



OPEN MEETING

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL
RESIDENT POLICIES AND COMPLIANCE TASK FORCE**

**Wednesday, July 24, 2019– 2:00 P.M.
Laguna Woods Village Community Center Board Room
24351 El Toro Road**

AGENDA

- | | |
|---|-----------------|
| 1. Call to Order | Roy Bruninghaus |
| 2. Acknowledgment of Media | Roy Bruninghaus |
| 3. Approval of the Agenda | Roy Bruninghaus |
| 4. Approval of Meeting Report for June 12, 2019 | Roy Bruninghaus |
| 5. Chair's Remarks | Roy Bruninghaus |
| 6. Member Comments (Items Not on the Agenda) | Roy Bruninghaus |

Reports:

- | | |
|----------------------------------|------------------|
| 7. Vacant Manor Updated List | Brett Crane |
| 8. Disciplinary Report | Blessilda Wright |
| 9. Expired Lease – 15 Day Letter | Pamela Bashline |

Items for Discussion and Consideration:

- | | |
|-------------------------------------|-----------------|
| 10. Revised Leasing Policy | Pamela Bashline |
| 11. Co-Occupancy Policy Study Group | Roy Bruninghaus |

Items for Future Agendas:

12. To Be Determined

Concluding Business:

13. Committee Member Comments
14. Date of Next Meeting – To Be Determined
15. Adjournment

Roy Bruninghaus, Chair
Blessilda Wright, Staff Officer
Telephone: 597-4254



OPEN MEETING

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL
RESIDENT POLICY AND COMPLIANCE TASK FORCE**

Wednesday, June 12, 2019 – 2:00 p.m.

Laguna Woods Village Community Center, Board Room – 24351 El Toro Road

MEMBERS PRESENT: Roy Bruninghaus, Chair, Steve Parsons, Rosemarie diLorenzo and Reza Karimi

MEMBERS ABSENT: Bunny Carpenter

ADVISORS PRESENT: Stuart Hack

ADVISORS ABSENT: Cindy Baker

STAFF PRESENT: Tim Moy, Pamela Bashline, Blessilda Wright, Susan McInerney, Francis Gomez, and Christine Spahr

CALL TO ORDER

Roy Bruninghaus, Chair, called the meeting to order at 2:01 p.m.

ACKNOWLEDGEMENT OF PRESS

The Media was not present.

APPROVAL OF AGENDA

Director Parsons made a motion to approve the agenda as presented. Director Karimi seconded the motion.

By unanimous vote the motion carried.

APPROVAL OF MEETING REPORTS

Director Parsons made a motion to approve the March 11, 2019 meeting report as presented. Director diLorenzo seconded the motion.

By unanimous vote the motion carried.

CHAIRMAN'S REMARKS

Chair Bruninghaus welcomed everyone in the room and thanked them for attending the meeting.

MEMBER COMMENTS ON NON-AGENDA ITEMS

None

REPORTS

Expired Lease – 15 Day Letter

Pamela Bashline, Community Services Manager, presented a report on the success of the Expired Lease – 15 Day Letter. The Task Force members commented and asked questions.

ITEMS FOR DISCUSSION AND CONSIDERATION

Revised Lease Policy

Ms. Bashline presented the revised Lease Policy. Ms. Bashline explained that the revisions prohibited lease amendments during the term of the lease and added a three-month suspension of the right to lease after the lease term expires for Members who are in violation of the policy. The Task Force members commented and asked questions.

Director diLorenzo made a motion to approve the amended Lease Policy. Director Karimi seconded the motion.

By unanimous vote, the motion failed.

Director diLorenzo made a motion to table the matter for the next meeting and directed Staff to make recommendations for exceptions to the Lease Authorization Amendment. Director Bruninghaus seconded the motion.

By unanimous vote, the motion carried

Co-Occupancy - Financial Support

Ms. Bashline presented the Co-Occupancy - Financial Support report and staff recommendations on establishing a special category of co-occupants. The Task Force members commented and asked questions.

By way of consensus, the Task Force authorized the Chair to create a work group to investigate the matter further.

Director diLorenzo and Ms. McInerney, left the meeting at 3:22 p.m.

Move In – Move Out Policy

Blessilda Wright, Compliance Supervisor, presented the current Move In – Move Out Policy. The Task Force members commented and asked questions.

Director Bruninghaus made a motion to amend the current Move In – Move Out time frame to 7:00 a.m. to 4:00 p.m. with move-in completed not later than 8:00 p.m. Director Parsons seconded the motion.

By unanimous vote, the motion carried.

Director Bruninghaus stated that he would add the recommendation from the Task Force to Third Board's next closed session meeting for full Board review.

Amnesty Program Proposal

Ms. Wright presented the Amnesty Program Proposal, as requested by the Board.

By way of consensus, the Task Force advised staff that the Amnesty Program would be a one-time occurrence and asked staff to develop a formal proposal to be considered by Third Board at the regular meeting in July.

Ms. Bashline and Christine Spahr, Resident Services Director, left the meeting at 3:28 p.m.

Traffic School Eligibility

Tim Moy, Chief of Security, presented a proposal to make changes to Traffic School Eligibility. The Task Force members commented and asked questions.

Director Parsons made a motion to approve the proposed changes to Traffic School Eligibility and to advise Residents that Traffic School can be taken voluntarily even without a Traffic Violation. Director Karimi seconded the motion.

By unanimous vote, the motion carried.

ITEMS FOR FUTURE AGENDAS

- Lease Policy Revisions
- Co-Occupancy Policy – Study Group Report

CONCLUDING BUSINESS

Task Force Member Comments

There were no Task Force Member Comments.

Date of Next Meeting

July 24, 2019 at 2:00 p.m. in the Board Room.

Adjournment

With no further business before the Task Force, the Chair adjourned the meeting at 3:38 p.m.


Roy Bruninghaus, Chair
Third Laguna Hills Mutual

Third Mutual Unoccupied Units Summary

Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<i>Inspected</i>		14					13					
<i>In Process/Letter to be sent</i>		47					0					
<i>For Sale/Sold (<6month)</i>		25					31					
<i>Escrow</i>		6					0					
<i>Letter Sent</i>		12					12					
<i>Under Construction</i>		26					25					
<i>Denied Entry</i>		2					1					
<i>Activity at Unit</i>		0					10					
<i>Scheduled for Inspection</i>							20					
<i>Total Qualify for Inspection</i>		59					32					
<i>Total Vacant</i>		132					112					

Examples of Activity: Owner/PoA/STTE responded with details of their frequenting the unit. Active open maintenance tickets inside unit e.g. rain event leak.



Laguna Woods Village®

MEMORANDUM

To: Third Laguna Hills Mutual Board of Directors
From: Blessilda Wright, Compliance Supervisor
Date: July 16, 2019
Re: Disciplinary Hearing Update

Below is a breakdown of the disciplinary cases:

	Apr	May	Jun
Total Number of Cases:	389	362	379
New Cases Open this Month:	140	119	129
Cases Resolved this Month:	106	146	112
Allegations:			
Abandoned Vehicle:	13	15	13
Alteration - Failure to Maintain:	7	8	10
Animal Nuisance:	17	21	23
Alteration Standards:	41	37	35
Business in Manor:	0	0	0
Clutter:	164	146	150
<i>Balcony Clutter:</i>	14	15	17
<i>Breezeway Clutter:</i>	26	26	27
<i>Carport Clutter:</i>	59	42	38
<i>Common Area Clutter:</i>	31	30	32
<i>Interior Clutter:</i>	6	4	4
<i>Patio Clutter:</i>	26	28	32
Care Provider Policy:	13	17	12
Delinquent Accounts:	25	29	28
Illegal Occupancy	46	37	43
Landscape:	7	6	9
Maintenance:	16	13	9
Nuisance:	34	22	29
Real Estate Signs:	5	4	2
Short-Term Rentals:	0	1	1
Smoking Policy:	0	2	5
Traffic Rules:	1	6	10
Vehicle Oil:	0	0	0



MEMORANDUM

To: Resident Policies and Compliance Task Force
From: Pamela Bashline, Community Services Manager
Date: July 24, 2019
Re: Expired Lease – 15 Day Letter

Distribution of the 15 day letter at the time of lease expiration significantly decreases the number of holdover leases occurring in Third Mutual. During June 2019, 26 letters were mailed, resulting in 21 cases being resolved immediately and only five cases remaining open.

These positive results mitigate the number of active investigations that are pursued by the Compliance and/or Security departments.



STAFF REPORT

DATE: July 24, 2019
FOR: Resident Policy and Compliance Task Force
SUBJECT: Leasing Policy Amendment
Require New Lease Application in Lieu of Lease Amendment Form

RECOMMENDATION

Recommend further revision of the Lease Authorization Policy to require the execution of a new lease authorization application and the cost for same when adding or subtracting individuals during an approved lease term.

BACKGROUND

A Lease Authorization Policy was adopted on June 20, 2017 and subsequently amended December 19, 2017 and May 21, 2019. Lease Policy clarifications enumerated and adopted, among others, by Resolution 03-19-51, eliminated the Lease Amendment form. The form permitted individuals to be added or subtracted as lessees during the approved lease term, frequently disguising unapproved room rentals or subleases.

Within days of Resolution 03-19-51 becoming effective, multiple lessors and lessees offered to execute a new lease application maintaining their status quo: unit leased, rental income intact, tenancy not disrupted, and elimination of potential eviction proceedings, financial hardships and/or necessary cosmetic maintenance and repairs to the unit. Staff recommends documentation of the Board's position with respect to adding or subtracting individuals during the approved lease term.

DISCUSSION

The burden of executing a new lease authorization form and the cost for same to add or subtract individuals during an approved lease term may deter some of this activity. Since the corporation seeks long term residency rather than short term tenancies, multiple lease authorizations at a particular unit will be readily observable by way of this clarification and can be reported to the Compliance department and/or the Board of Directors as appropriate.

Therefore, staff recommends the Lease Authorization Policy be further revised to stipulate that adding or subtracting individuals during the approved lease term shall be accomplished by executing a new lease application for Board review. An exception to policy may be considered by the Board in the event of an individual passing away. However, all other terms and conditions of lease application submittals should remain the same, providing transparency and clarity.

FINANCIAL ANALYSIS

None.

Prepared By: Pamela Bashline, Community Services Manager

Reviewed By: Siobhan Foster, Chief Operations Officer

ATTACHMENT(S)

ATT 1 – Lease Application



Application for Lease Permit Check List

- ___ Please provide a copy of the executed lease agreement between the Member and Lessee for the current year. (Separate from this application, it is the Member's responsibility to execute a lease agreement, not included within this package, and not provided by Laguna Woods Village Leasing office.)

This page is intentionally left blank



Lease Authorization Policy Contents

	Page
Section I - Purpose	4
Section II - Definitions	4
Section III – Fees	6
Section IV - Terms and Conditions.....	7
A. General Information	7
B. Charges	8
C. Assignment of Rents.....	9
D. ID Cards and Privileges	10
E. Occupancy	10
F. Move In/Move Out and Bulky Items Delivery/Pick Up.....	12
G. Alteration, Repairs and Maintenance	12
H. Insurance	13
I. Rights and Remedies.....	14
J. Enforcement.....	15
K. Exhibit A – Asbestos Disclosure Notice	17
L. Exhibit B – Notice of Assignment of Rents.....	19
M. Exhibit C – Lease Authorization Procedure and Application	20
N. Contact Information Form & Emergency Notification Record	27
O. Declaration Regarding Criminal Record.....	31
P. Declaration of Understanding	35

www.lagunawoodsvillage.com

**Neighborhoods/Sales & Leasing/Third Laguna Hills/Third Lease Policy
and Application Package**

Lease Policy
Resolution 03-19-51
Adopted May 21, 2019

I. Purpose

Third Laguna Hills Mutual (~~TLHM~~Third) authorizes Members, as defined in the CC&Rs, to lease their Manors. Any lease by a Member automatically transfers the right to use the Community Facilities from the Member to the Lessee (Bylaws Article 3, Section 3.2 and 3.3).

The purpose of this document is to set forth the Lease Policy; this Lease Policy shall be a governing document of ~~TLHM~~Third and shall be enforceable against all Members.

II. Definitions

- A. Agent – individual employed by Village Management Services, Inc. (VMS) authorized to act on behalf of ~~TLHM~~Third.
- B. Application – the Lease Authorization form prescribed by ~~TLHM~~Third to apply for approval to lease a Manor (Exhibit C).
- C. Approval – written authorization to lease a Manor in the Community granted by the ~~TLHM~~Third Board or authorized VMS staff member(s).
- D. Assessment – the monthly charge that ~~TLHM~~Third levies against all Members and their Manors and collects monthly pursuant to its Governing Documents.
- E. Charge – fee, fine, and/or monetary penalty that ~~TLHM~~Third and/or GRF may levy upon a Member pursuant to their Governing Documents.
- F. Community – Laguna Woods Village.
- G. Community Rules - the Articles of Incorporation and Bylaws of ~~TLHM~~Third, the recorded Covenants, Conditions, and Restrictions (CC&R's) applicable to any Manor; and any rules and regulations adopted by ~~TLHM~~Third and/or GRF. Any reference to the "Governing Documents" shall, for purposes of this Lease Policy, be deemed a reference to the Community Rules set forth in this definition.
- H. Co-occupant – any person who seeks to reside with a Qualifying Resident who is approved, in advance, in writing, by the Board of Directors for occupancy and who shall be at least 45 years of age unless such person is the spouse or cohabitant.
- I. Golden Rain Foundation (GRF) – the non-profit mutual benefit corporation organized to manage and maintain the Community Facilities and services for the Community.

- J. Identification (ID) Card – photo ID card issued by GRF to Members, Co-occupants, and Lessees of the Community authorizing use and access to the Community Facilities.
- K. Lease Authorization Office - located in the Resident Services Department in the Community Center which ensures that a Lease Application comports with the Governing Documents.
- L. Lease Authorization Extension - Parties to the lease may request an extension of time at the end of the lease authorization period if the original period is shorter than 12 months, subject to the Board of Director's prior written approval.
- M. Lease Authorization Renewal – Parties to the lease authorization may request a renewal no more than 60 days prior to the end of the 12 month period.
- N. Lessee – individual who leases a Manor from a Member.
- O. Manor – a residential condominium unit in ~~TLHM~~Third.
- P. Member – a person who has been approved by ~~TLHM~~Third as being entitled to membership in ~~TLHM~~Third and has an appurtenant right of membership in GRF.
- Q. Non-Resident Member – a Member who does not personally reside in the Member's Manor.
- R. Non-Resident Member Pass – gate entry pass authorizing a non-resident Member access to the Community for the purpose of inspecting his/her property on an as needed basis. This pass does not authorize use of or access to the Community Facilities during any lease period.
- S. Owner – person or persons, partnership or corporation, and the successors and assigns of each of the foregoing, in whom title to a Manor is vested, as shown by the official records of the office of the County Recorder of Orange County, California.
- T. Qualifying Resident – person who resides in the Manor, is at least 55 years of age and has been approved by the Board of Directors for occupancy in accordance with the provisions of the CC&R's.

- U. Resident – person who has been approved by the Board of Directors for occupancy.
- V. Rush – Application submitted fewer than 10 business days before the lease effective start date.
- W. Village Management Services, Inc. (VMS) – managing agent for ~~TLHM~~ Third and GRF.

III. Fees

Following are the fees associated with this Lease Policy and which may be required by ~~TLHM~~ Third (the following fees may be changed at any time by ~~TLHM~~ Third and such change(s) shall not constitute a rule change to this Lease Policy which requires notice to the ~~TLHM~~ Third Members):

THIRD Fees	
Authorization Processing	\$170.00
Authorization Rush Fee	\$100.00
Authorization Renewal (see Section II, M)	\$110.00
Authorization Extension (see Section II. L)	\$ 70.00

GRF Fees	
* Additional Occupant Fee (For each person in excess of two (monthly). Must be paid in advance for the term of the lease.	\$ 90.00
Non-return of:	
➤ ID Card(s)	\$125.00
➤ Decal(s)	\$125.00
➤ Pass(es)	\$ 25.00

* General charge due from all residents, whether or not a lease is in place.

IV. Terms and Conditions

A. General Information

1. Authorization to Lease (Authorization) shall be effective only when approved in advance, in writing by TLHM-Third and issued in writing by an authorized VMS staff member(s) of TLHM-Third; the approval of any Lease shall be limited to the term specified herein. The term may not exceed 12 months subject to Article II Section M above. The copy of a pending and fully executed Lease must be provided to TLHM-Third prior to the Lessee's move-in to the Member's Manor.
2. Renewal of the Authorization to Lease shall require the prior written approval of TLHM-Third, provided, however, that TLHM-Third shall not be obligated or have any duty to approve such extension or renewal regardless of a Member or Lessee's circumstances.
3. TLHM-Third shall, to the extent required by law, provide notice of potential asbestos-containing materials used during construction (Exhibit A). Any changes in the notice in Exhibit A as may be required by law or otherwise shall not be deemed a change to this Lease Policy which requires notice to the Members of TLHM-Third.
4. Laguna Woods Village is an independent-lifestyle and age-restricted senior citizen housing development (as defined by California Civil Code §51.3). No form of healthcare or assisted living is provided by TLHM-Third. Each Resident is responsible for his/her own health, safety, care and welfare, subject to the conditions and restrictions regarding care providers from TLHM-Third Governing Documents and TLHM's-Third's "Care Provider Policy."
5. Appearance of the Community is important, and Residents are required to keep their balconies, patios, walkways, and carports free from clutter, trash and debris per the approved Community Rules and Regulations.
6. TLHM-Third, GRF and VMS are not parties to the terms of a lease between the Member and Lessee, and will not be involved in resolving any disputes between the Member and Lessee; provided, however that if a Member is in violation of the Community Rules or this Lease Policy, or if a Lessee is violating the Community Rules or this Lease Policy, TLHM-Third shall have all rights and remedies available to it under the Community Rules and this Lease Policy.
7. The Lease Authorization Office will notify the Member of the Approval/Denial status of the application within 10 business days of its written submittal. A rush fee of \$100 will be imposed by TLHM-Third on any Member requests for expedited services prior to the routine 10 business days of processing. No representation or warranty is made that

~~TLHM-Third~~ will be able to complete a Rush Authorization approval request in the Members' requested time frame.

8. ~~TLHM-Third~~ has adopted a Non-Smoking Policy and is authorized to take disciplinary action against a Member who is in violation of said Policy including but not limited to a Member's Lessee.
9. **The Member is at all times responsible for the acts or omissions of, without limitation, the Member's Lessee, guest, care provider, vendor, invitee or contractor as well as the guests, care providers, invitees or contractors of the Member's Lessee.**

B. Charges

1. Member and Lessee acknowledge that the Member is obligated to pay Charges and Assessments imposed by GRF and/or ~~TLHM-Third~~ pursuant to this Lease Policy and the Governing Documents. See Section III of this Lease Policy.
2. The Member may incur additional Charges and fees in connection with facilities and services provided by GRF. Some examples are: golf course fee, room reservation fees, and cable services upgrade charges. ALL CHARGES, FEES, FINES, AND ASSESSMENTS ARE SUBJECT TO CHANGE AND ANY SUCH CHANGES SHALL NOT BE DEEMED TO BE A CHANGE IN THIS LEASE POLICY WHICH REQUIRES NOTICE TO THE MEMBERS OF ~~TLHM-Third~~.
3. Payment for chargeable repair services is the responsibility of the Member who must indicate on the Authorization to Lease application whether Lessee may request such services. In any event, the Member shall be responsible for the chargeable repair services.
4. There is a fee collected by the Lease office to review and process any new/extension/renewal applications which include but are not limited to analysis of payment and disciplinary history.
5. An authorized and/or designated VMS staff member(s) for the ~~TLHM-Third~~ Board of Directors, assumes responsibility for obtaining approval and issuing Lessee ID Cards.

C. Assignment of Rents

1. If a Member is delinquent in his or her payment of any GRF and/or TLHM Third Charges and/or Assessments, as required under the Governing Documents, Member and Lessee each acknowledge and agree that the Member hereby assigns to and confers upon TLHM Third, the right to collect and retain the rent payable by the Lessee and to apply the same to any delinquent Charges and Assessments, as well as any late fees, attorneys' fees, or other costs and expenses permissible by law or the Governing Documents which may be incurred or assessed by TLHM Third in connection with the delinquent Assessment and/or GRF and/or TLHM Third Charges.
2. Member and Lessee acknowledge and agree that, concurrent with notice in writing to the Member, TLHM Third shall be entitled to directly receive the rent by delivering to the Lessee at the Manor a Notice of Assignment of Rents (Exhibit B). Upon receipt of such Notice, the Lessee shall directly forward all payments of rent required under the Lease to TLHM Third 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 Member. Any changes in the Notice of Assignment of Rents form in Exhibit B shall not be deemed a change to this Lease Policy which requires notice to the Members of TLHM Third.
3. To the fullest extent permitted by law, such payments of rent paid directly to TLHM Third shall continue until the delinquent Assessments or Charges and any late fees, attorneys' fees, or other collection costs and expenses incurred by the Member are paid in full. In the event that the payment of rent received by TLHM Third is in excess of the amounts owed by the Member, then TLHM Third shall refund the difference, less any processing fee(s), to the Member within 30 business days of receipt of such rental payment.
4. Member acknowledges and agrees that the Lessee shall not be in breach of the Lease solely as a result of making rental payments directly to TLHM Third, and further that the Member 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 TLHM Third following receipt of a Notice of Assignment of Rents.
5. Member and Lessee acknowledge and agree that TLHM Third shall not have any obligation either to the Member or the Lessee to fulfill the duties of the Member or the Lessee under their Lease, nor shall TLHM Third have any obligations to any other third party based on its direct receipt of the rent to cover delinquent Assessments or Charges and associated costs and expenses as set forth above. It is specifically agreed that TLHM Third is not and will not be assuming any of the responsibility of the Member or the Lessee to fulfill any of the terms, conditions and covenants between the

Member and the Lessee pursuant to the Lease between the Member and the Lessee, and shall not be deemed to be a landlord or party to a landlord-tenant relationship with Member or Lessee for any reason or at any time.

D. ID Cards and Privileges

1. Lessee ID Cards shall be issued for a period not longer than the duration of the Lease Authorization.
2. Lessee ID cards are not issued until all paperwork required pursuant to this Lease Policy is received and the Application has been approved in advance in writing by ~~TLHM~~Third.
3. Lessee ID cards will be available no sooner than seven days prior to the lease start date unless ~~TLHM~~Third approves a Lease under the Rush standards referenced herein under Article IV, Section A(7).
4. Member acknowledges and agrees that the privileges of membership in GRF are granted and assigned to Lessee for the duration of the Authorization to Lease and the Lease itself; and Member hereby surrenders all Resident ID Card(s) and Resident Decal(s) and the right to such privileges while the Authorization and/or Lease is in effect in accordance with the Governing Documents.
5. Lessee may use the facilities and receive the services made available by GRF to all Members. The facilities and services may be modified or discontinued by GRF at any time.
6. At the end of the Lease Authorization period, the Member is required to return all gate entry passes including ID cards, automobile decals, guest passes, business passes, and care provider passes in order to avoid a GRF non-return fee. (See Section III, Fees).

E. Occupancy

1. It is highly recommended that Members obtain/perform both background and credit checks on new Lessees as well as check references provided by the Lessee to protect such Member's interests, given that the Member will be held responsible for the acts and/or omissions of their Lessees that violate ~~TLHM's~~Third's Governing Documents.
2. No person, including but not limited to a Lessee, may reside in a Manor without the prior written approval of the ~~TLHM~~Third Board of Directors or VMS authorized staff member(s). Contact Resident Services Department at 949-597-4600 for any change in residency status.

3. An application to reside in a Manor shall be made on the form prescribed by the ~~TLHM~~Third Board pursuant to Article II, Section 1 of the CC&Rs. The current form is attached hereto as Exhibit C. Any changes in such form shall not be deemed a change in this Lease Policy which requires notice to the Members of Third~~TLHM~~.
4. Manor leases must be for a period not less than 60 days.
5. Any leases longer than 12 months will require a Lease Authorization to be renewed annually and is subject to the terms and conditions set forth herein.
6. The Manor, together with the parking space assigned to such Manor, must be made available to the Lessee during the entire term of the Lease Authorization.
7. 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 Manor during the absence of the Qualifying Resident or Co-Occupant.
8. Unless otherwise required by law, the maximum number of persons allowed to occupy a Manor is equal to the number of original construction bedrooms plus one; no more than two persons in a one bedroom Manor; no more than three persons in a two bedroom Manor, no more than four persons in a three bedroom Manor. There is an additional monthly GRF fee for each person in excess of two.
9. The Manor shall be used and occupied solely as a private residential dwelling and for no other purpose.
10. No person shall reside in a Manor, other than those listed on the approved Authorization to Lease.
11. No business or commercial venture may be conducted in the Manor.
12. The Member and/or Lessee shall not assign any interest therein and shall not sublet the Manor or any part thereof or any right or privilege appurtenant thereto, pursuant to a formal agreement or otherwise, or permit any other person to occupy or use the premises or any portion thereof. To assure compliance with these provisions and the other ~~TLHM~~Third governing documents, leases shall not be amended to add additional lessees to an approved lease during the approved lease period.

13. No room rental arrangements or subleases shall be permitted and no Member or lessee may advertise for any room rental or rent sharing agreement (for example only, listed on Craigslist, Next door, or any similar website), nor shall any Member or Lessee be permitted to obtain a Lease Authorization Amendment to amend a lease for the purpose of adding a roommate and/or other Lessees during the term of an Authorization to Lease. ~~TLHM~~ Third will not approve any Lease Authorization Amendment submitted for the purpose of adding additional persons to a Lease during the term of a Lease Authorization.
14. No Manor or any portion thereof may be used for vacation rentals or advertised for such use (for example only, listed on Airbnb, VRBO or any similar website), nor may any Manor be leased to a corporate housing company including any nonprofit housing organization.

F. Move In/Move Out and Bulky Items Delivery/Pick Up

1. When moving into the Community, Lessee(s) must break down and stack moving boxes next to trash dumpsters or at curbside for routine pick-up.
2. The use of an elevator, when moving into or out of a multi-story building, requires the placement of elevator protection pads, which can be requested by calling the Security Department 949-580-1400. Similarly, individuals are required to order elevator protection pads when arranging for delivery or removal of bulky items, such as furniture.
3. Each Member is responsible for any damage caused by his or her movers or deliveries to the elevator, lobby furniture, common area and/or other ~~TLHM~~ Third property.
4. No oversized furniture, appliances, non-broken down boxes or other similar items may be discarded outside of the Manor at any time, except to the extent permitted by the Community Rules.

G. Alteration, Repairs and Maintenance

1. Member(s) are required to obtain prior written approval in advance of construction from ~~TLHM~~ Third for any structural alterations to the building or landscape changes. Applications may be obtained from the Resident Services Department. Resident Services is located at the Community Center and may be reached at 949-597-4600.

The Member and Lessee(s) understand that the Manor shall not be altered, repaired or changed without prior written authorization of Member and ~~TLHM~~ Third. Unless otherwise provided by written agreement, all alterations, improvements and changes that may be required shall be performed either by or under the direction of ~~TLHM~~ Third; shall be the property of Member; and shall remain upon and be surrendered with the Manor.

2. Lessee shall authorize ~~TLHM~~Third, Member, and/or their respective authorized VMS staff member(s) to enter into and upon the Manor at all reasonable times for the purposes of (a) inspection, (b) responding to emergencies (c) maintaining the building in which the Manor is situated, and (d) making repairs, alterations, or additions to any portion of the common areas or said building, including but not limited to 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 ~~TLHM~~Third. No landlord-tenant relationship is created by way of ~~TLHM's~~Third's need to enter a Manor or perform work to any common areas accessible only through a Lessee's Manor.

H. Insurance

1. Lessee's personal property is not insured by ~~TLHM~~Third.
2. Renters' insurance is strongly recommended. (See Section I, Rights and Remedies, Item 1, 2, and 3).

I. Rights and Remedies

1. As a material part of the consideration to be rendered to Member under an Authorization to Lease, Lessee hereby waives, to the maximum extent authorized by law, all claims against Member and ~~TLHM~~Third 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.
2. Lessee shall, to the fullest extent permissible by law, hold Member, ~~TLHM~~Third, GRF, and VMS 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 Authorization. ~~TLHM~~Third, GRF, and VMS shall not be liable to Lessee for any damage caused by any act or negligence of any other occupant of the same building or by any Member or occupant of adjoining or contiguous property. Without limiting the foregoing, the Member shall at all times be responsible for the acts or omissions of his or her Lessee and shall be liable for any damages or financial expenses incurred by ~~TLHM~~Third as a result of the Lessee's use of the Manor or any other portions of the building in which the Manor is located and/or common areas.
3. The Member and Lessee shall be liable for all damages to the Manor, to the building in which the Manor is located and to the Common Areas of the Community, as well as all damage to other occupants thereof caused by the Member's and/or Lessee's misuse or neglect of the premises, equipment, apparatus or appurtenances. The Member and Lessee also shall be liable for all damage or injury done to the Manor, to the building in which the Manor is located, or to the Common Areas by any person who may be in or upon the building, the Manor or the Common Areas with the authorization of the Member and/or Lessee. Without limiting the foregoing, the Member shall be primarily liable for all damages, as described in this paragraph, stemming from the acts or omissions of the Lessee.
4. In the event of any total or partial destruction of the Manor during the term of this Authorization from any cause, the Member is solely responsible, to the fullest extent permitted by law, for terminating this Authorization.
5. 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,

the Member is solely responsible, to the extent permitted by law, for terminating this Authorization.

6. In the event of any breach of this Authorization by the Member and/or Lessee, TLHM-Third shall have the same rights and remedies to enforce this Authorization as are available to Member hereunder, which may be exercised by TLHM-Third without regard to any exercise thereof by Member.. Additionally, TLHM-Third shall have the same rights to dispossess the Lessee or otherwise act for the Member as may be necessary or appropriate in the event of any breach of the Authorization or the Lessee's failure to vacate following expiration of the Authorization term. TLHM-Third shall also have the right to bring an unlawful detainer action against the Member and/or Lessee after proper notice has been given as provided in California Civil Code Section 1946 or any successor statute thereto. Nothing contained in this paragraph or otherwise in this Lease Policy shall be deemed to create a landlord-tenant relationship between TLHM-Third and the Member or Lessee.
 7. Any notice to Member, Lessee or TLHM-Third shall be given by personal service, electronic document notice, or by registered or certified mail addressed to Member: at the address indicated on the Application; to Lessee: at the Manor; and to TLHM-Third: P.O. Box 2220, Laguna Hills, CA 92654-2220. There is no mail delivery to the street address.
 8. The terms and provisions contained herein shall apply to and bind the heirs, successors, personal representatives and assigns of all of the parties hereto.
 9. If any legal action or proceeding is commenced by either party or TLHM-Third to enforce any part of this policy, the prevailing party shall be entitled to recover, in addition to all other relief, reasonable attorney's fees and costs.
- J. Enforcement
- TLHM-Third is authorized to take disciplinary action against a Member whose property may be found in violation of the Lease Policy or the Governing Documents. When a complaint is lodged regarding the occurrence of a violation, the Board of Directors has a fiduciary duty to investigate and impose, if appropriate, Member-discipline as set forth in the Governing Documents. The Board has the authority to impose monetary fines, suspend Member privileges, and/or bring forth legal action. The Member and Lessee are entirely responsible for ensuring that the Community Rules and policies are complied with by anyone they allow into the Community. This includes, without limitation, any co-occupant, lessee, guest, care provider, vendor, invitee or contractor. Disciplinary action suspending or revoking a Member's privileges shall apply to the Member's Lessee, his or her Co-Occupants as applicable, and their guest and invitees.

1. The Member and Lessee must read and agree to comply with and be bound by all the Governing Documents and the Community Rules.
2. Nothing contained herein shall relieve Member of the performance of any obligation owed to ~~TLHM~~ Third and/or GRF under the Governing Documents.
3. The Member and/or Lessee is/are responsible for any visitor or guest who violates any Community Rules, and for any Charges or Assessments incurred.
4. Lessee shall be responsible to the Member to promptly pay when due, all charges and fees incurred by Lessee, guest or invitee for use of facilities or for services rendered by the ~~TLHM~~ Third and/or GRF. Notwithstanding the foregoing, whether or not Lessee complies with the foregoing, a Member shall be solely responsible to ~~TLHM~~ Third for any and all costs incurred by ~~TLHM~~ Third resulting from a Member's Lease including but not limited to costs incurred solely due to the acts or omissions of a Lessee, their Co- Occupants as applicable, their guests and invitees.

Exhibit A
Disclosure Notice



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

FROM: VILLAGE MANAGEMENT SERVICES, INC.

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

Health & Safety Code 25915.2 and 25915.5 require the Mutual to provide annual notice about the existence of asbestos-containing materials ("ACM") in non-residential "public" buildings in the Mutual to all employees and contractors performing work within said buildings, and to all Members of the Mutual.

In addition, the Mutual is required to disclose to new owners, within 15 days of acquiring title to a Manor, the existence of asbestos-containing material in non-residential "public" buildings within the Mutual.

Village Management Services, 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 Mutual Members and 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 9:00a.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, Village Greens, 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.

Exhibit A Disclosure Notice
Continued

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, and heating duct material/insulation.

According to the National Cancer Institute and the Environmental Protection Agency, any asbestos in these materials does not present a threat to 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.

Managing Agent 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 (949) 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 (949) 597-4321 for details.

If you become aware of any asbestos-containing material becoming damaged or otherwise disturbed, please contact Laguna Woods Village Resident Services at (949)597-4600 or the HR/Safety Supervisor at (949) 597-4321.

Exhibit B Notice of Assignment of Rents



RE: NOTICE TO LESSEE - ASSIGNMENT OF RENTS

Dear _____:

Pursuant to Section IV (c) of the Lease Policy which you executed on _____ as the Lessee(s), with _____ as the Lessor, for the premises located in Third Laguna Hills Mutual (TLHM), Dwelling Manor Number _____, you are hereby notified that your monthly rental payment should be made directly to Third Laguna Hills Mutual, a California nonprofit mutual benefit corporation, to cover the delinquent assessment payment which your Lessor owes to the Corporation.

PAYMENT TO TLHM DOES NOT CONSTITUTE A BREACH OF YOUR LEASE AGREEMENT. Failure to remit the rental fee directly to TLHM may result in TLHM's member disciplinary process and/or loss of privileges.

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

Third Laguna Hills Mutual
Attn: Manor Payment Representative
PO Box 2220
Laguna Hills, CA 92654-2220

Please make your checks payable to Third Laguna Hills Mutual.

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



Exhibit C

Lease Authorization Procedure and Application

Members applying for approval to lease their unit and each of their prospective Lessees must fill out the application on the following pages in order to obtain the necessary approval from [TLHM Third](#) for such lease. The steps and required information/documentation that must be provided along with the application are described below.

- A. The member must complete and submit the written Application for Authorization to the Leasing office for board review. The application is available for download at www.lagunawoodsvillage.com or upon request from the Leasing office.
- B. The application and additional documentation must be submitted to the Leasing office for new leases, renewals, and extensions.

Required documentation:

- ☐ 1. *Lease Authorization Application*
 - ☐ 2. Check for processing fee made payable to GRF
 - ☐ 3. Member's resident ID card (only for initial lease)
 - ☐ 4. Copy of proof of age/identity (driver's license, birth certificate, or passport) for each Lessee
 - ☐ 5. Copy of the executed lease agreement between the Member and Lessee for the current year
 - ☐ 6. *Contact Information Form & Emergency Notification* for each Lessee
 - ☐ 7. *Declaration Regarding Criminal Record* for each Lessee
 - ☐ 8. *Declaration of Understanding* signed by Member(s) and Lessee(s)
- E. The Board or authorized VMS staff member(s) will review the Application for Lease Authorization and approve or deny the request in writing.
 - F. Upon receipt of an Application for Lease Authorization for a new, renewal or extension, the Leasing office will research and take into consideration whether the Member and/or Lessee has received notices of rule violations or any outstanding charges and assessments before approval of the application can occur. Extensive history of such events may result in application denial.
 - G. The Leasing office will notify the Member of the results within 10 business days subject to the terms and conditions that exist. Rush applications may be delayed if the Leasing office notifies the Member that it requires additional time to review and/or requests additional information from the Member while conducting its review.
 - H. The Lease office hours of operation are Monday-Friday, federal holidays excepted, 8:00 a.m. to 5:00 p.m., phone number 949-597-4323.
 - I. Mailing address is P.O. Box 2220, Laguna Hills, CA 92654-2220.

Agenda Item 10

Page 22 of 37

Exhibit C

Lease Authorization Application

Unit No: _____

**Return completed application to: the Leasing office located in Community Center
24351 El Toro Road, Laguna Woods, CA 92637; Phone: 949-597-4600**

Manor Information	
Manor Address:	
Carport #:	Space #:
Lease Term Date From:	To:
Member #1 Information	
First Name:	Last Name:
Telephone:	Cell Phone:
E-mail:	
Mailing Address:	
Member #2 Information	
First Name:	Last Name:
Telephone:	Cell Phone:
E-mail:	
Mailing Address:	
Agent or Agency	
First Name:	Last Name:
Telephone:	Cell Phone:
E-mail:	
Mailing Address:	
Reason For Leasing	

This page is intentionally left blank

Information for Lessee #1		Lessee #1 ID No. _____
First Name:	Last Name:	
Telephone:	Cell Phone:	
Date of Birth:	SS#:	
E-mail:		
Occupation:		
Current Monthly Income:	Source of Income:	
Move in Date:		
Prior Addresses (Include information for the past 5 years/Use additional paper if required)		
Present Home Address:		
Length of Time/From:	To:	
Reason for Leaving:		
Previous Home Address:		
Length of Time/From:	To:	
Reason for Leaving:		
Next Previous Home Address:		
Length of Time/From:	To:	
Reason for Leaving:		
Has proposed Lessee #1 been convicted of a felony in the last 20 years?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Has proposed Lessee #1 been convicted of a misdemeanor involving moral turpitude in the last 5 years?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Information for Lessee #2		Lessee #2 ID No. _____
First Name:	Last Name:	
Telephone:	Cell Phone:	
Date of Birth:	SS#:	
E-mail:		
Occupation:		
Current Monthly Income:	Source of Income:	
Move in Date:		
Prior Addresses (Include information for the past 5 years/Use additional paper if required)		
Present Home Address:		
Length of Time/From:	To:	
Reason for Leaving:		
Previous Home Address:		
Length of Time/From:	To:	
Reason for Leaving:		
Next Previous Home Address:		
Length of Time/From:	To:	
Reason for Leaving:		
Has proposed Lessee #2 been convicted of a felony in the last 20 years?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Has proposed Lessee #2 been convicted of a misdemeanor involving moral turpitude in the last 5 years?		<input type="checkbox"/> Yes <input type="checkbox"/> No

This page is intentionally left blank

Lease Authorization Agreement

The undersigned acknowledges receipt of the Lease Policy and acknowledges that it does not represent any direct or indirect liability on behalf of Third Laguna Hills Mutual ([TLHMThird](#)), the Golden Rain Foundation of Laguna Woods (GRF), and Village Management Services, Inc. (VMS), and each of their respective directors, officers, employees, and agents.

Acknowledgment	Initial(s)			
	Member #1	Member #2	Lessee #1	Lessee #2
I have read and received a copy of the Lease Policy and agree to comply.				
I agree to comply with the rules established by this Community.				
TLHMThird , GRF and VMS are not parties to the terms of the lease between the Member and Lessee.				
I agree that TLHMThird has the right to collect and retain the rent payable and to apply it to any delinquent assessments and charges.				
I understand that falsification of any information related to this application renders this application null and void.				

Does Lessee(s) have authorization to request repairs on behalf of the Member or work for which there is a charge? ☐ Yes ☐ No

Member #1 Name (Print):	Member Signature:	Date:
Member #2 Name (Print):	Member Signature:	Date:
Lessee #1 Name (Print):	Lessee Signature:	Date:
Lessee #2 Name (Print):	Lessee Signature:	Date:

ACTION BY MUTUAL BOARD OF DIRECTORS

APPLICATION DENIED	APPLICATION APPROVED
The Board of Directors of this Mutual Corporation has reviewed this application. Based on the information provided, the application is denied .	The Board of Directors of this Mutual Corporation has reviewed this application. Based on the information provided, the application is approved .
SIGNATURE	SIGNATURE
SIGNATURE	SIGNATURE
SIGNATURE	SIGNATURE
DATE:	DATE:

Date _____

By _____
Authorized Agent

This page is intentionally left blank

CONTACT INFORMATION FORM & EMERGENCY NOTIFICATION RECORD

Please return completed form to Laguna Woods Village Community Center, Security Division,
PO Box 2220, Laguna Woods, CA 92654-2220

ONE INDIVIDUAL PER FORM - PLEASE PRINT ALL INFORMATION

Date: _____

Manor # _____ Home Phone # _____ Cell Phone # _____

Resident I.D. # _____ Resident Name (1 only): _____

Email Address: _____

Manor is: ☐ Owner Occupied ☐ Leased

NOTE: California Civil Code Section 4041 requires owners to provide annual written notice to the association of the following. This includes contact information of the legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of an emergency or extended absence from the manor. Emergency contact information may be given to hospital personnel upon request.

Emergency Contact(s)

Name: _____ Relationship: _____

Address: _____ / _____ / _____ / _____
Street Address City State Zip Code

Phone Numbers: _____ / _____ / _____
Home Phone Work Phone Cell Phone

Email: _____

Name: _____ Relationship: _____

Address: _____ / _____ / _____ / _____
Street Address City State Zip Code

Phone Numbers: _____ / _____ / _____
Home Phone Work Phone Cell Phone

Email: _____

Attorney or Trustee Name: (circle one or both) _____ **Phone #** _____

Pet Care Contact Name: _____ **Phone #** _____

Special Circumstances (OPTIONAL): Please check the conditions that apply to you:

- | | |
|--|--|
| <input type="checkbox"/> TDD: Telephone Device for the Deaf | <input type="checkbox"/> VISION IMPAIRED |
| <input type="checkbox"/> EMERGENCY RESPONSE DEVICE | <input type="checkbox"/> HEARING IMPAIRED |
| <input type="checkbox"/> DEMENTIA or Memory problems | <input type="checkbox"/> NON-AMBULATORY |
| <input type="checkbox"/> LIFE-SUPPORT SYSTEM including oxygen or dialysis equipment that requires electricity | |

This page is intentionally left blank

CONTACT INFORMATION FORM & EMERGENCY NOTIFICATION RECORD

Please return completed form to Laguna Woods Village Community Center, Security Division,
PO Box 2220, Laguna Woods, CA 92654-2220

ONE INDIVIDUAL PER FORM - PLEASE PRINT ALL INFORMATION

Date: _____

Manor # _____ Home Phone # _____ Cell Phone # _____

Resident I.D. # _____ Resident Name (1 only): _____

Email Address: _____

Manor is: ☐ Owner Occupied ☐ Leased

NOTE: California Civil Code Section 4041 requires owners to provide annual written notice to the association of the following. This includes contact information of the legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of an emergency or extended absence from the manor. Emergency contact information may be given to hospital personnel upon request.

Emergency Contact(s)

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

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

Attorney or Trustee Name: (circle one or both) _____ **Phone #** _____

Pet Care Contact Name: _____ **Phone #** _____

Special Circumstances (OPTIONAL): Please check the conditions that apply to you:

<input type="checkbox"/> TDD: Telephone Device for the Deaf	<input type="checkbox"/> VISION IMPAIRED
<input type="checkbox"/> EMERGENCY RESPONSE DEVICE	<input type="checkbox"/> HEARING IMPAIRED
<input type="checkbox"/> DEMENTIA or Memory problems	<input type="checkbox"/> NON-AMBULATORY
<input type="checkbox"/> LIFE-SUPPORT SYSTEM including oxygen or dialysis equipment that requires electricity	

This page is intentionally left blank



DECLARATION REGARDING CRIMINAL RECORD

Each non-member occupant is required to sign a separate “Declaration Regarding Criminal Record”.

The following representations are made pursuant to Article II, Section 2 (c) of the Covenants, Conditions and Restrictions (CC&Rs) of Third Laguna Hills Mutual.

TO: Third Laguna Hills Mutual

The undersigned hereby states:

- 1. I have not been convicted of a felony within the last twenty years, and/or**
- 2. I have not been convicted of a misdemeanor involving moral turpitude within the last five years.**

Executed on _____ at _____.
Date City/State

I understand that falsification or misrepresentation of any information contained herein shall automatically render the Lease Authorization Application null and void.

Lessee Signature

Lessee Name Printed

This page is intentionally left blank



DECLARATION REGARDING CRIMINAL RECORD

Each non-member occupant is required to sign a separate “Declaration Regarding Criminal Record”.

The following representations are made pursuant to Article II, Section 2 (c) of the Covenants, Conditions and Restrictions (CC&Rs) of Third Laguna Hills Mutual.

TO: Third Laguna Hills Mutual

The undersigned hereby states:

- 1. I have not been convicted of a felony within the last 20 years, and/or**
- 2. I have not been convicted of a misdemeanor involving moral turpitude within the last five years.**

Executed on _____ at _____.
Date City/State

I understand that falsification or misrepresentation of any information contained herein shall automatically render the Lease Authorization Application null and void.

Lessee Signature

Lessee Name Printed

This page is intentionally left blank



Declaration of Understanding

I have read and understand the Third Laguna Hills Mutual Lease Authorization Policy and agree to comply with its Terms and Conditions. The information provided on the Lease Authorization Application dated _____ is true and correct.

Member #1 Print Name

Date

Member #1 Signature

Member #2 Print Name

Date

Member #2 Signature

Lessee #1 Print Name

Date

Lessee #1 Signature

Lessee #2 Print Name

Date

Lessee #2 Signature



Co-Occupancy Policy
Resolution 03-19-XX; Adopted September 17, 2019

I. Purpose

The purpose of this document is to define the policy of Third Laguna Hills Mutual (Third) regarding Members who seek an individual to be a Co-occupant.

II. Definitions

- a. Application – the form prescribed by Third to apply for approval to Co-occupy the Unit (Exhibit A).
- b. Approval – written authorization to Co-occupy the Unit granted by Third or authorized VMS Staff Member(s).
- c. Assessment – the monthly amounts which Members are bound to pay pursuant to the terms of the Bylaws and CC&Rs. Also known as carrying charges.
- d. Charge – fee, fine, and/or monetary penalty that Third may levy upon a Member(s) pursuant to the Governing Documents.
- e. Co-habitant – persons who live together as spouses or persons who are domestic partners within the meaning of Section 297 of the Family Code.
- f. Community – Laguna Woods Village.
- g. Co-occupant – a person who resides with a Qualifying Resident and satisfies at least one of the following criteria and shall provide such additional certification or information as the Corporation or its managing agent may require:
 - i. At least forty-five years of age; or
 - ii. A spouse of a Qualifying Resident; or
 - iii. A co-habitant of a Qualifying Resident, or
 - iv. A provider of primary economic support to a Qualifying Resident; or
 - v. A provider of primary physical support to a Qualifying Resident. (refer to the Private Caregiver Policy)
 - ~~v.~~vi. A permanently physically or mentally impaired or terminally ill adult who is a dependent child of the Qualifying Resident or Co-Occupant
- h. Golden Rain Foundation (GRF) – the Golden Rain Foundation of Laguna Hills, a California nonprofit mutual benefit corporation.
- i. Governing Documents – all of the following, collectively, the Articles of Incorporation; the Bylaws; CC&Rs; the Rules and Regulations; and any Resolutions or Policies of the Board; all the same may be lawfully amended or modified from time to time.
- j. Identification (ID) Card – photo ID card issued by GRF to Members, Co-occupants, and Lessees of the Community authorizing use and access to the Community Facilities.

j-k. Landlord and Tenant Relationship – the term landlord refers to a person who owns property and allows another person to it for a fee. The person using the property is called a tenant. The agreement a landlord and a tenant is called a lease or rental agreement.

k-l. Member – Any person entitled to membership in Third as provided in the Articles and By-laws.

l-m. Qualifying Resident – any person who is at least 55 years of age and who has been approved by the Board of Directors for occupancy of a Unit.

m-n. Staff Member – individual employed by Village Management Services, Inc. (VMS) authorized agent to act on behalf of Third.

n-o. Third – is a non-profit mutual benefit corporation which owns and manages all real property within the original 38 mutuals.

o-p. Unit – a dwelling unit owned by the Member. Also known as Manor.

p-q. Vehicle Decal – identifying marker, supplied by GRF, to residents; a decal is required for parking within the Community other than by guests or contractors.

III. Fees

See Schedule of Fees.

IV. Terms and Conditions

a. General Information

- i. Third is an independent-lifestyle and age-restricted senior citizen community, as defined by California Civil Code §51.3. No form of healthcare or assisted living is provided by Third. Each resident is responsible for his/her own health, safety, care and welfare.
- ii. Authorization for Co-occupancy shall be effective only when approved in writing by Third and issued in writing by an authorized VMS Staff Member of Third.
- iii. An Application to reside in a Unit shall be made on the form prescribed by Third (Exhibit A). Any changes in such form shall not be deemed a change in this Co-Occupancy Policy which requires notice to the Member(s) of Third.
- iv. Approval of the Co-occupancy Application by Third, in and of itself, does not confer any right on the Co-occupant other than the revocable right to occupy the Unit named on the Application.
- v. Third shall, to the extent required by law, provide notice of potential asbestos-containing materials used during construction (Exhibit B).
- vi. Appearance of the Community is important, and residents are required to keep their balconies, patios, walkways, and carports free of clutter per the Governing Documents.
- vii. The Resident Services Department will notify the Member(s) of the approval or denial status of the application within seven business days of submittal of the complete application.

- viii. Guest occupancy is permitted for a maximum period of 60 days per twelve month period, per guest, solely in conjunction with the occupancy by a Qualifying Resident or Co-occupant.
- ix. Unless otherwise required by law, the maximum number of persons allowed to occupy a Unit is equal to the number of original construction bedrooms plus one; no more than two persons in a one bedroom Unit; no more than three persons in a two bedroom Unit. There is an additional monthly GRF fee for each person in excess of two.
- x. Third and Member(s) have the right to terminate Co-Occupant status at any time, without cause; however, Civil Code §51.3 may be interpreted to inhibit this right of termination under certain circumstances.
- xi. Members seeking an individual to share expenses with or mutual companionship must complete a Co-Occupancy application for review and consideration.
- xii. Advertisements in any print media and/or any websites must state the following:
 - 1. Laguna Woods Village is a 55 and older Community
 - 2. Duration of stay must be longer than 60 days
 - 3. Must apply for Co-occupancy in Third

b. Occupancy

- i. Co-occupant(s) shall be entitled to occupy the Unit indicated on the application.
- ii. The Member(s) and Co-occupant cannot have a ~~Landlord-Tenant~~ relationship, ~~and no remuneration will be paid or collected during the duration of the Co-occupancy.~~
- iii. Co-occupant(s) and Member(s) will reside in the Unit; when necessary, the Board reserves the right to require proof of residency.
- iv. Individuals may reside in the Unit only if they co-occupy with the Member(s) who is/are in residence, and meet the requirements of a Co-Occupant.
- v. Co-occupant(s) may use the facilities and receive the services made available by GRF. The facilities and services may be modified or discontinued by GRF at any time.
- vi. Member shall be responsible for the conduct and deportment of the Co-occupant.
- vii. Co-occupant shall be subject to the same rules, regulations, restrictions, except with respect to payment of carrying charges. If Co-occupant ever shall become the legal or equitable owner of the Membership, Co-occupant will apply for Membership in Third in the form generally used by Third and will pay all amounts due pursuant to the Membership application.

- viii. Member(s) and Co-occupant(s) shall be equally responsible for payment of any charges incurred by Co-occupant(s) in respect to service provided by GRF or Third.
- ix. Member(s) agrees to pay to Third an additional sum each month for each Co-occupant in excess of two at the rate prescribed by Third.
- x. Member(s) shall be responsible for cancelling the Co-occupancy status and returning Co-occupant's ID Card and Vehicle Decal when Co-occupant ceases to reside in the Unit.
- xi. Co-occupant shall not have been convicted of a felony within the last 20 years or a misdemeanor involving moral turpitude within five years immediately preceding the date of application.

V. Procedure

- a. The Member(s) must complete and submit the Co-Occupancy Application for Board review. The Application is available for download at www.lagunawoodsvillage.com or upon request from the Resident Services Department.
- b. The Board or authorized VMS Staff Member(s) will review the Application and approve or deny the request in writing.
- c. Upon receipt of an Application, the Resident Services Department will research if the Member(s) has/have received notices of rules violations or is subject to any outstanding Charges and Assessments before approval of the application.
- d. The Resident Services Department will notify the Member(s) of the results within seven business days, unless it notifies the Member(s) that it requires additional time to review and/or requests additional information from the Member(s) while conducting its review.
- e. The Resident Services Department hours of operation are Monday-Friday, federal holidays excepted, 8:00 A.M. to 5:00 P.M., phone number (949) 597-4323.
- f. Mailing address is P.O. Box 2220, Laguna Hills, CA 92654-2220.

VI. Enforcement

Third is authorized to take disciplinary action against a Member(s) whose dwelling may be found in violation of the Governing Documents. When a complaint is lodged regarding the occurrence of a violation, the Board of Directors has a fiduciary duty to investigate and impose, if appropriate, discipline as set forth in the Governing Documents.

The Board has the authority to impose monetary fines, suspend Member(s) privileges, and/or bring forth legal action. The Member(s) are entirely responsible for ensuring that the Community Rules and policies are followed by anyone they allow into the Community. This includes any Co-occupant, Lessee, Guest, Care

Provider, Vendor, invitee or contractor. Disciplinary action against a Member's privileges applies to the Co-occupant(s).

The Member(s) and Co-occupant(s) must read and agree to comply with and be bound by all the Governing Documents and the Community Rules.

Nothing contained herein shall relieve Member(s) of the performance of any obligation owed to Third and/or GRF under the Governing Documents.

A complaint may be registered by calling the Security Department at 949-580-1400 or the Compliance Division by calling 949-268-CALL or email to compliance@vmsinc.org.

**Resident Policy and Compliance Task Force
Co-Occupant Study Group
Transition Plan
REVISED July 14, 2019**

Purpose

The purpose of this document is to present the Co-Occupant Study Group's Transition Plan for implementing a revised Co-Occupancy Policy. This Policy defines the three types of approved occupants who may reside in Third Mutual in accordance with Third's By-Laws, CC&Rs, and the California Civil Code. The Policy defines the qualifications of Co-Occupants, and it delineates their responsibilities. The Policy distinguishes between a Landlord/Tenant relationship, a Qualifying Resident/Co-Occupant relationship, and a Qualifying Resident/Renter relationship and prohibits the latter.

Rationale

Fact: More and more residents are outliving their spouses or significant others or outliving their retirement income or both.

Fact: More and more residents will be looking for co-occupants to share expenses and/or emotional support.

Fact: Many residents do not have any idea how to attract and select an acceptable co-occupant except by advertising on the Internet, in the Globe, or on Craig's List.

Fact: There are many variations, permutations, and combinations of these arrangements. We cannot write enough rules to cover every situation, nor should we.

Fact: Many residents do not understand the current Co-Occupancy application process and are afraid to apply for Co-Occupancy status. We need to change that.

Transition Steps

STEP 1: Approve the new Co-Occupant Policy

1. Present DRAFT Policy to the Task Force – July 24th
2. Incorporate changes recommended by Task Force members
3. Submit to Legal Counsel for review – July 29th
4. Present Counsel-approved Policy to the Board for 28-day review – August 20th
5. Achieve final Board approval at the September – September 17th

STEP 2: Revise current Co-Occupancy Application Package to conform to the new Policy

1. Provide a Checklist indicating what requirement(s) are met by the applicants and what additional documents are attached to the application (e.g., specialized applications, financial information, declaration regarding criminal record, etc.)
2. Provide a list of the most important obligations under the new Policy that must be agreed to by both the Qualifying Resident and the Co-Occupant(s). Signatures at the end of the list.
3. Improve the instructions to define what help is available from VMS and what the Qualifying Resident and the Co-Occupant need to do to access help. VMS to designate staff person(s) who becomes a specialist in Co-Occupancy.
4. Delineate the penalties for failing to complete the application truthfully.
5. Clarify the financial qualifications listed in the CC&Rs for a Qualifying Resident and Co-Occupant [CC&RS, Article II, Section 5, Paragraph (b)] and explain them clearly in the application.

STEP 3: Develop and Implement an Outreach Program for Yet-to-Be Approved Occupants

1. If a person is not a Board-approved Qualifying Resident, a Lessee, or Co-Occupant, he/she is a yet-to-be approved occupant of a unit in Third Mutual.
2. In order to make everyone who resides in Third Mutual an approved occupant, Third Board will undertake a well-publicized Program to encourage yet-to-be approved occupants to apply for one of the three approved resident categories: Qualifying Resident, Lessee, or Co-Occupant.
3. This Outreach Program will be a one-time program limited to a time period to be determined by the Board.

STEP 4: VMS Staff Assistance

1. Provide guidance on how to find a suitable co-occupant
2. Provide guidance on how to advertise without triggering a Compliance Review for Renting
3. Provide assistance understanding and completing the Co-Occupant Application Package

Summary

If we manage the Co-Occupancy process up front, we will be able to accommodate a variety of co-occupancy situations, know exactly who is residing in the Mutual, and reduce compliance issues and “underground” behavior.

APPENDIX A

Approved Residents in Third Mutual Some Key Differences

Qualifying Resident	Lessee	Co-Occupant
55 + years of age	55 + years of age	45 + years of age
May be an Owner or a Lessee	Not an Owner	May be an Owner
May be a Member	Not a Member	Not a Member
May reside alone; must not reside with Lessee	May reside alone; must not reside with Owner	Must reside with a Qualifying Resident
May use GRF Facilities, if not a landlord	May use GRF Facilities	May use GRF Facilities, depending on why applying
Must pay Assessments, if an Owner	May pay Assessments, if Owner fails to pay	May pay Assessments, if Qualifying Resident is unable to pay
Owner must have a landlord/tenant relationship with a Lessee; not with a Co-Occupant	Must have a landlord/tenant relationship with Owner. Cannot sublet.	Must not have a landlord/tenant relationship with an Owner or a Lessee
Gets ID Badge & Decals	Gets ID Badge & Decals	Gets ID Badge & Decals
Must meet individually or collectively together with the Qualifying Resident the financial requirements described in CC&Rs, Article II, Section 5b AND TLHM Resolution 3-18-131, Guidelines for Financial Qualifications.	May have to meet landlord's financial requirements	Minimum requirements identified in CC&Rs, Article II, Section 5b. Not defined anywhere else.