



**Laguna Woods Village®**

<b>INFORMATION BULLETIN</b> Community Services Division	<b>BULLETIN DATE</b>	April 1, 2025
	<b>ISSUED BY</b>	Jeff Spies Community Services Manager
	<b>MUTUAL</b>	Third Laguna Hills Mutual
	<b>AUTHORITY</b>	Internal
	<b>ADOPTED DATE</b>	TBD
<b>SUBJECTS:</b> Third Mutual Reduced Leasing Cap and Revised Financial Qualifications		

**LEASING CAP**

At its March 18, 2025, board meeting, the Third Mutual board of directors voted to reduce the leasing cap from 30% to 25%.

**This proposed change has been postponed for the 28-day comment period. The board will take final action at its April 15 meeting, and the new requirements will become effective May 1, 2025.**

Owners who acquired title to their separate interest prior to the adoption of the 25% cap will be grandfathered and will be exempt from the restriction until another owner acquires the separate interest. However, new members who purchase after the 25% cap adoption will not be permitted to lease their units until the current leasing percentage falls below 25% or 1,526 units.

Additionally, this change rescinds the current waiting list policy, which will be removed from the resale packet. If the leasing percentage reaches below 25%, then a new waiting list will be established and owners must wait until their name is first on the list before leasing their unit.

**FINANCIAL QUALIFICATIONS**

Also, at its March 18, 2025, board meeting, the Third Mutual board approved revisions to its financial qualifications, allowing the following changes:

1. When there is more than one applicant, income and assets may now be calculated collectively. This change allows individuals to qualify together and permits children to purchase a unit with their parents, enabling parents to reside in the unit as members instead of lessees.
2. Prospective members and guarantors must submit a full credit report from a nationally recognized credit reporting agency (e.g., Equifax, TransUnion, Experian) if their FICO score is less than 700 or if their FICO score is 700 or higher with an outside mortgage. They must also submit a credit summary report if their FICO score is 700 or higher without an outside mortgage. These reports must be dated within 60 days prior to the application submittal.

**These proposed changes were postponed for the 28-day comment period. The board will take final action at its April 15 meeting, and the new requirements will become effective upon final approval.**

All qualified individuals, including parents' and children's names, will be placed on their respective deeds to be consistent with owners of a separate interest.

**Realtors and escrow officers must inform their staff and clients of these policies.**

Find the most recent Third Mutual financial qualification guidelines at [lagunawoodsvillage.com](http://lagunawoodsvillage.com) > [Sales](#) > [Sales Information](#). Select **Third Laguna Hills Mutual** under **Financial requirements**.

**NOTE:** Always refer to the website for the most current documents. The location for all mutual policies has changed with the completion of the redesigned website.

Email questions to [salesrequirements@vmsinc.org](mailto:salesrequirements@vmsinc.org). Note that this email address has been updated from [resalesrequirements@vmsinc.org](mailto:resalesrequirements@vmsinc.org). Going forward, be sure to use [salesrequirements@vmsinc.org](mailto:salesrequirements@vmsinc.org). Thank you!