

Laguna Woods Village Addendum to Residential Purchase Agreement

The following paragraphs are hereby incorporated and made part of the *Residential Purchase Agreement and Joint Escrow Instructions (RPA)* dated _____ for property located at 515 Calle Aragon Unit B Laguna Woods

1. CO-OP: The monthly Homeowner Assessment charge for this address is \$1207.60, which includes the Basic Monthly Carrying Charge of approximately \$ 826.78, current Property Taxes and any Supplemental Property Taxes. The Monthly Carrying Charge is subject to adjustment/recalculation and may also increase in Property and/or Supplemental Taxes. For additional information you may call the Finance Department of Village Management Services, Inc (VMSI), Management Company for Laguna Woods Village at 949-597-4221.
2. HOA property Insurance \$ 46.19
3. CONDO: The Association monthly charge for this address is \$ _____ and subject to annual adjustment/recalculation.
4. The carport number is 384, space number 4.
5. Effective January 1, 2022, on the purchase of a property in Laguna Woods Village, a Trust Facilities fee of \$7,500 is per transaction as an obligation of the purchase when the sales price is \$150,000 or higher, and \$3,000 when the sales price is less than \$150,000; as per Association Resolution 90-21-38, is charged through escrow.
6. The Mutual Board Approval Contingency; The By-Laws of the Mutual state that transfers of membership are subject to approval of the Mutual's Board of Directors. Within 10 days of purchase agreement acceptance, Buyer agrees to deliver completed forms along with verifiable financial data to escrow which will be forwarded to the Mutual's Board for approval. Mutual's Membership Approval is a contingency of this purchase until the Boards decision is received. If Buyer is not approved as a purchaser/transferee, Buyer may appeal the Boards decision within three (3) business days or buyer may exercise their right to cancel due to not obtaining membership approval. If Buyer is not approved and cancels based on this open contingency buyer shall be entitled to a refund of their Earnest Money Deposit minus any charges, fees, or cost incurred.
7. Effective March 16, 2011, the City of Laguna Woods passed Ordinance 7.16 "Smoking in Public Places & Places of Employment". United Mutual passed Resolution 01-11 on May 10, 2011, and Third Mutual passed Resolution 03-17-05 on January 24, 2017 regarding smoking policies in that Mutual. Contact the City of Laguna Woods or United Mutual at VMSI Management Company at 949-268-2337 if these policies are of a concern to you.
8. Buyer acknowledges Laguna Woods Village Corporations has property & liability insurance for common areas, community buildings and business property. Insurance coverage is for units as originally built, no coverage for improvements, alterations, additions, or personal property. Every buyer is advised to obtain their own personal insurance policy within the timeframe specified in paragraphs 8D, 12 and 14B of the purchase contract to protect themselves and assets. contact VMSI Insurance Information at 949-597-4321 for further information.
9. Seller or Buyer to notify Broker(s)/Agent(s) in writing if Seller or Buyer requests information on or has any concerns regarding any particular area of interest or importance to Seller or Buyer concerning this transaction.
10. When purchasing a co-op the Buyer receives a Stock Certificate from United Mutual, a Memorandum of Occupancy Agreement is recorded No Grant Deed is given therefore title insurance is not usually provided by the Seller. However, Buyers have option to obtain a Policy of Title Insurance at Buyers expense. Sellers will provide the "original" Stock Certificate or will purchase an insurance bond if the Stock Cert is lost or missing.
11. Seller and/or Seller's Agent will provide Buyer with a copy of the VMSI Inspection Report on the manor. The report should identify any alterations made by a previous owner. Buyer agrees that they will be responsible for the care and maintenance of any alterations previously made or that may be made in the future. Alterations may include but are not limited to: patio/balcony enclosures, interior (bathroom, kitchen, etc.) changes/modifications, changes in or addition of appliances to include central air and heat or heat pump. Buyer's attention is directed to the VMS Inspection Report section title "Alteration Report" for specific details and information on their

Buyer Initials _____

Seller Initials _____

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responsibility for additions or alterations to the manor they are purchasing. Any questions or concerns on buyer's part are to be directed to VMS Maintenance, Resale Inspections at 949-597-4736.

12. Non-Standard Landscaping and Contingency: "Non-standard" landscaping is permitted with the expressed understanding that the Resident shall be responsible for its care and maintenance. Any "non-standard" landscaping is reported on the VMS Inspections Report which will be provided to buyer by Seller or Sellers Agent. If buyer does not want to accept any "non-standard" landscaping reported on the VMS Inspections Report, then Seller will be charged through escrow to restore the property to community standards. Notwithstanding any other provisions Purchase Agreement or Counter Offers thereto, Buyer's decision regarding any "non-standard" landscaping is contingent upon buyer's receipt of the VMSI Inspection Report findings. Contingency; Buyer will further receive from Escrow a LW Village form "Responsibility Agreement for Non-Standard Landscaping" at which time Buyer will decide to "Accept or Reject" responsibility for Non-Standard Landscaping. if Buyer accepts Non-Standard Landscaping, identified on the VMS Inspections report then buyer agrees they will be responsible for the care and maintenance of any alterations previously made or that may be made in the future. Alterations may include but are not limited to: patio/balcony enclosures, interior (bathroom, kitchen, etc.) changes/modifications, changes in or addition of appliances to include central air and heat or heat pump. Buyer's attention is directed to the VMS Inspection Report section title "Alteration Report" for specific details and information on their responsibility for additions or alterations to the manor they are purchasing. Broker and their Associates are not qualified to answer questions on what constitutes "non-standard" landscaping. Questions concerning subject matter should be addressed to the Landscaping Division at 949-597-4652.
13. Buyer acknowledges that the property may have been altered from the original Laguana Woods Village floor plans which may have changed the classification of rooms. Buyer should conduct their own due diligence to verify the square footage, investigate the condition of the premises, sleeping areas and whether alterations have been permitted, and any other concern that buyer may have, prior to removing their Investigation Contingency. Properties built prior to 1978 may contain asbestos and or lead based paint.
14. Buyers planning any remodeling, upgrades or structural changes to the property including changes to the landscaping should contact VMSI Permits and Alterations at 949-597-4616 or Landscaping at 949-597-4652 departments to ascertain if such modifications are approved and the requirements to obtain necessary approval and permits. Only the Management Company can properly advise buyers on such matters. Sellers are to provide Buyers with a copy of any and all permits from VMSI Permits and the City of Laguna Woods for any and all additions, modification, alterations, structural changes and /or other changes requiring a permit for subject property. Buyers planning any remodeling, upgrades or structural changes to the property including landscaping should contact VMSI Permits and Inspections at 949-597-4616 or Landscaping at 949-597-4652 departments to ascertain if such modifications are approved and the requirement to obtain necessary approval and permits. Only the Management Company can properly advise Buyers on such matters.
15. Repairs: In accordance with the Residential Purchase Agreement all repairs which have been agreed upon shall be completed prior to buyers final walkthrough. However, Buyer is advised and acknowledges that any repairs which are the responsibility of The Mutual may not be completed prior to the close of escrow. Such repairs may be for termite damages/infestation, and/or replacement of appliances, bathroom fixtures, and kitchen and bathroom flooring in the United Mutual. Repair and/or replacement of appliances and fixtures (Co-op) and structural components of the property other than those added by Seller, is at the sole discretion of the housing mutual and managing agent VMSI.
16. Time Periods: In accordance with the Residential Purchase Agreement Seller to provide Buyer with certain reports, documents, or publications within an agreed time period. Buyer is advised that sellers delivery of some reports and documents within said timeframe might be beyond the control of Seller, and is subject to the response of others, such as, but not limited to: Village Management Services Inc., agent for Laguna Woods Village, Termite Company and the title company. Buyer understands and acknowledges that when such documents or reports are received, they will have the time specified in the Purchase Agreement, to complete their review and/or investigation.

Buyer Initials _____

Seller Initials _____

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- 17. Until the property closes escrow, Seller shall continue to pay all monthly property charges and property taxes where applicable, and keep all utility services on until the close of escrow. Seller may incur charges for inspections and repairs, maintenance or replacement of appliances, fixtures, landscaping, or structural components necessary to restore the premises to a condition satisfactory to the Housing Mutual, even though the property is sold as is. Such items should be listed in the First and/or Final Inspection report issued by the VMSI Inspection Department.
- 18. Seller to provide Buyer the following within 7 days of acceptance (or within seller disclosure time period as agreed in the purchase agreement: Written disclosure of all known lawsuit, pending demands, or pending assessments affecting the United Mutual, Third Mutual, Mutual Fifty and or the Golden Rain Foundation (GRF). Buyer is advised to conduct their own due diligence and investigate into any lawsuit disclosed to them or any other matter buyer may be concerned about, to satisfy themselves as to the condition of the property buyer is purchasing, confirm the underlying facts and potential ramifications posed by any lawsuit prior to the removal of Buyers contingencies in relation to any purchase. Inquires may be directed to Laguna Woods Village website, www.lagunawoodsvillage.com.
- 19. Broker and Agent SCOPE of DUTY is as outlined in the Residential Purchase Agreement.
- 20. Sellers and Buyers acknowledge that Real Estate Brokers and Agents are not qualified to advise on condition of the property or matters disclosed to buyers or any other concerns buyer may have regarding the property or purchase. Seller and Buyers are advised to seek the advice of a qualified California Real Estate Attorney or tax counsel for legal or tax related questions they may have regarding this transaction. HomeSmart, Evergreen Realty, its officers, Broker, and Agents make no representation and shall not investigate the facts or allegations pertaining to any lawsuit or other matters involving the Mutual, GRF or CM.
- 21. Selection of Services Providers- Agents/ Brokers do not guarantee the performance of any vendor services product providers even if referred by agent or others, or when selected by buyer or seller. Buyers and sellers may select any service provider of their choosing. Sellers and buyers are advised to check on the qualifications, reputation and license status, as applicable, of service providers (including service providers information given by agents/brokers). Service providers include, but not limited to: Lending institutions, loan brokers, title companies, natural hazard disclosure companies, escrow companies, property inspectors, home warranty companies, pest control companies, contractors, and handyman, Buyer or Seller may select their own service providers or vendors. Brokers and Agents recommend that Buyer has the property inspected by a property inspector who has the following minimum qualification: Errors and omission and liability insurance, and membership in at least one professional inspection association such as ASHI, CREAIA, OR NAHI.

By signing below Buyers and sellers acknowledge receipt of, has read and agrees to this Laguna Woods Village Addendum.

Date: _____

Date: _____

Buyer: _____

Seller: _____

Buyer: _____

Seller: _____

Buyer Initials _____

Seller Initials _____