

Third Laguna Hills Mutual

LEASING INFORMATION FOR LESSORS - CONDOS

The Third Laguna Hills Mutual By-laws permit Members to lease their manors to a third party, with the right to use the community facilities transferred from the landlord to the tenant. (Article 3, Section 3.2 and 3.3). There are restrictions for occupancy in Third Mutual and the role of the community's leasing assistant is to ensure that there is compliance to the governing rules prior to the Corporation issuing a permit for the Owner to lease the manor. A "Manor" is a residential unit in one of the housing mutual corporations. Manor leases may not be shorter than 2 months.

OWNER IDENTIFICATION CARDS

Resident ID cards are collected from Owners when they execute a Waiver and Consent form giving up their right to use community facilities. Upon surrender of the card, the Owner is given a Non-resident Owner's Pass that provides the Owner access to the community for the purpose of inspecting the leased premises. This pass does not permit use of, or access to the community facilities.

BOARD OF DIRECTORS APPROVAL

Once a complete Application for Permit to lease Premises is received by the leasing assistant (949) 597-4323 it is submitted to the board of directors for approval. Lessee ID cards are not issued until all paperwork is received and the board of directors has approved the application.

Please allow **SEVEN WORKING DAYS** from date of submittal of completed, executed documents for obtaining Board approval. Two copies of the Permit will be mailed to the Lessor or his agent following Board approval. The Owner is responsible for providing a copy of the approved Permit to the Lessee.

The following information is required in order to process the Application for Permit to lease Premises:

1. Fully completed documents in the attached packet
2. Check for \$160.00 made payable to the Golden Rain Foundation (or GRF)
3. Owner's Resident ID card
4. Proof of age/identity (copy of driver's license, birth certificate, or passport) for each Lessee

Lessee ID cards will be available no sooner than 7 days prior to the lease start date and only after the board has approved the application. A Waiver of Liability form must be executed by the Lessor and Lessee if the Lessee requires access to the community prior to the lease start date.

LEASE PERMIT FEES

Lease Permit Processing Fee (Third Mutual)	\$160.00
Lease Permit Extension	\$ 60.00
Lessee ID Card Renewal Fee	\$ 10.00
Third Party Monthly Fee	\$ 50.00
(Total amount due in advance)	

OWNER RESPONSIBILITY

Professional Community Management ("PCM"), agent for the Third Mutual Board of Directors assumes responsibility for obtaining Mutual Board approval and issuing Lessee ID Cards. Payment for chargeable repair services is the responsibility of the Lessor who must indicate on Authorization for Maintenance Services Work form enclosed whether Lessee may request such services. Neither the Mutual, GRF nor PCM are parties to the terms of the lease, and will not be involved in resolving disputes between Lessor and Lessee. All commissions payable to a Realtor, and notification to the Realtor upon renewal or extension of a lease are solely the Owner's obligation. At the end of the lease period, the Owner is obligated to return all gate entry passes including automobile decals, guest passes, and care provider passes or will be assessed a fee.

**THE LEASING ASSISTANT IS AVAILABLE MONDAY
THROUGH FRIDAY FROM
8:00 A.M. TO 12:00 P.M. AND 1:00 TO 4:30 P.M.**

Telephone: (949) 597-4323

**Mailing Address: Laguna Woods Village, P.O. BOX 2220,
LAGUNA HILLS, CA 92654**

Note: There is no mail delivery to the street address.

APPLICATION FOR PERMIT TO LEASE PREMISES

- United Mutual - Co-operative**
- Third Mutual - Condominium**
- Mutual Fifty - Towers**

Manor Address	
Lessee ID No.	Lessee ID No.
Lessee ID No.	
LESSOR'S MAILING ADDRESS	

PARTIES

The parties to the Permit are: _____ (hereinafter referred to as "Lessor"), _____ (hereinafter referred to as "Lessee"), and Third Laguna Hills Mutual (a California nonprofit mutual benefit corporation.)

TERMS AND CONDITIONS

In consideration of the mutual covenants contained herein, the parties hereby agree:

1. The Permit is subject to the terms and provisions of the General Conditions attached and made a part hereof and shall be effective when approved by the Mutual.
2. Lessor proposes to lease to Lessee and Lessee hires from Lessor the manor described below, part of a housing development at Third Laguna Hills Mutual, City of Laguna Woods, County of Orange, State of California, more particularly described as manor number _____ (hereinafter referred to as "the Manor").
3. The Permit includes exclusive use of Carport # _____, Space # _____. If Lessee has more than one automobile, additional off-the-street parking must be arranged. Guest parking spaces are available for visitors of residents on a temporary basis and are not to be used as permanent parking facilities.
4. The terms of this Permit shall be for a period of _____ commencing on _____ and ending on _____.
5. The following persons(s) exclusively will occupy the premises:

NAME (PRINT)	DATE OF BIRTH	SOC. SEC. NO.	PHONE NUMBER

6. Attached hereto and made a part hereof for your information a Memorandum regarding United Laguna Hills Mutual manors, Third Laguna Hills Mutual manors and Towers units constructed with asbestos-containing materials.
- 7a. Lessor and Lessee acknowledge that the Lessor is obligated to pay certain amounts assessed by the Mutual (hereinafter referred to as the Carrying Charges) pursuant to the governing documents and rules of the Mutual, which Carrying Charges include the benefits of membership in Golden Rain Foundation of Laguna Hills, a California nonprofit mutual benefit corporation (hereinafter referred to as "GRF".) The Lessor and/or Lessee may incur additional optional charges and fees in connection with facilities and services provided by GRF (hereinafter called "GRF Charges".) ALL FEES ARE SUBJECT TO CHANGE BY ACTION OF THE BOARD OF DIRECTORS OF GOLDEN RAIN FOUNDATION.
- 7b. If Lessor is delinquent in payment of either the Carrying Charges or the GRF Charges, Lessor and Lessee each acknowledge and agree that the Lessor hereby assigns to and confers upon the Mutual, the right, but not the obligation, to collect and retain the rent payable by the Lessee hereunder, and to apply the same to any delinquent Carrying Charges and GRF Charges, as well as any late fees, attorneys' fees, or other costs and expenses which may be incurred or assessed by the Mutual in connection with the delinquent Carrying Charges or GRF Charges.

APPLICATION FOR PERMIT TO LEASE PREMISES

Page 2 of 2 Pages

- 7c. Lessor and Lessee further acknowledge and agree that the Mutual shall be entitled to directly receive the rent by delivering to the Lessee at the Manor a notice in the form attached hereto as "Exhibit "A". Upon receipt of such notice, the Lessee shall directly forward all payments of rent required under the Lease to the Mutual at the address set forth in the notice until the Lessee shall receive a second notice to the effect that the Lessee may again resume making rental payments directly to the Lessor.
- 7d. Such payments of rent paid directly to the Mutual shall continue until the delinquent Monthly Assessments or GRF Charges and any late fees, attorneys' fees, or other collection costs and expenses incurred by the Lessor are paid in full. In the event that the payment of rent received by the Mutual is in excess of the amounts owed by the Lessor, then the Mutual shall refund the difference to the Lessor within thirty (30) business days of receipt of such rental payment.
- 7e. Lessor acknowledges and agrees that the Lessee shall not be in breach of the Lease solely as a result of making rental payments directly to the Mutual, and further that the Lessor shall not take any other action or avail itself of any other remedies against the Lessee under the Lease or otherwise based on the Lessee's direct payment of rent to the Mutual following receipt of a notice therefrom.
- 7f. Both Lessor and Lessee acknowledge and agree that the Mutual shall not have any obligation either to the Lessor or the Lessee to fulfill the duties of the Lessor or the Lessee under their Lease, nor shall the Mutual have any obligations to any other third party based on its direct receipt of the rent hereunder to cover delinquent Monthly Assessments or GRF Charges, and associated costs and expenses as set forth above. It is specifically agreed that the Mutual is not nor will be assuming any of the responsibility of the Lessor or the Lessee to fulfill any of the terms, conditions and covenants between the Lessor or the Lessee.
- 8. Lessee ID Cards shall be issued for a period no longer than the duration of the lease or a 12 month period, whichever is shorter; and may be renewed upon extension or renewal of the Permit. At the expiration of the lease term, Lessor shall return Lessee ID Cards, guest passes, and vehicle decals to the Leasing Assistant or a charge will be billed to the Mutual Member.
- 9. Lessor acknowledges and agrees that the privileges of membership in GRF are granted to Lessee for the duration of the Permit; and Lessor hereby surrenders his Resident ID Card and the right to such privileges while the Permit is in effect.
- 10. **LESSOR AND LESSEE AGREE THAT GOLDEN RAIN FOUNDATION ("GRF"), PROFESSIONAL COMMUNITY MANAGEMENT ("PCM"), MANAGING AGENT FOR THE CORPORATIONS, AND THIRD LAGUNA HILLS MUTUAL ARE NOT, JOINTLY OR SEVERALLY, PARTIES TO THE PROPOSED LEASE; AND THAT ALL LEASE TERMS PERTAINING TO RENT AMOUNTS, PAYMENT OF RENTS (OTHER THAN THE ASSIGNMENT OF RENTS AS NOTED ABOVE), FEES, REPAIR COSTS AND COMMISSIONS, OR ANY OTHER LEASE STIPULATIONS ARE A MATTER OF CONCERN FOR THE LESSOR AND LESSEE, AND NEITHER THIRD MUTUAL, GRF NOR PCM SHALL BE RESPONSIBLE FOR ANY TERMS THEREIN.**

Lessee Name (PRINT)	Lessor Name (PRINT)
Lessee Signature	Lessor Signature
Lessee Name (PRINT)	Lessor Name (PRINT)
Lessee Signature	Lessor Signature
Date	Date

CORPORATION APPROVAL OF APPLICATION - PERMIT TO LEASE PREMISES

The undersigned, a California nonprofit mutual benefit corporation, hereby issues this Permit to Lease the Premises.
FOR THIRD LAGUNA HILLS MUTUAL

Date _____ By _____

Title: ASSISTANT SECRETARY
 Corporate Officer

AGENT, AGENCY, OWNER EXECUTING PERMIT APPLICATION	NAME	TELEPHONE NO.
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EXHIBIT A

RE: NOTICE TO LESSEE - ASSIGNMENT OF RENTS

Dear

Pursuant to Paragraph 7 of the Application for Permit to lease Premises (or Application for Permit Lease Extension) which you executed on _____ as the Lessee, with _____ as the Lessor, for the premises located in Third Laguna Hills Mutual, Manor Number _____, you are hereby notified that your monthly rental payment should be made directly to the Golden Rain Foundation, a California nonprofit corporation (hereinafter the "Corporation"), to cover the delinquent assessment payment which your Lessor owes to the Corporation.

Until you are notified that you may resume making your monthly payments of rent to the Lessor, you should make your monthly rent payments, commencing with the payment due on _____ to the following address:

PCM, Inc.
Post Office Box 2220
Laguna Hills, CA 92654-2220

Attn: Manor Payment Representative

Please make your checks payable to Golden Rain Foundation (or GRF). Please be sure to mail to the P.O. Box address. Do NOT mail to the PCM street address.

If you have any questions in connection with this Notice, or the method of making your monthly rental payments to the Corporation, please contact the Manor Payments Representative at (949) 597-4221. A pre-addressed envelope is enclosed for your convenience.

Sincerely,

Bryan English
Accounting Supervisor
Financial Services Division

cc: Lessor -
Leasing Department

Sent by Certified Mail

P.O. Box 2220, Laguna Hills, CA 92654

LESSOR AUTHORIZATION FOR MAINTENANCE SERVICES WORK	MANOR NO.
	LEASE PERMIT START DATE

Dear Third Laguna Hills Mutual Lessor:

In order for your Mutual Corporation to provide the most timely service, we request that you complete this authorization form to assist us when repair services are requested for your manor.

Repair services may be requested from Third Mutual or an outside repair firm. Please be advised that all fees for chargeable repair services performed by Third Mutual are the responsibility of the Lessor, and will be billed to the Lessor. Collection of charges from the Lessee is the responsibility of the Lessor. Services billed directly to the Lessee include cable TV and High Speed Internet.

Failure to complete this form will result in denial of service in response to Lessee requests.

1. Is the Lessee authorized to request repairs on behalf of the member or other work for which there is a charge? (Please note that the member is responsible for all charges incurred by the Lessee.) Yes No

NOTE: In case of an emergency, e.g., water heater leak, refrigerator out, furnace out, lock-out, plumbing stoppage, the Mutual will perform the repair upon request of the Lessee without prior Lessor approval.

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LESSOR/LESSEE ACKNOWLEDGMENT

I understand the billing policy stated above, and request that this information be kept on file during the lease period; and I will submit a written request for any change to the above information, by mailing such request to the GRF Leasing Office, P.O. Box 2220, Laguna Hills, CA 92654.

Lessee Name	Lessor Name
	Telephone No.
Lessee Signature	Lessor Signature
Lessee Name	Lessor Name
	Telephone No.
Lessee Signature	Lessor Signature
Date	Date

EMERGENCY NOTIFICATION RECORD - LAGUNA WOODS VILLAGE

Please complete and return this form to the Laguna Woods Village Community Center,
or mail to: Laguna Woods Village Security Division, PO Box 2220, Laguna Woods, CA 92654-2220
ONE INDIVIDUAL PER FORM.

PLEASE PRINT ALL INFORMATION

Manor # _____ Telephone # _____ VILLAGE I.D. # _____

Resident Name (1 only) _____ Date _____

NOTE: This information may be given to hospital personnel upon request.

Doctor's Name _____ Phone # _____

Emergency Contact(s)

Name _____	Relationship _____
Address _____	_____ / _____ / _____ / _____
Street Address	City State Zip Code
Phone Numbers _____	_____ / _____ / _____
Home Phone	Work Phone Cell Phone

Name _____	Relationship _____
Address _____	_____ / _____ / _____ / _____
Street Address	City State Zip Code
Phone Numbers _____	_____ / _____ / _____
Home Phone	Work Phone Cell Phone

Attorney or Trustee Name _____ Phone # _____

Pet Care Information, Contact Name _____ Phone # _____

Special Circumstances Please check the conditions, below, that apply to you.

<input type="checkbox"/> TDD: Telephone Device for the Deaf	<input type="checkbox"/> HEARING LOSS: Cannot hear normal conversation
<input type="checkbox"/> LIFE LINE or other reporting devices	<input type="checkbox"/> WHEEL CHAIR BOUND
<input type="checkbox"/> DEMENTIA or Memory problems/disorientation regarding location of self or identity	
<input type="checkbox"/> BLIND: Cannot see well enough to get around without assistance	
<input type="checkbox"/> LIFE-SUPPORT SYSTEM, including Oxygen or Dialysis Equipment that requires electricity	

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Resident Name (1 only) _____ Date _____

NOTE: This information may be given to hospital personnel upon request.

Doctor's Name _____ Phone # _____

Emergency Contact(s)

Name _____	Relationship _____
Address _____ / _____ / _____ / _____	Street Address City State Zip Code
Phone Numbers _____ / _____ / _____	Home Phone Work Phone Cell Phone

Name _____	Relationship _____
Address _____ / _____ / _____ / _____	Street Address City State Zip Code
Phone Numbers _____ / _____ / _____	Home Phone Work Phone Cell Phone

Attorney or Trustee Name _____ Phone # _____

Pet Care Information, Contact Name _____ Phone # _____

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<input type="checkbox"/> LIFE-SUPPORT SYSTEM, including Oxygen or Dialysis Equipment that requires electricity	

DECLARATION RE: CRIMINAL RECORD

CONDOMINIUM

Manor No. _____

TO: [] THIRD LAGUNA HILLS MUTUAL
[] LAGUNA WOODS MUTUAL FIFTY

The undersigned hereby states:

1. The following representations are made pursuant to Section 2 (c) of the Covenants, Conditions and Restrictions ("CC&Rs") of Third Laguna Hills Mutual and Section 2 (c) of Article V of the Bylaws of Mutual Fifty.
2. I have not been convicted of a felony within the last twenty years.
3. I have not been convicted of a misdemeanor involving moral turpitude within the last five years.

Executed on _____ at _____.
Date City/State

I declare under penalty of perjury that the foregoing is true and correct.

Lessee

Lessee

MANOR NO.

THIS MANOR IS A: [] CONDO (Third Mutual)
[] CO-OP (United Mutual)

IMPORTANT INFORMATION FOR RESIDENTS

PLEASE READ CAREFULLY

Initial(s)

You are moving into an independent-lifestyle & age-restricted community (as defined by California Civil Code §51.3) that does not provide any form of healthcare or assisted living. Each resident is responsible for his/her own care and welfare.

Appearance of the community is important, and residents are required to keep their balconies, patios, walkways, and carports free from clutter.

When moving into the community, residents are asked to break down and stack moving boxes next to trash dumpsters or at curbside for routine pick-up. Please be advised that there are weight and volume restrictions. A call to Property Services (949) 597-4600 can arrange to have excessive moving material hauled away as a chargeable service.

Owners are required to check with the permits & inspection department before making any structural or landscape alteration. Contact Permits & Inspection at (949) 597-4616

Please note the following residency restrictions:

Relatives and other guests may stay overnight for a total of 60 days in any 12-month period. Relatives and guests may not stay in a resident's home during the absence of the resident.

Board approval is required for all persons wishing to reside in the community. Contact Community Services at (949) 597-4369 before any change in residency status.

The maximum number of persons allowed to occupy a manor is equal to the number of bedrooms plus one. There is an additional monthly fee for the 3rd occupant.

CONDOS (Third Mutual) only:

The use of the elevator when moving into three story buildings requires the placement of elevator protection pads, which can be requested through Security Dispatch (949) 580-1400.

Condominium owners receive property tax notices and billings directly from the OC Tax Assessor's Office (714) 834-2727. Owners are responsible for paying their own taxes.

CO-OPS (United Mutual) only

Co-operative manors may not be leased for more than six months during any twelve-month period.

In Cooperatives, the Mutual is billed directly from the Tax Assessor and the Member reimburses the Mutual through monthly dues. Tax impound account added to monthly carrying charges. Members of stock cooperatives are cautioned to prepare for property tax increases in monthly assessments.

I/we, the undersigned, have read the above and agree to comply with the rules of this community.

Signature	Date	Signature	Date

REQUEST FOR PERMIT TO LEASE CONDOMINIUM

- Third LHM
- LHM50-TOWERS

Manor No.

The undersigned Member(s) hereby request approval of the Board of Directors to lease the manor identified above.

Member(s) herein agree that the lease shall require Lessee to abide by the terms of the provisions of the Bylaws of the Corporation, the Declaration of Covenants, Conditions and Restrictions, as described in Article II of the Bylaws, and all rules duly adopted by the Board of Directors of the Corporation (collectively, the "Governing instruments").

Assuming that the Corporation approves this Application for Permit to Lease (Permit) Lessor hereby gives to the above Mutual Corporation an irrevocable power to dispossess or otherwise act for the Lessor in case of default under the Permit. The liability of the Member(s) for his obligations to the Mutual Corporation and to the Golden Rain Foundation of Laguna Woods, a California non-profit corporation, shall continue notwithstanding the fact that he may have leased the manor with the approval of the Corporation. The Member(s) shall also continue to be liable for all obligations under the Governing instruments.

Member's reason for requesting Corporation's consent to lease is as follows:

Date

Lessor Signature

Date

Lessor Signature

WAIVER AND CONSENT AGREEMENT ~ CONDOMINIUM RENTAL

The undersigned, owner of the manor named above, a condominium in THIRD LAGUNA HILLA MUTUAL, a California non-profit mutual benefit corporation, and Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, hereby waives all right to use and occupy the above described condominium; and all right to use and enjoy the facilities and services furnished by the Foundation.

Subject to the terms and provisions of the Bylaws of the Corporation and Foundation, the Declaration of Covenants, Conditions and Restrictions (CC&R's) described in Article II of the Bylaws of the Corporation, all of which obligations are hereby assumed by Lessee, Lessor hereby consents to use and occupancy of said condominium by Lessee. Nothing contained herein shall relieve Lessor from the performance of any obligation as the Lessor of said condominium or as a Member of the Corporation or the Foundation during the term of this Agreement.

Assuming that the Corporation has approved the use and occupancy of said condominium by Lessee, this Agreement shall become effective upon the commencement of said Lessee's lease, and shall terminate at such time as Lessee ceases to use and occupy said condominium.

DATE

LESSOR SIGNATURE

DATE

LESSOR SIGNATURE

FOR COMMUNITY SERVICES OFFICE USE ONLY

Lessor ID Card(s) surrendered and on file in Leasing Office by _____ Date _____

LESSEE STATISTICAL INFORMATION SHEET
COMMUNITY SERVICES DEPARTMENT

Manor #:
Lease Term
From:
To:

PLEASE ATTACH A COPY OF DRIVER'S LICENSE, PASSPORT OR OTHER OFFICIAL IDENTIFICATION FOR EACH LESSEE.

	LESSEE FIRST NAME	LAST NAME	BIRTHDATE	TELEPHONE	RESIDENT ID#
1.					
2.					
3.					
4.					

	PRIOR ADDRESS	CITY	STATE	ZIP	TELEPHONE
1.					
2.					
3.					
4.					

THIRD LAGUNA HILLS MUTUAL

PERMIT TO LEASE A MANOR GENERAL CONDITIONS

1. OWNER RESPONSIBILITY

Professional Community Management ("PCM"), agent for the Third Mutual Board of Directors assumes responsibility for obtaining Mutual Board approval and issuing Lessee ID Cards. Payment for chargeable repair services is the responsibility of the Lessor who must indicate on Authorization for Maintenance Services Work form enclosed whether Lessee may request such services. **Neither the Mutual, GRF nor PCM are parties to the terms of the lease between Lessor and Lessee, and will not be involved in resolving disputes between Lessor and Lessee.** All commissions payable to a Realtor, and notification to the Realtor upon renewal or extension of a lease are solely the Owner's obligation. At the end of the lease period, the Owner is obligated to return all gate entry passes including automobile decals, guest passes, business passes, and care provider passes or will be assessed a fee.

2. MUTUAL APPROVAL

This Permit shall be effective only when approved in writing by an officer of the governing Mutual and shall be limited to the term specified herein. Any extension or renewal of this Permit shall also require the written approval of Mutual, but Mutual shall not be obligated to approve such extension or renewal.

3. THIRD MUTUAL AND GOLDEN RAIN FOUNDATION RULES

This Permit is subject and subordinate to the terms and provisions of the current Governing Documents of the Nonprofit Mutual Benefit Corporations, which include the following:

- Articles of Incorporation; Bylaws; Rules and regulations - All Corporations
- Declaration of Covenants, Conditions and Restrictions - Third Laguna Hills Mutual and Laguna Woods Mutual Fifty
- The Occupancy Agreement for Co-operative Units. - United Laguna Hills Mutual **ONLY**

In consideration of the benefits conferred by residency in the Mutual and use of the facilities managed by GRF, the Lessee and each Co-occupant agree to comply with and be bound by the Governing Documents. Lessee and each Co-occupant further acknowledge and agree that in the event of any alleged violation of the Governing Documents by the Lessee or any Co-occupant, each understands that he or she shall be subject to a hearing by the Corporation's Board of Directors and may be assessed a monetary penalty or be the subject of other disciplinary action by the Corporation if the Board determines that an actual violation of the Governing Documents has occurred, or if there is a breach of the Permit.

3. LESSORS' CONTINUED RESPONSIBILITY; LESSEE'S RESPONSIBILITY

Nothing contained herein shall relieve Lessor of the performance of any obligation owed to Mutual or GRF under the Governing Documents. Lessee shall not permit any visitor or guest of Lessee to violate any obligation of Lessee, and shall be responsible for fees and/or penalties incurred.

4. USE OF MANOR; OCCUPANCY

The manor shall be used and occupied solely as a private residential dwelling and for no other purpose. No person shall reside in a manor, other than those listed on the approved "Permit to Lease Manor". No business or commercial venture may be conducted in the manor. Section 51.3 of the California Civil Code restricts occupancy to those persons who meet the following criteria:

"Qualified Resident" - the manor shall be occupied by a person who is 55 years of age or older.
"Co-occupant(s)" - All other persons residing in the manor shall be at least 45 years of age unless such person is the spouse, cohabitant or a primary provider of economic or physical support to the Qualified Resident."

"Any primary provider of economic or physical support" - requires approval by the Mutual, after the application and submittal of required certification of need for such provider by the Lessee. A physician's certification must be submitted on a form acceptable to the Mutual. Care Providers are not considered occupants, and do not enjoy the privileges of use of community facilities.

5. GRF SERVICES

Lessee and the Co-occupant(s) may use the facilities and receive the services made available by GRF to all Manors. The facilities and services may be modified or discontinued by GRF at any time.

6. MUTUAL, GRF FEES

Lessee shall be responsible to promptly pay when due, all charges and fees incurred by Lessee, Co-occupant, guest or invitee for use of facilities or for services rendered by the Mutual or GRF.

7. ASSIGNMENT AND SUBLETTING PROHIBITED

Lessee shall not assign a Permit or any interest therein and shall not sublet the Manor or any part thereof or any right or privilege appurtenant thereto or permit any other person to occupy or use the premises or any portion thereof without prior written consent of Lessor and Mutual. A consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by any other person. Any such assignment or subletting without such consent shall be void and, at the option of Mutual and/or Lessor, shall constitute a breach of the Permit. The interest of Lessee in a Permit shall not be assignable by operation of law without written consent of the Mutual.

8. ALTERATIONS, REPAIRS AND MAINTENANCE

Lessee(s) understand that the manor shall not be altered, repaired or changed without prior written consent of Lessor and Mutual. Unless otherwise provided by written agreement, all alterations, improvements and changes that may be required shall be done either by or under the direction of Mutual; shall be the property of Lessor; and shall remain upon and be surrendered with the Manor. Lessee's personal property is not insured by Lessor or Mutual.

9. RIGHT OF ENTRY

Lessee shall permit the Mutual, Lessor and their respective agents and representatives to enter into and upon the manor at all reasonable times for the purposes of (a) inspection, responding to emergencies, and responding to emergency situations; (b) maintaining the building in which the manor is situated and (c) making repairs, alterations, or additions to any portion of said building, including the erection of scaffolding, props or other mechanical devices. Lessee shall not be entitled to any abatement of rent payable by Lessee hereunder or to any rebate of rent to Lessee or damages for any loss of occupation or quiet enjoyment of the premises on account of any such entry by Mutual or Lessor.

10. LIABILITY FOR DAMAGES

As a material part of the consideration to be rendered to Lessor under this Permit, Lessee hereby waives, to the maximum extent permitted by law, all claims against Lessor and Mutual for damages to personal property in, upon or about said manor and for injuries to persons in, upon or about said premises from any cause arising at any time.

LIABILITY FOR DAMAGES (CONTINUED)

Lessee shall hold Lessor, the Mutual, GRF, and PCM harmless from any liability on account of any damage or injury to person or personal property arising from the use of the manor by Lessee arising from the failure of Lessee to keep the manor in good condition as provided herein or failure to perform or observe any of Lessee's obligations under this Permit. Neither Lessor, the Mutual, GRF, nor PCM shall be liable to Lessee for any damage caused by any act or negligence of any other occupant of the same building or by any owner or occupant of adjoining or contiguous property. Lessee shall pay for all damages to the manor and to the building in which the manor is located, as well as all damage to other occupants thereof caused by Lessee's misuse or neglect of the premises, equipment, apparatus or appurtenances. All damage or injury done to the manor or to the building in which the manor is located by Lessee or by any person who may be in or upon the building or the manor with the consent of Lessee shall be paid for by Lessee.

11. DESTRUCTION OF PREMISES

In the event of any total or partial destruction of the manor during the term of this Permit from any cause, either Mutual or Lessor may terminate this Permit by written notice to Lessee and without liability to Lessee except that Lessor shall refund any rent which may have been paid in advance by Lessee for any period subsequent to the date of any such termination.

12. EMINENT DOMAIN

In the event that the real property upon which the manor is located or any part thereof shall be acquired by any public body, agency or other entity having the power of eminent domain, whether by voluntary sale, threat of condemnation or by judgment of a court in condemnation proceedings, either Mutual or Lessor may terminate this Permit upon written notice to Lessee and without liability to Lessee except that Lessor shall refund any rent which may have been paid in advance by Lessee for any period subsequent to the date of any such termination.

13. MUTUAL'S RIGHTS AND REMEDIES

In the event of any breach of this Permit by Lessee, Mutual shall have the same rights and remedies to enforce this Permit as are available to Lessor hereunder and may be exercised by Mutual without regard to any exercise thereof by Lessor and without liability either to Lessor or Lessee arising out of or relating to the exercise of such rights and remedies by Mutual. Additionally, the Mutual shall have the same rights to dispossess the Lessee or otherwise act for the Lessor as may be necessary or appropriate in the event of any breach of the Permit or the Lessee's failure to vacate following expiration of the Permit term. The Mutual shall also have the right to bring an unlawful detainer action against the Lessee after proper notice has been given as provided in California Civil Code Section 1946 or any successor statute thereto.

14. TIME IS ESSENCE; WAIVER

Time is of the essence under this Permit. The waiver by Lessor, Mutual or either of them, of any breach of any term, covenant or condition of this Permit shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of same of any other rent shall not be construed to be a waiver of any breach by Lessee of any term, covenant or condition of this Permit. The remedies given herein to Lessor and to Corporation shall be cumulative and the exercise of any one remedy by Lessor or by the Mutual shall not prohibit exercise of any other remedy available.

15. SUBORDINATION

This Permit is subject and subordinate to the Governing Documents and to any and all covenants, conditions, restrictions, underlying leases, occupancy agreements, mortgages or deeds of trust which may now affect the real property of which the premises form a part, or the underlying leases or occupancy agreements, and to all renewals, modifications, consolidations, replacements and extensions thereof. It is further agreed that this Permit may, at the option of Lessor and the lender, if any, be made subordinate to any covenants, conditions, restrictions, underlying leases, occupancy agreements, mortgages or deeds of trust which may hereafter affect the real property of which the leased Manor form a part or affect the underlying leases or occupancy agreements. Lessee or its successors in interest shall execute and deliver upon the demand of Lessor or Mutual any and all instruments desired by Lessor or Mutual subordinating this Permit in the manner requested by Lessor or Mutual to such covenants, conditions, restrictions, occupancy agreement, mortgage or deed of trust. Mutual is hereby irrevocably appointed and authorized as agent and attorney-in-fact of Lessee to execute all such subordination instruments in the event Lessee fails to execute said instruments within five days after notice from Lessor or Mutual demanding the execution thereof. Said notice may be given in the manner provided herein for giving notice.

16. NOTICES

Any notice to Lessor, Lessee or Mutual shall be given by personal service or by registered or certified mail addressed to: Lessor at the address indicated on the Application form; to Lessee: at the Manor; and to Mutual: at 24351 El Toro Road, Laguna Woods, CA. 92637.

17. PARTIES BOUND

The terms and provisions contained herein, subject to the provisions governing assignment, shall apply to and bind the heirs, successors, personal representatives and assigns of all of the parties hereto.

18. ATTORNEY'S FEES

If any legal action or proceeding is commenced by either party or Mutual to enforce any part of this Permit, the prevailing party shall recover in addition to all other relief, reasonable attorney's fees and costs.

Lessee Name	Lessor Name
	Telephone No.
Lessee Signature	Lessor Signature
Lessee Name	Lessor Name
	Telephone No.
Lessee Signature	Lessor Signature
Date	Date



NOTICE

TO: PCM EMPLOYEES, CONTRACTORS EMPLOYED BY THE LAGUNA WOODS VILLAGE ASSOCIATIONS, AND PROSPECTIVE PURCHASERS OF DWELLING UNITS AT LAGUNA WOODS VILLAGE, LAGUNA WOODS

FROM: JERRY STORAGE, GENERAL MANAGER

SUBJECT: DISCLOSURE NOTICE: LAGUNA WOODS VILLAGE BUILDINGS CONSTRUCTED WITH ASBESTOS-CONTAINING CONSTRUCTION MATERIALS

Health & Safety Codes 25915.2 and 25915.5 require the Owner of, or the Association which manages a building or part of a building constructed before 1979 within a common interest development, such as Laguna Woods Village, who knows that the building contains asbestos-containing construction materials, to provide annual notice about the existence of said asbestos-containing materials (ACM) to all employees and contractors who perform work within said buildings.

In addition, the Owner or Association is required to disclose to a transferee, as soon as practicable before the transfer of title of a separate interest (a "dwelling unit") in a common interest development, the existence of asbestos-containing material in a building or part of a building within the common interest development. These Codes apply solely to "public" buildings (common area facilities). Residential dwellings are excluded.

Professional Community Management, Inc., as Employer, and as Agent, for the Associations which own or manage the buildings at Laguna Woods Village, Laguna Woods for their Members, hereby notifies all its Employees, Contractors and all Transferees, that some buildings within Laguna Woods Village have been surveyed and found to contain asbestos. The analytical method used to determine asbestos content was polarized light microscopy/dispersion staining. Since the community has an active Asbestos Operations and Maintenance program testing is ongoing. Because of the high cost to conduct a complete asbestos survey and analysis of all buildings, surveys are conducted only upon repair, remodel, addition to or removal of a building or part of a building suspected to contain asbestos materials, as required by Labor Codes. The Certificates of Analysis for any testing received to date are available to employees, contractors, owners and tenants and transferees for review and photocopying from the Laguna Woods Village Human Resources/Safety Office, 24351 El Toro Road, Laguna Woods, CA., between 9:00 a.m. and 5:00 p.m., Monday through Friday.

The following buildings in Laguna Woods Village, Laguna Woods were constructed prior to 1979 and thus may contain asbestos in one or more construction materials: All community facilities buildings (with the exception of Clubhouse Seven, the Mini-Gym at Clubhouse One, the Broadband Services Bldg., the Laguna Woods Village Community Center Bldg., the Vehicle Maintenance Bldg., and a portion of the Warehouse -- all constructed after 1979), including Clubhouses and outbuildings, Library, Maintenance Warehouse Bldg., Stables, Gatehouses, Garden Center buildings, all detached laundry buildings, and residential buildings Nos. 1 through 5543 inclusive.

At the time most of the buildings in Laguna Woods Village were constructed, asbestos-containing materials met local codes as well as state and federal regulations and were extensively used in many building products including but not limited to: ceiling tile, floor tile/linoleum and mastic, textured wall surfaces, sprayed acoustical ceilings, fire doors, structural fireproofing, pipe/boiler insulation, attic insulation, heating duct material/insulation.

As best we can determine from the studies available, asbestos as used in these materials does not present a threat to your health so long as the asbestos is not disturbed and does not become airborne.

However, because breathing asbestos has been known in some instances to cause cancer and other forms of lung disease, sanding, scraping, drilling, sawing, crushing, tearing/breaking up, or otherwise disturbing asbestos-containing materials presents a potential health risk. Therefore, you are directed not to perform such tasks in areas with ACM present or suspected unless the area/materials have been tested and found not to contain asbestos or if specifically assigned or contracted to do such work and it is in accordance with all federal, state, and local laws as well as internal guidelines called for in the Asbestos Operations and Maintenance plan and other company safety and environmental policies and procedures.

PCM employees whose work orders require them to construct, repair, maintain or otherwise disturb construction materials that may contain asbestos are hereby directed to follow the current regulations and policies noted above and to wear the required protective equipment, prior to performing such work. Questions concerning instructions and equipment should be directed to the HR/Safety Supervisor at 597-4321.

It is illegal to place asbestos materials or debris in Laguna Woods Village trash dumpsters. Such materials must be disposed of separately in accordance with State and County regulations to avoid fines. Contact the HR/Safety Supervisor at 597-4321 for details.

If you become aware of any asbestos-containing material becoming damaged or otherwise disturbed, please contact Laguna Woods Village Customer Service at 597-4600, or the HR/Safety Supervisor at 597-4321.

March 1, 2010

Sincerely,

Jerry Storage
General Manager