



SEAL BEACH LEISURE WORLD BUYING AND SELLING HANDOUT

Golden Rain Foundation
March 26, 2018



INTRODUCTION



Seal Beach Leisure World (SBLW) is a gated, active adult community. Golden Rain Foundation (GRF) is the Management Services provider. The following are the procedures and information you will need to successfully list, sell or buy a unit in this community.

LISTING A SEAL BEACH LEISURE WORLD UNIT

1. NOTICE OF INTENT TO WITHDRAW (NOI):

this notifies the Mutual Corporation 1-12 or 14-16 of the seller's intent to sell their share of stock.

- ▶ The NOI may be obtained from the escrow company. The NOI is valid for six months.
- ▶ When the seller has signed the NOI, the escrow company courier delivers the signed form to the GRF Stock Transfer Office to be signed by the Mutual President. This may take approximately 10 working days.
- ▶ After the President signs, the NOI goes back to the escrow company. The escrow company sends the original NOI to the GRF Physical Property Escrow clerk. This authorizes the Pre-Listing Inspection (PLI).
- ▶ Mutual 9 PLI process is different. Check with the Stock Transfer Office for details.
- ▶ A set of keys for all unit doors, patio and carport storage units are required.
- ▶ Mutual 17 is condominiums and follows some common real estate processes but you must consult with Stock Transfer Office personnel.



2. PRE-LISTING INSPECTION (PLI):

Identifies repairs that the seller is responsible for completing prior to the close of Escrow.

- ▶ Pre-listing inspections differ from mutual to mutual.
- ▶ When the inspection is completed the PLI is sent to the escrow company for the signature of the seller.

3. INSTALLATION OF LOCK BOX:

The NOI must be signed by the Mutual President before the realtor may place the lock box on the unit door and show the unit.

BUYING OR SELLING A SEAL BEACH LEISURE WORLD UNIT



1. ESCROW OPENED:

- ▶ A final inspection is conducted two weeks prior to the close of escrow.
- ▶ If the required work has not been completed by the seller, the inspector contracts and schedules the work to be completed prior to the close of escrow. The cost will be deducted from the Withdrawal Inspection Deposit (WID). The WID amount varies from Mutual to Mutual.

2. CLOSE OF ESCROW:

- ▶ Costs are compiled and sent to the GRF Finance Department to be paid from the WID. The remaining balance is refunded to the seller generally within 45 to 60 days after the close of escrow.

3. SALE BY TRUST OR ESTATE:

- ▶ Contact the **Stock Transfer Office** at 562-431-6586 ext. 347.

BUYING A SEAL BEACH LEISURE WORLD UNIT

1. BUYER QUALIFICATIONS:

- ▶ **55** years of age or older
- ▶ **Meet financial requirements** (these vary from mutual to mutual)
- ▶ Pay a **one-time Amenities fee** to Golden Rain Foundation (GRF) for use of Trust property.
- ▶ For current requirements and fees visit www.lwsb.com website.

2. UNITS IN MUTUALS 1-12 AND 14-16:

- ▶ Buyer is purchasing a share of stock in a Stock Cooperative with rights of occupancy in that unit. Buyer owns stock, not the unit.
- ▶ This purchase is cash only. No mortgage is permitted.
- ▶ Buyer becomes a stockholder, not an owner.





ELIGIBILITY REQUIREMENT POLICIES

[7510.01 Eligibility Requirements MU 01](#)

[7510.02 Eligibility Requirements MU 02](#)

[7510.03 Eligibility Requirements MU 03](#)

[7510.04 Eligibility Requirements MU 04](#)

[7510.05 Eligibility Requirements MU 05](#)

[7510.06 Eligibility Requirements MU 06](#)

[7510.07 Eligibility Requirements MU 07](#)

[7510.08 Eligibility Requirements MU 08](#)

[7510.09 Eligibility Requirements MU 09](#)

[7510.10 Eligibility Requirements MU 10](#)

[7510.11 Eligibility Requirements MU 11](#)

[7510.12 Eligibility Requirements MU 12](#)

[7510.14 Eligibility Requirements MU 14](#)

[7510.15 Eligibility Requirements MU 15](#)

[7510.16 Eligibility Requirements MU 16](#)

[7510.17 Eligibility Requirements MU 17](#)



MONTHLY FEES

<http://www.lwsb.com/welcome/monthly-fees/>

3. UNITS IN MUTUAL 17:

- ▶ Buyer is purchasing a condominium
- ▶ Mortgages are permitted.
- ▶ Buyer becomes the owner of the unit.

4. BUYER ORIENTATION MEETING:

- ▶ A Buyer Orientation is required prior to the close of Escrow.
- ▶ The meeting is generally conducted by the Mutual President and a Mutual Director with the buyer and GRF Building Inspector in attendance.
- ▶ The meeting includes a review of the Pre-Listing Inspection report, Mutual rules and expectations.
- ▶ The meeting will take approximately 1 to 2 hours.

5. COMPARISON CHART:

- ▶ See attached table for additional comparisons of Stock Cooperatives and Condominiums.

COMPARISON CHART

STOCK COOPERATIVES: MUTUALS 1-12 AND 14-16	CONDOMINIUM: MUTUAL 17 ONLY
DIFFERENCES	
Mutual owns the property Landlord/renter relationship You own a share of stock which allows you to live and make improvements to the unit	You own the Condominium
Occupancy Agreement	Covenants, Conditions, and Restrictions (CCRs)
No Mortgage Purchase price paid in full	Mortgage is possible
No Reverse Mortgage	Reverse Mortgage possible on an approved building
No lease or rental allowed	Lease is allowed
SIMILARITIES	
<p>Each unit is all electric. No gas is available. Visitor limited to maximum of 60 days, per year Mutual approval required for improvements Must use GRF vetted contractors Permits required for most work One-time amenities fee Pets allowed, with some restrictions Co-Occupants must be approved</p>	