website at <http://www.niehs.nih.gov/health/topics/agents/emf/>;

the Centers for Disease Control and Prevention website at <https://www.cdc.gov/niosh/topics/emf/>;

the California Public Utilities Commission EMF page at <http://www.cpuc.ca.gov/Environment/emf/emfopen.htm>; and

Southern California Edison website at <https://www.sce.com/wps/portal/home/safety/family/environmental-health>.

This list is not meant to be all-inclusive.

Commercial/Industrial Zoning Disclosure. The Project is located within one (1) mile of a property zoned for commercial or industrial use. These commercial and industrial uses will generate noise, traffic, light overflow and additional inconveniences to Owners and residents of the Project.

Natural Hazards

Area of Potential Flooding: The Subdivider has advised that all or portions of the Project subject to this Public Report are located within an *Area of Potential Flooding* as shown on an inundation map. Additionally, the Subdivider has advised that prospective purchasers within this Area will be provided a separate disclosure required under Government Code Section 8589.4.

If any disclosure, or any material amendment to any disclosure, required pursuant to 1103 et seq is delivered after the execution of an offer to purchase, the purchaser shall have three days after delivery in person or five days after delivery by deposit in the mail to terminate the offer by delivery of a written notice of termination to the Subdivider or the Subdivider's agent.

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 Master Association, you should also contact the Master Association regarding any assessment increases due to additional insurance costs associated with the Statutory Natural Hazard Areas which may affect the Master Association maintained areas, if any.

Seismic Hazard Zone. Many portions of California are subject to risks associated with seismic activity. Areas that meet the definition of "Seismic Hazard Zone" in the Seismic Hazards Mapping Act (California Public Resources Code Section 2690, *et seq.*) are shown on maps that are prepared and released by the California Department of Conservation, Division of Mines and Geology. Such zones may pose an increased risk of damage to property from liquefaction and/or from earthquake-induced landsliding. According to the Disclosure Report, the State of California has not yet produced any seismic hazard zone maps for the Project. When such maps are released, they will be available for inspection at the offices of the County. Declarants make no representations or warranties as to whether the Project is in a Seismic Hazard Zone, or whether seismic activity poses any elevated degree of risk to the Project. Owners are advised to consult with the City, County, other public agencies, and appropriate experts to evaluate the

potential risk. For more information concerning seismic activity and risks, read “The Homeowner’s Guide to Earthquake Safety.”

County and City Level Hazard Zones. Portions of the Project are located in an area of low or very low liquefaction susceptibility, as designated by the County. Liquefaction is a condition where soils can become liquid-like during a significant earthquake with heavy shaking.

Energy Efficiency Standards and Duct Sealing Requirements. The Master Developer has been informed that based on climate zone maps issued by the California Energy Commission, the Project is located in a designated climate zone in which properties are subject to duct sealing and testing requirements set forth by the California Energy Commission. According to the California Energy Commission, certain duct sealing requirements apply when any of the following Improvements are replaced on a home: the air handler, the outdoor condensing unit of a split system air conditioner or heat pump, the cooling or heating coil or the furnace heat changer. Please refer to the Disclosure Report for more information regarding energy efficiency standards and duct sealing requirements applicable to the Residences in the Project.

Right to Farm: This Project 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 during any 24-hour period. 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 Civil Code or any pertinent local ordinance.

PURCHASERS SHOULD FAMILIARIZE THEMSELVES WITH THE SURROUNDING AREAS OF THE PROJECT BEFORE SIGNING A PURCHASE AGREEMENT/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, mechanics liens, monetary encumbrances, trust deeds, utilities, rights of

way and Master Declaration. In most instances, copies of documents can be provided to you upon request.

Easements: Easements for utilities and other purposes are shown on the title report and Subdivision Map, **Tract No. 37067**, filed in **Book 466, Pages 7 to 16**, inclusive, of maps, in the Office of the Riverside County Recorder.

Environmental Constraint Notes on the Environmental Constraint Sheet that was filed in **Book 100, Page 58**, in the Office of the Riverside County Recorder, includes, but it not limited to: The property is subject to lighting restrictions as required by Menifee Municipal Code Chapter 6 (Ordinance No. 2009-024), which are intended to reduce the effects of night lighting on the Mount Palomar Observatory. All proposed outdoor lighting systems shall be in conformance with Municipal Code Chapter 6.

Adjustments to the original subdivision map 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.

Mineral Rights: You will not own the mineral, oil and gas rights under your land below a depth of 500 feet. These have been reserved as per your grant deed. The right to surface entry has been waived.

TAXES

Regular Taxes: The maximum amount of any tax on real property that can be collected annually by counties is one percent (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 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 Project, 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:

Eastern Municipal Water District – Water and Sewer Standby. This Project lies within the boundaries of the Eastern Municipal Water District – Water and Sewer Standby and is subject to any taxes, assessments and obligations thereof. This District was formed to pay for water and sewer standby charges. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of the Public Report, it is anticipated the projected 2020-2021 assessment for each residential lot within this Project will be \$21.00. The administration of this District will be provided by Willdan Financial Services.

Metropolitan Water District – Water Standby East. This Project lies within the boundaries of the Metropolitan Water District – Water Standby East and is subject to any taxes, assessments and obligations thereof. This District was formed to pay for water and sewer standby charges. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of the Public Report, it is anticipated the projected 2020-2021 assessment for each residential lot within this Project will be \$6.94. The administration of this District will be provided by Willdan Financial Services.

Riverside County Flood Control District – Flood Control (NPDES). This Project lies within the boundaries of the Riverside County Flood Control District – Flood Control (NPDES) and is subject to any taxes, assessments and obligations thereof. This District was formed to pay for water and sewer standby charges. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire. As of the date of the Public Report, it is anticipated the projected 2020-2021 assessment for each residential lot within this Project will be \$3.76. The administration of this District will be provided by Albert A. Webb Associates.

City of Menifee CFD No. 2017-1 (Maintenance Services) – Special Tax A. This Project lies within the City of Menifee CFD No. 2017-1 (Maintenance Services) – Special Tax A and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with a disclosure entitled “Notice of Special Tax” prior to a purchaser entering into a contract to purchase. This Notice contains important information about district functions, purchaser's obligations, rights of the district, and information on how to contact the district for additional materials. Purchasers should thoroughly understand the information contained in the Notice prior to entering into a contract to purchase. This special tax appears on the yearly property tax bill, and is in addition to the tax rate affecting the property described above in the section entitled “TAXES.”

City of Menifee CFD No. 2017-1 (Maintenance Services) – Special Tax B (Contingent Services). This Project lies within the City of Menifee CFD No. 2017-1 (Maintenance Services) – Special Tax B (Contingent Services) and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with a disclosure entitled “Notice of Special Tax” prior to a purchaser entering into a contract to purchase. This Notice contains important information about district functions, purchaser’s obligations, rights of the district, and information on how to contact the district for additional materials. Purchasers should thoroughly understand the information contained in the Notice prior to entering into a contract to purchase. This special tax appears on the yearly property tax bill, and is in addition to the tax rate affecting the property described above in the section entitled “TAXES.”

Eastern Municipal Water District CFD No. 2016-74 (Improvement Area A). This Project lies within the Eastern Municipal Water District CFD No. 2016-74 (Improvement Area A) and is subject to any taxes, assessments and obligations thereof. The Subdivider must provide purchasers with a disclosure entitled “Notice of Special Tax” prior to a purchaser entering into a contract to purchase. This Notice contains important information about district functions, purchaser’s obligations, rights of the district, and information on how to contact the district for additional materials. Purchasers should thoroughly understand the information contained in the Notice prior to entering into a contract to purchase. This special tax appears on the yearly property tax bill, and is in addition to the tax rate affecting the property described above in the section entitled “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 purchase agreement/contract by giving written notice of that termination to the owner, Subdivider, or agent selling the property.

FINANCING

Pursuant to Civil Code Section 2956 through 2967, inclusive, Subdivider and purchasers must make certain written disclosures regarding financing terms and related information. The Subdivider will advise purchasers of disclosures needed from them, if any.

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 the repaying of 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 a lot in this Project 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.

A 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 of the loan 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.

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

A 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.

PURCHASE MONEY HANDLING

The Subdivider must impound all funds (purchase money) received from you in an escrow depository until legal title is delivered to you, except for such amount as the Subdivider has covered by furnishing a bond to the State of California. [Refer to Business and Professions Code Section 11013.4(b)]

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

Note: Section 2995 of the 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 PROJECT.

SOILS AND GEOLOGIC CONDITIONS

Soils, filled ground and geologic information is available at: City of Menifee Engineering Department, 29714 Haun Road, Menifee, California 92586. Some lots contain filled ground.

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 PROJECT 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 PROJECT.

Schools: This Project lies within the Menifee Union School District and the Perris Union High School District. These Districts advise the schools initially available to this Project are:

Menifee Union School District

Chester W. Morrison 30250 Bradley Road Menifee, CA 92584	Grades K-5
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Menifee Valley Middle School 26255 Garbani Road Menifee, CA 92584	Grades 6-8
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Perris Union High School District

Paloma Valley High School Grades 9-12
31375 Bradley Road
Menifee, CA 92584

This 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
Subdivisions South
320 West 4th Street, Suite 350
Los Angeles, CA 90013-1105
(213) 576-6983**

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 162825LA-F00
[FILE NUMBER]

TRACT NO. 37067 "CAMDEN PLACE"
[TRACT NUMBER OR NAME]

PHASE 13
[PHASE NUMBER] [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:

NOVEMBER 12, 2020 [DATE ISSUED]	 [DATE AMENDED]
NOVEMBER 11, 2025 [EXPIRATION DATE]	 [NAME]
	 [SIGNATURE]
	 [ADDRESS]
	 [DATE]