

RANCHO MISSION VIEJO
Acknowledgment of Disclosure of
Community Services Fee and The Reserve Connection Fee

The undersigned buyer(s) (collectively, ***“You”***) acknowledge, understand and accept the following:

RanchLife. An Agreement Imposing Community Services Fee on Conveyance (***“Community Services Fee Agreement”***) was previously recorded in the official records of Orange County, California (***“Official Records”***) against the Lot or Condominium (***“Home”***) You are purchasing (please see your title report for recording information) within Rancho Mission Viejo, a master-planned, mixed-use development (the ***“Community”***). The Community Services Fee Agreement binds You and all future owners of your Home now and in the future to provide funding for Rancho Mission Viejo Community Services Organization, a California nonprofit public benefit corporation (***“RanchLife”***). RanchLife works to provide community services, promote social welfare and foster a unique sense of community in the Community by, among other things, coordinating and sponsoring various community activities and programs. RanchLife is a community service organization as defined in California Civil Code Sections 4110(a) and 4580. The fee you will pay to RanchLife is not a “transfer fee” subject to California Civil Code Section 1098.

The Community Services Fee Agreement obligates You and Neighborhood Builder (as that term is defined in the Community Services Fee Agreement) to pay a fee (***“Community Services Fee”***) to RanchLife on the Conveyance (as that term is defined in the Community Services Fee Agreement) of the Home to You by Neighborhood Builder that requires a Public Report (the ***“Initial Sale”***). The parties involved in any future transfer must also pay the Community Services Fee, unless the transfer is exempted under law or the provisions of the Community Services Fee Agreement (an ***“Exempt Transfer”***). The obligation to pay the Community Services Fee is imposed on both parties involved in the transfer (i.e., the buyer and the seller); however, each time the Home is transferred, the parties can decide between themselves how the Community Services Fee is paid. For example, You and Neighborhood Builder may agree that You will pay the Community Services Fee on the Initial Sale, but when You later transfer the Home, You and the future buyer may decide to split the Community Services Fee. RanchLife, subject to the terms of the Community Services Fee Agreement and applicable law, has complete discretion in determining how to use the Community Services Fees it collects.

The Community Services Fee is calculated as a percentage of the purchase price paid on any transfer (other than an Exempt Transfer). The Community Services Fee is (a) one-quarter of one percent (0.25%) of the purchase price for an Initial Sale (i.e., 0.0025 multiplied by the purchase price), and (b) three-quarters of one percent (0.75%) of the purchase price for each subsequent transfer (i.e., 0.0075 multiplied by the purchase price). RanchLife has the right to sue the parties involved in an Initial Sale or subsequent transfer if the Community Services Fee is not paid. RanchLife has the right to ask Rancho MMC to deny use of the recreational facilities by You or any subsequent buyers of the Home if the Community Services Fee is not paid. Therefore, it is very important that You and each subsequent buyer and seller of the Home make sure that the Community Services Fee is paid.

If the new owner of the Home agrees to pay the Community Services Fee, the new owner of the Home can elect to pay the Community Services Fee either (i) in one lump sum on or before the close of escrow for the Home or on the effective date of the transfer, or (ii) in accordance with Section 3.1(c) of the Community Services Fee Agreement, in installments over a period of time set by RanchLife, which shall not be less than seven (7) years. RanchLife will administer the installment payment plan and may require the new owner of the Home to execute a promissory note outlining the terms of the installment

payment plan. RanchLife has the right to unilaterally amend the Agreement for several reasons, including, without limitation, to conform to future changes in applicable law and to terminate the Community Services Fee Agreement. The obligation to pay the Community Services Fee will continue until the Community Services Fee Agreement is terminated.

The Reserve Connection. An Agreement Imposing Reserve Connection Fee on Conveyance (***“Reserve Connection Fee Agreement”***) was recorded in the Official Records of Orange County, California against the Home You are purchasing (please see your title report for recording information). The Reserve Connection Fee Agreement binds You and all future owners of your Home now and in the future to provide funding for The Reserve Connection, a nonprofit public benefit corporation (***“The Reserve Connection”***). The Reserve Connection provides cultural, educational, charitable, recreational and environmental programs, events and activities related to the Protected Habitat. The Reserve Connection is not a “community service organization” as defined in California Civil Code Sections 4110 and 4580. The fee is a “transfer fee” subject to California Civil Code Section 1098. A Notice - Payment of Transfer Fee Required - Notice Pursuant to Section 1098.5, which contains information about the fee, is also recorded against the Home You are purchasing.

The Reserve Connection Fee Agreement obligates the parties involved in any future transfer to pay a fee (***“Reserve Connection Fee”***) unless the transaction is exempt (also, an ***“Exempt Transfer”***). The obligation to pay the Reserve Connection Fee is imposed on both parties involved in the transfer (i.e., the buyer and the seller); however, each time the Home is transferred, the parties can decide between themselves how to pay the Reserve Connection Fee. For example, buyer may pay the Reserve Connection Fee; seller may pay the Reserve Connection Fee; or, the parties may decide to split the Reserve Connection Fee. The Reserve Connection, subject to the terms of the Reserve Connection Fee Agreement and applicable law, has complete discretion in determining how to use the Reserve Connection Fees it collects.

The Reserve Connection Fee is calculated as a percentage of the purchase price paid on any transfer (other than an Exempt Transfer). The Reserve Connection Fee is equal to one-quarter of one percent (0.25%) of the purchase price of the Home (i.e., 0.0025 multiplied by the purchase price) and is not collected on the Initial Sale. The Reserve Connection has the right to sue the parties involved in a transfer if the Reserve Connection Fee is not paid. The Reserve Connection may ask Rancho MMC to deny use of the recreational facilities by the new owners of the Home if the Reserve Connection Fee is not paid. Therefore, it is very important that You and each subsequent buyer and seller of the Home make sure that the Reserve Connection Fee is paid. Subject to Section 3.1(b) of the Reserve Connection Fee Agreement, the Reserve Connection Fee must be paid in full on each transfer. The Reserve Connection has the right to unilaterally amend the Reserve Connection Fee Agreement for several reasons, including, without limitation, to conform to future changes in applicable law and to terminate the Reserve Connection Fee Agreement. The obligation to pay the Reserve Connection Fee will continue until the Reserve Connection Fee Agreement is terminated.

By signing below, I confirm that I have read this disclosure and understand my obligation to ensure that both the Community Services Fee and the Reserve Connection Fee are paid.

Acknowledged and Agreed on _____

Lot/Unit: _____ Tract: _____

Buyer’s Signature

Print Name

Buyer’s Signature

Print Name

Buyer’s Signature

Print Name

Buyer’s Signature

Print Name

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2-15-2022

RANCHO MISSION VIEJO
Acknowledgment of Disclosure of
Fees Imposed On Future Transfers

This Acknowledgment of Disclosure of Fees Imposed on Future Transfers (***“Transfer Fee Disclosure”***) is provided to notify you, the undersigned buyer(s) (collectively, ***“You”***), that when You transfer the Lot or Condominium (***“Home”***) You are purchasing, two fees (collectively, the ***“Fees”***) must be paid: 1) Community Services Fee; and 2) Reserve Connection Fee.

The first fee is the **Community Services Fee** that must be paid to Rancho Mission Viejo Community Services Organization, a California nonprofit public benefit corporation (***“RanchLife”***). The fee is three-quarters of one percent (0.75%) of the purchase price of the Home (i.e., 0.0075 multiplied by the purchase price). The obligation to pay this fee is established by the Agreement Imposing Community Services Fee on Conveyance recorded against your Home.

The second fee is the **Reserve Connection Fee** that must be paid to The Reserve Connection, a California nonprofit public benefit corporation (***“Reserve Connection”***). The fee is one-quarter of one percent (0.25%) of the purchase price of the Home (i.e., 0.0025 multiplied by the purchase price). The obligation to pay this fee is established by the Agreement Imposing Reserve Connection Fee on Conveyance recorded against your Home. A Notice - Payment of Transfer Fee Required - Notice Pursuant to Section 1098.5, which contains information about the fee, is also recorded against your Home.

You are responsible for making sure that these Fees are paid when You originally acquire the Home and when You later transfer the Home to a subsequent buyer. You are also responsible for making sure that your buyer, who later acquires the Home from You, also knows that the Fees must be paid each time this Home is transferred in the future. If You retain a real estate agent or broker to assist in selling your Home, You should advise the agent of the obligation to pay these Fees. You should also make sure that your escrow agent is aware that these Fees must be paid. These Fees must be paid regardless of whether You or the buyer expect to use any services provided by the two entities. If the Fees are not paid, RanchLife and The Reserve Connection may take legal action to collect the Fees from You or the buyer or both of you.

E-mail contact information for RanchLife: ask@rmvranchlife.com

E-mail contact information for The Reserve Connection: staff@rmvreserve.org

By signing below, I confirm that I have read this Transfer Fee Disclosure and understand my obligation to ensure that both Fees are paid when I transfer my Home and that the buyer who later acquires this Home from me is informed that the Fees must be paid each time this Home is subsequently transferred in the future.

Acknowledged and Agreed on _____

Lot/Unit_____Tract: _____

Buyer’s Signature

Print Name

Buyer’s Signature

Print Name

Buyer’s Signature

Print Name

Buyer’s Signature

Print Name