

**SEA RIDGE CONDOMINIUM ASSOCIATION
SUMMARY OF CALIFORNIA CIVIL CODE
INTERNAL AND ALTERNATIVE DISPUTE RESOLUTION REQUIREMENTS
FOR COMMON INTEREST DEVELOPMENTS
Effective July 1, 2016**

PLEASE TAKE NOTICE: *An association or an owner or a member of a common interest development may not file an enforcement action in the superior court unless the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to Article 2, of Chapter 10, under Part 5, of Division 4 of the California Civil Code.*

In general, the California Civil Code encourages parties involved in a dispute involving enforcement of the Association's governing documents to submit the dispute to a form of alternative dispute resolution (ADR) such as mediation or arbitration prior to filing a lawsuit. The intent of the statute is to promote speedy and cost-effective resolution of such disputes, to better preserve community cohesiveness and to channel CC&R disputes away from our state's court system.

Any party to a dispute regarding enforcement of the governing documents may initiate the process of ADR by serving a Request for Resolution on another party to the dispute. A Request for Resolution must contain the following: (1) a brief description of the nature of the dispute; (2) a request for ADR; and (3) a notice that the party receiving the Request for Resolution is required to respond within thirty (30) days of receipt or the request will be deemed rejected.

If the Request is accepted, the ADR must be completed within ninety (90) days of receipt of the acceptance, unless otherwise agreed by the parties and stipulated by written consent. Any Request for Resolution sent to the owner of a separate interest must include a copy of Civil Code, Article 2, of Chapter 10, under Part 5, of Division 4. The costs of the alternative dispute resolution shall be borne by the parties.

FAILURE OF A MEMBER OF THE ASSOCIATION TO COMPLY WITH THE ALTERNATIVE DISPUTE RESOLUTION REQUIREMENTS OF SECTION 5930 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 OR THE APPLICABLE LAW.

Should Sea Ridge Condominium Association or an individual member wish to file a lawsuit for enforcement of Sea Ridge Condominium Association's governing documents, the law requires the Association or the individual file a certificate with the court stating that one or more of the following conditions is satisfied: (1) Alternative dispute resolution has been completed in compliance with this article; (2) One of the other parties to the dispute did not accept the terms offered for alternative dispute resolution; (3) Preliminary or temporary injunctive relief is necessary. Failure to file a certificate pursuant to the Civil Code could be cause for the lawsuit to be dismissed.

Furthermore, in any lawsuit to enforce the governing documents in which fees and costs may be awarded pursuant to subdivision (c) of Section 5975, the court, in determining the amount of the award, may consider whether a party's refusal to participate in alternative dispute resolution before commencement of the action was reasonable.

For disputes between the Association and a member involving a member's rights, duties, or liabilities under the Civil Code or under the governing documents of the Association, Sea Ridge Condominium Association has elected to observe the following procedures in compliance with and as defined under California Civil Code Section 5915. These procedures require that: (1) The party may request the other part to meet and confer in an effort to resolve the dispute; (2) A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer; (3) The Association's board of directors shall designate at least one member of the board to meet and confer; (4) The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute; (5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee(s) on behalf of the Association.