

**SEAL BEACH MUTUAL NO. TWELVE****RESIDENT REGULATIONS****Acceptability of Individual for Stock Ownership**

## RESOLUTION:

1. WHEREAS this Mutual Corporation is called upon from time to time to interview and evaluate the eligibility of individuals for common stock ownership in this Corporation, and
2. WHEREAS previously no criteria have been established except as to the Section 1, Article III, Eligibility Criteria for Stock Ownership, and
3. WHEREAS the Mutual Corporation is required to determine suitability pursuant to the regulatory agreement and executed between this Corporation and FHA at the initial and final endorsement of the mortgages upon this project, and
4. WHEREAS the Occupancy Agreement is to be executed by said member-stock-holder-resident, and
5. WHEREAS it is the duty of this Corporation to determine that the intention of the person seeking common stock ownership is to provide housing for such member and eligible family.
6. NOW THEREFORE BE IT RESOLVED that any interviewer for this Corporation, in determining the eligibility and acceptability of an individual for common stock ownership, shall include in the determination by such interviewer, among other factors, as to whether said individual has made multiple moves within the Leisure World Seal Beach complex, for the purpose not of maintaining a residency for said member and family, but rather to create investment properties for the benefit of said proposed owner, the improvement, remodeling, and sale of said units, in which event the interviewer shall report the same to the Mutual Board of Directors, who shall be the final arbiters in making a determination as to the acceptability of said proposed individual for common stock ownership.

**Document History**

Adopted: 16 Sept 1991 Action

**Keywords:**