

CALIFORNIA STATUTES DISCLOSURES

CALIFORNIA CIVIL CODE SECTION 5975 – Enforcement of Governing Documents

The following summarizes provisions of the California Civil Code Section 5975.

- (a) The covenants and restrictions in the declaration shall be enforceable equitable servitudes, unless unreasonable, and shall inure to the benefit of and bind all owners of separate interests in the development. Unless the declaration states otherwise, these servitudes may be enforced by any owner of a separate interest or by the association, or by both.
- (b) A governing document other than the declaration may be enforced by the association against an owner of a separate interest or by an owner of a separate interest against the association.
- (c) In an action to enforce the governing documents, the prevailing party shall be awarded reasonable attorney's fees and costs.

“Failure by any member of the association to comply with the pre-filing requirements of Section 5975 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents.”

CALIFORNIA CIVIL CODE SECTION 5740 – Association's Lien Rights

California Civil Code Section 5740 requires that the Timber Lodge Timeshare Association disclose to the members the current policies and practices enforcing lien rights or alternative legal remedies for default in payment of its assessments. We certainly encourage and appreciate prompt payment to avoid our valued Owners being subject to the actions described below.

It is the current policy and practice of the Timber Lodge Timeshare Association to file liens for unpaid Maintenance Fees and deny utilities and amenity usage to delinquent Owners. If liens remain unpaid, the Association has the right to pursue other legal remedies including, but not limited to, lien foreclosure and reacquisition of the unit week.

In addition, the governing documents of Timber Lodge Timeshare Association provide that all Owners, exchange users, or permitted users may be refused occupancy of their unit if their Maintenance Fees are delinquent.

REQUIREMENTS TO HAVE MINUTES AVAILABLE FOR OWNERS

Section 13.06. Annual Notification of Members' Right to Receive Board Meeting Minutes. Members shall be notified in writing at the time that the pro forma budget required by Section 12.05, is distributed or at the time of any general mailing to the entire membership of the Members' right to have copies of the minutes of any Board meeting and how and where those minutes may be obtained.

INSURANCE SUMMARY

The enclosed Schedule of Insurance of the Association's policies of insurance provides only certain information, as required by subdivision (f) of Section 5300 (b)(9) of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this

summary, the association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

Note: This summary is not intended to contain all matters relating to California Civil Codes which are described herein, and care should be taken to review the entire California Civil Codes.

To obtain copies of the policies held by Timber Lodge Timeshare Association or any Board or Annual Meeting minutes, please submit a written request to:

Marriott's Timber Lodge
Attention: Patricia Schille
1001 Heavenly Village Way
South Lake Tahoe, CA 96150

OR

Email: Patricia.Schille@vacationclub.com

Veterans Affairs Disclosure:

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development is a condominium project. The association of this common interest development is not certified by the federal Department of Veterans Affairs.

SCHEDULE OF INSURANCE

Insured: MARRIOTT OWNERSHIP RESORTS, INC. CALIFORNIA LOCATIONS

Coverage	Perils/Hazards Insured	Limit or Amount	Policy Term Company/Policy No.	Deductibles
COMMERCIAL PROPERTY Real and Personal Property, Business Income Including Extra Expense	Maximum Limit of Liability – Any One Occurrence, Except as Sub-limited <u>Sublimits</u> Earthquake - Annual Aggregate Flood – Annual Aggregate Named Windstorm Perils: All Risk of Direct Physical Loss or Damage including Boiler & Machinery	\$ 500,000,000 \$ 200,000,000 \$ 250,000,000 \$ 250,000,000	June 1, 2016 – June 1, 2017 Multiple carriers provide the coverage under a Layered Participation Program. A list of participating carriers is available upon request.	All perils - \$25,000, Except: <ul style="list-style-type: none"> ▪ CA Earthquake: 5%, \$250,000 minimum, \$10,000,000 maximum ▪ Flood Zones A or V, 3%, \$500,000 minimum, \$5,000,000 maximum
GENERAL LIABILITY	General Aggregate Products – Comp. Ops. Aggregate Personal & Adv. Injury Each Occurrence Fire Damage (Any one fire) Medical Expenses (Any one person)	\$ 15,000,000 \$ 2,000,000 \$ 1,000,000 \$ 1,000,000 \$ 1,000,000 \$ 2,500	October 1, 2016 – October 1, 2017 Liberty Mutual Fire Ins. Co. Policy No. TB2-651-283929-126	BI/PD Liability Combined - \$500 Per Occurrence
AUTO LIABILITY	Combined Single Limit (BI/PD) Medical Payments	\$ 2,000,000 \$ 5,000	October 1, 2016 – October 1, 2017 Liberty Mutual Fire Ins. Co. Policy No. AS2-651-283929-116	Physical Damage - \$500
EXCESS LIABILITY	Limit of Liability	\$ 25,000,000	October 1, 2016 – October 1, 2017 American Guarantee & Liability Ins Co Policy No. AUC-931898205	

Property coverage excludes unit owner's and tenant's personal property, improvements and betterments. Coverage applies to the condominium property, including common elements and limited common elements, as required under the condominium documents.
 Liability coverage applies to the areas owned by the Condominium Association including the common elements and limited common elements (or similarly defined terms) as outlined in the condominium documents. Coverage does not apply under any circumstances for an individual Owner's negligent or willful acts or the actions of the Owner's renters, guests or invitees including but not limited to damage caused by the renters, guests or invitees.
 Please refer to the condominium documents for detailed information on the areas covered.

All insurance coverage references and descriptions contained in this Account Summary are intended only to identify the types of coverages and generally describe specific coverage features of your insurance policies. Refer to policies for actual coverage terms and conditions. This summary contains confidential and proprietary information. Do not copy or distribute this information without prior consent of the MVCI Insurance Department.

SECTION 5300 OF THE DAVIS STIRLING ACT DISCLOSURES

Federal Housing Administration Disclosure:

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development is a condominium project. The association of this common interest development is not certified by the Federal Housing Administration.