

LAWYERS LINK



HOW DO NATURAL DISASTERS AFFECT TITLE INSURANCE?

By: *Julia Chanterwyn*

With so many natural disasters in the news lately, you may wonder how a natural disaster of any kind—flood, fire, earthquake—could impact your title insurance policy.

An owner's title insurance policy is a one-time payment that protects your legal rights of ownership to your home or property. It offers protection against claims resulting from title defects. Title insurance is obtained at closing, will ensure that the deed to your property is recorded correctly, and, once in place, will protect you if prior undiscovered taxes are due.

In other words, owner's title insurance protects you. It does not protect your home, its contents, or your

property from any type of damage or loss caused by a natural disaster. Because of this, a natural disaster will not affect your title insurance policy.

With that said, what if—perish the thought—a fire were to destroy your house and everything in it, including your title paperwork? Even if that were to happen, your owner's title insurance policy would ensure that your claim to your property, whether you wish to sell it or rebuild, is never called into question.

Please ask your Lawyers Title representative for more information!



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California Paves the Way for Accessory Dwelling Unit Development

WILL LOOSER ADU RESTRICTIONS EASE CALIFORNIA'S HOUSING SHORTAGE?

By: *Julia Chanterryn*

In an effort to increase affordable housing in California, five new laws were passed to remove restrictions on the construction of Accessory Dwelling Units, or ADUs. These laws went into effect as of January 1, 2020. ADUs (also referred to as "granny flats") are defined as "additional living quarters on the same lot as a primary dwelling unit." Will these laws, outlined below, help solve California's housing crisis? Only time will tell.

AB 68 expedites the approval process for building an ADU, and also removes many of the restrictions that were previously imposed on ADUs.

Local agencies now have 60 days to approve or deny an ADU project proposal; previously the law allowed 160 days for this process.

Restrictions that local agencies can no longer impose include:

- minimum lot size requirements for ADUs
- maximum ADU dimensions
- replacement parking for a garage, carport, or covered parking structure replaced with or converted into an ADU

Where certain access, setback, or other criteria are met, a "junior" ADU can now be constructed in addition to another ADU, even in single-family zoning. This is referred to as "triplex-ation." As for multifamily housing, opportunities for creating ADUs can now include storage rooms, boiler rooms, etc., if building standards are met. Finally, to encourage enforcement of the new laws, The Department of Housing and Community Development

(HCD) can notify the Attorney General's Office of any violations.

AB 587 permits local agencies to allow ADUs to be sold or conveyed separately from a primary residence. Certain conditions must be met in this case. Previously, laws that barred ADUs from being sold or conveyed separately from the primary residence hindered shared ownership models, such as tenancies in common. This new law should make more affordable housing available to eligible homeowners in the form of deed-restricted ADUs.

AB 670 prevents homeowner's associations from barring ADUs. Many single-family neighborhoods in California are governed by a set of Covenant, Conditions and Restrictions (CC&Rs), which frequently limit the types of construction allowed. HOAs can no longer prohibit or unreasonably restrict the construction of ADUs on single-family residential lots.

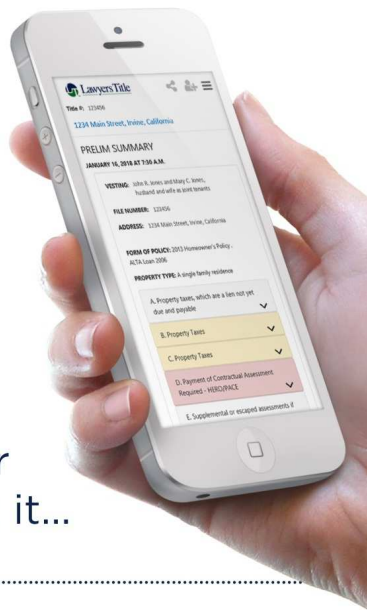
AB 671 requires local governments to come up with a plan to promote the creation of affordable ADUs. In addition, The Department of Housing and Community Development (HCD) must develop a list of state grants and financial incentives for ADU development by December 31, 2020.

SB 13 eliminates developer "impact fees" on ADUs under 750 square feet. It also prohibits owner-occupancy requirements on ADU applications until January 1, 2025.

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