

*Department of Real Estate
of the
State of California*

In the matter of the application of

**TAYLOR MORRISON OF CALIFORNIA, LLC,
A California limited liability company**

**FINAL SUBDIVISION PUBLIC REPORT
AMENDMENT**

FILE NO.: **175871LA-A01**

ISSUED: **JUNE 21, 2024**

AMENDED: **JANUARY 8, 2025**

EXPIRES: **JUNE 20, 2029**

for an Amendment on

TRACT NO. 37449-4

**"AZUL AT SIENA" - PHASE 9
(SIENA OVERALL PHASE 27)**

DEPARTMENT OF REAL ESTATE

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 the subdivision are regularly made. *[Reference Business and Professions 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 Business and Professions 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.

RE 646 (Rev. 1/20)

SPECIAL NOTES

THIS AMENDED PUBLIC REPORT COVERS ONLY LOTS 12 THROUGH 21, AND 65 INCLUSIVE, OF TRACT NO. 37449-4.

AZUL AT SIENA (“**NEIGHORBOOD**”) IS BEING DEVELOPED BY TAYLOR MORRISON OF CALIFORNIA, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (“**SUBDIVIDER**” OR “**BUILDER**”). SUBDIVIDER INTENDS TO DEVELOP THE INITIAL COVERED PROPERTY AS A PORTION OF THE OVERALL COMMUNITY, WHICH IS A RESIDENTIAL MASTER-PLANNED DEVELOPMENT KNOWN AS SIENA (“**COMMUNITY**”). THE COMMUNITY IS BEING DEVELOPMENT BY THE SUBDIVIDER WITH A VARIETY OF PRODUCT TYPES IN ACCORDANCE WITH A MASTER DEVELOPMENT PLAN APPROVED BY THE COUNTY OF RIVERSIDE. IF DEVELOPED AS PLANNED, THE COMMUNITY MAY EVENTUALLY CONSIST OF VARIOUS NEIGHBORHOOD CONSISTING OF DETACHED RESIDENCES ON TRADITIONAL LOTS OF VARYING SIZED AND ATTACHED CONDOMINIUM TOWNHOMES.

SPECIAL INTEREST AREAS IN THIS AMENDED SUBDIVISION REPORT: YOUR ATTENTION IS ESPECIALLY DIRECTED TO THE PARAGRAPH(S) BELOW ENTITLED: MANAGEMENT AND OPERATION, MAINTENANCE AND OPERATIONAL EXPENSES, USES/ZONING/HAZARD DISCLOSURES, TITLE AND TAXES.

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

CONDITIONAL SUBDIVISION PUBLIC REPORT (“CONDITIONAL 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 AMENDED SUBDIVISION PUBLIC REPORT (“**AMENDED PUBLIC REPORT**”) BECAUSE OF A MATERIAL CHANGE IN THE SETUP OF THE OFFERING COVERED BY BUSINESS & PROFESSIONS CODE SECTION 11012. YOU ARE ADVISED TO CAREFULLY READ THIS AMENDED PUBLIC REPORT SINCE IT CONTAINS INFORMATION THAT IS MORE CURRENT AND POSSIBLY DIFFERENT FROM THAT INCLUDED IN THE CONDITIONAL PUBLIC REPORT.

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.

PRELIMINARY SUBDIVISION PUBLIC REPORT (“PRELIMINARY PUBLIC REPORT”): IF YOU HAVE RECEIVED A PRELIMINARY PUBLIC REPORT FOR THIS SUBDIVISION, YOU ARE ADVISED TO CAREFULLY READ THIS AMENDED 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 AMENDED PUBLIC REPORT.

OVERVIEW OF SUBDIVISION

Location: This Neighborhood is located at Washington Street and Keller Road within the unincorporated area of the County of Riverside. Prospective purchasers should acquaint themselves with the kinds of local government services available.

Type of Subdivision:

This Subdivision is a common-interest development of the type referred to as a master-planned development. It will be operated by an incorporated master homeowners association.

Interests to Be Conveyed:

You will receive fee title to a lot together with a membership in the Siena Master Association (“**Association**”) and rights to use the common areas (called “Master Common Area” in the governing documents of the Association).

About This Phase:

This Amended Public Report is for overall phase 27 which originally consisted of approximately 1.53 acres divided into 12 lots including 12 two car garages. The estimated completion date for this phase is January 2025.

This phase is part of a total Community which, if developed as proposed, will consist of up to approximately 850 dwelling units. Under the initial DRE-reviewed Budget and development plan, the first 70 phases containing 529 dwelling units are anticipated to be complete in January 2027.

There is no assurance that the total subdivision will be completed as proposed.

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 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 Neighborhood; 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 Subdivider has posted a bond acceptable to the Department of Real Estate in the amount of \$2,647,218.00 to assure lien free completion of the PA 10 Park improvements described in the Planned Construction Statement attached to the security instrument. The estimated completion date for these improvements is August 2025.

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:

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 ("**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) (the CC&Rs, Bylaws, Articles, Supplementary Declaration(s) 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 ASSOCIATION: SINCE THE COMMON AREA IMPROVEMENTS, AMENITIES, AND FACILITIES ARE MAINTAINED BY THE ASSOCIATION, THE ASSOCIATION MUST HOLD ELECTIONS OF THE ASSOCIATION'S GOVERNING BODY IN ACCORDANCE WITH ITS GOVERNING DOCUMENTS. THE ASSOCIATION MUST 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 CIVIL CODE.

The CC&Rs: This Neighborhood is subject to the Master Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Siena, ("**Master Declaration**") recorded **April 13, 2023** as Instrument No. **2023-0105668**, the Supplemental Master Declaration of Covenants, Conditions and Restrictions and Declaration of Annexation for Siena (Tract No. 37449-4) recorded March 4, 2024 as Instrument No. 2024-0059068, the Supplemental Master Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements and Designation of Phase for Siena (Azul Phase 9), ("**Supplemental Master Declaration**") recorded June 4, 2024 as Instrument No. 2024-0160612, the Declaration of Covenants, Conditions and Restrictions Establishing Solar Shading Restrictions, ("**Solar Restrictions Declaration**") recorded May 26, 2023 as Instrument No. 2023-0152034, and the Supplementary Declaration Establishing Solar Shading Restrictions (Azul Phase 9) recorded June 4, 2024 as Instrument No. 2024-0160613, all recorded 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 RESTRICTIONS. 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 ASSOCIATION AND EACH INDIVIDUAL PURCHASER WITH THE DEPARTMENT OF REAL ESTATE 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 BUSINESS AND PROFESSIONS CODE)

THE SUBDIVIDER SHALL MAKE A COPY OF THE ARTICLES, BYLAWS AND THE CC&RS 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:

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 Master Association Budgets. The Subdivider has submitted proposed budgets for the management, maintenance and operation of the Master Association's obligations and for long-term reserves when the Community is substantially completed (built-out budget) and interim budgets applicable to these phases. These budgets were reviewed by the Department of Real Estate in December 2024. You should obtain copies of the applicable budgets from the Subdivider.

Range of Assessment Budgets. The Subdivider has also submitted budgets for the management, maintenance and operation of the Association's obligations and interim range of assessment budgets applicable to Community Phases 2 through Built-out. These budgets were reviewed by the Department of Real Estate in December 2024. You should obtain copies of the applicable budgets from the Subdivider.

Due to uncertainty in the sequence in which phases in this subdivision will close escrows in individual housing types located in the overall subdivision, it is difficult to predict at this time the amount of the monthly assessment which will be assessed against each lot in the subdivision.

As the overall Community is developed and additional phases of the community become subject to assessment, the level of monthly assessments in existing phases of the community may increase or decrease, subject to the limitations in the CC&R's or Bylaws. Under the proposed interim budget reviewed by the Department of Real Estate, the range of monthly assessments during the development period will be between **\$85.00** and **\$177.00**. Of these amounts, the monthly contribution toward long-term reserves which are not to be used to pay for current operating expenses will be between \$14.91 and \$28.29.

Financials: According to the adopted budget, balance sheet, bank statement provided by Keystone Pacific Property Management ("**Management Company**"), the current budget appears

adequate for operation and funding of reserves. The Master Association Balance Sheet dated June 30, 2024 shows a balance of \$16,002.20. The Reserve Account Bank Statement dated June 28, 2024 from Pacific Premier Bank shows a balance of \$16,002.20. The Assessment and Reserve Funding Disclosure for the fiscal year ending November 5, 2024 shows the Reserves 111.49% funded with a balance of \$25,406.72.

According to the Subdivider, assessments under the proposed interim budget should be sufficient for proper management, maintenance and operation of the Master Association's obligations until the subdivision is substantially completed at which time it may be anticipated that assessments will be adjusted. Prior to the close of escrow for the sale of your lot, the Subdivider will provide you with a copy of the budget for your phase, reflecting the amount of the initial assessment you will actually pay to the Master Association.

IF THE BUDGET FURNISHED TO YOU BY THE SUBDIVIDER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH IS OUTSIDE OF THE RANGE OF ASSESSMENTS REFLECTED IN THE PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO A CONTRACT TO PURCHASE.

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 DWELLING UNITS 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).

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 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 (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 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.

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 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 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 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 Association for all unsold lots in this phase (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 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 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.

First Amendment to Master Subsidy Agreement (Phase 38). The Subdivider and the Master Association have entered into a First Amendment to Master Subsidy Agreement ("Phase 38 Subsidy") for the purpose of subsidizing a portion of the monthly assessments once 336 separate interests are under assessment, which is currently estimated to occur with the first closing in DRE Phase 38. The Phase 38 Subsidy will continue in effect for an initial term of six (6) months with automatic extensions of six (6) months each thereafter, unless and until terminated as described below. The Subdivider shall pay to the Association the difference between the then-current

monthly Annual Assessment as set forth in the approved budget on file with the Department of Real Estate and **One Hundred Fifty-One and 86/100 Dollars (\$151.86)** per month.

The Phase 38 Subsidy will have an initial term of six (6) months with automatic extensions of six (6) months each hereafter unless and until terminated on the earliest to occur of: (a) the date which at least **461** separate interests in the Community are under assessment (currently anticipated to occur with the first close of escrow in DRE Phase 55 of the Range of Assessments Budget); or (b) the date of termination stated in a written notice delivered by the Subdivider to Master Association and the Escrow Holder. Unless the term is terminated it shall automatically be extended for an additional six (6) months on the date that is six (6) months following the date of commencement of the initial term or extension thereof. No automatic extension shall cause the term of the Phase 38 Subsidy to extend beyond the date on which 461 homes are subject to assessment by the Association.

The Subdivider has posted a bond as partial security for the obligation to pay the subsidized assessments. The governing body of the Master Association should assure itself that the Subdivider has satisfied his obligations to the Master Association with respect to the payment of assessments before agreeing to a release or exoneration of the security.

First Amendment to Park and Recreational Facilities Maintenance and Use Agreement. The Subdivider and Master Association have entered into a First Amendment to Park and Recreational Facilities Maintenance and Use Agreement (“**Use Agreement**”). The Master Common Area in the Community is planned to include the park and recreational amenities construction on Parcel 10 of Parcel Map No. 37592 (collectively, the “**Recreational Facilities**”).

Subdivider and the Master Association now desire to enter into this Agreement: (1) to evidence Subdivider’s obligation to grant to the Master Association temporary, nonexclusive easements for access to and use of the completed Recreational Facilities; (2) to evidence the obligation to maintain the completed Recreational Facilities before the Recreational Facilities are conveyed in fee title to the Master Association; (3) to establish the Master Association’s right to perform, in certain circumstances, certain remedial maintenance of the Recreational Facilities before they are conveyed in fee title to the Master Association; (4) to evidence the obligation to convey the Recreational Facilities in fee title to the Master Association; and (5) to evidence Subdivider’s agreement to contribute accrued reserves for the Recreational Facilities. Subdivider anticipates conveying the Recreational Facilities to the Master Association in August of 2025.

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

North: Keller Road/Open Space

South: Public Park/Open Space Residential/Future Detention Basin
East: Canal/Open Space/Conservation Area
West: Detention Basin/Park/State Route 79/Residential

Uses

Diamond Valley Lake – approximately 2.6 miles northeast;
Lake Skinner Recreation Area- approximately 2.73 miles southeast; Washington Park – less than 1 mile south;
Abelia Sports Park – approximately 1.05 miles northwest; Temecula Preparatory School – approximately 1.57 miles south; French Valley Airport – approximately 4.12 miles southwest;
Conservation Area – within vicinity of the community

Hazards

State Highway 79 – less than 1 mile west; Interstate 215 – approximately 5 miles west; Open canal – located directly east of the project;
2 Detention Basins will be located in the vicinity of the community

Natural Hazards

The Subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a ***State Responsibility Area*** (wildland area that may contain substantial forest fire risks and hazards) as determined by the California State Board of Forestry. Additionally, the Subdivider has advised that prospective purchasers within this Area will be provided a separate disclosure required under Public Resources Code Section 4136.

The Subdivider has advised that all or portions of the subdivision subject to this Public Report are located within a ***Seismic Hazard Zone***. Additionally, the Subdivider has advised that prospective purchasers within this Zone will be provided a separate disclosure required under Public Resources Code Section 2694.

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 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.

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 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 SUBDIVISION 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 CC&Rs. 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 Tract Map No. 37449-4 recorded in Map Book 494 Pages 71 to 76, in the Office of the Riverside County Recorder.

An Environmental Constraint Sheet affecting this Tract is on file in ECS Book 45 Page 03 in the Office of the Riverside County Surveyor.

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.

An Easement Deed for Maintenance and Use in favor of the Siena Master Association over the Park and Recreational Facilities located on Parcel 10 of Parcel Map No. 37592 recorded May 26, 2023 as Instrument No. 2023-0152036 in the Office of the Riverside County Recorder.

Mineral Rights: You will not own the water, mineral, oil, and gas rights under your land below a depth of 500 feet. These have been or will be 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 Neighborhood, 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:

Valley Wide Regional Facilities Landscape Maintenance District No. 88-1. This Neighborhood lies within the boundaries of the Valley Wide Regional Facilities Landscape Maintenance District No. 88-1 and is subject to any taxes, assessments and obligations thereof. This District was formed to provide funding for area park improvements, landscaping and maintenance services. 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 2024-2025 assessment for each Lot within this Neighborhood will be \$5.54. The administration of this District will be provided by the Valley Wide Park and Recreation District/NBS.

County of Riverside County Service Area No. 152 NPDES. This Neighborhood lies within the boundaries of the County of Riverside County Service Area No. 152 NPDES, and is subject to any taxes, assessments and obligations thereof. This District was formed to provide funding for compliance activities associated with the National Pollutant Discharge Elimination System (NPDES) Municipal Storm Sewer System Permit (MS4 Permit), street sweeping and flood control. 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 2024-2025 assessment for each Lot within this Neighborhood will be \$37.92. The administration of this District will be provided by the County of Riverside Economic Development Agency/Spicer Consulting Group.

Metropolitan Water District – Standby East. This Neighborhood lies within the boundaries of the Metropolitan Water District – Standby East and is subject to any taxes, assessments and obligations thereof. This District was formed to pay for water 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 2024-2025 assessment for each Lot within this Neighborhood will be \$6.94 per parcel. The administration of this District will be provided by Willdan Financial Services.

Eastern Municipal Water District Availability Charge. This Neighborhood lies within the boundaries of the Eastern Municipal Water District Availability Charge and is subject to any taxes, assessments and obligations thereof. This District was formed to pay for combined water and sewer service 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 2024-2025 assessment for each Lot within this Neighborhood will be \$40.00 per parcel. The administration of this District will be provided by Eastern Municipal Water District/Webb Municipal Finance.

Riverside County Flood Control and Water Conservation District/Santa Margarita Watershed Benefit Assessment Area (NPDES Program). This Neighborhood lies within the boundaries of the Riverside County Flood Control and Water Conservation District/Santa Margarita Watershed Benefit Assessment Area (NPDES Program) and is subject to any taxes, assessments and obligations thereof. This District was formed to regulate urban stormwater discharge pursuant to the Federal 1972 & 1987 Clean Water Act. 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 2024-2025 assessment for each Lot within this Neighborhood will be \$4.00 per parcel. The administration of this District will be provided by Riverside County Flood Control and Water Conservation District/DTA.

Temecula Valley Unified School District and Hemet Unified School District Joint Schools Facility Authority CFD No. 1. This Neighborhood lies within the Temecula Valley Unified School District and Hemet Unified School District Joint Schools Facility Authority CFD No. 1 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, right 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 “Regular Taxes.

County of Riverside Community Facilities District 22-5M (Siena) This Neighborhood lies within the Proposed County of Riverside Community Facilities District 22-5M (Siena) 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, right 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 “Regular Taxes.

Eastern Municipal Water District CFD No. 2013-63 (Belle Terre) Improvement Area B. This Neighborhood lies within the Eastern Municipal Water District CFD No. 2013-63 (Belle Terre) Improvement Area B 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, right 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 "Regular Taxes.

Eastern Municipal Water District CFD No. 2013-63 (Belle Terre) Improvement Area D. This Neighborhood lies within the Eastern Municipal Water District CFD No. 2013-63 (Belle Terre) Improvement Area D 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, right 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 "Regular Taxes.

Valley Wide Recreation and Park District French Valley CFD, Zone 24 (Belle Terre) This Neighborhood lies within the Valley Wide Recreation and Park District French Valley CFD, Zone 24 (Belle Terre) 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, right 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 "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 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 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.

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.

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 Sections 11013.4, and 11013.4(b)).

If the escrow has not closed on your Residential 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 RESIDENTIAL LOTS IN THIS COMMUNITY.

SOILS AND GEOLOGIC CONDITIONS

Soils filled ground and geologic information is available at: County of Riverside Planning Department, 4080 Lemon Street, Riverside, California. This subdivision will contain filled ground in excess of 2 feet.

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.

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.

Schools: This subdivision lies within the Temecula Valley Unified School District. The District advises the schools initially available to this subdivision are:

Susan La Vorgna Elementary School (Grades K – 5)
31777 Algarve Avenue
Winchester, CA 92596

Bella Vista Middle School (Grades 6 – 8)
31650 Browning Street
Murrieta, CA 92563

Chaparral High School (Grades 9-12)
27215 Nicolas Road
Temecula, CA 92591

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 district.

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) 270-9965**

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 _____
[FILE NUMBER]

[TRACT NUMBER OR NAME]

[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:

[DATE ISSUED]

[DATE AMENDED]

[EXPIRATION DATE]

[NAME]

[SIGNATURE]

[ADDRESS]

[DATE]