



# **SEAL BEACH LEISURE WORLD BUYING AND SELLING HANDOUT**

**Golden Rain Foundation  
April 10, 2019**

# 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 the share of stock.**

**1.1.** The NOI may be obtained from the escrow company. The NOI is valid for 180 days.

**1.2.** 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.

**1.3.** After the President signs, the signed NOI goes back to the escrow company. The escrow company sends the original NOI and the Pre-Listing Inspection (PLI) form to the GRF Physical Property Escrow clerk. A set of keys for all unit doors, patio and carport storage units are required to be submitted with the PLI Report Form.

This authorizes the PLI.

**1.4.** Mutual 9 PLI process is different. Check with the Stock Transfer Office for details.

**1.5.** Mutual 17 are condominiums and follow some common real estate processes but you **must** consult with Stock Transfer Office personnel.



## 2. PRE-LISTING INSPECTION ( PLI )

**This process identifies repairs that the seller is responsible for completing prior to the close of Escrow.**

- 2.1.** Pre-listing inspections differ from Mutual to Mutual.
- 2.2.** When the inspection is completed the PLI is sent to the escrow company for the signature of the seller.

## 3. LOCK BOX AND FOR SALE SIGN

**Realtor's lock box and for sale sign may not be installed before:**

- 3.1.** NOI completed and signed by Mutual President
- 3.2.** The PLI is completed.

## 4. SHOWING PROPERTY

- 4.1.** No previewing
- 4.2.** Open Houses are NOT permitted
- 4.3.** Property may be shown only after NOI and PLI are completed.



# BUYING OR SELLING A SEAL BEACH LEISURE WORLD UNIT

## 1. ESCROW PROCESS

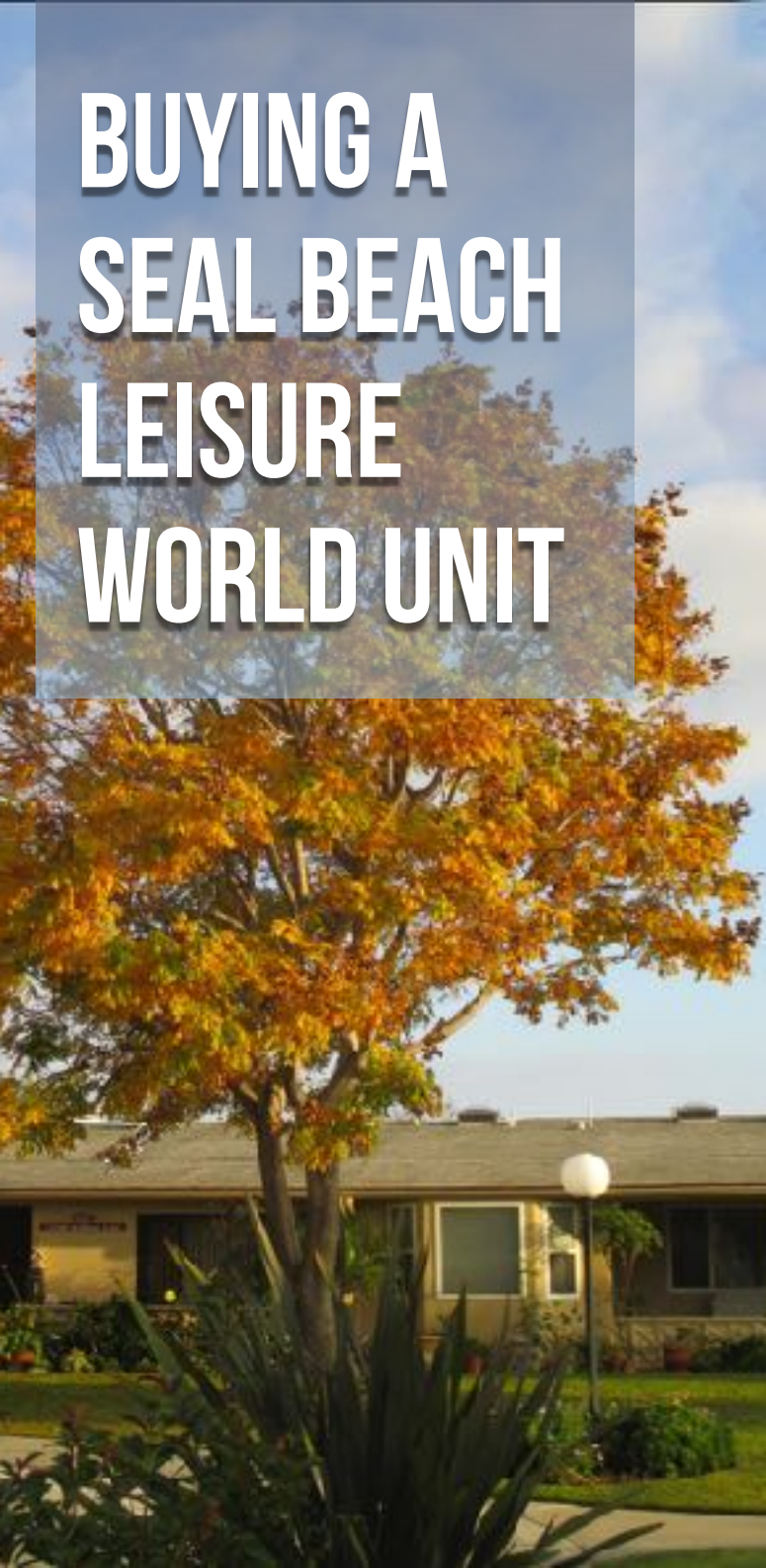
- 1.1.** A final inspection is conducted **10 business days** prior to the close of escrow.
- 1.2.** If the required work has not been completed by the seller, the inspector contracts and schedules the work to be completed prior to the close of escrow. **The seller can no longer do any repairs.**
- 1.3.** The cost will be deducted from the seller's Repair Deposit (RD). The RD amount varies from Mutual to Mutual.

## 2. CLOSE OF ESCROW:

Seller's costs for required repairs are compiled and sent to the Golden Rain Foundation Finance Department to be paid from the seller's RD. 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:

- 1.1. 55 years of age or older (some exceptions)
- 1.2. Meet financial requirements (these vary from Mutual to Mutual)
- 1.3. Each person pays a one-time, non-refundable, Amenities fee to Golden Rain Foundation (GRF) for use of Trust property.

### **Link to GRF Amenities Fee:**

<http://www.lwsb.com/wp-content/uploads/2015/07/5061-31-Fees.pdf>

- 1.4. For current eligibility requirements, fees and monthly assessments visit [www.lwsb.com](http://www.lwsb.com) website. Check under each Mutual for eligibility requirements. See Page 8.

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

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

## 3. UNITS IN MUTUAL 17:

- 3.1. Buyer is purchasing a condominium (Grant Deed).
- 3.2. Mortgages are permitted.
- 3.3. Buyer becomes the owner of the unit.



## 4. FINANCIAL QUALIFICATION PROCESS:

**4.1.** Mutual Boards have sole authority to set and change Mutual Financial Qualification Requirements.

**4.2.** Mutual Financial Qualification Requirements Policy is located on [lwsb.com](http://lwsb.com) (Policy 7510).

**4.3.** Stock Transfer Office will verify financial qualifications packet for compliance with Mutual Policy. The Stock Transfer Office has **no authority to approve applications that do not comply with Mutual Policy.**

## 5. BUYER ORIENTATION MEETING:

**5.1.** A Buyer Orientation is required at least 10 business days prior to the close of Escrow.

**5.2.** The meeting is generally conducted by the Mutual President and / or a Mutual Director with the buyer and Mutual Building Inspector in attendance.

**5.3.** The meeting includes a review of the PLI report, Mutual rules and expectations.

**5.4.** The meeting will take approximately 1 to 2 hours.

**5.5.** Mutual 6 requires check for orientation fee prior to the meeting.

## 6. COMPARISON CHART:

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



## **MUTUAL ELIGIBILITY REQUIREMENT POLICIES. [WWW.LWSB.COM](http://www.lwsb.com)**

[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 ASSESSMENTS**

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



# COMPARISON CHART

STOCK COOPERATIVES: MUTUALS 1-12 AND 14-16	CONDOMINIUM: MUTUAL 17 ONLY
<b>DIFFERENCES</b>	
The Mutual owns the property which allows you to occupy the unit. All improvements require Mutual approval.	You own the Condominium (Grant Deed issued)
Occupancy Agreement	Covenants, Conditions, and Restrictions (CC&Rs)
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 with restrictions
<b>SIMILARITIES</b>	
<p>Each unit is all electric.            No gas is available.            Visitor limited to maximum of 60 days, per 12 month period.            Mutual approval required for improvements.            Must use GRF vetted contractors.            Permits required for most work.            One-time, non-refundable amenities fee.            Pets allowed, with some restrictions.            Co-Occupants must be approved by Mutual.</p>	