

**MUTUAL OPERATIONS**

**7415.7  
Agreement**

**PHYSICAL PROPERTY**

**Agreement to Patio Regulations – Mutual Seven**

1. I, \_\_\_\_\_ hereby attest that I am a Shareholder in the common interest development governed by Seal Beach Mutual No. Seven, (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 Bylaws were amended by Shareholder vote on May 15, 2015 to allow for the construction and/or extension of patios (Mutual Seven Policy 7415.7). 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 Policy 7415.7 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 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

(Nov 15)

**PHYSICAL PROPERTY**

**Agreement to Patio Regulations – Mutual Seven**

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 Seven is Seal Beach Mutual No. Seven, 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, its 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.
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

**MUTUAL OPERATIONS**

**PHYSICAL PROPERTY**

**Agreement to Patio Regulations – Mutual Seven**

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 7 Policy 7415.7. Use separate sheet if necessary.

\_\_\_\_\_

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:**

Print Name: \_\_\_\_\_

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

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

**Shareholder:**

Print Name: \_\_\_\_\_

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

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

**MUTUAL OPERATIONS**

**PHYSICAL PROPERTY**

**Agreement to Patio Regulations – Mutual Seven**

**Shareholder:**

Print Name: \_\_\_\_\_

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

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

**Shareholder:**

Print Name: \_\_\_\_\_

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

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

**Witness/GRF Physical Property:**

Print Name: \_\_\_\_\_

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

**Board Action:**

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

Date \_\_\_\_\_

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

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

Mutual President/Director: \_\_\_\_\_

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