



Laguna Woods Village®

AUGUST 21, 2024, SUMMER REAL ESTATE FORUM ANSWERS TO REALTOR QUESTIONS

FINANCIAL REQUIREMENTS

1. **United Mutual's financial requirements allow income and assets to be calculated collectively when more than one prospective applicant wishes to acquire an ownership interest. Can Third Mutual have the same requirement?**

Staff will bring the matter to the appropriate committee for consideration.

2. **Third Mutual's new financial requirements are too high for lower-priced condos. Please consider the large range of prices for condos and lower requirements for lower-priced properties.**

Third Mutual's financial requirements were recently adjusted to align with the rate of inflation and will become effective January 1, 2025. It is recommended that realtors who are members of Third Mutual attend board meetings to voice their concerns.

GATE ACCESS

1. **What happens if I try to enter a gate that doesn't have my open house listed?**

To list an open house at the gates, realtors must post their open house on the MLS by Thursday afternoons. On Friday mornings, all MLS listings are sent to the Security Services Department, which sends a list of all open houses to the respective gate closest to the unit. If realtors are unsure which gate they or their prospective clients need to enter, please contact the watch commander at 949-580-1400.

2. **If I sign a guest in via dwellingLIVE, does the registration QR code emailed to me or my guest expire once the pass is printed?**

Yes, once the code is shown at the gate and the pass is printed, the code becomes invalid.

3. **How can I enter Gate 12 to show the golf course, Clubhouse 2 and 19 Restaurant & Lounge with prospective clients? I have been turned away when I show my driver's license and business card and/or my business pass.**

Realtors should be allowed entry if they hold a vendor/business pass. Please call the watch commander's office at 949-597-4257 for assistance.

4. **Can realtors who do not reside in the community call in guests/prospective buyers through gates?**

Only member/owners can call visitors through the gates.

5. **What is the proper procedure for allowing realtors through a gate?**

Realtors can obtain gate entrance upon presentation of a business pass or a valid driver's license and a real estate business card to the gate ambassador.

6. Is there a way for sellers to access the community and use GRF facilities after they have turned in their ID card to avoid the \$125 charge?

If a seller does not have an RFID vehicle decal, they may request a temporary gate access pass from Resident Services in the Community Center at 24351 El Toro Road. If they wish to use the facilities, they or the listing agent must contact the Community Services manager, who will inform the appropriate staff member to allow access.

GENERAL/OTHER

1. How does one fix or control radiant heat issues?

Email or call Resident Services (residentservices@vmsinc.org; 949-597-4600) to create a service ticket.

2. Is there a list of SB 326 balconies that have already been inspected?

A project report will be available by the end of January 2025. However, find a list of all balconies that were scheduled for inspection at lagunawoodsvillage.com/residents/maintenance.

3. How does one get reimbursed for clean-up after rain damage?

The bill should be submitted to Resident Services, who will transfer the matter to the correct department. The request will be forwarded to the appropriate committee and then to the board for final action.

4. What are the assessment fees for 2025?

The final budgets are typically adopted by the respective boards in September, but the final assessments won't be available to the public until the business plans are published toward the end of the year.

5. Will the mutuals ever consider repiping all of the units?

Epoxy lining projects are budgeted for copper pipe water lines in buildings that experience a high frequency of leaks. Repiping in units occurs only when leaks are an isolated event. Members may repipe their units, but once that happens, the pipes become an alteration and the member incurs all liability.

6. The real estate signage rules and regulations state that open house signs may be present on Saturday and Sunday from 10 a.m. to 5 p.m. Sometimes that is not enough time to place signs and prepare for the open house. Is it possible to change the time to 9 a.m. to 5 p.m.?

Staff will bring the matter to the appropriate committee for consideration.

7. If a chargeable service is required prior to sale (i.e., a water heater), how can this be handled when the owner has passed away?

In **Third Mutual**, the selling member/successor trustee is required to replace the water heater if it is over 10 years old. The listing agent should check the age of the water heater/any item that would require repair and instruct the member/successor trustee to submit a chargeable service request to Resident Services before ordering the first resale inspection. A member may choose to replace a water heater on their own and at their expense if timing is an issue. In this case, a water heater replacement form must be completed through Manor Alterations. **United Mutual** has an active water heater replacement program overseen by Village Management Services.

LEASING

1. The 30% lease requirement was only for Fannie Mae's requirement; Fannie Mae no longer backs up loans for Third Mutual. Why is this restriction still required?

Civil Code §4741 states that "A common interest development shall not adopt or enforce a provision in a governing document or amendment to a governing document that restricts the rental or lease of separate interests within a common interest to less than 25% of the separate interests. Nothing in this subdivision prohibits a common interest development from adopting or enforcing a provision authorizing a higher percentage of separate interests to be rented or leased."

2. How can children who want to purchase units for parents establish residency for them without affecting the leasing cap? How can it change from lease to occupancy/owner occupancy?

Per United Mutual's financial requirements, income and assets can be calculated collectively when more than one prospective applicant wishes to acquire an ownership interest; the applicants must be age qualified (at least 55 years of age).

For Third Mutual, staff will bring the matter to the appropriate committee for consideration.

At this time, the guarantor program is available to assist their parents in the event the applicant is unable to satisfy the financial requirements set forth in the mutual's governing documents. Guarantors in United Mutual and Third Mutual must be of legal age to execute a contract.

TERMITE INSPECTION

1. Do the mutuals have termite fumigation programs?

California laws require the mutuals to fumigate entire buildings shown to have dry-wood termites, limiting further mutual property damage and avoiding costly structural repairs. Fumigation is performed when evidence is found.

2. Can a seller hire a third-party termite inspector?

The seller or the listing agent may use any licensed Branch 3 termite company at their own expense; however, an outside company will not know what parts of a building are original and, therefore, the corporation's responsibility, and which ones are alterations and the member's responsibility. Newport Exterminating, the exterminator on contract, identifies who is responsible in each report. Staff reviews each report for accuracy and opens work orders for any items that are the corporation's responsibility. If an outside inspection company is chosen, please email the report to Dennis Moore (dennis.moore@vmsinc.org) who will open any necessary work orders. The escrow company usually is responsible for giving the report to the buyer and securing a signature to verify they have read and understand the report.

3. How frequent are termite inspections/localized treatments performed?

They are performed as needed and driven from service calls.