

HOME RESALE REQUIREMENTS AND RESALE RESTRICTIONS

Please note that there are certain requirements that will be imposed upon resale of a home in University Hills. To ensure that homes in University Hills remain available to and affordable by members of UCI's academic community, each Ground Sublease will impose three separate sets of restrictions.

First, because University Hills is designed to be an academic community in residence, a home for sale in the community must be offered to the University, the faculty, and the staff when you decide to sell. If, however, you are unable to sell it to a member of the University community, you may, after a specified period of time, and, if the University does not exercise its final option, sell your home to a member of the general public (on terms materially the same as those offered faculty and staff).

Second, the resale prices of homes will be restricted. The maximum permitted resale price of a home will be the sum of the seller's initial purchase price adjusted by the increase (if any) in certain indices as described in the Ground Sublease plus the appraised value of approved capital improvements and certain fix-up expenses incurred just prior to subsequent resale of the home.

The resale price limitations have been developed in order to provide affordable housing both to the initial University-associate buyer and to subsequent University –associated buyers. The resale price limitations preclude the homes in University Hills from serving as speculative investment vehicles. For those University-associated persons whose principal objective in purchasing real estate is capital gain, it is strongly recommended that they consider acquiring a home in the unrestricted general market place rather than in University Hills.

Third, if the circumstances of your employment with the University change, you may no longer be eligible to own in University Hills. Before signing a purchase contract you will be requested to review and approve these restrictions.