

## MUTUAL 12 COMMON AND SEPARATE INTEREST

### COMMON INTEREST

Seal Beach Mutual No. Twelve, is a stock cooperative corporation that is subject to the Davis-Stirling Common Interest Development Act. The common interest of the holders of the 452 equal shares of stock is everything other than their separate interest apartment. The common interest, that is governed and maintained by the Mutual Board, includes the buildings along with their standard fixtures and land including planting areas, turf and pavement.

### SEPARATE INTEREST

“Separate interest” means the exclusive right to occupy a portion of the real property, title to which is held by the corporation.” In a stock cooperative both the separate interest and the correlative interest in the stock cooperative corporation, however designated, are interests in real property (CA Civil Code §783). The resident owners of the shares of stock own, the exclusive right to occupy (inhabit) the apartments as their separate interest and to make permissible and permitted changes therein. Patio areas within the original building footprint are included. Additionally, each share of stock includes the exclusive right to the use of one carport space subject to Rule 12-7502-1 Carport Regulations and Common Area Traffic. Shareholder easements exist and are detailed in Mutual 12 rules and regulations for ingress, egress and support pertaining to each separate interest (CA Civil Code §4505(b)).

Gardening in common area adjacent to the separate interest is allowed in compliance with Rule 12-7425-1 Landscape. Access to Mutual and utility property for maintenance and emergency must not be compromised.

Mutual Twelve shareholders approved a By-Law amendment on the June 8, 2023 that allows the Corporation to grant members the exclusive right to use common area adjacent to their unit for patio purposes.