

**MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOURTEEN**

July 16, 2014

A Special Meeting of the Board of Directors of Seal Beach Mutual Fourteen was convened at 1:00 p.m. by President Pepper on Wednesday, July 16, 2014, in Clubhouse Three, Room 2.

Directors present were: President Pepper, Vice President Jorgenson, CFO Destra, Secretary Johnstone, and Directors Harrison, Melody, Bourhenne, Tessier, and Luther.

The purpose of the meeting was to discuss and amend the Mutual patio policy.

President Pepper adjourned the meeting at 3:15 p.m.

A handwritten signature in cursive script, appearing to read "Carol Johnstone", written over a horizontal line.

Attest

Carol Johnstone, Secretary
SEAL BEACH MUTUAL FOURTEEN

cd:8/04/14

Attachments

PHYSICAL PROPERTY

Patio Regulations - Mutual Fourteen

The purpose of this policy is to provide guidelines for the building and maintenance of patios that are user friendly, increase the value of the mutual and improve the aesthetics of the shareholders' unit and of Mutual Fourteen. Garden areas were granted at the time of original development to allow shareholders to pursue individual gardening and landscaping interests. In recent years some shareholders have elected to use garden areas for sitting outside rather than having a planting area.

Definition of Terms

- a. A patio is any surface other than soil that is attached or adjacent to the outside wall of the unit structure.
- b. A porch is the space under the roof of the structure open to the outside or enclosed from weather.
- c. A porch is included in the exclusive use permit of occupancy and is not included or managed by this patio policy
- d. A porch and patio can be built as a continuous structure, but only the portion outside the roof line will be considered and maintained as a patio with this policy.
- e. 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.

Specific Rule

As of (adoption date 2014) all currently installed patios will be grandfathered for the current shareholders. At the time of transfer of title or sale, if the patio does not meet the current standards of this policy or is not a previously permitted patio, the selling shareholder will be required to restore the area to a

compliant condition, at the seller's expense. At the time of transfer of title or sale of a unit with a patio the buyer must agree to manage, maintain and insure the cost of the patio or it shall be removed at the seller's cost prior to the close of escrow.

Patio Approval Process

- a. All requests for patios must be submitted to Golden Rain Foundation (GRF) Physical Properties Department at least three (3) weeks prior to a regularly scheduled board meeting. The GRF Physical Properties Inspector must submit the plans for approval to the Board of Directors at least two (2) weeks prior to a regularly scheduled board meeting.
- b. Patio plans must be drawn to be easily understood with dimensions and must include the walls, fences and gates.
- c. 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.
- d. Any changes or deviations from the approved plan(s) must be submitted to the Board of Directors and be approved prior to implementation.
- e. Shareholder shall bear any and all costs of the patio, including maintenance of the patio, sprinkler relocation, grass replacement, tree replacement and flower bed repairs. As a condition of patio approval, the shareholder shall obtain insurance covering against liability for the patio.
- f. Patios must allow access to the meters, pole boxes, the telephone boxes and the plumbing at the end of the buildings. Other factors for determining approval include but are not limited to: watering issues, air conditioning unit locations, straight-line mowing, or other potential Mutual 14 future structures.
- g. Patio slabs must slope away from the building, with adequate weep holes in walls for drainage.
- h. Patio top surface material must be non-skid even when wet.
- i. Patio wall with cap must be no higher than 36 inches.