Frequently Asked Questions & Answers Regarding Home Sales at University Glen

Who are the participants?
The land for University Glen was ground leased for 99 years by the California State University to a government agency formed solely for this purpose (“Site Authority”), which is the developer of the project. Sales, leasing and on-going management will be handled for the Site Authority by a non-profit corporation (the “University Glen Corporation”).

Will I be purchasing the land as well as the home?
No. The Site Authority will retain title to all of the land. You will own the improvements, and you will enter into a long-term ground lease with Site Authority to occupy the land, which extends until October 1, 2096.

What is the maximum mortgage loan amount that I can obtain to buy a unit?
The Sales Staff is available to meet with you to discuss lending options.

Assuming that I can afford to purchase a home with my household’s gross annual income, can the amount of my current debt or past credit problems interfere with my ability to purchase a home?
Yes. However, the Sales Staff will work with purchasers and with mortgage lenders in order to assist the purchaser in obtaining the best financing available.

Who is eligible to purchase a home in University Glen?
Anyone may purchase a home at University Glen so long as they intend to and do occupy it as their principal residence.

Can I own a house outside of University Glen as well as a home in University Glen?
Yes, so long as your University Glen home is your “primary residence”. Whether or not the home is used as the owner’s primary residence (in the case of an owner using more than one property as a residence) depends on the facts and circumstances. If an owner alternates between two properties, using each as a residence for successive periods of time, the property used as such a majority of the time during the year will be considered the owner’s principal residence.

When will my tax payments be due?
Real property taxes and assessments will be due twice a year to the County Tax Collector – on April 10 and December 10. Most mortgagees will require that 1/12th of your annual tax payment be paid each month, to be held in escrow until such time as the tax payment is due. Please consult with a professional for further information and clarification.

How much will my property taxes cost?
Your property taxes will equal approximately 2% of the value of your home. Half of this amount (or 1% of your home’s value) is paid on the same basis as all other property in the county. This portion of the taxes can be increased by the County Tax Assessor by up to two percent (2%) every year. The other portion of your property tax payment is a special tax against all homes in University Glen to cover the cost of the infrastructure that supports the community. This special tax has been calculated to cover the life of the bonds and will increase two percent (2%) every year. Please consult with a tax professional for further information and clarification regarding property taxes.
**Will there be a Homeowners’ Association?**
No, there will not be a homeowner’s association, as that term is generally applied. Rather, the University Glen Corporation will be charged with: maintaining common area landscaping, streets, utilities, and recreational amenities; the routine exterior maintenance of the attached units; providing potable and irrigation water; and contracting for a trash collection service. It will also enforce the Community Regulations that will control the use and occupancy of the common areas and all homes in University Glen.

There is a Homeowners Advisory Council comprised of 5 homeowner members elected annually. The council meets monthly with the University Glen Corporation to discuss items of importance to the homeowners.

**Will I pay community fees, and how much will they be?**
Yes, you will be charged monthly fees to help cover the costs of common area maintenance, water and trash collection. A budget, showing the amount that each homeowner will be required to pay, is available at the sales office. The fee amount will not vary depending upon the size of the house or lot, but will differ with the type of house. For example, the monthly fees will be somewhat higher for an attached unit (for which the University Glen Corporation will provide routine exterior maintenance) than for a detached unit (which must be maintained entirely by the owner).

**What are my maintenance responsibilities?**
Owners of detached units are responsible for all maintenance, repair and replacement (no matter the cause, such as fire, earthquake, wind, rain, etc.), inside and outside. Owners of attached units are responsible for all maintenance, repairs and replacements inside the unit (including all electrical, plumbing and HVAC systems); all maintenance, replacement and repairs (no matter the cause) to the structural components, the roof and the exterior will be done by University Glen Corporation.

**Will I be responsible for the upkeep of the landscaping?**
It will be maintained by the University Glen Corporation, except for the landscaping within the front yards, side yards or patio areas that are separated from the common area by walls or hedges (the “Courtyards”), which will be the responsibility of the homeowner.

**May I add to or change the landscaping on my lot?**
Any alterations or additions to the landscaping in the Courtyards, which will be visible when mature from the street or any other unit (such as trees), will require the pre-approval of the University Glen Corporation. No other landscaping may be modified by any homeowner.

**Which utilities are metered?**
Meters for electricity and gas are installed. As a homeowner you will contact The Gas Company and electrical company to set up service. Each homeowner will be billed directly by the utility for these services on a monthly basis. Each homeowner will be responsible for arranging for the installation of and paying for cable TV, telephone and internet services.

**Is the home subject to any warranties?**
You may consider purchasing, at your cost, a supplemental home protection plan available from various companies.
Who will carry insurance on the home and the community's common areas?
Homeowners are responsible for carrying their own liability and casualty insurance, which may include earthquake coverage in your sole discretion. The Site Authority will maintain similar insurance (but not earthquake insurance) on the common areas.

May I make additions or alterations to my unit?
Architectural guidelines are established to set forth the general policies regarding allowable additions and alterations. Any addition or alteration that will be apparent from outside your unit requires the pre-approval of the University Glen Corporation. Some of these additions or alterations may constitute Approved Capital Improvements, which will entitle the owner to recover the appraised value of them upon resale (see below for further details).

May I rent the house to someone else, or hold the unit as an investment?
No, the home must be your principal residence. You may, however, rent out your unit when you are away on a University-recognized and approved sabbatical or leave, for up to one (1) year.

May I allow someone who is not a co-owner to occupy a room in the house?
This is permitted whether they pay rent or not, so long as the home remains your principal residence.

Will I be allowed to keep pets in my unit?
Yes, but the Community Regulations require that pets be leashed when they are outside your home or Courtyard, and that they not create a nuisance to neighbors due to noise or otherwise. Further, homeowners must license with the County all pets that are required to be so licensed according to the County’s regulations. All pets must be registered with the University Glen Office. The forms will be available at this office.

Will there be an RV/trailer/boat storage area on site? Where can I keep them?
RV’s, trailers, and boats may not be kept on site in any area visible to others in the community. However, such items may be stored in your garage (but not in a driveway), as long as they completely fit inside. If the item is too large to fully fit within the home’s garage, the resident must make his/her own arrangements for storage off site.

Will I be allowed to keep a firearm in my home, if it is registered and held in a gun safe?
No, firearms are not permitted anywhere on the CSUCI campus. Homeowners are not permitted to keep firearms in their homes (except such homeowners who are sworn and employed currently as police officers by any government agency), or to discharge firearms anywhere in University Glen or on any part of the CSUCI campus.

What is the maximum allowable price for which I can sell my home in University Glen?
On resale, the maximum resale price allowed (the “Maximum Resale Price”) equals the initial purchase price plus the increase in the Consumer Price Index (“CPI”) from the date of acquisition, plus the amount that any Approved Capital Improvements (see below) that you have added have increased the fair market value of the home, as determined by appraisal at the time of resale.

What is considered an Approved Capital Improvement?
A list of Approved Capital Improvements is available from the University Glen Corporation and is available for your review.
Can the resale price be lower than the Maximum Resale Price?
Yes, this is possible, as real estate values may increase slower than the CPI, or even decrease from one year to another. The actual resale price of each unit will be the lesser of (a) the Maximum Resale Price, or (b) the negotiated sale price, if the unit is sold to an eligible purchaser, or (c) the appraised value.

If I voluntarily decide to sell, what is the process for doing so?
If a household decides to sell, it must notify the University Glen Corporation of the price (which may not exceed the Maximum Resale Price) and terms of sale. Submit a letter of intent to sell plus receipts for approved capital improvements, to the Sales office. Buyer and Seller acknowledge that the Site Authority is not acting as a broker, attorney, agent, advisor or in any other capacity for Buyer and Seller only as an accommodation as a Facilitator. Marketing will be undertaken by the Sales Office of University Glen Corporation on behalf of the seller. There will be a one percent (1%) transfer fee payable to the Site Authority at the time of closing. If the Seller lists the property with a Real Estate Broker the seller is responsible to pay any commissions due (negotiable between buyer and seller).

When I sell, will I be required to share the appreciation on my unit?
The appreciation on your house equals the amount by which the sale price (less closing costs) exceeds the sum of (a) the amount you bought it for, plus (b) the cost of any capital improvements you added to it. You are entitled to keep all appreciation earned.

When can I learn more about the housing units that are available?
Members of the Sales Staff are now available to answer your questions. University Glen Sales Center is located in the University Glen Corporation Offices in the Town Center at 45 Rincon Drive #104-A. Please contact:
- Lori Lang (805) 437-2678 lori.lang@csuci.edu
- Mark Spencer (805) 437-2679 Mark.Spencer@csuci.edu

DUE TO RESALE RESTRICTIONS AND PRICE LIMITATIONS, IF YOUR PRIMARY OBJECTIVE IN PURCHASING A HOME AT UNIVERSITY GLEN IS MAXIMIZING YOUR CAPITAL GAIN, SITE AUTHORITY RECOMMENDS THAT YOU CONSIDER ACQUIRING A HOME IN A LOCATION OUTSIDE OF THE COMMUNITY INSTEAD.