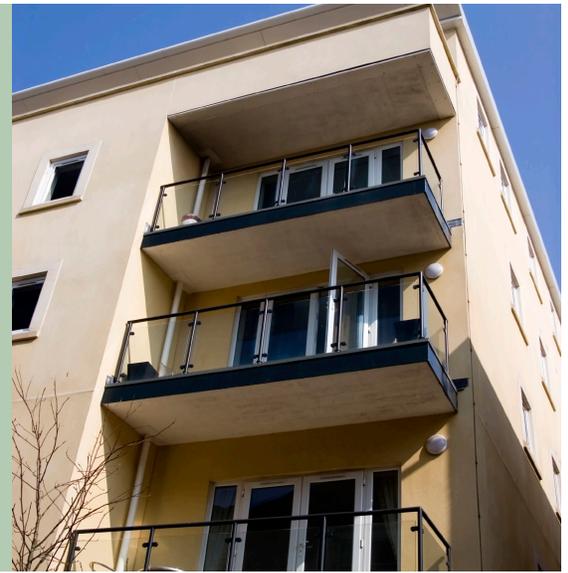


WHAT'S THE DIFFERENCE?

Single Family Residence, Planned Unit Development, Condominium, Townhouse & "Own Your Own" Property



SINGLE FAMILY RESIDENCE (SFR)

An ownership interest intended for the use and occupancy of a single family.

Single Family Residences are FEE SIMPLE ESTATE. The greatest interest that one can have in real property. An estate that is unqualified, of indefinite duration, freely transferable and inheritable.

CONDOMINIUM, PUD OR TOWNHOUSE?

Before continuing further, it may be helpful to clarify a common misconception about Condominiums and PUDs, keep in mind the terms Condominium and PUD refer to types of interests in land, not to physical styles of dwellings. Therefore, when home buyers say that they are buying a townhouse, that is not the same as saying that they are buying a Condominium. When home buyers say that they are buying a unit in a PUD, they are not necessarily buying a single-family detached home. Though the townhouse is the most common style of structure found in common interest developments in California, a townhouse might legally be a Condominium, a unit or lot in a Planned Development, or a single-family detached residence.

The terms Condominium or PUD will say a great deal about the ownership rights the buyer will receive in the unit and the interest they will acquire in the common properties or common areas of the development.

PLANNED UNIT DEVELOPMENT (PUD)

A term sometimes used to describe a planned development. A planning and zoning term describing land not subject to conventional zoning to permit clustering of residences or other characteristics of the project which differ from normal zoning.

PUD's are also fee simple estate, however most PUD's have an interest in common area(s) and amenities as well as being part of a homeowners association.

CONDOMINIUM

An estate in real property wherein there is an undivided interest in common in a portion of real property coupled with a separate interest in space called a unit, the boundaries of which are described on a recorded final map, parcel map or condominium plan. The areas within the boundaries may be filled with air, earth, or water or any combination and need not be attached to land except by easements for access and support .

A condominium is defined in Section 783 of the California Civil Code. This ownership is usually described in 2 parts, the 1st being their percentage interest in the entire development, and the 2nd being the unit which they own. The Condo owner has a shared ownership along with the other unit owners as defined in their "Condominium Plan" which defines the boundaries of their ownership. Usually this consists of "airspace" within the walls of their unit. This type of ownership typically does not include the actual structure.

"OWN YOUR OWN" OR OYO PROPERTY

The Common Interest Development Act includes community apartment projects often referred to as an "own your own" apartments. Occupants usually own an undivided interest in the entire project plus an exclusive right to possession of a specific unit or apartment.

Civil Code Section 1351(d) defines a community apartment project as a common interest development in which an undivided interest in land is coupled with the right of exclusive occupancy of any apartment located thereon.

Section 1351(1)(1) defines the term "separate interest" in a community apartment project as the exclusive right to occupy an apartment in a common interest development in which an undivided interest in land is coupled with the right of exclusive occupancy of any apartment located thereon.