RANCHO VENTANA RV RESORT

3410 Arrowhead Boulevard Blythe, CA 92225

December 31, 2023

Homeowner Rancho Ventana RV Resort

Re: SUMMARY OF THE PROVISIONS OF THE ALTERNATIVE DISPUTE RESOLUTION LEGISLATION, ENUMERATED UNDER CIVIL CODE § 1354

Dear Member:

Pursuant to *Civil* Code § 1354, this letter will notify you of a law which requires owners within the subdivision, as well as the Association, to participate in some form of Alternative Dispute Resolution ("ADR") prior to initiating litigation to enforce the Association's governing documents. Subject to exceptions specified within *Civil Code* § 1354, an Association and its owner members must offer to submit their dispute to a form of ADR, such as arbitration or mediation, before filing a civil action to enforce the governing documents.

If the form of ADR chosen is arbitration, it may be either binding or non-binding at the option of the parties. The ADR legislation also provides that the failure of either the Association or any owner to offer ADR prior to initiating litigation is a potential basis for having your lawsuit dismissed. Additionally, the ADR litigation further provides that any party's refusal to participate in ADR prior to the filing of a lawsuit may be considered by the court in its determination of the amount of attorney's fees awarded to the prevailing party.

Finally, this statute specifically requires that that the Association send a summary of this legislation, which specifically includes the following provision of *Civil Code* § 1354:

Failure by any member of the association to comply with the prefiling requirement of Section 1354 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.

If you have a dispute with a member or with the Association regarding the enforcement of the governing documents, we strongly suggest that you review the provisions of Civil Code § 1354 and consult with an attorney to ascertain your rights and remedies.

Sincerely, Rancho Ventana RV Resort Community Association