

The Effect of Community Improvements on Property Values

In Laguna Niguel, California

OL 680  
Organizational Research  
October 10, 2001  
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## Abstract

The research began with a hypothesis that improvements made to community space, and homes within a community, could have a positive impact on property values for the homes in the community. The intent of the research was to find a basis on which to make the best choices when prioritizing improvements, and thereby select improvements which have the most likelihood of yielding a good return on the dollars invested.

A literature review produced some general guidelines with regard to factors which have been found to influence property values. There was no primary research particular to Orange County, California. Neither was research found which was specific to some of the improvements which homeowners and local realtors believed could have an impact in the community of Potomac Landing, in Laguna Niguel, CA.

Original research was conducted to address the gaps in information desired. A survey instrument with thirteen questions related to improvements was created, with input from homeowners. It was sent to 503 local realtors and 23 (4.6%) responded. From this sample, the data on demographics and responses was analyzed, mostly with descriptive statistics. Threats to validity and reliability were considered and discussed.

The data suggests that some improvements would improve property value more than others, and provides a ranking of improvements by likelihood of increasing value, according to local realtors. The three improvements which the highest mean scores were: 1) Ensuring continuation of ocean views, 2) Upgrade/ Paint existing common area buildings, fence and pool, 3) Install monument signage at each entrance. The majority of respondents (65%) estimated the positive impact of the new signs to be at least \$2,500 per home. The name "Niguel Coast" was the clear favorite among realtors.

## Literature Review

### Research Question

The original research question was stated as, “How will specific improvements effect property values in a community of single-family homes in Laguna Niguel, California?” After an initial survey of the literature, it was evident that this research question was too narrow in scope to yield much specific primary research. In order to expand the search and gather data on similar locations and related topics, the research question was revised to , “What improvements and other factors are likely to cause property value to increase in communities of single-family homes?”

The second form of the question extends beyond a specific location and specific types of improvements. Rather, the generalized question opens the options to allow discovery of any elements effecting property values. The revised research question asks the researcher to contemplate the similarities between research subject communities and the Orange County city of Laguna Niguel, California, in order to determine the relevance of the research data to this project.

The intent of the present research was to assess the best options for spending community funds in an effort to increase the property values within a specific community in Laguna Niguel, CA.

### Research Methodology- Literature Review

Literature from a wide range of disciplines was reviewed including journals from the fields of real estate,. Specific articles were sourced based on web-based literature searches using combinations of the words property value, planned community, gated community, improvements, community image, and homeowner association.

## Findings and Organization

The literature, once reviewed and selected, was organized into three dominant categories for this review: (a) environmentally related issues in property value, (b) Communities in Southern California, and (c) general current home value appraisal techniques.

Prevalent in the literature is research relating to the impact of environmental externalities, both positive and negative. Existing studies estimate the consumers will pay higher prices for properties with environmental goods such as air quality, water quality, closeness to open space and parks, and distance from toxic sites. Four articles incorporating these environmental considerations on home value were reviewed.

Information presented in these articles suggest that improvements that enhanced the perceived level of environmental positives would be beneficial in raising property values of homes. In their recent Contemporary Economic Policy article, Lutzenhiser and Netusil, (2001), find that there is a direct correlation between a home's sale price and its proximity to different types of open spaces. Their study, which was conducted in Oregon, found that homes located within 1,500 feet of natural park areas, experience the largest increase in sales price. Specialty parks and golf courses also experienced significantly higher sales prices, but the effect drops of quickly s distance from these area increases beyond 200 feet.

This research as a possible application to the research question in this study. Potomac Landing is within approximately 1,500 feet of a large wilderness area that includes a canyon trail extending to the beach a mile away. Access currently is from city street bordering the community. One homeowner suggested we cut a trail on our common slope to meet the canyon trail and thereby provide more "direct" access to the natural open space area. Because of the Lutzenhiser and Netusil study, I include a question about this specific suggested improvement in the Realtor Survey which was developed. In the survey, the idea was rated eighth out of ten

possible improvements, which is surprising given this was one of the only improvements supported by the primary research found..

Another grouping of literature was from other Southern California communities. A search was made to find articles on planned communities and property values in the local area. The articles most relevant were two about the Laguna Niguel community of Kite Hill. This community bares many similarities to Potomac Landing, as described in the later section on Active Research. Several articles about Kite Hill and other south Orange County neighborhoods. Which have been impacted by slope slippage. Though secondary sources, the newspaper articles made a good case for a reduction in property values because of the earth movement, and the resulting effect on the images of the neighborhoods. This body of research brings up the question of the value Potomac Landing my draw from investing in retaining walls or landscape improvements which would stabilize slope “creep,” which is an issue in this area where developers built on landfill. This improvement was not suggested in this realtor survey, but may be a consideration in the future.

### Original Survey Conducted

As it became evident early in the literature review that there was little research into the effect of specific improvements, like monument signage, or in the particular region of California which was of most interest, it was decided to conduct an original survey of local realtors.

### Research Methodology

First, a survey of community homeowners was conducted to establish the improvements which were considered by residents to important in positively influencing home values. The results of this informal survey were to form, in part, the basis of the questions on the Realtor Survey. An email message containing 6 questions was sent to all homeowners in Potomac

Landing Homeowners Association (PLHOA) who were on the PLHOA email list. See Exhibit 1 in Appendix. The email list contains 48 of the 151 homeowners who have requested correspondence regarding PLHOA matters via email. These homeowners, 31.7% of the total, are generally more actively involved in the community than others. Fifteen (15) messages were received back, a 31.3% rate of response. There was a good representative distribution of demographics in the response group. A complete list of homeowners and responses is in Exhibit 2. A summary of the demographics of the group is below.

Demographic Info Summary:

- 8 men, 7 Women
- 7 in P.L. under 5 years, 8 in P.L. 5 years or more
- 7 in view homes, 8 without view

The survey questions for the homeowners were aimed at finding out what improvements they thought would increase value, and also asked specifically about the proposed project of adding monument signs at entrances. All fifteen (15) believed monument signs would increase property values, eleven (11) thought it would increase each home's value by more than \$2,500. Fourteen (14) homeowners were willing to pay an assessment cost toward the signs. The last question asked the homeowners for suggestions about how to increase property values. It was from responses here that some of the questions on the realtor survey were taken. Other questions were included as a result of the literature review and input from realtors.

Survey Instrument

A survey instrument was created which asked realtors to give feedback about the type of improvements that would yield the best return to homeowners in the form of increased property values. The survey had three sections and was two pages long. The first section contained ten different community improvement ideas. Realtors were asked to rate them on impact to property values for homes in Potomac Landing. For these ten questions, a four-point scale was used with

ratings of “No Impact” as 4, “Some Impact” as 3, “Strong Impact” as 2, and “Very Strong Impact” as 1.

In the second section, there were three questions which pertained to the two currently proposed projects: 1) Building monument signs at each entrance, and 2) Adopting a community name to put on the signs which represents the three home owner associations within the immediate area of the entrances. Two of the three questions asked if the proposed new monument signs would add value, and if so, by what dollar amount per home. The last question requested an opinion on which community name would project the best image for the community. There were thirteen survey questions in total, which filled one and a half pages.

The third section of the survey instrument was dedicated to collecting information about the realtors who responded. There were eight questions aimed at getting an understanding the demographics and the experience level of those responding. This data was used to establish which realtors were “experts,” where expert opinion may be weighted more heavily. One last question asked if the respondent would like to receive the results of the survey.

The survey was given to two realtors and a research professor to review and test as a pilot. All three agreed that the format and questions were clear and did not suggest changing anything. A copy of the two page survey can be found in Exhibit 3 in the Appendix.

#### Distribution of Survey

The eight largest Real Estate Offices closest to the Potomac Landing community were contacted. All were in the cities of Laguna Niguel (LN) and Dana Point (DP). In two cases, agents were personal contacts of the researcher and offered to help with distribution and collection. In the other six cases, the managers of each office were called and told about the survey. All agreed to have their office participate. The contacts were asked to distribute the surveys in the way which logistically worked best for that office. In three cases, the surveys

were given out at weekly sales meetings, and at five offices the surveys were put into individual mail boxes. A total of five hundred and three (503) surveys were distributed over a two week period.

Collection envelopes were left at a central area, the front desks, in most cases. The realtors were given a choice of leaving the completed survey at the front desk, faxing it, or mailing it back. The majority of respondents (65%) left the completed surveys at the drop location in the office. Four (4) surveys were received via mail, and four (4) were faxed. . A total of twenty-three (23) surveys were completed and returned, a 4.6% response rate.

A summary of the distribution and response rate by office is below.

<b>Manager/Contact</b>	<b># Agents</b>	<b># Res</b>	<b>Office/ City</b>	<b>Distribution Method</b>	<b>Rate</b>
1 Kevin Hill	30	1	Century 21/ DP	Put in mailboxes	3.3%
2 Jim Hacker	35	1	Century 21/ LN	Given out at meeting	2.9%
3 Scott MacDonald	80	2	Coldwell Banker/ LN	Given out at meeting	2.5%
4 Mark Kojac	90	5	First Team/ DP	Put in mailboxes w/ notes	5.6%
5 David Mason	60	6	Prudential/ DP	Given out at meeting	10.0%
6 David Mason	140	3	Prudential/ LN	Put in mailboxes	2.1%
7 Karen Mahoney	25	1	ReMax/ DP	Put in mailboxes	4.0%
8 Dennis Daniel	40	1	Tarbell/ LN	Given out at meeting	2.5%
9 Other	3	3	Other	Personal contact, email	100.0%
<b>TOTAL</b>	<b>503</b>	<b>23</b>			<b>4.6%</b>

It is interesting to note the difference in response rates. The three agents listed under “other” were those who were personally contacted and asked to participate. Each had sold a home in Potomac Landing within the past year. All three returned the survey. The best office response rate was in the case of Prudential in Dana Point, where a personal contact, David Mason, made several follow-up attempts with fellow agents personally. In that office we got a 10% response rate. The next best rate of response in an office was at First Team in Dana Point. This was the last office to which surveys were distributed because the manager had been out of the office for an extended period. By the time of distribution there, it had become apparent that



getting completed surveys was more difficult than expected. In this office a typed note was added to each survey before they were put in the office mailboxes, in hopes it would personalize the request and persuade the agents to complete the surveys. This may account for the relatively high rate of return, 5.6%, in this office. A copy of the note can be seen in Exhibit 4 in the Appendix.

Only one office returned the surveys within a week, as originally requested. In all other cases, there were reasons why very few or no surveys were collected within a week. Contact was made with the office managers or contact agents every 3 to 4 days while surveys were out. The front desk staff was also called and alerted to watch for the returned surveys one to three times. After two weeks, only fifteen (15) surveys had been collected. The deadline was extended one more week to allow for a larger sample, and more follow-up calls were made.

#### Data on Respondents

Section III of the survey contained questions by which we could analyze the sample population. There was a wide variety of experience revealed by the answers to questions about how many years agents had been selling in the area, if they were a broker, the number of homes sold in Potomac Landing and Laguna Niguel area, and sales volume last year. The sales volume question turned out to be a sensitive area, with less than half (12) of the realtors answering this question. Fourteen (14) gave a quantitative answer to the question requesting the number of homes sold in the area in the past three years. Others wrote in "too many to count," "over 200," or "unknown." This indicates that the question could have been worded better to aid in ease of answering, perhaps with a range indicated. Still, it was clear from the years in the business and other answers given that the majority of agents answering the survey were fairly experienced in the local area and therefore considered "experts" in Laguna Niguel residential real estate. "Expert" is defined as having one or more of the following characteristics: 1) over 5 years of

real estate sales experience in the local area, or 2) is a broker, or 3) over \$10 million in sales in 2000. There were eighteen identified “experts.”

There was a good mix of representation from different companies and of different genders. Fifteen (15) respondents were men, eight (8) were women. A listing of all respondents and demographic information may be found in Exhibit 5 in Appendix.

### Analyzing The Results

First, the data was analyzed for each respondent. Individual means were calculated for the quantifiable answers for questions 1 through 10. Upon inspection, it was found that no respondent answered all questions the same, or was suspiciously extreme with answers, so all twenty-three surveys were considered valid. Next the respondents were separated into groups of “experts” and “non-experts” to evaluate the difference in answers and determine if non-expert surveys should be considered. The total group mean for all answers was 2.14. The mean for the non-expert group of five (5) was 2.2, only slightly higher. The difference was not significant enough to warrant discarding the non-expert answers, so they were considered in the balance of the statistics.

Next the data was analyzed to determine the descriptive statistics for each individual question, focusing on questions 1 through 10 again. The mean, median, and mode was found for each, as well as the ordered rank of the question. The mean is the most meaningful statistic, and is the basis of the ranking. A Summary of Descriptive Statistics is below.

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Mean	1.91	2.04	1.87	2.57	2.22	2.35	2.17	1.96	2.61	1.65
Median	2	2	2	2	2	2	2	2	2	2
Mode	2	2	1	2	2	3	2	2	3	2
Rank	3	5	2	9	7	8	6	4	10	1

Questions 11 through 13, in Section II of the survey, were not quantified in the same way as the first ten questions. These questions focused on the proposed monument signs and community name. A summary or data from these questions is below.

#	Question	Response Data	Notes
Q11	Do you believe monument signs at the entrances would add value to the neighborhood?	22 of 23 respondents (95.7%) believe monument signs would increase property values.	100% answered
Q12	If yes, by what amount would you guess each home would benefit in increased property value?	a. \$500 or less – 3 b. at least \$1000 – 1 c. at least \$2500 – 3 d. at least \$5000 – 4 e. over \$10,000 – 8	3 did not answer Median=\$5000+ Mode= \$10,000+
Q13	Which name do you believe would best represent the community, and project a positive image?	a. Niguel Coast – 15 b. Monarch Ridge –4 c. Neither - 2	2 did not answer Mode = Niguel Coast

More detailed data on all response questions can be found in Exhibit 6 in the Appendix.

In all questions in Section III, a clearly preferred answer was indicated. There was a strong general consensus that monument signs would add to property values of homes in Potomac landing. Most believed the increase in value would be more than \$5000 per home. The widely preferred name was “Niguel Coast.”

Question 11 should correlate with question 1. It is interesting to note that one realtor, respondent 5, answered that the monument signs would have no impact on value in question 11, but responded in question 1 that installing monument signs would have “Some Impact,” thereby contradicting herself.

### Validity and Reliability

Validity is the degree to which an instrument measures what it is supposed to measure. Three types of validity, each of which is used to establish the trustworthiness of results, will be examined.

Face validity is the degree to which the test or assessment tool seems to make sense to the sample group and those evaluating the results. In the case of this original research, there was no concern voiced by any respondent about the survey not making sense. Homeowners who were involved in the initial question selection were excited about the survey and commented that it would be a good source of information for the community. There was face validity in the project.

In Exploring Research, Neil Salkind describes content validity as “A measure of how well the items represent the entire universe of items.” Because the “entire universe” we were concerned with in this research was one community in Laguna Niguel, California, a sampling of 10% of the homeowners should provide an adequate list of items which represent the current ideas of the group for improvements to the community.

Construct validity links the practical components of the test to some underlying theory or construct. In other words, is there a correlation between what the survey (realtors) tells us will impact property values, and what will actually happen to values if the improvements are made. While the most desirable form of validity, construct validity is not proven for this assessment

tool. After some improvements have been made, a measurement of construct validity could be designed

Reliability is a measure of how consistent and stable an assessment instrument is in measuring the same things more than once. Since this instrument is very specific to one community and in the current time frame, reliability in general has not been established. There are four types of reliability discussed below.

Inter-Rater reliability is a measure of agreement between two or more raters. Respondents will interpret questions in different ways. In the case of this survey, the questions were simple and defined fairly clearly as particular actions (improvements). Although, the visual image of the improvements may be different in each person's mind, there is not as much room for a wide range of interpretations for each question as would be in the case of questions where raters judged and labeled behaviors. When the pilot survey was being discussed, the researcher did an informal review of questions to clarify wording so as to attempt to secure inter-rater reliability. To actually get a measure of the percentage of agreement between raters, another study would need to be done.

The survey instrument was not tested for Parallel Forms or Test-Rest reliability. The measure of Internal Consistency does not apply here because there are not sets of items to be concerned with in the instrument. The survey would not be able to be split in half and yield the same results.

### Active Research

Concurrent with the survey responses coming in, some informal active research was done to try and determine if other communities who have undertaken improvements like what are being considered, can correlate an increase in value to the actions. With the help of realtors and

a property management company, contacts were made with another Laguna Niguel community, Kite Hill. This community has similar style homes, in the same price range, and a similar community layout and amenities. 630 tract homes in Kite Hill were built in 1978 and 1979. Potomac Landing's 151 homes were built between 1982 and 1986. Ten years ago, Kite Hill constructed monument signs much like the ones being considered by Potomac Landing. Research revealed that the project caused a division in the community and even had some homeowners picketing the decision to build the signs. At a cost of over \$100,000, many homeowners were very skeptical that there would be any return on the stiff investment. I spoke with three realtors independently and asked them if over the ten year period they believed the Kite Hill community had gotten any benefit in the form of increased property value from the signs. All agreed that the investment have been returned many times over in the form of higher prices (over general market value increase) for the estimated more than 150 homes sold in Kite Hill since 1991. One realtor told me that before you can get to "curb appeal," buyers have to get past "image appeal." He believed that the signs established a solid positive image of the community that made it a more desirable place to many buyers. Current members of the Board of Directors at Kite Hill were not involved in the project. The opinion of the two residents which shared their thoughts on the subject, agreed with the realtors. According the these sources, although hard to quantify, there is a belief among local realtors and residents that the signs did have a substantial impact on raising property values in Kite Hill.

### Discussion

The purpose of the study was to determine a basis on which to make the best choices when prioritizing improvements, and thereby assist community leaders in selecting improvements which have the most likelihood of yielding a good return on the dollars invested.

The supporting hypothesis was that improvements made to community space, and homes within a community, could have a positive impact on property values for the homes in the community.

The results of the original survey research indicates that a random sampling of local real estate “experts” were able to rank ten possible improvements based on opinions of positive effect of each on property values within the community sited. The ability to create a system that produced a ranking for specific improvements within one community was an expected result. The order of ranking for the improvements was a not anticipated, and was a surprise.

This research can be a contribution to the community by way of providing information specific to the unique situations within Potomac Landing. It is recommended that the homeowners and Board of Directors consider the results of the survey when deciding how to spend the Association’s money on future improvements.

It is not recommended that this research be applied broadly to other communities in other locations. Before being generalized, tests of reliability should be undertaken, including test-retest methodology. The validity of connection between improvements recommended by the survey results and actual increase in property value would be a valuable and important step before using the results in a general application.

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APPENDIX

Exhibit 1 – Survey of Homeowners in Potomac Landing

Dear Potomac Landing Neighbors:

I am writing homeowners who have expressed interest about the community to ask your help. I am currently constructing a survey which will be going to realtors in the area. The purpose is to get data on what would increase the value of homes in our community.

What I need you to do is answer the following questions. I will collect and compare your answers, then select the top ten most mentioned items to appear on the survey to be circulated to Real Estate offices in the area.

1. How long have you owned your home in Potomac Landing?
2. What do you think are the three most important things homeowners of Potomac Landing (including the homeowner's association) can do to improve overall property values in the community?
3. Do you believe the construction of Monument Signs at the entrances would increase individual home value?
4. If so, by how much per home?
  - a. Under \$500
  - b. \$500 - \$1000
  - c. \$1001 - \$2500
  - d. over \$2500
5. Would you be willing to contribute a one time assessment for the monument sign/ entry project of \$300 (\$50/month for 6 months)?
6. Do you have any suggestions or comments for the Board on the subject of increasing property values?

Thank you for your assistance. Your ideas are important. You will see the results of the survey in the November Newsletter.

Robin Mullin  
President, Potomac Landing Board of Directors

## Exhibit 2 – Homeowner Survey Responses

#	Name	Gender	# Yrs	Contact	View	Sign \$	\$ Value	Up Bill
1	Shahindous t	1	6	1	1	1	4	1
2	Hornbeck	2	12	1	1	1	4	1
3	Stephan	2	13	1	2	1	3	1
4	Graham	2	6	1	2	1	2	1
5	Dolan	2	10	1	2	1	4	1
6	Wathen	1	4	1	2	1	2	1
7	Mouacdie	2	7	2	1	1	4	1
8	Valdivieso	2	2	1	2	1	4	1
9	Mellon	1	9	1	1	1	4	2
10	Carroll	1	8	1	2	1	3	1
11	Getz	1	2	1	2	1	4	1
12	DeLeo	1	4	1	1	1	4	1
13	Mullin	1	1	2	1	1	4	1
14	Redden	2	2	1	1	1	4	1
15	Allen	1	1	1	2	1	4	1

**Demographic and Info Summary:**

- 1 8 men, 7 Women
- 2 7 in P.L. under 5 years, 8 in P.L. 5 years or more
- 3 13 surveys were rec'd via email, 2 verbally
- 4 7 in view homes, 8 without view
- 5 All 15 believe monument signs would increase property values
- 6 11 believe signs would increase value by over \$2,500
- 7 14 of 15 would be willing to pay an assessment cost toward signs

Exhibit 3 – Survey Instrument

**Potomac Landing Homeowner’s Association**  
**Survey of Realtors**  
 September, 2001

The purpose of this survey is to help the homeowners of Seacall/ Potomac Landing in Laguna Niguel determine the best ways to use resources in order to positively effect home values.

I. Please give us your expert opinion on the level of impact that each of the following actions would have on increasing overall home values in Seacall/ Potomac Landing. Circle one of the four answers for each.

- |  |                    |               |             |           |
|--|--------------------|---------------|-------------|-----------|
| <b>1. Install Monument Signage and upgrade landscaping at each entrance.</b>                     | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>2. Unify the Identity of community with New Name on signs (Niguel Coast or Monarch Ridge)</b> | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>3. Upgrade/ Paint existing common area buildings, fence, and pool area.</b>                   | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>4. Additional facilities in common area (clubhouse, play area, additional pool)</b>           | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>5. Enhance slopes and landscape maintenance areas with more flowers, bushes, and trees.</b>   | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>6. Pursue new path linking the canyon beach path directly into our neighborhood.</b>          | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>7. Enforce consistent high standard for exterior painting and maintenance by homeowners.</b>  | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>8. Encourage replacement of old garage doors.</b>   | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>9. Remove basketball backboards, skateboard ramps, and other toys from street.</b>            | Very Strong Impact | Strong Impact | Some Impact | No Impact |
| <b>10. Ensure continuation of Ocean Views on view lots.</b>                                      | Very Strong Impact | Strong Impact | Some Impact | No Impact |

II. One project under consideration currently is the installation of “impressive” monument signs at each of the two main entrances (Niguel Rd/ Ridgeway and Camino Del Avion/ Barkentine). Because these entrances are shared by Le St. Tropez and Quissett Bay Town homes, we are considering giving a new identity to the joint community with a new name on these signs. Please give us your opinion on the following aspects of this project.

1. Do you believe monument signs at the entrances would add value to the neighborhood?

\_\_\_\_\_ Yes \_\_\_\_\_ No

2. If yes, by what amount would you guess each home would benefit in increased property value?

- a. \$500 or less
- b. at least \$1,000
- c. at least \$2,500
- d. at least \$5,000
- e. more than \$10,000

3. Which name do you believe would best represent the community, and project a positive image?

- a. Niguel Coast
- b. Monarch Ridge
- c. Neither name is good

Additional Comments:

\_\_\_\_\_



III. Please tell us about you:

- 1. Gender: \_\_\_\_\_ Male \_\_\_\_\_ Female
- 2. Company/ Office Location (city): \_\_\_\_\_ / \_\_\_\_\_
- 4. How long have you been a realtor in the South Orange County area? \_\_\_\_\_ years
- 5. Are you a broker? \_\_\_\_\_ Yes \_\_\_\_\_ No
- 6. Number of listings and sales in the last 3 years in Seacall/ Potomac Landing \_\_\_\_\_
- 7. Number of listings and sales in the last 3 years in Laguna Niguel / Dana Point area \_\_\_\_\_
- 8. Total sales volume last year (2000) \$ \_\_\_\_\_
- 9. Would you like to receive the results of this survey? \_\_\_\_\_ Yes \_\_\_\_\_ No  
If so, email address: \_\_\_\_\_

Exhibit 4 – Note Attached to Survey for First Team Agents

Dear First Team Agents:

We would REALLY love your feedback on our survey for SeaCall/ Potomac Landing.

Please take a minute to complete by Friday, September 28<sup>th</sup>. You may leave it at the front desk (where there is an envelope provided). If you prefer, you may fax it to me at 949-363-6862. or mail it to the address at the bottom of the survey.

Thank You!  
Robin Mullin

## Exhibit 5 – Responses in Section III, Realtor Information

M/F	Company/ City	email	# Yrs	Broker	# PL	# LN	\$ Sales Million s	F/U	“Expert” Y/N
DM	Century 21/ LN	<a href="mailto:reinvestments@excite">reinvestments@excite</a>	6	2	3	12	\$12.0	1	Y
M	Prudential/ DP		12	1	1		\$21.0	2	Y
M	First Team/ DP	<a href="mailto:tregoteam@aol.com">tregoteam@aol.com</a>	13	2	1	6	\$6.0	1	Y
M	First Team/ DP		6	1	1	20	\$10.0	2	Y
F	First Team/ DP		13	2	0	5	\$12.0	2	Y
M	Realty-Wise/ LN	<a href="mailto:allenteam@home.com">allenteam@home.com</a>	12	1	1	28	\$7.5	1	Y
M	FirstTeam/ MV	<a href="mailto:m">m</a>	7	2	1	4		2	Y
F	Coldwell Banker/ LN	<a href="mailto:carolw4re@home.com">carolw4re@home.com</a>	22	1	3	28		1	Y
F	Prudential/ DP	<a href="mailto:m">m</a>	12	2	0	40	\$7.0	2	Y
F	Tarbell/ LN	<a href="mailto:MTBurgi@Tarbell.com">MTBurgi@Tarbell.com</a>	1	2	1	0		1	
M	ReMax/ DP	<a href="mailto:m">m</a>	2	2	0	0		2	
F	Coldwell Banker/ LN		18	1				2	Y
M	Prudential/ DP							2	
M	Prudential/ DP		5	2	3	60	\$10.0	2	Y
F	Prudential/ DP							2	
M	Prudential/ LN		9	1				2	Y
F	Prudential/ DP		14	2	5	50	\$17.0	2	Y
M	Prudential/ LN							2	
F	Prudential/ LN		15	2				2	Y
M	First Team/ DP		11	2	0	65	\$9.5	2	Y
M	First Team/ DP		23	2	3	0	\$340.0	2	Y
M	Century 21/ DP		10	1	2			2	Y
M	Century 21/ LN		6	2	1		\$17.0	2	Y

Note: “Expert” defined as agent with at least one of the following: 1) 5 years experience in local area; 2) Is a broker, 3) Sales in 2000 of \$10M or more. 15 agents (65%) were labeled “experts.”

**Demographic Info Summary:**

- 1 15 men, 8 women
- 2 7 of 23 ( 30.4%) are brokers
- 3 13 have sold/listed in P.L.
- 4 Sales volume info was given by only 14 of 23 (60%)
- 5 Only 5 were interested in survey results

Exhibit 6 – Survey Responses, Questions 1 – 13

Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	AVG 1-10	Q11	Q12	Q13	Written Comments
2	2	1	2	1	2	2	2	2	1	1.7	1	3	1	
1	1	2	2	2	2	2	2	3	2	1.9	1	5	1	
3	3	2	2	2	1	2	1	3	1	2	1	1	1	
3	2	4	4	3	3	3	1	3	3	2.9	1	5	1	
3	3	1	2	1	2	1	2	3	1	1.9	2		3	
1	1	2	4	3	1	2	2	3	2	2.1	1	5	1	Name should connect with Niguel not Mo
3	2	3	3	2	3	3	3	3	2	2.7	1	2	2	How about name just Seacall?
2	2	1	1	1	1	1	2	1	1	1.3	1	3	1	
2	3	3	3	3	3	2	2	3	2	2.6	1	1	1	
1	2	2	2	2	2	2	1	3	1	1.8	1	4	3	
2	3	1	2	1	3	1	1	1	1	1.6	1	1	1	
2	2	2	4	2	3	1	1	1	2	2	1			
2	2	3	4	4	4	4	4	4	2	3.3	1	3	1	
1	2	1	2	1	2	2	2	2	1	1.6	1	5	2	
2	1	1	1	2	3	3	3	3	2	2.1	1	4	2	
2	1	3	3	3	4	3	3	4	2	2.8	1	5	1	
2	2	1	3	3	1	2	2	2	1	1.9	1	5	2	
2	1	1	3	3	3	2	2	4	2	2.3	1	4	1	
1	1	2	2	2	2	3	3	4	2	2.2	1	5	1	
1	3	1	3	2	1	2	1	1	2	1.7	1	4	1	Be Wary of complicated view protection p
2	4	3	3	3	3	2	2	2	2	2.6	1			Signs value may by in form of demand
2	2	1	3	3	3	3	2	4	1	2.4	1	1	1	
2	2	2	1	2	2	2	1	1	2	1.7	1	5	1	
<b>1.91</b>	<b>2.04</b>	<b>1.87</b>	<b>2.57</b>	<b>2.22</b>	<b>2.35</b>	<b>2.17</b>	<b>1.96</b>	<b>2.61</b>	<b>1.65</b>					<b>Average Score (1-4)</b>
3	5	2	9	7	8	6	4	10	1					Rank out of 10

Notes on Questions 11 - 13

**Q11** 22 of 23 respondents believe monument signs would increase property values

**Q12** The amount realtors thought signs would increase value ranged as follows:

\$500 or less - 3, At least \$1000 - 1, At least \$2,500 - 3

At least \$5000 - 4, Over \$10,000 - 8, No answer - 3

**Q13** 15 of 23 (65%) like the name "Niguel Coast;" 4 prefer "Monarch Ridge"