Festival Homeowners Association

aka Festival/Celebration P.O. BOX 25466 TEMPE, ARIZONA 85285-5466 (480) 820-3451 (800) 678-9936 FAX (480) 820-7441

Dear Member,

The Board of Directors and Kinney Management Services (KMS) would like to take this opportunity to congratulate you on the purchase of your home and welcome you to membership in the Association. Membership in the Association is automatic on becoming the owner of a Lot or Unit. You will find explained in this letter some of the benefits you receive from your membership in the Association, as well as responsibilities that you have as a member, along with other important information. Should you have any questions, please feel free to contact the KMS office at either of the above phone numbers.

MEMBERSHIP

The rights and responsibilities of membership are founded in the community's Declaration of Covenants, Conditions and Restrictions for Festival by Shea Homes (CC&R's), recorded initially when the community was first developed. Contained within the CC&R's and within the Association's other governing documents, which include its Articles of Incorporation, Bylaws, and Association Rules and Regulations, are the restrictions, rules, regulations, and procedures by which the Association is governed. You received these documents either directly from the builder or at close of escrow of a new home, or from the Association as part of a conventional escrowed resale prior to the close of escrow.

KMS CONTACTS

KMS serves as management agent for the Association. Should you have any questions, please call KMS at (480) 820-3451, or if you are calling from outside the Valley service area, (800) 678-9936. If you have a question regarding your assessment account and/or billing, you can contact the Association's Account Representative. All other questions regarding the Association can be directed to the Community Manager.

THE ASSOCIATION

The Association has many responsibilities that include architectural control, violation enforcement, the collection of assessments, maintenance of Association common areas, and the management of Association funds, all overseen by the Association's Board of Directors. KMS performs its management functions at the direction of the Board of Directors and pursuant to its management agreement with the Association. Please note that although the Association maintains certain insurance coverage for Association activities and on its common areas, each owner is responsible for the coverage of his/her residence, belongings, liability, etc.

ASSESSMENTS

There are multiple methods available for you to pay your assessments: automatic withdrawal, payment coupons, or by using a credit card online or over the phone. You will receive your coupon book or statement with information about an "Authorization Agreement for Pre-Arranged Payments" within 90 days of your closing. If you would like to have your payments automatically withdrawn, please sign the form, found at the front of your coupon book, and send it to us along with a voided check. By choosing automatic withdrawal (ACH), you are assured your assessment payment is being paid on time and are able to avoid paying late fees. Automatic withdrawal can be done through any checking account and from any financial institution nationwide. When we receive this signed authorization, we will set up a pre-notification process which is a trial run with no dollar amount attached, to ensure the accuracy of the procedure. If you do not hear from us, your first payment should automatically withdraw one month after you return the form. Should you decide not to use the Pre-Arranged Payments, begin payment as indicated on the coupons.

For proper crediting when making your payment, please be sure to return a coupon with your check made payable to <u>Festival Homeowners Association</u> to the address on the coupon book. Please keep in mind that your payments are due on the first day of each month and are considered delinquent if not received by the 15th of the month. Should you have any questions regarding your account, please contact the Association's Account Representative at (480) 820-3451.

ANNUAL MEETING

Each year the Association holds an *Annual Meeting* of the *Members*. Notification of the Annual Meeting will be sent to each homeowner well in advance of the meeting date. All homeowners are encouraged to attend this meeting. It provides an opportunity for members to learn about Association business, to express comments, make suggestions, and voice concerns regarding the Association and the community. It is also an excellent opportunity to meet other homeowners.

ARCHITECTURAL CONTROL

The Design Review Committee would like to remind all new homeowners that no improvements, alterations. repairs. excavation. landscaping, or other work that in any way alters a lot or the exterior appearance of your home is to be made or done without prior written approval from the Committee. The Committee has sixty (60) days from the date of receipt to approve, deny, or return your request to you for additional information. Please review your Architectural Guidelines or contact KMS with any questions you may have. For more information on Architectural Procedures, please refer to the CC&R's and/or Architectural Guidelines. For your convenience, an Architectural Submittal Form is enclosed.

GARBAGE PICK-UP DAYS

Garbage pick-up day is <u>Tuesday</u> and recycle pick-up day is <u>Thursday</u>. Should you have any questions regarding garbage or recycle pick-up, please contact your waste management provider. As a reminder, garbage containers should be stored out of sight on non-collection days.

MAILBOX KEYS

Should you require a replacement set of mailbox keys, please contact your local Post Office. If the Post Office is unable to assist you, you will need to contact a locksmith as the Association is not responsible for the mailboxes.

CC&R COMPLIANCE

One of the major functions of the Association is to monitor the community in an effort to encourage or require that each owner complies with the restrictions and permitted uses set forth in the CC&R's and with the Association's rules and regulations, agreed to as part of the process of purchasing property within the community. Compliance is monitored on a regular basis. Lots that are considered to not be in compliance are identified and notification is sent to the homeowner pointing out the condition that constitutes noncompliance with a request that the owner take action to achieve compliance. If after a period of time compliance is not achieved, the Board of Directors may exercise its option to refer the matter to legal counsel for appropriate proceedings to require that the owner bring the Lot into compliance.

ASSOCIATION BUSINESS HOURS

The KMS office is open Monday through Friday from 8:00 am until 5:00 pm. During non-work hours, including weekends and holidays, you may call the office number and leave a message for any of the KMS staff. In the event of an emergency, please follow the voice instructions and you will be connected with an answering service for further assistance.

Again, welcome to Festival/Celebration.