

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Front Exterior Building Façade – Mutual One

This policy allows shareholders, when remodeling, to utilize materials that may not have been available when the property was originally constructed. This policy sets forth the minimum requirements to change the original front facade on the buildings. Each change to the front exterior façade of the building MUST be approved, in writing, by the Board of Directors (the “Board”). Plans submitted by a Shareholder will be reviewed on a case-by-case basis, and the approval, if any, will be at the sole discretion of the Board.

No construction can begin until the Physical Property permit is approved by the Board. After the Board has approved the exterior façade remodel, the shareholder will obtain a City of Seal Beach (“City”) building permit, if required by law. If a building permit is required, prior to commencing construction, the shareholder shall submit a copy of the approved building permit to the Physical Property Department of Golden Rain Foundation (“GRF”).

Any changes that deviate from the original permit must be approved, by way of a written change order submitted to the Board either at the Board’s regular monthly meeting or, at the sole discretion of the Board, a special meeting may be called. Upon approval of the changes by the Board, the Shareholder shall obtain City approval and necessary permits, if a building permit is required by law. If a building permit is required, the Shareholder shall cease construction on the building façade until the approved building permit is submitted to the Physical Property Department of GRF. No work that deviates from the approved plans can proceed until the Shareholder has complied with the Board requirements, and it has approved the modification.

1. Deco block walls and deco block front facades are no longer required along the front walls or concrete porches of remodeled units unless the remodeling Shareholder desires to implement their use.
2. If the remodeling Shareholder desires to have a deco block wall installed along a front wall or approved concrete porch, approval may be given by the Board provided that:
 - a. Shareholder retains a qualified contractor (as defined by the GRF; and
 - b. The qualified contractor obtains a building permit through the Physical Property of GRF; and

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- c. The deco block wall is constructed in such a way that the decorative blocks continue to be an integral part of the exterior building design and matches the color scheme approved by the Board for the Shareholder's building; and
- d. The deco block wall, on an approved concrete porch, is limited to three blocks high with a required two-inch cap; and
- e. Deco blocks are not mandatory on the façade of apartments, but the deco blocks or approved PVC lattice screening must be placed around the central heat/air conditioning unit to help mask from view and help reduce noise.

3. Liners for Decorative Block Walls

The Board will not permit the use of organic materials, including but not limited to plywood, to line decorative block walls. Non-organic materials **MUST** be used to re-line deco blocks and material must be approved by the Physical Property Department.

4. Facades other than Deco Block

Shareholders can utilize other types of building materials approved by the Board to update the look of the building when remodeling. All materials, however, are to be approved by the Physical Property Department and the Board. When an application for a Physical Property permit is submitted to the Physical Property Department and Board, a sample of the material and a rendering or computer-type rendering must accompany the plans for approval.

Approved Materials include, but are not limited to:

- Deco Block
- Hardiboard
- Brick, New or Used
- Flagstone
- Stucco

Disapproved materials include, but are not limited to, PVC lattice screening.

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Work shall not begin on any façade until the Board has granted approval. If work begins without approval, the façade may be removed at Shareholder's expense.

5. If the remodeling Shareholder desires to have this type of facade installed along a front wall, approval may be given provided that:
 - a. Shareholder retains a qualified contractor; and
 - b. The qualified contractor obtains a building permit through the Physical Property Department of GRF; and
 - c. The façade front is constructed in such a way that the stucco, brick, Hardiboard or flagstone used continues to be an integral part of the exterior building design and complement the color scheme or, in the case of Hardiboard or stucco on the shareholder's building, it must match the existing color scheme.
6. Existing PVC lattice screening, whether properly permitted or not, may remain in place if suitably, structurally mounted. Upon sale or membership transfer of a unit with PVC lattice screening, the PVC lattice screening will be removed by the Mutual at the seller's expense or by the seller at the seller's expense. When the woodwork on all the buildings is painted, all the PVC lattice screening will be painted to match the building.

The Board has the sole discretion to approve or deny any facade installation. In an effort to retain uniformity and harmony, the Board is authorized to disapprove all if it determines it will detract from the overall scheme of the building finishes or of adjoining or opposing buildings.

The Board may require any facades installed, after a façade on the side of a building by another Shareholder that has already been installed, that the new façade be the same, or it may allow a different material to be used.

The approval or rejection of remodeling plans is at the sole discretion of the Board. Should the Board reject the construction plans of a Shareholder, the Shareholder shall be entitled to reconsideration by the Board provided the Shareholder submits to the Board a written application for reconsideration within thirty (30) days of the Board's written decision.

If a façade of any type is installed without Board approval, the facade may be ordered by the Board to be removed at the Shareholder's expense, including any attorney fees and costs

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the Board may incur to enforce the removal of the façade.

The Shareholder must follow the procedures of the Physical Property Department and the Board during the construction phase.

MUTUAL ADOPTION

AMENDMENTS

ONE: 25 May 11

03-26-15