



OPEN MEETING

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL  
GOVERNING DOCUMENTS REVIEW COMMITTEE

Tuesday, December 18, 2018 – 1:30 p.m.  
Laguna Woods Village Community Center, Sycamore Room  
24351 El Toro Road, Laguna Woods, CA 92637

**NOTICE & AGENDA**

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of the Report from November 26, 2018
5. Chair's Remarks
6. Member Comments (Items Not on the Agenda)

Consent:

*All matters listed under the Consent Calendar are considered routine and/or informational and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.*

None.

Reports:

None.

Items for Discussion and Consideration:

7. Review and Discuss Updates to Traffic (Mutual Parking) Rules Regarding Commercial Vehicles
8. Discuss Possibility of Allowing Guarantors
9. Review and Discuss Community Property Issues

Concluding Business:

10. Committee Member Comments
11. Future Agenda Items
  - a. Non-Medical Caregivers
12. Date of next meeting is January 28, 2019
13. Adjournment

Maggie Blackwell, Chair  
Siobhan Foster, Staff Officer





UNITED LAGUNA WOODS  
M U T U A L

**OPEN MEETING**

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL  
GOVERNING DOCUMENTS REVIEW COMMITTEE

Monday, November 26, 2018 – 1:30 PM  
Laguna Woods Village Community Center, Sycamore Room  
24351 El Toro Road, Laguna Woods, CA 92637

**MEMBERS PRESENT:** Maggie Blackwell – Chair, Cash Achrekar, Andre Torng, Elsie Addington, Juanita Skillman, and Advisors Bevan Strom and Mary Stone

**MEMBERS ABSENT:**

**OTHERS PRESENT:** Sherri Davis, Maxine MacIntosh

**STAFF PRESENT:** Siobhan Foster, Pamela Bashline, Susan McInerney, Eve Morton

**REPORT**

**1. Call to Order**

Chair Blackwell called the meeting to order at 1:30 p.m.

**2. Acknowledgement of Press**

No press was present.

**3. Approval of the Agenda**

Director Achrekar made a motion to approve the agenda. President Skillman seconded. There were no objections.

**4. Approval of Report from the October 22, 2018, meeting**

Director Torng moved to approve the report. Director Achrekar seconded. There were no objections.

**5. Chair's Remarks**

Chair Blackwell said there is a lot to do and she asked the committee to stick to the item on the agenda and the issue that is currently on the table.

**6. Member Comments (Items not on the agenda)**

None.

Consent Calendar:

*All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.*

None.

Reports:

None.

Items for Discussion and Consideration:

**7. Review and Discuss the Proposed Caregiver Resolution/Policy**

Discussion ensued about the proposed changes to the Caregiver Policy and differentiating between medical caregivers and non-medical caregivers.

President Skillman made a motion to create a new policy for non-medical care providers and to keep the existing United Care Policy with includes the permitted health care resident application. Director Achrekar seconded the motion. All were in favor.

**8. Review and Discuss Requesting United attorney Jeff Beaumont to Join with GRF and Third attorneys in Creating a Canvassing Policy Suitable for Mutuals and GRF**

Mr. Beaumont stated that since Civil Code 4515 went into effect on Jan. 1 2018, he has recommended a Village policy regarding canvassing.

The canvassing part of the new rule applies to United since it allows people to go door to door, however, a community can enact reasonable regulations. There may be a limit on the days, hours, and holidays that people may canvas. Canvassers can be required to wear name tags or to distribute materials on certain types of paper and use identifying marks on the literature to prevent littering.

President Skillman made a motion to request that Mr. Beaumont work with the GRF Board on a canvassing policy which would include the GRF areas as well as some caveats to apply to United regarding day/hours allowed for door knocking, etc. Director Achrekar seconded. All were in favor.

## **9. Discuss Chargeable Services Payment Plan Form**

The Finance Committee requested this Payment Plan Form be reviewed by this committee to ensure updates to this form make it clear to the signatory how the payment plan will work. Ms. Parker reviewed the form with the committee.

Ms. Morton was asked to send Director Torng the original payment plan form so he can see what updates were made.

President Skillman made a motion to accept this form and send it back to the Finance committee. Director Achrekar seconded. All were in favor except for Director Torng.

### **Concluding Business:**

## **10. Committee Member Comments**

Director Torng requested to add any future agenda items not yet addressed onto each new agenda under "Future Agenda Items."

Director Achrekar wished everyone a happy holiday.

President Skillman wished Director Achrekar safe travels.

## **11. Future Agenda Items**

- a. Reconsider guarantors
- b. Traffic Rules for commercial vehicles
- c. Non-Medical Caregivers

## **12. Discuss date of next meeting since it is currently scheduled for December 24.**

The committee requested that the alternate date for the December meeting would be the 18th at 1:30 p.m.

## **13. Adjournment at 3:45 p.m.**



Maggie Blackwell, Chair





## STAFF REPORT

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**DATE:** December 18, 2018  
**FOR:** Governing Documents Review Committee  
**SUBJECT:** Vehicle, Traffic, and Parking Rules Regarding Commercial Vehicles

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### **RECOMMENDATION**

Adopt the attached Resolution updating the Vehicle, Traffic, and Parking Rules and Regulations regarding commercial vehicles.

### **BACKGROUND**

The Traffic Division enforces rules and regulations within the boundaries of Laguna Woods Village, and the Officers are empowered to issue Notices of Violations (NOV). Anyone who receives a NOV may be subject to a fee and other disciplinary action. Additionally, the resident has the option of attending a two hour class addressing traffic safety topics designated for Laguna Woods Village drivers. Residents who attend the two hour class will not be assessed any fees for the violation.

The Laguna Woods Village Traffic Hearing Committee schedules enforcement hearings with respect to the NOV, and the imposition of the corresponding fees when the Committee considers the violation to have been committed as charged. The Committee is comprised of one Director from GRF and one from each housing mutual.

On November 6, 2018, the Golden Rain Foundation (GRF) Board of Directors approved the storage of commercial vehicles to be stored in the recreational vehicles (RV) lots at a rate of \$640 annually as space permits. Residents will be given a 30-day notice if required to vacate their commercial vehicle space in order to accommodate a new resident's RV.

On November 13, 2018, the Board of Directors reviewed the updated Vehicle, Traffic, and Parking Rules and Regulations regarding commercial vehicles. The Board sent this item back to the Committee for clarification.

### **DISCUSSION**

The Governing Documents Review Committee discussed the existing traffic rules and regulations regarding commercial vehicles. The Committee updated the sections pertaining to commercial vehicles and recommended the Board approve the changes (Attachment 1).

### **FINANCIAL ANALYSIS**

None

**Prepared By:** Francis Rangel, Operations Manager  
Jacob M Huanosto, Compliance Coordinator

**Reviewed By:** Tim Moy, Chief of Security  
Siobhan Foster, Chief Executive Officer

**ATTACHMENT(S)**

Attachment 1: Proposed Changes

Attachment 2: Resolution



Attachment 1

**Vehicle, Traffic, and Parking Rules**

The following Vehicle, Traffic, and Parking Rules are strictly enforced and applicable to all pedestrians and persons controlling or operating vehicles on any real property regulated by United Laguna Woods Mutual. This ~~generally refers to the~~ includes cul-de-sacs, parking areas, sidewalks, and grounds regulated by the Mutual.

**COMMERCIAL VEHICLE**

A vehicle displaying any of the following attributes is prohibited:

- ~~Of a type u~~Used or maintained for the transportation of persons for hire, compensation, or profit.  
Examples: taxi cab, limousine, any vehicle originally designed to carry 12 or more passengers.
- Designed, used, or maintained primarily for the transportation of property.
  - Includes any vehicle mounted with a utility body/bed, equipment carrier or other structure designed to secure goods. Pickup truck bed covers, and carriers designed for specific sports or athletic equipment (e.g. bicycle or ski rack) are acceptable.
- Used, specially equipped, or advertised for commercial purposes.  
Examples: MOTOR TRUCK, cargo trailer, PICKUP TRUCK with a ladder rack, utility body, stake panels, or carrying visible tools or merchandise, van with business advertising displayed or carrying visible tools, chests, racks or merchandise, sedan with applied lettering advertising a business.

**EXCEPTIONS:**

- PICKUP TRUCKS and passenger vehicles (including commuter carpooling vans of up to 11 passenger capacity) are not COMMERCIAL VEHICLES unless used, specially equipped, or advertised for commercial purposes.

**PICKUP TRUCK**

A MOTOR TRUCK having ~~all any~~ of the following attributes is prohibited:

- ~~Is e~~Equipped with an open box-type bed ~~not~~ exceeding 9 feet in length.
- ~~Has a~~An overall vehicle length ~~not~~ exceeding 22 feet.
- ~~Has o~~Only More than 2 axles.
- ~~Has a~~An unladen weight of ~~less more~~ than 8,001 pounds.
- ~~Has a~~A manufacturer's gross vehicle weight rating ~~not to that~~ exceeds 11,500 pounds in single rear wheel configuration, or 14,000 pounds in dual rear wheel configuration.

PICKUP TRUCK does not include a vehicle otherwise meeting the above definition that is equipped with a bed-mounted storage compartment unit commonly called a "utility body" or "utility bed."

A vehicle otherwise meeting the above definition that displays advertising, or is mounted with equipment carrier or other structure designed to secure goods is deemed to be a COMMERCIAL VEHICLE. However, a bed cover, or carrier designed for specific sports or athletic equipment (e.g. bicycle or ski rack) is acceptable.

A PICKUP TRUCK mounted with a camper unit extending over the cab or equipped with food preparation and sleeping areas is deemed to be a RECREATIONAL VEHICLE.

### **RESIDENT VEHICLE DECAL LIMIT**

Each MANOR UNIT is allowed ~~to receive~~ a limited number of GRF decals based on the number of original construction bedrooms.

- 1 Bedroom MANOR UNIT up to 2 decals
- 2 Bedroom MANOR UNIT up to 3 decals.

Decals may be issued in any combination to eligible motor vehicles, golf carts and golf cars, up to the total authorized per Manor.

Decal counts do not include motorhomes and commercial vehicles stored in the GRF Recreational Vehicle Storage Area.

### **Unassigned Parking**

Signs, and curb, and pavement markings ~~that limiting~~ or ~~prohibiting~~ parking apply at all times.

- Red zone: No stopping, standing or parking.  
EXCEPTIONS:
  - A driver may stop to avoid conflict with other traffic.
  - An attended vehicle may stop for passenger transfers.
  - An attended vehicle may stop for use of a mailbox.
  - An attended vehicle may stop or stand while necessarily engaged in work.  
Examples: moving or delivery truck.
  - An unattended vehicle or piece of equipment may park when necessary and is authorized by the Security Division.
- Blue zone: Parking is permitted only when the vehicle is displaying a valid government issued disabled (handicapped) license plate or placard.
- Fire hydrant zone: No person shall stop, park, or leave standing any vehicle within 15 feet of a fire hydrant. Vehicles in violation are subject to immediate tow-away at owner's expense.
- Green zone: Parking may not exceed 10 minutes, or as posted by sign or curb marking.
- Grey zone: Same as Unpainted.
- Handicapped zone: See "Blue zone."
- White zone: Loading and unloading only.
- Yellow zone: Commercial vehicle loading and unloading only.
- Unpainted: Parking is permitted for up to 7 continuous days, unless otherwise restricted. Parking is always prohibited within 15 feet of a fire hydrant even if the curb is unpainted. See Fire hydrant zone above.  
EXCEPTION:
  - Resident's extended absence parking.
- GUEST PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.
- RESERVED PARKING zone: Parking is prohibited by unauthorized vehicles.
- VISITOR PARKING zone: RESIDENT VEHICLES are prohibited from using the location between 8:00 a.m. and 10:00 p.m.

### **ADVERTISING**

Any signage advertising a business or organization is prohibited on a vehicle parked overnight (any time between the hours of 12:00 midnight and 6:00 a.m.) Displaying a name or contact information constitutes advertising.

#### EXCEPTIONS:

- RESIDENT VEHICLES may display up to 2 signs containing a political message.
- Commercial vehicle or equipment displaying a valid GRF Overnight Parking Permit issued by the managing agent.
- License plate frames, and vehicle manufacturer's incidental identification and accessory items (Example: vehicle brand and model nameplates.)
- For Sale Signs.
- GRF vehicles.

Please note the above rules and regulations are the sections regarding commercial vehicles and do not include the entire Vehicle, Traffic, and Parking Rules for the Village.

Attachment 2

**RESOLUTION 01-18 XX**

**Vehicle, Traffic, and Parking Rules and Regulations**

**WHEREAS**, the Traffic Rules and Regulations are intended to mirror the California Vehicle Code and to adhere to the Davis-Stirling Act; and

**WHEREAS**, the Governing Documents Review Committee recognizes the need to amend a portion of the Traffic Rules and Regulations in regards to commercial vehicles; and

**NOW THEREFORE BE IT RESOLVED**, [Date], that the Board of Directors of this Corporation hereby adopts the revised Vehicle, Traffic, and Parking Rules and Regulations, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 01-17-58 adopted May 9, 2017 is hereby superseded and cancelled; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

**FORMER GUARANTOR FORM**

<b>UNCONDITIONAL CONTINUING GUARANTY</b>	<b>MANOR NO.</b>
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This Personal Unconditional Continuing Guarantee (hereinafter "Guarantee") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by the undersigned, individually, jointly and severally if more than one (hereinafter individually and collectively the "Guarantor"), whose address(es) appear below their signatures hereon, to and for the benefit of:

[     ] United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (hereinafter the "Corporation").

In consideration of the mutual covenants and agreements herein, and for other valuable consideration, the undersigned Guarantor, individually, jointly and severally, unconditionally and absolutely guarantees the due and punctual payment of the Indebtedness, as hereinafter defined (without deduction for any claim, setoff or counterclaim of Guarantor, or for the loss of contribution of a co-guarantor, if any) of \_\_\_\_\_ (hereinafter called "Members") to the Corporation, on demand in lawful money of the United States. The term "Indebtedness" is used herein in its most comprehensive sense and includes the Monthly Carrying Charge payable by the Members to the Corporation, all assessments levied in the name of the Corporation pursuant to the applicable Declaration of Covenants, Conditions and Restrictions, Occupancy Agreement, Bylaws or other governing documents of the Corporation, and California law, all as now existing or as may be hereafter amended, any and all advances, debts, obligations and liabilities of Members or any one or more of them, now or hereafter made, incurred or created, whether voluntary or involuntary, and however arising, whenever due, and whether absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Members may be liable individually or jointly with others, or whether recovery upon such indebtedness may be or hereafter become barred by any statute of limitations, or whether such indebtedness may be or hereafter becomes otherwise unenforceable. The obligation of Guarantor is a primary, continuing and unconditional obligation of payment and performance. This Guarantee shall be effective regardless of the solvency or insolvency of Guarantor at any time or the subsequent incorporation, reorganization, merger or consolidation of Guarantor, or any other change in composition, nature, personnel, ownership or location of Guarantor.

The obligations of Guarantor herein cannot be assigned or transferred in any manner whatever, directly or indirectly, by operation of law or otherwise, without the prior written consent of the Corporation, which consent may be withheld in any circumstances. However, Guarantor agrees that this Guarantee shall inure to the benefit of and may be enforced by the Corporation and by any subsequent holder or assigned of any and all of the Indebtedness and shall be binding upon and enforceable against Guarantor and Guarantor's executors, administrators, legal representatives, successors and assigns.

The obligations hereunder are joint and several, and independent of the obligations of Members. A separate action or actions may be brought and prosecuted by Corporation against Guarantors whether action is brought against Members or whether Members be joined in any such action or actions; and Guarantors waive the benefit of any statute of limitations affecting their liability hereunder or the enforcement thereof.

Guarantors authorize Corporation, without notice or demand and without affecting Guarantors' liability hereunder, from time to time to (a) renew, compromise, extend, accelerate, or otherwise change the time for payment of, or otherwise change the terms of the Indebtedness or any part thereof, including increase or decrease the rate of interest thereon; (b) take and hold security for the payment of this guaranty or the Indebtedness guaranteed, and exchange, enforce, waive and release any such security; (c) apply such security and direct the order or manner of sale thereof as Corporation in its discretion may determine; and (d) release or substitute any one or more of the endorsers or Guarantors. Corporation may, without notice, assign this Guaranty in whole or part. Without limiting the foregoing, Guarantors hereby waive the rights and benefits under California Civil Code ("CC") Section 2819, and agree that Guarantors' liability shall continue even if Corporation allows any Indebtedness of Members in any respect or Corporation's remedies or rights against Members are in any way impaired or suspended without the Corporation's consent.

Guarantors waive any right to require Corporation to (a) proceed against Members; (b) proceed against or exhaust any security held from Members; or (c) pursue any other remedy in Corporation's power whatsoever. Guarantors waive any defense arising by reason of any disability or other defense of Members or by reason of the cessation from any cause whatsoever of the liability of Members. Until all Indebtedness of Members to Corporation shall have been paid in full, even though such Indebtedness is in excess of Guarantor's liability hereunder, Guarantors shall have no right of subrogation, and waive any right to enforce any remedy which Corporation now has or may hereafter have against Members, and waive any benefit of, and any right to participate in any security now or hereafter held by the Corporation. Guarantors waive diligence and all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new and additional Indebtedness.

Guarantors agree to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by Corporation in the enforcement of this Guaranty or any attempts to collect any of the obligations of Member whether or not Corporation files suit against Member and Guarantor.

In all cases where there is but a single Member or a single Guarantor, then all words used herein in the plural shall be deemed to have been used in the singular where the context and construction so require; and when there is more than one Member named herein, or when this Guaranty is executed by more than one Guarantor, the word "Members" and the word "Guarantors" respectively shall mean all and any one or more of them.

All obligations of Guarantors shall be performed at Laguna Woods, California. The Corporation may, from time to time, change or modify any obligation between Member and the Corporation in any manner it may deem fit and such change shall not affect the liability of Guarantors in any manner. Guarantors further waive any and all defenses of every kind which may be available by reason of any disability or defense of the Member.

Guarantors further waive all right to require the Corporation to proceed against the Member or any other person, firm or corporation, or to pursue any other remedy available to the Corporation. All rights of the Corporation hereinunder or otherwise shall be cumulative and no exercise, delay in exercising, or omission to exercise any right of the Corporation shall be deemed a waiver and every right of this Corporation may be exercised repeatedly.

Any and all property of the undersigned, whether community or separate or otherwise, may be applied to the payment of any obligation arising hereunder.

Guarantor Signature Date

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DATED: \_\_\_\_\_ MEMBER(S) NAME(S) \_\_\_\_\_

MANOR ADDRESS \_\_\_\_\_

<b>GUARANTOR #1</b>	ID # _____	<b>GUARANTOR #2</b>	ID # _____
Name (print) _____		Name (print) _____	
Signature _____		Signature _____	
Address _____		Address _____	
City, State, Zip _____		City, State, Zip _____	
Telephone No. _____		Telephone No. _____	
Drivers Lic. # _____	State	Drivers Lic. # _____	State

## PREVIOUS FINANCIAL GUIDELINES

### ADMINISTRATIVE GUIDELINES FOR FINANCIAL QUALIFICATIONS UNITED LAGUNA WOODS MUTUAL

Revised August 9, 2016

Adopted by Resolution 01-15-89

Prospective shareholders/transferees of manors in United Laguna Woods Mutual are required to meet minimum financial requirements for membership as set forth below. All income and assets claimed must be verified by presenting documentation acceptable to the Mutual Board of Directors.

All applicants shall submit the most recent year's Federal income tax return, signed and dated, including Schedules A and B, in addition to other verification documents. If income is derived from an owned business, the appropriate business tax schedules and a profit and loss statement is also required.

Where there is more than one prospective shareholder/transferee, income and assets can be calculated collectively.

If a shareholder/transferee is presently a member in United Laguna Woods Mutual, he/she will not be required to provide verification of financial qualifications for a new purchase in the same mutual provided:

- a. The shareholder is selling his present manor and is in escrow; and
- b. The person(s) in whose name(s) title will be held for the manor being purchased is (are) identical to the person(s) in whose name(s) the certificate is held for the present manor.

Guarantor's assurances cannot be transferred. A shareholder/transferee will be required to obtain a new guarantor's qualification, if needed.

Membership applicants to United Laguna Woods Mutual are required to submit a completed Financial Statement/Credit Information form, together with satisfactory verification of identity, income and assets, except under the following condition:

Once a shareholder has qualified within United Mutual, said shareholder need not re-qualify for purchase of a replacement manor as long as the person or persons in whose name the Membership Certificate is held remain the same.

### ASSET REQUIREMENT

The prospective transferee of a manor shall submit satisfactory verification of assets equal to the purchase price of the manor plus \$125,000. Prospective transferees are required to demonstrate a minimum asset base of \$125,000 only.

Acceptable assets will be those that are considered to be liquid, marketable or income producing. Examples of acceptable assets include:

- Equity in U.S. residential property
- Savings accounts in U.S. financial institutions
- Cash value life insurance
- Certificates of deposit, money market accounts in U.S. financial institutions.
- IRA, SEP, 401(k) and Keogh accounts
- US, state or municipal government bonds - valued at current market prices
- American traded investments, (NYSE, Amex, OTC, NASDAQ, etc.) valued at current market prices
- Mortgages and promissory notes, provided that interest is reported on the applicant's tax return
- Equity in U.S. income producing real estate

## ASSET REQUIREMENT (continued)

Excluded from consideration are the following:

- Mobile Homes
- Recreational vehicles, boats and trailers
- Vacant land
- Automobiles
- Artwork, jewelry, furs and collections such as coins, dolls, stamps and other similar items
- Term life insurance
- Annuity funds, which cannot be withdrawn in lump sum
- Anticipated bequests or inheritances
- Promissory Notes whose income is not reported on the perspective transferee tax return

## INCOME REQUIREMENTS

Prospective shareholders must provide satisfactory verification of income of at least \$36,000 per year at the time of purchase.

1. Acceptable verifications include:

- The most recent Federal Tax returns
- W - 2 Forms or paycheck stubs
- Bank, credit union or investment account statements
- Letters from bankers
- Notices of annuities and Social Security payments
- Pensions
- Trust income
- Disability income
- Residential / commercial property rental income

2. Unacceptable income verifications include:

- Letters from employers, accountants, bookkeepers and attorneys
- Income not reported on Federal income tax returns
- Funds held outside US borders

## GUARANTORS

The Mutual will permit the prospective shareholder who does not meet the financial requirements to have a Guarantor. The Guarantor in United Mutual shall provide satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the manor purchase price.

*Shareholder Financial Requirements for the occupying shareholder(s) when they have a Guarantor:*

- Minimum Annual Income - \$24,000
- Minimum Verifiable Liquid, Marketable and/or Income Producing Assets - \$75,000 **at the close of escrow**

The income and assets of the Guarantor are not a substitute for the minimum income and assets needed by the prospective shareholder(s) occupant(s).



## **FINANCIAL QUALIFICATION WAIVERS AND RECIPROCITY**

Shareholders who purchase a **replacement** manor do not have to re-qualify financially for membership, if there is no change to the membership vesting and the previous manor is already in escrow.

Current members of one Mutual who wish to purchase in another Mutual are required to meet the financial requirements of the Mutual in which they are purchasing.

A former member may obtain a waiver of financial qualifications if the replacement manor is purchased within 90 days of the closing of the sale of the previously owned manor, and vesting in the new manor is exactly the same as the vesting in the manor previously owned.

The Board may *consider* waiving financial requirements if the applicant obtains secondary financing from a financial institution of at least 50% and no more than 70% of the purchase price. It is recommended that any applicant who does not meet the minimum financial requirement consider submitting the application with a financial guarantor.

## **SPECIAL CIRCUMSTANCES**

The United Mutual Board of Directors will give appropriate, special consideration to prospective shareholders whose financial qualifications have special merit, e.g., minimal assets but large income, or vice versa.

## **OWNERSHIP OF MULTIPLE MEMBERSHIPS**

United Laguna Woods Mutual does not permit ownership of more than one (1) cooperative membership, except under very limited and specific circumstances.

## A PREVIOUS RESOLUTION

### Resolution 01-16-88

#### **Financial Requirements When Children Purchase for Parents**

**WHEREAS**, when children purchase a unit for their parents in United (i.e., a share, membership and right to occupy), there is concern that parents may not have the means to support the parent's ongoing expenses, such as monthly assessments, food, utilities, property insurance or medical expenses; and

**WHEREAS**, the Board of Directors believes that it is in the best interests of United and the Community as a whole to require both the parents and the children to qualify under the current rules and regulations for Guarantors of shareholders/members.

**NOW THEREFORE BE IT RESOLVED**, August 9, 2016, when children purchase a unit for their parents in United, the children must have an annual income of at least \$90,000 and \$250,000 in financial assets; and the occupying parents must have an annual income of at least \$24,000 and \$75,000 in financial assets; and

**RESOLVED FURTHER**, that the managing agent is hereby directed to disseminate this information to the realty community serving Laguna Woods Village; and

**RESOLVED FURTHER**, that this policy shall be put into effect on or after August 9, 2016; and

**RESOLVED FURTHER**, the officers and agents of the Corporation are hereby authorized on behalf of the Corporation to carry out the purposes of this resolution.