

**A G E N D A**  
**REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS**  
**SEAL BEACH MUTUAL EIGHT**  
**October 24, 2016, at 1:30 p.m.**

CALL TO ORDER

SHAREHOLDER COMMENTS – (2-minute limit per shareholder)

ROLL CALL (by 2:00 p.m.)

INTRODUCTION OF GUESTS AND STAFF:

Mr. McGuigan, GRF Representative  
Ms. Miller Director of Finance  
Ms. Hopkins, Mutual Administration Director  
Mr. Hurtado, Building Inspector  
Mrs. Aquino, Recording Secretary

APPROVAL OF MINUTES: **Regular Meeting of September 26, 2016**

BUILDING INSPECTOR'S REPORT

Mr. Hurtado

GUEST SPEAKER – Presentation of 2017 Mutual Budget  
NSBN Management Letter

Ms. Miller  
Ms. Berg

UNFINISHED BUSINESS

1. Adopt new Policy 7415.8 – Patio and Porch Area Regulations; Policy 7415.8A – Agreement; and rescind old Policy 7415.8 – Patio Regulations
2. Policy 7406.8 – Exclusive Private Use of Common Property Encroachment
3. Amend Policy 7403.1.8 – Building Alterations and Additions
4. Adopt Policy 7575.8 – Laundry Room Use (2<sup>nd</sup> reading)
5. Code of Conduct (Postponed until November 28)
6. Occupancy Agreement (postponed until November 28) GRF recommendation
7. Review Policy 7403.8 – Building Permits and Signatures
8. Review Policy 7701 – Personal Property Insurance
9. Review Policy 7413.8 – Walk-in Therapeutic / Jacuzzi – Type Bathtubs

NEW BUSINESS

1. Reschedule Regular Board Meeting of December 17, 2016, at 9:30 a.m., which falls on a holiday
2. GRF proposed policies; Pickup trucks / Commercial Vehicles on Trust Streets
3. GRF staffing for Recording Secretary until Board of Directors meetings are over
4. John's Landscaping: spraying for weeds, spot treat clover, Dallis grass, and crab grass

**(STAFF SECRETARY BREAK TIME TO BE DETERMINED BY PRESIDENT)**

MUTUAL ADMINISTRATION DIRECTOR

Ms. Hopkins

GRF REPRESENTATIVE

Mr. McGuigan

CHIEF FINANCIAL OFFICER'S REPORT

Mrs. Berg

DIRECTOR(S') COMMENTS

ANNOUNCEMENTS

SHAREHOLDER COMMENTS – (2 minute limit per shareholder)

ADJOURNMENT

EXECUTIVE SESSION (member issues, legal)

**STAFF SECRETARY WILL LEAVE THE MEETING BY 4:10 p.m.**

**NEXT MEETING: October 24, 2016, at 1:30 p.m.  
Administration Building Conference Room A**

To have the Mutual Eight Board of Directors  
minutes e-mailed to you monthly,  
please send your request to:  
**[mutual8webmaster@gmail.com](mailto:mutual8webmaster@gmail.com)**

ka:10/18/16



# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (08) EIGHT

INSPECTOR: George Hurtado

MUTUAL BOARD MEETING DATE: October 24, 2016

| CONTRACTS              |                                      |
|------------------------|--------------------------------------|
| CONTRACTOR             | PROJECT                              |
| John's Landscape       | Mutual gardening                     |
| So Cal Fire Protection | laundry room fire extinguishers      |
| Empire Pipe and Supply | Mutual sewer cleaning                |
| Fenn                   | termites and pests                   |
| Jurado Construction    | PVC partitions @ Edison vaults       |
| Advance Painting       | paint for diamond plate vault covers |
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|                        |                                      |
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|                        |                                      |

| SPECIAL PROJECTS    |                                      |
|---------------------|--------------------------------------|
| CONTRACTOR          | PROJECT                              |
| Jurado Construction | PVC partitions @ Edison transformers |
| Advance Painting    | paint for diamond plate vault covers |
|                     |                                      |
|                     |                                      |
|                     |                                      |
|                     |                                      |

| APARTMENT VISITS |  |
|------------------|--|
| VARIOUS          |  |

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY**Patio and Porch Area Regulations – Mutual Eight

The purpose of this policy is to provide guidelines for the building and maintenance of patios and porches that are user friendly, increase the value to the Mutual, and improve the aesthetics of the shareholders' units in Mutual Eight (8). Also it addresses the need to meet applicable Fire Codes and the safety of each family.

Definition of Terms

1. A patio is any surface other than garden material that is attached or adjacent to the outside wall structure of the unit's structure.
2. A porch is the space under the roof of the structure open to the outside or enclosed from the weather.
3. A porch and patio can be built as a continuous structure, will be considered and maintained as a patio and or porch with this policy.
4. Transfer of title shall have the same meaning as used for determination of when a California transfer tax on real property is assessed by the State of California.

Stipulations for Existing Patios

1. All currently installed patios and porches will be considered as allowed. However, the following patio and porch use: "rules and maintenance requirements must be adhered to".
2. At the time of transfer of title or sale of a unit with a patio or porch, the buyer must agree to manage, maintain, and insure the cost of the patio or it shall be removed at the seller's cost. The new buyer/transferee must sign the License and Indemnity Agreement provided by the Mutual Eight Board. Remodels of existing patios must comply with this patio and porch policy in its entirety.

Patio Approval Process

1. All requests for patios must be submitted to the Golden Rain Foundation (GRF) Physical Property Department at least ~~three (3)~~ four (4) weeks prior to a regularly scheduled Mutual Eight Board Meeting. The GRF Physical Property Inspector must submit the plan for approval to the Board of Directors at least ~~(2) three (3)~~ weeks prior to a regularly scheduled Board Meeting.

## **ADOPTION DRAFT POLICY**

### **PHYSICAL PROPERTY**

#### **Patio and Porch Area Regulations – Mutual Eight**

- 2. Patio plans must be drawn to be easily understood with dimensions and must include the walls, wall caps, fences, and no lockable gates.**
- 3. All patio requests will be considered by the Board of Directors on a site-specific basis, taking into consideration, but not limited to the following:**
  - a) Aesthetic/financial value to the Mutual**
  - b) Functionality for the shareholder**
  - c) Utility boxes**
  - d) Electrical enclosures/panels**
  - e) Sprinkler systems**
  - f) Sprinkler valves/plumbing**
  - g) Telephone pull boxes/equipment**
  - h) Sidewalks**
  - i) Laundry room**
  - j) Landscaping**
  - k) Other units access**
  - l) Golf cart pads**
- 4. A majority vote of a quorum of the Board of Directors is necessary for approval and the plans must be approved before the start of construction.**
- 5. Shareholder must complete and submit the Agreement to Patio Regulations Form as part of the approval process and prior to the start of any work.**

#### **Patio Building Requirements**

- 1. Patios must slope away from the building with adequate weep holes in walls for draining.**
- 2. Patio top surface material must be no-skid when wet. Outdoor carpeting is NOT permitted.**
- 3. All patios may be enclosed by a wall or a decorative wrought iron or similar material fence suitable for outdoor application. Patio wall including cap and fence may be up to 36 inches in total height. Patio fence may be up to 36" in total height. Gate colors will complement the patio walls. Walls may be constructed of brick, flagstone, slump stone, stack stone, or similar decorative masonry building materials. Walls may also be constructed of concrete block and surfaced with stucco the same color as the building. All block walls shall have a compatible stone cap.**



MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY**Patio and Porch Area Regulations – Mutual Eight

4. When an adjacent neighbor's wall already exists, the newly constructed wall will complement the existing wall.
5. Patios may extend out 60 inches from the unit structure wall.
6. A 36 inch access must be maintained from the entrance of the patio to the entry door of the unit. Walkway must have no obstructions included potted plants. Nothing must impede emergency personnel and equipment the Fire Department, Golden Rain Security personnel, and Service Maintenance personnel. All patio window spaces must be kept clear at all times to facilitate emergency exit and entrance to and from the unit.
7. No patio addition or porch may have an access door/gate that locks. A door outside in the patio or porch without direct access into your unit is not considered an entry door and may not lock.
8. A 5 inch cement mowing strip is required where the patio is adjacent to a grass area.
9. Any changes or deviations from the approved plans must be submitted to the Board of Directors and approved prior to implementation.
10. Mutual Eight (8) will provide a disclosure to all new shareholders stating that their patios might have been built over sewer, water, electrical, or other types of utilities that the potential to require access or relocation and that this could require removal of all or a portion of the patio at the owner's expense. This disclosure must be signed by the selling shareholder and it will be provided to the purchasing shareholder with the Licensing and Indemnity Agreement.
11. Shareholders shall bear any and all costs of the patio including the maintenance of the patio, sprinkler relocation, grass replacement, tree replacement, and flower bed repairs. As a condition of patio approval, the shareholder must obtain and maintain liability covering any and all lawsuits involving the patio. The shareholder must agree and sign the Licensing and Indemnity Agreement provided by the Mutual.

Patio and Porch Use: Rules and Maintenance Requirements

1. Patio and Porch items appropriate for patio and porch outdoor usage such as chairs and lounges with cushions are allowed. Storage boxes designed for patio and porch use may not exceed 4 feet in width by 6 feet in length and

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY**Patio and Porch Area Regulations – Mutual Eight

SHALL not exceed the height of the wall/fence. Patio sheds must be made of plastic, resin or polyurethane (not wood or metal).

2. Patios and Porch areas must be kept free of clutter. If there is a question whether clutter exists, the question will be decided by a vote of the Board.
3. Barbeques may be kept on patios and porches and must be used according to the barbeque Policy 7427.G – Barbeque – Usage and General Safety Precautions. Charcoal burning barbeques are NOT permitted.
4. Pets must not be left unattended on patios and porches.
5. Pet doors giving pet's free access to and from patios and porches are NOT allowed.
6. Potted plants may be kept on patio/porch walls. Plants may not be in nursery pots. Pots must have a water retention base and not allow water to drain on the patio/porch wall. Potted plants from the base of the pot to the top of the plant may not exceed 48 inches in height. A maximum number of potted plants on the patio/porch wall may not exceed 1 in every 4 feet of the patio/porch wall.
7. No more than 2 small/medium self-propelled vehicles scooters/wheelchairs.
8. Patio and Porch Décor:
  - a. Screens, panels or drapes to block the sun must be of outdoor fire retardant fabric and must be maintained.
  - b. Obscene objects hanging or stationary are prohibited.
9. Prohibited activities consist of any workshop causing noise, odor, unsightliness, and/or unhealthy conditions. Be guided by the "occasional hobby-oriented" activity rather than an ongoing business or any activity considered to be a nuisance to neighbors. Contact the Board by sending a letter to the Secretary for information and guidance.
10. Patios and Porches may NOT be converting into a storeroom. Items permitted for storage must be enclosed.
11. Any item in, on, or built into or onto a patio or porch in conflict with this policy must be removed by the shareholder after 10 days of written notification. If the



MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY**Patio and Porch Area Regulations – Mutual Eight

item is not removed after the 10-day period, the Mutual will have the right to remove the item at the shareholder's expense.

12. An enclosed patio or porch may not function as a bedroom, kitchen or storage closet.
13. A refrigerator or freezer in working condition plugged directly into wall socket is permitted only on the PORCH area of a NON expanded unit and located so as it does not impede passage nor detracts from the ambiance of the building.
14. A washer or a dryer or a stacking washer and dryer may be installed inside the PORCH ONLY of an NON expanded unit and must be in an enclosed storage cabinet. A permit must be obtained for the installation of these appliances and all codes relating to electrical and, if, applicable, plumbing and ventilation must be adhered to.
15. Items NOT permitted on patios and porches overnight and or stored are: Newspapers, magazines, paper, plastic bags, cardboard, any type of open food containers, including pet food, flammable chemicals, laundry hung airing or drying, non-working refrigeration or freezers, nursery for growing plants, saws, vacuum cleaners/rug shampoo machines, permanent pet kennels, dog runs, electric or gas golf carts, gas operated tools or equipment, spas or hot tubs, Extension cords strung across patio, or extended use of extension cords is not permitted. Shelving may not be supported/anchored off the building walls.

Attachment:

- 7415.8A – Agreement to Patio and Porch Area Regulations

MUTUAL ADOPTION

\*date after 30 day posting period\*

**DRAFT AGREEMENT TO POLICY 7415.8**  
PHYSICAL PROPERTYAgreement to Patio and Porch Area Regulations – Mutual Eight

1. I, \_\_\_\_\_ hereby attest that I am a Shareholder in the common interest development governed by Seal Beach Mutual No. EIGHT, (the "Mutual."). My address is \_\_\_\_\_, Seal Beach, CA 90740, (the "Property"); the Property is a part of all the real property owned by the Mutual in fee title (the "Development"). Any references to "my" or "I" in the Agreement shall refer to the Shareholder.
2. This Agreement to the Patio Regulations (the "Agreement") shall govern any and all legal shareholders with the right to occupy the Property and each will be required to sign below. The Agreement shall hereby be deemed to be incorporated into and by this reference become a part of my Occupancy Agreement, signed on \_\_\_\_\_.
3. I understand that the Mutual's Board voted on \_\_\_\_\_ to allow for the construction and/or extension of patios (Mutual Eight (8) Policy 7415.8 – Patio and Porch Area Regulations). This Agreement grants permission for me to perform a modification, which will result in an encroachment into the Mutual's common area for my exclusive use: (the "Patio Extension").
4. This Agreement sets forth my financial and legal obligations prior to the issuance of the permit granting me authority to perform the Patio Extension to the Property and will become a permanent part of my Occupancy Agreement, as described above. It is understood by both Shareholder and the Mutual that the explicit purpose and intent of this Agreement is to protect the Mutual and all of its shareholders from any untoward financial or legal obligations that may result from my Patio Extension.
5. The Patio Extension is a non-standard addition to the Property and includes all applicable deck areas, walls and gates. The total encroachment resulting from the Patio Extension will be \_\_\_\_\_ square feet into the Mutual's common area. Specifications regarding my Patio Extension are required to be submitted and approved in writing by the Mutual prior to the issuance of a permit.
6. I understand and agree that all requests and plans for the new Patio Extension must adhere to 7415.8 – Patio and Porch Area Regulations or will be rejected.
7. I agree to assume all costs and responsibilities in connection with the Patio Extension including, but not limited to the construction, expansion, ongoing maintenance, or resulting issues which arise from Patio Extension. I accept full financial responsibility for maintenance and repairs of my patio in \_\_\_\_\_.

**DRAFT AGREEMENT TO POLICY 7415.8**  
PHYSICAL PROPERTYAgreement to Patio and Porch Area Regulations – Mutual Eight

accordance with the requirements of the Mutual's Bylaws and my Occupancy Agreement. I authorize the Mutual, in the event of my failure or inability to comply with the terms of this Agreement, the Occupancy

Agreement or any other maintenance or repair requirements imposed by the Mutual, to perform and complete necessary maintenance and bill/assess the cost thereof against me in any manner permitted by the Mutual's governing documents and/or applicable law. Further, should the Patio Extension result in any damage to the Development or any utilities or other components for which the Mutual is responsible, I agree that the Mutual will hold me responsible for the costs incurred by the Mutual in repairing/remedying same after a noticed hearing before the Board of Directors.

8. I further hereby agree to obtain and maintain at all times an HO-6 (or similarly applicable) type insurance policy in an amount of at least Three Hundred Thousand and 00/100 (\$300,000.00) providing liability insurance and coverage of personal property to cover the permitted encroachment and the area covered by the Patio Extension (the "Policy"). The Policy shall name the Mutual as an additional insured and shall provide for 30 days written notice of cancellation or reduction of coverage to the Mutual. (The name and address of Mutual Eight (8) is Seal Beach Mutual No. Eight, Post Office Box 3519, Seal Beach CA 90740.)
9. Shareholder shall be responsible to provide evidence of such insurance coverage to the Mutual upon request at any time.
10. I further hereby agree to indemnify, defend and hold harmless the Mutual, it's directors, officers, managing agents, and committee members from and against any claims, liabilities, damages, injuries, causes of actions, demands, costs and expenses brought by any third parties or other Mutual shareholders against the Mutual as a result of or arising from the Patio Extension in any manner whatsoever.
11. Further, upon the sale/transfer of my share in the Mutual and transfer/change in the corresponding unit for which I am granted the right to occupy and reside, I agree to remove the Patio Extension and restore such patio and surrounding areas to their original condition prior to the Patio Extension at my own expense unless the prospective buyer/shareholder/occupier of my unit agrees to execute this new Agreement and said Agreement be deemed to be incorporated into and by this reference become part of his/her Occupancy Agreement.

**DRAFT AGREEMENT TO POLICY 7415.8**  
PHYSICAL PROPERTY

Agreement to Patio and Porch Area Regulations – Mutual Eight

12. Without limiting the foregoing, this Agreement shall be kept on record with the Stock Transfer Department; however, it shall be my sole and full responsibility to notify the buyer/transferee of my share/Property regarding the existence of this Agreement as well as the requirement that the Patio Extension be removed and restored to its original condition prior to subsequent transfer/sale unless the prospective buyer/transferee agrees to sign an Agreement reflecting the same or similar obligations as set forth in this Agreement and that said Agreement be deemed to be incorporated into and by this reference become part of his/her Occupancy Agreement.
13. Finally, I agree and acknowledge that if the Mutual is able to record this Agreement and/or the Occupancy Agreement as against the Property or such other real property as may be desired with the Orange County Recorder's Office, the Mutual shall be permitted to do so, and I shall, without prejudice or protest, execute and deliver any and all instruments, liens, agreements, documents, notarizations and other writings and perform all other acts reasonably necessary to effect the terms, conditions and purposes of this Agreement as a recorded document against the Property and to permit the Mutual to record this Agreement. This Agreement shall be deemed effective as of the last date set forth below.
14. Shareholder: Please list all deviations from Mutual Eight Policy 7415.8.  
Use separate sheet if necessary.

**DRAFT AGREEMENT TO POLICY 7415.8**  
PHYSICAL PROPERTY

Agreement to Patio and Porch Area Regulations – Mutual Eight

**15.** Each Shareholder and person granted the right to occupy my Property is bound by this Agreement and is required to sign below. By my signature, I hereby agree without reservation to all conditions listed herein. (Agreement must be signed and submitted prior to granting of permit by Board of Directors.)

**Shareholder:**

PrintName: \_\_\_\_\_

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

GRF ID No. \_\_\_\_\_

**Shareholder:**

PrintName: \_\_\_\_\_

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

GRF ID No. \_\_\_\_\_

**Shareholder:**

PrintName: \_\_\_\_\_

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

GRF ID No. \_\_\_\_\_

**Shareholder:**

PrintName: \_\_\_\_\_

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

GRF ID No. \_\_\_\_\_

**Witness/GRF Physical Property:**

PrintName: \_\_\_\_\_

Sign: \_\_\_\_\_ Date: \_\_\_\_\_



**DRAFT AGREEMENT TO POLICY 7415.8**  
**PHYSICAL PROPERTY**

**Agreement to Patio and Porch Area Regulations – Mutual Eight**

**Board Action:**

Approved in concept upon issuance of permit by Seal Beach and/or Physical Properties.

Date \_\_\_\_\_

Denied Date \_\_\_\_\_

Reason: \_\_\_\_\_

**Mutual President/Director:**

Name \_\_\_\_\_

Sign: \_\_\_\_\_ Date \_\_\_\_\_

**Original: Stock Transfer**  
**Copy: Physical Property Department**  
**Copy: Shareholder**



**MUTUAL OPERATIONS****RESCIND OLD VERSION – MUTUAL EIGHT  
PHYSICAL PROPERTY****Patio Regulations – Mutual Eight Only**

This policy has been developed in an effort to improve the appearance of the community and enhance property values. Also addressed is the need to meet applicable fire codes and the safety of each family. If this policy is followed, it will help keep pets from roaming and discourage rodents and other animals from entering patios.

- 1) Windows that may be needed as a secondary egress in the case of fire or other emergency shall not be blocked on either side. A clear path to the entry door of at least 36 inches shall be maintained to allow access for gurneys.
- 2) Only furniture that is designed for patios may be placed on a patio. Interior upholstered furniture is prohibited as this may become a rodent habitat.
- 3) A clean refrigerator or freezer in good working condition plugged directly into the patio outlet is permitted.
- 4) If a pet can escape from a patio, then the pet must be on a leash while on the patio.
- 5) Patios should always be kept neat and clean.

The following items shall not be stored on the patio:

- 1) Any type of cardboard container.
- 2) Highly flammable items, including newspapers, charcoal, magazines, paper or plastic bags, or any type of loose tarp.
- 3) Laundry hung for airing or drying. Instead, use the laundry room clotheslines that are provided for this purpose.
- 4) Gasoline-operated equipment or gas cans.
- 5) Electric tools on a permanent basis.
- 6) Exposed shelving, either free-standing or affixed to the exterior wall, except those used for decorative purposes, which must be kept neat and clean.

(Created on 10/03/16 jl)

**MUTUAL OPERATIONS****RESCIND OLD VERSION – MUTUAL EIGHT  
PHYSICAL PROPERTY****Patio Regulations – Mutual Eight Only**

Note: Patio Furniture (chairs, tables, lounges, BBQs, etc.) may not be left in walkways or on electric car pads, the lawn or in designated flowerbed areas overnight.

**MUTUAL ADOPTION**

EIGHT: 22 Jan 07

**RESCIND**

**\*adoption date of new policy 7415.8-See New Policy 7415.8\***

## ADOPTION DRAFT POLICY

### PHYSICAL PROPERTY

#### Exclusive Private Use of Common Property by Shareholders – Mutual Eight

The purpose of this policy is to improve the aesthetics of the shareholders' units and of Mutual Eight while maintaining the standards of Exclusive Private Use of Common Property for the entire Mutual. Patios, patio-like additions and other applications enjoy all the benefits of GRF Physical Property guidelines and regulations. The possibilities to enjoy indoor and outdoor living by each shareholder unit is an important value to the members of Mutual 8.

Mutual Six **Eight** limits Exclusive Private Use of Common Area to the following terms and conditions:

#### 1.Exemptions:

- A. One entry walkway not to exceed 48 inches in width (6-inch decorative ribbon allowed on each side for maximum width of 60 inches) from a public sidewalk, or as required by the Uniform Building Code.
- B. A garden area of up to 48 inches from the original apartment wall in front of and at the end of the apartment. Where a sidewalk or retaining wall is 72 inches or less from the original apartment wall, the shareholder may have all garden area or all grass.
- C. One pad for an air conditioner/heat pump installed within 36 inches of the original apartment wall, or as required by Uniform Building Code.
- D. One additional single door stoop up to 36 inches deep from original apartment wall, or as required by Uniform Building Code.
- E. Up to four bay windows with the outside wall no more than 20 inches deep from original apartment wall.
- F. Golf cart pad as approved by Mutual Six **Eight** Board of Directors.

#### 2.Approvals:

- A. Any proposed exclusive private use of common area must be approved by the Mutual Six **Eight** Board and permitted by GRF under the following conditions:
  - i. A request describing the proposed exclusive use area must be made in writing to the Board via the GRF Physical Property Department supported by acceptable drawings, photos, and specifications meeting all Mutual, GRF, and city of Seal Beach requirements, setting out all specifics of the request, dimensions and the square footage needed in order for the Board to consider the request.
  - ii. ~~Request must set out all legal information identifying the shareholder, the location of the apartment, the specific location of the encroachment, and specific use/reason for the encroachment.~~

(Draft created on 8/29/16 jl)

## ADOPTION DRAFT POLICY

### PHYSICAL PROPERTY

#### Exclusive Private Use of Common Property by Shareholders – Mutual Eight

- iii. As condition of approval, the shareholder must agree to Terms and Conditions of the Addendum to the Occupancy Agreement as set out in paragraph 3 below.

#### 3. The Addendum to the Occupancy Agreement:

- A. The shareholder must complete and have an approved and signed Addendum (signed by both the shareholder and Board) ~~and, which has been~~ **must be** delivered to the Stock Transfer Department before any construction or removal begins.
- B. The Addendum shall provide the following information and/or agreements:
  - i. Terms and conditions of use;
  - ii. Amount of square footage;
  - iii. Agreement to provide liability insurance;
  - iv. The amount of the original assessment for Exclusive Private Use and the start date of such exclusive use;
    - a. Calculation of Assessment: ~~the original monthly assessment will be the square footage requested times the square foot value assigned by the latest Orange County Tax Assessor valuation times 10 percent (10%) ROA divided by 12 months. All assessments for Exclusive Private Use may be recalculated starting on the first day of each new decade by the GRF Finance Department.~~ **If the application for Exclusive Private Use of Common Property indicates a patio size of less than forty square feet (40 sq. ft.) then the annual lease agreement will be \$30.00 per year. If the application of Exclusive Use is larger than forty square feet (40 sq. ft.) then the annual lease agreement will be \$60.00 per year.**
    - b. Start Date: The start date is conditioned on an understanding that it may be delayed. Any changes or alterations will require Mutual Six **Eight** Board approval;
    - a. ~~c.~~ An agreement to maintain the Exclusive Private Use area: If the Exclusive Private Use area is not maintained to exceed or match surrounding area, the Board may cancel the Exclusive Private Use approval and terminate the Addendum to the Occupancy Agreement and restore the area to match similar common area at the shareholder's expense.

## ADOPTION DRAFT POLICY

### PHYSICAL PROPERTY

#### Exclusive Private Use of Common Property by Shareholders – Mutual Eight

- v. Agreement that the encroachment must be removed at selling; shareholder's expense unless buying shareholder agrees to execute a new Addendum to the Occupancy Agreement assuming all liability.

#### 4.Existing Encroachments:

##### Alternative #1

- A. Pre-January 22, 2007, Encroachments: Any encroachment added before January 22, 2007, (the original date of this policy) or previously permitted by GRF will be allowed to remain until there is a sale, request for alteration, or transfer of stock. On resale, a request for alteration, or transfer, the shareholder must remove the encroachment, restoring the common area to a condition as good as similar common area as determined by the Mutual Eight Board, or the shareholder or new shareholder must enter into a Board approved Addendum to the Occupancy Agreement for Exclusive Private Use of the common area at issue under the terms and conditions set out in paragraph 3 above.
- B. Post-January 22, 2007, Encroachments: The shareholder must remove any encroachment added without a permit from GRF or approval of the Mutual Eight Board after January 22, 2007 (original date of this policy), within 90 days of notification of the violation by the Mutual Eight Board of Directors or GRF (management company). In the event the encroachment was not approved by the Mutual Eight Board or permitted by GRF, the shareholder may agree to execute, with Mutual Eight's Board approval, an Addendum to the Occupancy Agreement under the terms and conditions set out in paragraph 3 above. In all cases, on resale, requests for alteration, or transfers, the shareholder must remove the encroachment, restoring the common area to a condition as good as similar common area as determined by the Mutual Eight Board, or the shareholder or new shareholder must enter into a Board-approved Addendum to the Occupancy Agreement for Exclusive Private Use of the common area at issue.

##### Alternative #2

Any encroachment added before the original date of this policy or previously permitted by GRF will be allowed to remain until there is a sale, request for alteration, or transfer of stock. On resale, a request for alteration, or transfer, the shareholder must remove the encroachment, restoring the common area to a condition as good as similar common area as determined by the Mutual ~~Six~~ **Eight** Board, or the shareholder or new shareholder must enter into a Board-approved Addendum to the Occupancy Agreement for Exclusive Private Use of the common area at issue under the terms and conditions set out in paragraph 3 above.

(Draft created on 8/29/16 jl)

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY****Exclusive Private Use of Common Property by Shareholders – Mutual Eight****5. Encroachments:**

The following is a non-exclusive list of common area encroachments: expanded garden areas, extra doorway stoops, extra walkways, patios or patio-like areas, extra wide entry walkways, and any other unapproved use of common area.

**MUTUAL ADOPTION****AMENDMENTS**

EIGHT:

(Draft created on 8/29/16 jl)



MUTUAL OPERATIONS**AMENDMENT DRAFT POLICY****PHYSICAL PROPERTY****Building Alterations or Additions – Mutual Eight**

**Purpose:** In the course redecoration, alterations, repairs or additions, modification of floors, walls, and ceilings of apartments including porches and patios involve structural components of Mutual 8 property. Selection of materials used and installation procedures are of concern to assure reasonable safety of current and future residents shareholders and guests from unnecessary hazards to health and well-being.

**Accordingly:**

- 1.** A GRF permit for alterations or additions to buildings in this Mutual will not be issued by the Physical Property Department until a written, signed proposal and contract between the shareholder and the contractor (describing the work to be done by the contractor, the fees to be charged, and the start and completion dates for the work) has been presented to the Physical Property Department along with the application for issuance of a building permit.
- 2. Floor covering, interior and exterior, ceiling and walls:** A GRF permit shall be required for removal or installation of floor/surface covering where preparation for installation or installation of floor covering involves affecting existing floor/surface materials such as removal of existing linoleum, tile or carpet; or, where installation of the new flooring surface is attached by mechanical fasteners, mastic, cement, grout or similar means, or floated upon the existing floor surfaces.
- 3. Tile and carpeting shall be of a material and finish appropriate to the purpose for which it is used; bathroom and exterior application shall have a low or non-slip finish when wet.**
- 4. Carpeting shall be affixed in such a way as to minimize potential for trip hazards.**
- 5. In the event that tiling of a floor surface shall result in a vertical misalignment with a walkway, that section of the walkway shall be replaced to provide a smooth even transition with the surface of the patio.**
- 6. Ceiling alteration and redecoration:** Refinishing or repair of floors, ceilings and walls, other than normal preparation for painting, must be performed by an approved contractor.

**MUTUAL OPERATIONS****AMENDMENT DRAFT POLICY****PHYSICAL PROPERTY****Building Alterations or Additions – Mutual Eight**

- 7. If evidence of asbestos is found in the unit's ceilings, walls, or floors, the GRF Physical Properties Office must be notified immediately/promptly and an approved contractor qualified in removal of asbestos must be employed to resolve the issue.**
- 8.** A penalty of \$100 per day shall be assessed to the contractor by the Mutual for every calendar day that the construction exceeds the completion date as listed on the GRF Permit. The Mutual Board or its designee and the Building Inspector may, in its sole discretion, award an extension to the contractor. Extensions will generally be granted only for unforeseen delays or unexpected problems with the work, such as, hidden and unanticipated conditions which delay completion due to additional work being required or delays beyond the control of the contractor and shareholder.
- 9.** A GRF permit shall be valid for a period of 180 calendar days; it may be extended at the sole discretion of the Mutual Board and the Building Inspector. If the work has not been completed within the allotted time, the contractor and/or shareholder shall return the Mutual Building and appurtenances that were affected by the work, to a condition that is satisfactory to the Mutual and the Building Inspector within five (5) business days after expiration of the permit or extension, if applicable, or the Mutual will have any work that was requested that was not satisfactorily done, completed at the shareholder's expense or the contractor's expense, as the Building Inspector determines which party bares the fault for the incompleteness of the work.

**MUTUAL ADOPTION**

EIGHT: 02-23-15

**AMENDMENTS****\*Ratified Date\***

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****RESIDENT SHAREHOLDER REGULATIONS****Laundry Room Use – Mutual Eight**

Laundry Room facilities are an important part of living in Leisure World. Our ability to provide and maintain a standard of living as aided by laundry room facilities is a basic service in Mutual 8. Therefore, keeping the rooms clean and functional is part of our daily living. Bulletin boards in laundry rooms provide a critical role in our governing structure as well.

1. Laundry room facilities are available for use solely by residents shareholders of their respective Mutual only. The only exception to this is that a caregiver may use the laundry room facilities to do a resident's shareholder's laundry.
  - a. Residents Shareholders must oversee and instruct the caregivers when the resident's shareholder's laundry is being done.
  - b. Part-time caregivers may not wash their own laundry in the Mutual's laundry room.
  - c. Live-in caregivers may wash their own laundry in the Mutual's laundry rooms.
2. Residents Shareholders are responsible for any damage to the laundry room facilities when they or their caregiver is doing the resident's shareholder's laundry.
3. Laundry room facilities are available for use between the hours of 7 a.m. and 9 p.m. only. (~~Mutual Ten Only: Use between the hours posted on the doors.~~)
4. Washers or dryers must be loaded properly, i.e. maintain the proper amount of items in the machines so as not to overload the machines. Improper loading may cause damage to the machines due to being unbalanced.
  - a. If there is uncertainty about the load, stay with the machine to ensure that the load is properly balanced. If necessary, rearrange the load in the machine.
5. Read all labels for laundry products to ensure that the product type is correct and the amount is appropriate.
  - a. ~~Front-loading washers generally require about half the amount needed for a top-loading washer.~~
6. For front-loading washers, wait until the cycle is completed and the light has gone out **before** opening the machine door. Expensive damage can occur to the machine, which will be the responsibility of the resident shareholder, if the door is forced open before the cycle is completed.

(Draft created on 8-29-16 jl)

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****RESIDENT SHAREHOLDER REGULATIONS****Laundry Room Use – Mutual Eight**

7. Laundry room facilities are to be used for washing and/or drying only. Clothing or fabrics may not be dyed or tinted in the washers or dried in the dryers.
8. Any clothing or fabric that has been cleaned in a flammable liquid may not be washed in the washers or dried in the dryers.
9. The following items may not be washed in the washers or dried in the dryers: rubber- or plastic-backed mats, rugs or runners, sneakers, fiberglass curtains, sleeping bags, heavy blankets, quilts, comforters, or car covers.
  - a. Hand-washed clothing or other items may not be placed in the dryers due to the excess amount of water contained in them. Use the exterior clothesline for hand-washed items, if desired.
10. Clothing or other items with metal buttons, clips, etc. must be placed in a small cloth bag or pinned inside a pillowcase before being placed in the dryer.
11. Clothing or other items may not be hung on ~~resident's~~ **shareholder's** patio.
12. Clothing or other items that have not been removed from a dryer within 30 minutes of completion may be removed from the dryer by the next person waiting to use the machine.
13. When a washer or dryer is "out of order," notify the Director in charge of that laundry room **or Service Maintenance**. Directors' names are posted in each laundry room. If the Director is unavailable, call Service Maintenance.
14. The trash containers in the laundry rooms are for lint and dryer sheets only. Detergent containers, bleach or softener bottles, or other trash must be disposed of in another location.
15. Clean the dryer filter after each use, and dispose of lint in the trash containers.
16. Help keep the laundry rooms clean.

**MUTUAL ADOPTION****AMENDMENT****EIGHT: \*Date ratified\***

(Draft created on 8-29-16 jl)

Page 2 of 2

**MUTUAL OPERATIONS****PHYSICAL PROPERTY****CURRENT/ACTIVE POLICY FOR BOARD REVIEW****Building Permit Signatures**

Mutual \_\_\_\_\_ requires the signature of the Mutual Corporation's president or, in the absence of the president, the vice president, on any building permit, building plans, and change orders issued for apartment remodeling.

**Mutual Five Only (Effective 01-17-96)**

Mutual Five requires the signature of the Mutual Corporation's president or, in the absence of the president, any officer of the Board, on any building permit, building plan, or change orders issued for apartment remodeling.

**Mutual One Only (Effective 09-22-16)**

Mutual One requires the signature of the Mutual Corporation's president or, in the absence of the president, the Vice President, or Physical Properties Director on any building permit, building plan, or change orders issued for apartment remodeling.

**Mutual Seven Only (Effective 08-19-15)**

Mutual Seven requires the signature of the Mutual Corporation's president or the Physical Property Director, on any building permit, building plans, and change orders issued for apartment remodeling.

**MUTUAL ADOPTION****AMENDED****RESCINDED**

|            |          |                    |
|------------|----------|--------------------|
| ONE:       | 03-27-03 | 02-23-06, 09-22-16 |
| TWO:       | 07-19-90 |                    |
| THREE:     | 07-13-90 |                    |
| FOUR:      | 08-06-90 |                    |
| FIVE:      | 09-20-95 | 09-22-92, 01-17-96 |
| SIX:       | 07-27-90 | 07-23-96           |
| SEVEN:     | 07-20-90 | 08-19-15           |
| EIGHT:     | 07-23-90 |                    |
| NINE:      |          |                    |
| TEN:       | 07-26-90 |                    |
| ELEVEN:    |          |                    |
| TWELVE:    |          |                    |
| FOURTEEN:  | 07-27-90 |                    |
| FIFTEEN:   | 07-16-90 |                    |
| SIXTEEN:   |          |                    |
| SEVENTEEN: |          |                    |

**MUTUAL OPERATIONS****PHYSICAL PROPERTY****CURRENT/ACTIVE POLICY FOR BOARD REVIEW****Personal Property Insurance - Mutual Four, Eight, and Fifteen Only**

Effective April 1, 2009, Mutuals Four, Eight, and Fifteen shareholders, whether residing in their apartment or not, shall carry personal property insurance to cover the personal contents of their apartment, to cover any damage to their apartment for which they are responsible, and to cover any damage, for which they are responsible, to adjacent apartments.

The following paragraph replaces paragraph one for Mutual Four only:

Effective January 2, 2010, Mutual Four shareholders, whether residing in their apartment or not, shall carry personal property insurance to cover the personal contents of their apartment, to cover any damage to their apartment for which they are responsible, and to cover any damage, for which they are responsible, to adjacent apartments.

The Golden Rain Foundation and Mutual Corporation are not responsible for personal property, or damage to personal property stored or parked on the street or in the carport, such as vehicles and other property stored in or under the storage cabinets.

Shareholder shall obtain sufficient coverage for additional living expenses should the shareholder be unable to occupy their apartment while repairs are made to their apartment.

Shareholder shall obtain personal liability insurance in an amount sufficient for the indemnification of other persons who may be injured on their property. If shareholder owns a pet, \$300,000 in personal liability coverage is recommended. If shareholder does not own a pet, it is recommended that the personal liability coverage be \$200,000.

Shareholder should consider obtaining sufficient coverage to insure the value of any artwork, jewelry, antiques or other items that would not normally be covered by an average policy for personal property.

Upon obtaining personal property insurance, and upon annual renewal of the policy, Shareholder shall provide proof of insurance to the Stock Transfer Office in the form of the policy declarations page.

**MUTUAL ADOPTION**

|                    |                                 |
|--------------------|---------------------------------|
| Four:              | 10 Nov 09                       |
| <del>Six:</del>    | 25 May 10 (See Policy 7586.G.6) |
| Eight:             | 28 Sept 09                      |
| <del>Twelve:</del> | 14 May 09 (See Policy 7701.12)  |
| Fifteen:           | 17 Aug 09                       |

(Jan 16)



**MUTUAL OPERATIONS****PHYSICAL PROPERTY****CURRENT/ACTIVE POLICY FOR BOARD REVIEW****Walk-in Therapeutic/Jacuzzi-Type Bathtubs - Mutual Eight Only**

If a shareholder wishes to have a walk-in therapeutic bathtub or Jacuzzi and the related equipment/appurtenances installed, the following must be adhered to:

1. A permit to install the walk-in therapeutic bathtub or Jacuzzi and related equipment/appurtenances must be obtained from the Physical Property Department of the Golden Rain Foundation prior to having the bathtub/Jacuzzi installed. Shareholder shall assume financial responsibility in case the licensed company fails to comply with all provisions of the permit and all GRF and Mutual policies, rules and regulations, and agrees to return the Mutual property to its original condition or satisfactorily complete the installation.
2. The Mutual has the authority and authorization to remove the bathtub/Jacuzzi and related equipment/appurtenances and return the shower/tub area to its original condition at shareholder's expense if the installation does not comply with this policy or if the provisions of this policy are not met.
3. The walk-in therapeutic bathtub/Jacuzzi shall have:
  - a. Sound board applied to all surrounding walls, floor to ceiling, with drywall mud and taped.
  - b. The shower trap shall be replaced using an all-glue ABS trap and a 2" trap with accessible clean out shall be maintained.
  - c. All new water piping shall be copper pipe. Water tie-ins shall be in the attic with ball valve shut offs.
  - d. A 24" x 24" attic access shall be provided in the bathroom for access to the shut off valves. The attic access cover shall be a combination of plywood laminated to a 5/8-inch type X drywall with the drywall facing the attic side.
  - e. The bathtub/Jacuzzi faucets shall have quarter turn shut offs that are accessible. The discharge of water shall be by gravity drain. A pump may only be used if the discharge rate does not exceed 7 gpm. Air injection jets may only be installed if they do not exceed a 44 decibel sound level. If they are an integral part of the bathtub/Jacuzzi, they must be disabled if they do not meet this sound level.
  - f. A 50-gallon (minimum) water heater shall be installed with a re-circulating pump for the bathtub/Jacuzzi unless an alternate source for maintaining adequate hot water

(Nov 10)

**MUTUAL OPERATIONS****PHYSICAL PROPERTY****CURRENT/ACTIVE POLICY FOR BOARD REVIEW****Walk-in Therapeutic/Jacuzzi-Type Bathtubs - Mutual Eight Only**

temperature at the bathtub/Jacuzzi is provided such as a tank-less booster water heater at the bathtub/Jacuzzi.

- g. The main electrical panel must be upgraded to a 125 amp square D electrical panel with a 100 amp main breaker, if necessary, to provide sufficient circuit breakers. A sub-panel is not permitted.
4. Any damage which may occur to the building and/or appurtenances thereto during and/or after installation of bathtub/Jacuzzi and related equipment/ appurtenances is the responsibility of the shareholder and any repairs shall be paid for by the shareholder. Further, the shareholder, at their expense, shall be responsible for any removal/re-installation of the bathtub/Jacuzzi deemed necessary by the Mutual for the purpose of repairs and/or maintenance work to the building and/or appurtenances thereto.
  - a. To cover any damage resulting from the use or operation of the bathtub/Jacuzzi to Mutual property or to any property in adjacent units, the shareholder agrees to maintain a liability insurance policy with a minimum of \$300,000 in coverage. The shareholder is financially responsible for any damages resulting from having the bathtub/Jacuzzi in their unit.
5. The bathtub/Jacuzzi and related equipment/appurtenances shall be maintained in good working condition. If the bathtub/Jacuzzi and/or related equipment/ appurtenances are not maintained in good operating condition by the shareholder, the bathtub/Jacuzzi and related equipment/appurtenances shall be removed, repaired, and/or replaced at the shareholder's expense independent of Service Maintenance.
6. The bathtub/Jacuzzi and related equipment/appurtenances must be removed and replaced with a standard shower and appurtenances upon sale or transfer of the unit, at the shareholder's expense, unless the buyers/transferees sign a supplemental agreement accepting responsibility for the bathtub/Jacuzzi and related equipment/appurtenances and agree to the provisions of this policy.
7. The shareholder(s) must sign a copy of this policy and acknowledge that they are aware of the provisions and agree to abide by them.

(Nov 10)

**MUTUAL OPERATIONS****PHYSICAL PROPERTY****CURRENT/ACTIVE POLICY FOR BOARD REVIEW****Walk-in Therapeutic/Jacuzzi-Type Bathtubs - Mutual Eight Only****MUTUAL ADOPTION**

EIGHT: 11-22-10

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I hereby acknowledge that I am aware of the provisions of this policy and agree to abide by them.

Shareholder's Name \_\_\_\_\_ Apt. \_\_\_\_\_

Shareholder's Signature \_\_\_\_\_ Date \_\_\_\_\_

(Nov 10)

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