

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

March 20, 2014

The Special Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Thursday, March 20, 2014 at 9:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Pat English, Jack Bassler, John Beckett, Ming-Lee Chang, Eva Lydick, Ken Hammer, Anthony Liberatore, Jan LaBarge, Bevan Strom, Don Tibbetts, Tony Dauer

Directors Absent: None

Staff Present: Jerry Storage, Pamela Bashline, Kim Taylor

Others Present: None

CALL TO ORDER

Pat English, President of the Corporation, chaired and opened the meeting, and stated that it was a Special Meeting held pursuant to notice duly given. A quorum was established, and the meeting was called to order at 9:00 AM.

APPROVAL OF AGENDA

Without objection, the Board approved the agenda as written.

UNITED MUTUAL MEMBER COMMENTS AND PUBLIC FORUM

Sally Sunderhaus (580-O) commented on the possibility of financials being posted on the website, and the recent United Mutual survey.

Maxine McIntosh (68-C) commented on candidates receiving new Director's binders.

Patsy Ladrie (482-B) commented on the recent United Mutual survey.

CHAIR'S REMARKS

No comments were made.

APPOINTMENTS TO FILL VACANCIES

Candidates Bill Ring, Tony Dauer, and Ron Beldner, each gave a brief presentation for their reasons for running for the Board vacancy.

The Board of Directors asked questions of the candidates and voted on prepared ballots.

Tony Dauer was appointed and was asked to sit with the other United Mutual Board of Directors at the dais.

Director Beckett read a proposed resolution approving the Lease Permit Restrictions Policy:

RESOLUTION 01-14-XXX

WHEREAS United Laguna Woods Mutual (ULWM) is organized as a stock cooperative housing development, subject to laws including but not limited to the Nonprofit Mutual Benefit Corporation Law, the Davis-Stirling Common Interest Development Act, the California Revenue and Taxation Code, and the Internal Revenue Code; and

WHEREAS all principal ~~residence~~ **Membership** purchasers (Members) must execute an Occupancy Agreement which memorializes the terms and conditions to which the parties mutually agree and which creates a landlord-tenant relationship between ULWM and its Members; and

WHEREAS the Occupancy Agreement provides for a term of three years, and the term is renewable automatically for successive three-year periods, subject to specific conditions and/or the termination of same by the Corporation; and

WHEREAS the Board of Directors believes it to be in the best interest of ULWM and its Members to ensure that at least 80% of the total number of dwelling units are occupied by principal ~~residence~~ **Membership** purchasers; and

WHEREAS Article 7 of the Occupancy Agreement prohibits subletting the dwelling units without the prior written consent of the Corporation (hereinafter referred to as a "Lease Permit"), through its Board of Directors;

NOW THEREFORE BE IT RESOLVED, May 13, 2014, that the Board of Directors of this Corporation hereby adopts a policy to limit the number of **sub**-Lease Permit renewals and/or extensions to a maximum of 24 cumulative months during the lifetime of an Occupancy Agreement, irrespective of successive three-year period renewals of the Occupancy Agreement; and

RESOLVED FURTHER, the principal ~~residence~~ **Membership** purchaser may not sublet the dwelling unit for at least twelve (12) months following the close of escrow; and

RESOLVED FURTHER, consent to one subletting shall not obligate the Corporation to consent to any other subletting; and

RESOLVED FURTHER, any renewal of an Occupancy Agreement for a shareholder who has sublet for a total of twenty-four (24) months shall include a condition prohibiting future subletting of that shareholder's dwelling unit.

Director Beckett moved to approve the resolution. Director Hammer seconded the motion and discussion ensued.

Members Maxine McIntosh (68-C) and Ron Beldner (203-C) commented on the resolution.

By a vote of 9-1-0 (Director LaBarge opposed) the Board postponed the resolution to the May meeting to satisfy the 30-day notification requirement.

DIRECTOR'S COMMENTS

The Directors made their final comments.

ADJOURNMENT

With no further business before the Board of Directors, the Special meeting was adjourned at 9:55 AM.

John Beckett, Secretary