

THIS LONG TERM LEASE AGREEMENT WILL BE EXEMPT FROM ANY ORDINANCE, RULE, REGULATION, OR INITIATIVE MEASURE ADOPTED BY ANY LOCAL GOVERNMENTAL ENTITY WHICH ESTABLISHES A MAXIMUM AMOUNT THAT A LANDLORD MAY CHARGE A TENANT FOR RENT.

Homesite: _____

**RANCHO LA PAZ MOBILE HOME PARK
LONG TERM LEASE AGREEMENT**

THIS LONG TERM LEASE AGREEMENT IS AN IMPORTANT DOCUMENT THAT HAS LEGAL CONSEQUENCES. IT IS RECOMMENDED THAT HOMEOWNER HAVE IT REVIEWED BY AN ATTORNEY PRIOR TO EXECUTING THE DOCUMENT.

**This Park is an
Equal Housing Opportunity Provider**

**We do business in accordance with
the Federal Fair Housing Law**



**It is illegal to discriminate against any person
because of race, color, religion, sex,
handicap, familial status or national origin**

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This LONG TERM LEASE AGREEMENT (hereinafter "AGREEMENT") is made and entered into this _____ day of _____, 20____, by and between the owner of the Rancho La Paz Mobile Home Park (hereinafter the "OWNER") and those persons who have signed this AGREEMENT, _____ (hereinafter the "HOMEOWNER" or collectively the "HOMEOWNER").

OWNER agrees to rent to HOMEOWNER and HOMEOWNER agrees to rent from OWNER the Homesite pursuant to the terms and conditions contained in this AGREEMENT, including all attachments and exhibits to the AGREEMENT.

HOMEOWNER ACKNOWLEDGES AND REPRESENTS:

HOMEOWNER EITHER OWNS OR IS PURCHASING THE MOBILEHOME ON THE HOMESITE AND ANY ACCESSORY STRUCTURES BUT IS NOT PURCHASING THE HOMESITE OR LAND WITHIN THE PARK. OWNERSHIP OF THE HOMESITE AND LAND REMAINS WITH THE OWNER.

ADJACENT PROPERTY IS, OR MAY BE, CAUSING ENVIRONMENTAL HAZARDS SUCH AS NOISE, DUST, ODOR, NOXIOUS FUMES, ETC. HOMEOWNER FOREVER RELEASES AND DISCHARGES OWNER FROM ANY DAMAGE OR INJURY WHICH HOMEOWNER HAS SUFFERED, OR MAY SUFFER, TO THE FULLEST EXTENT PERMITTED BY LAW. HOMEOWNER HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THESE MATTERS.

HOMEOWNER ASSUMES ALL RESPONSIBILITY FOR THE MOBILEHOME, INCLUDING, BUT NOT LIMITED TO, TITLING AND REGISTRATION, PAYMENT OF TAXES, INSURANCE, GOVERNMENT FEES, AND MAINTENANCE OF THE MOBILEHOME AND ACCESSORY EQUIPMENT. OWNER MAKES NO REPRESENTATION RESPECTING HOMEOWNER'S ABILITY TO SELL THE MOBILEHOME FOR THE PRICE PURCHASED OR FOR ANY OTHER PRICE. HOMEOWNER AGREES THAT OWNER IS NOT RESPONSIBLE FOR ANY CONDITION THAT AFFECTS MOBILEHOME SALES PRICES INCLUDING RENT TO BUYER, LEASE TERMS OFFERED TO BUYER OR CONDITION OF OTHER MOBILEHOMES IN PARK, OTHER THAN IMPOSED BY LAW OR NOT WAIVABLE LEGALLY. HOMEOWNER'S TENANCY WITH OWNER IS SUBJECT TO TERMINATION UNDER ANY AND ALL PROVISIONS OF THE CALIFORNIA MOBILEHOME RESIDENCY LAW.

1. SPECIFIC INFORMATION.

1.1 Homesite: The homesite is designated as _____ (hereinafter the "Homesite") in the Rancho La Paz Mobile Home Park.

1.2 Term: The tenancy created under this AGREEMENT shall be for the following term:

(Check one:)

_____ Six (6) Year Lease. The tenancy created under this AGREEMENT shall commence on _____ 1, 2019 and shall end on September 30, 2025.

_____ Ten (10) Year Lease. The tenancy created under this AGREEMENT shall commence on _____ 1, 2019 and shall end on September 30, 2029.

Note: If the lease begins on October 1, 2019, then the lease will be for a period of exactly 6 years/10 years. However, should the lease begin on November 1, 2019, then the first year ("Year 1") shall only be for the eleven (11) months between November 1, 2019 and September 30, 2020.

1.3 Rent:

The beginning rent between _____ 1, 2019, and September 30, 2020 shall be \$ _____ per month. This beginning rent is calculated by taking the current rental rate being paid by the HOMEOWNER ("Base Rate") plus 19% of the Base Rate ("Year 1 rent"). The rent shall thereafter be increased annually as follows:

The rent on October 1, 2020 shall be increased to \$ _____ (the "Year 2 rent" calculated by taking Year 1 rent plus 19%).

The rent on October 1, 2021 shall be increased to \$ _____ (the "Year 3 rent" calculated by taking Year 2 rent plus 15%).

[Special rent increase provisions apply if this AGREEMENT is assigned to a new HOMEOWNER prior to October 1, 2021. See Section 21.3(b).]

The rent on October 1, 2022 shall be increased to \$ _____ (the "Year 4 rent" calculated by taking Year 3 rent plus 9%);

The rent on October 1, 2023 shall be increased to \$ _____ (the "Year 5 rent" calculated by taking Year 4 rent plus 9%);

The rent on October 1, 2024 shall be increased to \$ _____ (the "Year 6 rent" calculated by taking Year 5 rent plus 9%);

The below rent increases apply to 10-year AGREEMENT:

The rent on October 1, 2025 shall be increased to an amount (the "Year 7 rent") calculated by taking Year 6 rent plus up to 7%, but in no event shall the rent increase exceed fair market value of Homesite rent as determined by OWNER in good faith;

The rent on October 1, 2026 shall be increased to an amount (the "Year 8 rent") calculated by taking Year 7 rent plus up to 7%, but in no event shall the rent increase exceed fair market value of Homesite rent as determined by OWNER in good faith;

The rent on October 1, 2027 shall be increased to an amount (the "Year 9 rent") calculated by taking Year 8 rent plus up to 7%, but in no event shall the rent increase exceed fair market value of Homesite rent as determined by OWNER in good faith;

The rent on October 1, 2028 shall be increased to an amount (the Year 10 rent") calculated by taking Year 9 rent plus up to 7%, but in no event shall the rent increase exceed fair market value of Homesite rent as determined by OWNER in good faith.

OWNER reserves the right to increase rent to fair market value for the Homesite as determined by OWNER in good faith, to take effect on the last day of the lease, either September 30, 2025 or September 30, 2029 (whichever is applicable). OWNER shall provide written notice of such adjustment no later than ninety (90) days before the effective date of the increase. After the expiration of the lease, the rent may be increased at any time by any amount upon ninety (90) days' written notice, unless otherwise prohibited by law.

OTHER CHARGES:

Late Rent Charge	\$25
Check Handling Charge	\$25
Security Deposit	\$_____
Guest Charge	As provided in PARK's Rules and Regulations

1.4 Utilities:

1.4.1 Provided without separate charge: sewer.

1.4.2 Provided and separately charged: electricity, natural gas, trash collection, and water.

1.4.3 Contracted with the appropriate utility company or provider and paid directly by HOMEOWNER: Telephone, cable T.V., and internet.

1.5 Occupants of mobilehome upon the commencement date of this AGREEMENT:

A. HOMEOWNERS as listed on the last page of this AGREEMENT.

B. ADDITIONAL RESIDENTS:

None

Names: _____

C. EXTRA PERSONS WITH NO RIGHTS OF TENANCY PURSUANT TO CALIFORNIA CIVIL CODE 798.34(e):

None

Guest: _____

One (1) companion: _____

Live-in caregiver: _____

Family member under care of senior: _____

Roommate: _____

1.6 The specific information provided in this paragraph 1 is only a summary and is more fully detailed in this AGREEMENT.

2. DEFINITIONS.

The definitions set forth below shall apply unless more specifically defined within another provision of this AGREEMENT.

2.1. "PARK" means the Rancho La Paz Mobile Home Park located at 501 E. Orangethorpe Avenue, Anaheim, California 92801.

2.2. "HOMEOWNER" is a person who has a tenancy in a mobilehome park under a rental agreement such as this AGREEMENT.

2.3. "OWNER" means the legal owner(s) of the PARK, except for the following: For those provisions of this AGREEMENT that are for the protection or benefit of OWNER (including, but not limited to, provisions that waive HOMEOWNER'S claims or rights, release or discharge OWNER, or acknowledge, represent or warrant to OWNER), "OWNER" includes both ownership and management (past, present, and future) and each of their past, current and future legal and beneficial principals, and each and all of their past, current and future partners, directors, members, representatives, officers, employees, attorneys and agents.

2.4. "RESIDENT" is: (a) the person(s) signing this AGREEMENT as HOMEOWNER; (b) any person who lawfully occupies the mobilehome on the Homesite.

2.5. "EXTRA PERSON(s)" includes persons sharing the Homesite pursuant to California Civil Code § 798.34, or other persons in the PARK on the Homesite at the invitation, request or tolerance of HOMEOWNER. "EXTRA PERSON" also includes any mobilehome occupant who is not a HOMEOWNER or immediate family member as defined in the Mobilehome Residency Law, such as a guest, companion, live-in caregiver, family member under care of senior, or roommate.

2.6. "Common Facilities of the Park," "Park Facilities" and "Common Areas" mean those facilities of the PARK generally available for use by RESIDENTS unless otherwise prohibited by the PARK's Rules and Regulations.

2.7. "Homesite" means the real property rented to HOMEOWNER by OWNER, and the area one foot below and 16 feet above grade. The boundaries of the real property rented to HOMEOWNER shall be the lesser of either (1) the lot lines as determined by a governmentally approved survey or by a recorded plot plan, if applicable, or (2) the apparent physical boundaries of the Homesite as they exist at the time of execution of this AGREEMENT. However, if the area necessary to comply with setback requirements of state and local agencies comprises a smaller area than stated above, then this smaller area shall comprise the "Homesite."

2.8. "Mobilehome Residency Law" means those provisions of the California Civil Code §§ 798 *et seq.* which are known as the "Mobilehome Residency Law" (including any future changes to it, except to the extent such change operates to the detriment of OWNER, in which case such change shall be recognized only to the extent required by law).

2.9. "OWNER'S approval" or "approval of OWNER," "OWNER'S consent" or "consent of OWNER" or other similar terms as used in this AGREEMENT or in other documents referred to in this AGREEMENT, means that the OWNER'S prior written approval must be obtained by HOMEOWNER before HOMEOWNER commences any such action requiring OWNER'S approval. If OWNER'S prior written approval is required, HOMEOWNER shall submit a written request to OWNER, which describes the action HOMEOWNER proposes to take and for which OWNER is requested to give prior written approval.

2.10. "Rules and Regulations" or other similar terms as used in this AGREEMENT or in other documents referred to in this AGREEMENT, means those rules described in Civil Code, § 798.15(b) and § 798.25 (as may be amended).

3. PAYMENT OF RENT, UTILITIES AND INCIDENTAL REASONABLE SERVICE CHARGES.

3.1. HOMEOWNER shall pay in advance (without deduction or offset to the fullest extent of the law) to OWNER on the first day of each month:

3.1.1. The rent as provided in paragraph 1.3.

3.1.2. All utility charges billed to HOMEOWNER by OWNER during the month.

3.1.3. Such other amounts and charges as are set forth herein, authorized or required by law, or added or increased as provided by law or this AGREEMENT or amendments thereto. Utilities, late charges, and incidental reasonable service charges may be adjusted by OWNER at any time to the fullest extent permitted by law.

3.2. **Rent.** The rent shall be the amount specified in paragraph 1.3 above as provided therein.

3.3. Rent shall be paid by check, cash or money order at the PARK Office located at 501 E. Orangethorpe Avenue, Anaheim, California 92801 or such other address as provided by OWNER upon notice to HOMEOWNER. If any tendered payment of rent is dishonored by the bank for Non-Sufficient Funds (NSF) or Stop Payment, OWNER may, upon at least ten (10) days' written notice to HOMEOWNER, require payment to be made in cash or equivalent for a period not to exceed three (3) months after the date of notice from the OWNER as provided by law. If the rent is not paid to the office by 5:00 p.m. on the sixth (6th) day of the month, the late charge specified in paragraph 1.3 above shall be charged. The acceptance by OWNER of any late or partial payment shall not constitute a waiver of any breach of any term or provision of this AGREEMENT.

4. UTILITIES.

4.1. OWNER shall provide and separately bill to HOMEOWNER for the following utilities: electricity, natural gas, trash collection, and water. Upon sixty (60) days' prior written notice to HOMEOWNER, OWNER may require HOMEOWNER to contract with the appropriate utility provider for service and to pay directly for any of the utilities which have previously been separately billed to HOMEOWNER or provided by OWNER. In such event, HOMEOWNER may be required to pay a deposit to the utility provider and/or may be charged at a rate for the utility or service which differs from the rate then currently charged by the PARK.

4.2. Utilities will be billed monthly, in arrears. Utility rates charged by OWNER which are governed and set by law (such as electricity, gas) shall be billed at the

maximum rate as allowed by law. Utilities not so governed shall be charged by OWNER to HOMEOWNER by, at the election of OWNER, one of the following:

4.2.1. The rate and fees charged by the servicing utility or utility provider in the area in which the PARK is located for delivering said utility and utility services to single family detached residences.

4.2.2. The amount billed to OWNER by the providing utility and utility service for the entire PARK, divided by the number of spaces in the PARK. In determining these amounts, the charges may, at the election of OWNER, be annualized and be considered on a full twelve (12) month basis.

4.2.3. Any method reasonably determined to be fair by OWNER. HOMEOWNER shall contract with the appropriate utility company or provider and pay directly for all other utilities and/or services, such as telephone, cable T.V. and internet, as required or desired by HOMEOWNER.

4.3. OWNER shall not be liable for any loss or injury, and HOMEOWNER shall not be entitled to any abatement or reduction of rent by reason of OWNER'S failure to furnish any of the foregoing utilities when failure is caused by accident, breakage, repairs, strikes, or other labor disputes or by any other cause, similar or dissimilar, beyond the reasonable control of OWNER. HOMEOWNER acknowledges that any interruption of any utility service beyond control of OWNER is not cause for non-payment or deduction of any amount billed to HOMEOWNER by PARK. (Please Note: The provisions of the paragraph below entitled "INDEMNIFICATION" apply to this paragraph.)

4.4. Utilities are provided by utility companies and other service providers to the PARK, and OWNER is not responsible for any variances or problems in the quality of utilities provided by utility companies and/or service providers. Such variances include, but are not limited to, the condition, taste, color or smell of water; interruption of gas or electrical service; or problems with gas, electrical, water or sewer systems on HOMEOWNER'S side of the meter or hookup or outside of OWNER'S side of its meter or hookup to the serving utility.

4.5. HOMEOWNER shall not connect, except through existing electrical or natural gas outlets or water pipes on the Homesite, any apparatus or device for the purposes of using electric current, natural gas or water.

4.6. HOMEOWNER is responsible for determining that HOMEOWNER'S mobilehome as well as all appliances and additional equipment used on or at the Homesite is compatible with the electric service of the PARK, and HOMEOWNER agrees and acknowledges that PARK has no liability or responsibility to HOMEOWNER if the available electrical supply is not compatible. In such instance, HOMEOWNER shall reduce draw on the electrical system to compatibility.

4.7. HOMEOWNER is responsible for maintenance and repair of all utility lines (including, but not limited to, wiring, cabling, gas lines, water pipes, sewer pipes or conduit) between the PARK'S utility connection for the Homesite and HOMEOWNER'S mobilehome.

4.8. Whenever it is necessary for OWNER to make repairs or improvements to the PARK'S utility systems, OWNER will have the right to suspend temporarily the delivery of the affected utility/utilities. However, a reasonable notice will be given to HOMEOWNER as circumstances permit. All such repairs and/or improvements will be completed as rapidly as may be practical and, if possible, at such times which will cause the least inconvenience to HOMEOWNER.

4.9. HOMEOWNER agrees to review all utility billing statements and to notify OWNER in writing of any issues detected within thirty (30) days of receipt thereof.

5. RENT ADJUSTMENT NOTICES.

5.1. HOMEOWNER agrees to review all rent adjustment notices and billing statements and to notify OWNER in writing of purported errors or discrepancies within thirty (30) days of receipt thereof.

5.2. HOMEOWNER agrees that no act (including, but not limited to, noticing and collecting of any subsequent rent adjustment), omission or delay on the part of OWNER in noticing any rent adjustment or portion thereof shall excuse, waive, or impair OWNER'S right to notice and collect any such rent adjustment amount or portion thereof at a later date upon giving the required notice, if any, in this AGREEMENT.

6. TAXES.

6.1. HOMEOWNER shall pay directly to the assessing body or party all municipal, county, state and federal taxes, assessments, fees or other charges levied upon HOMEOWNER'S mobilehome and other property on the Homesite.

6.2. Any and all taxes and assessments and installment of taxes and assessments required to be paid by HOMEOWNER under this AGREEMENT shall be paid by HOMEOWNER at least ten (10) days before each such tax, assessment, or installment of tax or assessment becomes delinquent. Upon three (3) days prior written notice from OWNER, HOMEOWNER shall deliver to OWNER the official and original receipt evidencing the payment of any taxes, assessments, and other charges required under this paragraph "TAXES."

7. HOLDOVER TENANCY.

If HOMEOWNER remains in possession of the Homesite after the expiration of the term of this AGREEMENT and has not executed a new rental agreement with respect to

the Homesite, said possession by HOMEOWNER shall be deemed a month-to-month tenancy.

8. RESPONSIBILITY OF THE PARK.

8.1. It is the responsibility of the management to provide and maintain the physical improvements in the Common Facilities of the PARK in good working order and condition. OWNER shall provide the following improvements: clubhouse, streets, non-restricted parking areas, lawns, laundry facilities, pool and spa for the use of HOMEOWNER. OWNER may discontinue or modify any service or facility listed, but only upon the giving of lawful notice to HOMEOWNER. The PARK provides no services other than utilities. (Please note: Furniture, equipment and other items of personal property located in the common facilities which belong to RESIDENTS or RESIDENTS' clubs, associations or other organizations or services provided by RESIDENTS or such organizations, are not the responsibility of the PARK to provide or maintain.)

8.2. With respect to any sudden or unforeseeable breakdown or deterioration of the physical improvements of the PARK, management shall have a reasonable period of time to repair the sudden or unforeseeable breakdown or deterioration and bring the improvements into good working order and condition after management knows or should have known of the breakdown or deterioration.

8.3. Any available heating, cooling and lighting of pools, clubhouse, and other common areas will be turned on as required to maintain reasonable accessibility during normal hours of usage to the extent reasonable and permitted by law.

8.4. The PARK may, upon the giving of lawful notice, amend, delete, add or modify any of the services or facilities provided.

9. ALTERATION OF THIS AGREEMENT. This AGREEMENT may be altered only by written agreement signed by both of the parties, by operation of law or in any manner provided for by the Mobilehome Residency Law or other applicable law. Except for the amount of rent and the duration of this AGREEMENT, each provision of this AGREEMENT shall be deemed to be a Rule and Regulation as well, and may be amended, modified, or otherwise changed and enforced as a Rule and Regulation under the Mobilehome Residency Law.

10. MOBILEHOME OCCUPANCY AND EXTRA PERSONS.

10.1. If HOMEOWNER is living alone and wishes to share occupancy of his or her mobilehome with one (1) other person, HOMEOWNER may do so, and a fee shall not be imposed by OWNER for that person as provided in the Mobilehome Residency Law. Such person shall comply with and be bound by the Rules and Regulations of the PARK and shall register with the OWNER.

10.2. Any EXTRA PERSON, family member or other invitee of HOMEOWNER shall at all times be bound by the Rules and Regulations and any other residency documents, and any conduct by them in violation of such Rules and Regulations or other residency documents shall be deemed a violation by the HOMEOWNER. The HOMEOWNER promises and warrants that each such EXTRA PERSON, family member or other invitee will at all times comply with all Rules and Regulations.

11. INCORPORATED DOCUMENTS.

The following documents, as they may be amended, modified, or otherwise changed from time to time as permitted by the terms of this AGREEMENT, are attached as exhibits to this AGREEMENT and incorporated herein by this reference, and HOMEOWNER acknowledges receipt of a copy of the same:

- 11.1. California Civil Code provisions known as the "Mobilehome Residency Law" attached hereto as **Exhibit A**;
- 11.2. The PARK'S Rules and Regulations attached hereto as **Exhibit B**;
- 11.3. Mold and Ventilation Requirements attached hereto as **Exhibit C**;
- 11.4. Estoppel Certificate attached hereto as **Exhibit D**;
- 11.5. Disclosure Form Pursuant to Civil Code (Section 798.75.5) attached hereto as **Exhibit E**;
- 11.6. [Reserved];
- 11.7. Notice of Additional Disclosures attached hereto as **Exhibit G**;
- 11.8. "Protect Your Family from Lead in Your Home" attached hereto as **Exhibit H**;
- 11.9. Important Notice to All Manufactured Home/Mobilehome Owners attached hereto as **Exhibit I**;
- 11.10. Incoming Mobilehome Installation and Remodeling Standards attached hereto as **Exhibit J**;
- 11.11. Swimming Pool and Spa Waiver and Release of Liability attached hereto as **Exhibit K**; and
- 11.12. Pet Agreement attached hereto as **Exhibit L**.

In the event of any inconsistency between the terms of this AGREEMENT and the terms of any exhibits to this AGREEMENT, the terms of the AGREEMENT shall control

to the fullest extent permitted by law, provided that OWNER may correct any such inconsistency when identified through reasonable amendment to render such terms consistent.

HOMEOWNER'S Initials

12. HOMEOWNER'S WARRANTIES.

If, on the date of this AGREEMENT, there is not presently a mobilehome located on the Homesite, or if HOMEOWNER is to remove the mobilehome presently located on said Homesite and replace it with another mobilehome, HOMEOWNER acknowledges and agrees that certain representations have been made by HOMEOWNER to OWNER as to the make, model, type, size, age and condition of the mobilehome which will occupy the Homesite and the accessory equipment and structures which will be a part of or installed with the mobilehome. HOMEOWNER warrants to OWNER that all representations made regarding the mobilehome and all accessory equipment and structures are true and accurate. OWNER may inspect the mobilehome and the accessory equipment, and HOMEOWNER agrees not to substitute another mobilehome or other accessory equipment and structures for the ones approved by OWNER unless they meet all of OWNER'S requirements and specifications and HOMEOWNER has obtained prior written approval of OWNER. If OWNER determines that said representations are not true and accurate, then OWNER may refuse to accept the mobilehome or the accessory equipment and structures for installation, or, if installed without OWNER'S approval, will be removed by HOMEOWNER.

13. USE OF HOMESITE AND PARK.

13.1. The Homesite shall be used only as a site to locate, maintain and occupy a mobilehome for private residential purposes. No business or commercial activity of any nature shall be conducted on the Homesite including, but not limited to:

13.1.1. Any activity requiring the issuance of a business license or permit by any governmental agency.

13.1.2. The leasing, subleasing, sale or exchange of mobilehomes, except as otherwise allowed under the PARK'S Rules and Regulations or California law.

13.2. At all times at least one of the persons listed on the last page of this AGREEMENT as HOMEOWNER must be a "registered" owner of the mobilehome who at all times occupies the Homesite as his/her personal and actual residence.

13.3. HOMEOWNER shall give OWNER at least two (2) weeks advance written notice (and request OWNER'S approval) of the date a mobilehome or any accessory structure will be installed on the Homesite, or any change to mobilehome, accessory structure, or Homesite in which a permit is required. HOMEOWNER shall obtain the

required permit and shall otherwise cause the installation or change to comply with all applicable laws and regulations then in effect, including the PARK'S Rules and Regulations. Any inspection or approval by OWNER, however, is made for the sole benefit of OWNER, and HOMEOWNER may not rely upon such inspection or approval to ensure that the item has been installed or constructed correctly or that the work has otherwise been done as required.

13.4. HOMEOWNER shall not make any improvements, alterations, or additions to the Homesite or remove or change any existing improvements or landscaping without the prior written consent of OWNER. Should HOMEOWNER not obtain OWNER'S prior written consent, such additions or alterations shall, upon demand of OWNER, be promptly removed by HOMEOWNER at HOMEOWNER'S sole expense.

13.5. No use shall be made or permitted to be made on the Homesite, nor acts done, which will increase the existing rate of insurance upon the PARK or cause the cancellation of any insurance policy covering the PARK or any part thereof.

13.6. HOMEOWNER shall not commit, or suffer to be committed, any waste upon the Homesite, or any nuisance or any other act or thing, including offensive odors, which may disturb the quiet enjoyment of any other HOMEOWNER.

13.7. HOMEOWNER agrees to reasonably cooperate with OWNER in all matters affecting the PARK and its operation, including, but not limited to, any effort by the PARK to install solar energy and/or turn over the natural gas and electrical systems to the serving utility or its affiliates.

14. COMPLIANCE WITH LAW AND RULES AND REGULATIONS.

14.1. HOMEOWNER agrees to abide and conform with all applicable laws and ordinances, all terms and conditions of this AGREEMENT, the Rules and Regulations, all rules, regulations, terms and provisions contained in any document referred to in this AGREEMENT, and said rules, regulations, terms and provisions as may, from time to time, be amended, modified or otherwise changed by OWNER as permitted by the terms of this AGREEMENT. Any substantial violation of the Rules and Regulations shall be deemed a public nuisance. HOMEOWNER agrees that a breach of this AGREEMENT or any violation of the Rules and Regulations cannot reasonably or adequately be compensated in damages and, therefore, OWNER shall be entitled to injunctive relief including, but not limited to, restraining HOMEOWNER from continuing to breach the AGREEMENT or continuing to violate any rules or regulations, term, or condition, or to allow a condition violative of a rule or regulation, term or condition to exist or continue to exist.

14.2. HOMEOWNER is responsible for the actions and conduct of all other occupants, RESIDENTS or EXTRA PERSONS of HOMEOWNER'S mobilehome and for the actions and conduct of HOMEOWNER'S guests, licensees and invitees.

HOMEOWNER agrees and acknowledges that any violation of the Rules and Regulations by any person residing with HOMEOWNER, or any guest of HOMEOWNER, shall be deemed a failure by HOMEOWNER to perform an express term of this AGREEMENT, and OWNER may terminate this AGREEMENT pursuant to the Mobilehome Residency Law as a consequence of such default.

15. MAINTENANCE OF HOMESITE.

15.1. HOMEOWNER shall at all times maintain HOMEOWNER'S mobilehome and the Homesite in a clean and sanitary condition and shall cause all rubbish and other debris to be removed from HOMEOWNER'S mobilehome and Homesite on a regular basis. Landscaping on the Homesite shall be watered and maintained by HOMEOWNER, at HOMEOWNER'S expense. HOMEOWNER agrees not to unreasonably use water to water the landscaping to be used on the Homesite, and not to permit standing water, mud or other similar conditions to be created on the Homesite, and not to permit excessive water runoff on the Homesite or outside the Homesite. In addition, HOMEOWNER shall comply with all PARK Rules and Regulations pertaining to the maintenance of the Homesite by HOMEOWNER.

15.2. In the event HOMEOWNER fails to maintain HOMEOWNER'S Homesite as provided in the Rules and Regulations, management may, upon giving prior written notice to HOMEOWNER, perform the required maintenance and charge HOMEOWNER a reasonable fee for said maintenance. The written notice shall state the specific condition to be corrected, that management will perform the maintenance if HOMEOWNER does not perform such within fourteen (14) days of the written notice, and an estimate of the charges to be imposed by management if the services are performed by management or its agents.

16. ENTRY UPON HOMEOWNER'S HOMESITE.

OWNER shall have a right of entry upon HOMEOWNER'S Homesite for maintenance of utilities, for maintenance of the Homesite where HOMEOWNER fails to maintain the Homesite in accordance with the Rules and Regulations, reading of meters, inspection of Homesites, and for the protection and operation of the PARK at any reasonable time, and as reasonably determined by OWNER, but OWNER may not do so in a manner or at a time which would interfere with the HOMEOWNER'S quiet enjoyment. OWNER may enter a mobilehome without the prior written consent of HOMEOWNER in the case of an emergency or when HOMEOWNER has abandoned the mobilehome.

17. WAIVER OF DEFAULT.

No delay or omission in the exercise of any right or remedy of OWNER on any default by HOMEOWNER and/or any other person shall impair any such right or remedy or be construed as a waiver. No waiver by OWNER of OWNER'S right to enforce any provision hereof after any default on the part of HOMEOWNER shall be effective unless

made in writing and signed by OWNER, nor shall it be deemed a waiver of OWNER'S right to enforce each and all of the provisions hereof upon any further or other default on the part of HOMEOWNER. The acceptance of rent hereunder shall not be, or become construed to be, a waiver of any breach of any term or provision of this AGREEMENT or any rule, regulation, term or provision contained in any document referred to in this AGREEMENT, nor shall it reinstate, continue or extend the term of this AGREEMENT or affect any notice, demand or suit hereunder.

18. TERMINATION OF TENANCY BY OWNER.

18.1. HOMEOWNER'S rights under this AGREEMENT may be declared forfeited and/or the tenancy may be terminated and/or HOMEOWNER'S right to renew his or her tenancy may be denied as provided in the Mobilehome Residency Law and other applicable law. The issuance of a termination of tenancy notice shall be considered an election to forfeit the tenancy within the meaning of this AGREEMENT.

18.2. If HOMEOWNER remains in possession after HOMEOWNER'S tenancy has been terminated, HOMEOWNER shall pay to OWNER an amount equal to the rental charges HOMEOWNER was paying to OWNER at the time HOMEOWNER'S tenancy was terminated or the maximum reasonable rental value, whichever is greater.

18.3. If all or a substantial part of the PARK is damaged or destroyed due to earthquake, fire, flood or other natural disaster or catastrophe, and if the cost of repairs and rebuilding exceeds \$2,000,000.00 or if, in OWNER'S sole opinion, the balance of the PARK is not suitable for a mobilehome park, then OWNER may terminate this AGREEMENT upon sixty (60) days' written notice to HOMEOWNER. OWNER may exercise this option even if loss to the PARK may be covered all or in part by insurance.

19. TRANSFER OF OWNER'S INTEREST.

In the event OWNER transfers OWNER'S interest in the PARK, OWNER shall be automatically relieved of any obligations hereunder from the date of such transfer.

20. TERMINATION BY HOMEOWNER.

HOMEOWNER may elect to terminate their tenancy upon no less than sixty (60) days written notice of termination to OWNER, provided that (1) all persons occupying the Homesite rented to HOMEOWNER by this AGREEMENT vacate the Homesite and (2) HOMEOWNER either (a) sells the mobilehome to a third party who has been approved by OWNER for tenancy in the PARK in accordance with the terms set forth in the paragraph entitled "APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS" and HOMEOWNER has assigned this AGREEMENT to the approved third party as the assignee and said assignee has expressly assumed the terms of this AGREEMENT in writing, (b) removes the mobilehome from the Park, or (c) abandons or vacates the mobilehome. If the Homesite is voluntarily vacated as a result of a transfer of legal ownership of the mobilehome, and it is not removed from the Homesite, the rent may be

increased by OWNER as to the next resident. If the Homesite is voluntarily vacated as a result of the abandonment or removal of the mobilehome, then HOMEOWNER shall not be liable for rent or other charges from after the expiration of the 60 days (or more, if applicable), provided HOMEOWNER gives written notice they are irrevocably abandoning all personal property on the Homesite.

21. ASSIGNMENT OF AGREEMENT AND APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS.

21.1. Assignment: This AGREEMENT shall be mandatorily assignable and assumable upon turnover or the sale of HOMEOWNER'S mobilehome as allowed by law. The assignee(s) must be approved for residency by the OWNER as further described below in paragraph 21.2. The HOMEOWNER shall be liable for any default or breach by the assignee(s) of this AGREEMENT until the assignee(s) execute(s) a new long term (i.e. more than twelve months per Civil Code section 798.17) lease agreement with OWNER.

21.2. Upon notice to OWNER as provided in the Mobilehome Residency Law, HOMEOWNER may sell HOMEOWNER'S mobilehome at any time pursuant to the rights and obligations of HOMEOWNER and OWNER under the Mobilehome Residency Law and other applicable law. Any rights granted to HOMEOWNER or to OWNER by the Mobilehome Residency Law (including amendments, deletions, or modifications thereto) and by other applicable law may be enforced by OWNER or by HOMEOWNER. HOMEOWNER must, however, immediately notify OWNER in writing of HOMEOWNER'S intent to sell HOMEOWNER'S mobilehome. If the prospective purchaser of the mobilehome intends for the mobilehome to remain in the PARK, said purchaser must do the following before occupying the mobilehome: (a) complete an application for tenancy (which may include, among other things, a balance sheet, income and expense statement, and supporting material, and a fee for obtaining a financial report or credit rating); (b) be accepted for tenancy by the OWNER; (c) execute a new lease agreement with the substantially same terms for the balance of the assignor's lease or a lease assignment agreement and/or other agreements at the option of the OWNER as the case may be for the occupancy of the Homesite; and (d) execute and deliver to the OWNER a copy of the PARK'S then effective PARK Rules and Regulations and other residency documents. **IF THE PURCHASER FAILS TO EXECUTE A LEASE AGREEMENT, A LEASE ASSIGNMENT AGREEMENT OR OTHER AGREEMENTS AS THE CASE MAY BE FOR THE OCCUPANCY OF THE HOMESITE, SUCH PURCHASER SHALL HAVE NO RIGHTS OF TENANCY.** The lease agreement, Rules and Regulations and other residency documents signed by the prospective purchaser may be different in their terms and provisions than this AGREEMENT, the Rules and Regulations, and other residency documents now in effect.

21.3. Rent Payable Upon Assignment.

(a) Turnover Rent. Upon an assignment and assumption of the AGREEMENT, the rent shall be increased to the amount of the then-current published “turnover rent,” if any is published, or if no turnover rent is published to an amount determined by OWNER in good faith, not to exceed fair market rental value.

(b) Rent Increases Following Assignment Prior to October 1, 2021. Notwithstanding the rent increase schedule specified in Section 1.3, if this AGREEMENT is assigned to a new HOMEOWNER prior to October 1, 2020, with an increase in rent to the assignee as provided in subsection (a), then the “Year 2 rent” on October 1, 2020 shall be the amount of the assignee’s new rent amount plus 9%. If this AGREEMENT is assigned to a new HOMEOWNER prior to October 1, 2021, with an increase in rent to the assignee as provided in subsection (a), then the “Year 3 rent” on October 1, 2021 shall be the amount of the assignee’s new rent amount plus 9%.

(c) The assignee’s new rent and subsequent annual increases provided herein shall be specified in the assignment documents.

22. RENT CONTROL AND ESTOPPEL CERTIFICATES.

22.1. Rent Control. HOMEOWNER EXPRESSLY ACKNOWLEDGES THAT THIS AGREEMENT is also exempt from local rental control if the Homesite is not the principal residence of the HOMEOWNER either because HOMEOWNER is receiving a homeowner’s exemption for another property or mobilehome in California, or HOMEOWNER’S principal residence is out of state.

HOMEOWNER’S Initials

22.2. Estoppel Certificates. HOMEOWNER agrees that at any time upon not less than ten (10) days’ prior notice by PARK, to execute, acknowledge and deliver to OWNER, at the election of OWNER, either (1) a statement in writing in the form requested by an institutional lender or a third party, or (2) a statement in writing in substantially the form attached hereto, certifying, among other things, that this AGREEMENT is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), and the dates to which the rent and other charges have been paid and stating whether or not PARK is in default of the performance of any covenant, agreement, term, provision, or condition contained in this AGREEMENT, or is in violation of any law, ordinance, or administrative regulation and, if so, specifying each such default or violation, it being intended that any such statement delivered pursuant hereto may be relied upon by PARK or any other party who may reasonably rely on such statement. HOMEOWNER also agrees to execute and deliver from time to time such estoppel certificates as any institutional lender or a third party may require or request with respect to this AGREEMENT.

22.3. Should any required estoppel certificate not be provided in a timely fashion, it shall be conclusively presumed, and shall constitute a representation and warranty by such party, that: (i) this AGREEMENT is in full force and effect without modification, except as may be represented by the requesting party; and (ii) PARK is not in breach, default, or violation in any of the respects referenced above.

22.4. The statement in writing in substantially the form attached hereto, as referenced in paragraph 22.2 above, may also contain the following:

22.4.1. The names of all occupants of the Homesite;

22.4.2. Nature of occupancy for each individual identified as an occupant (i.e., EXTRA PERSON, RESIDENT, etc., shared tenancy under California Civil Code § 798.34(b), family member, etc.);

22.4.3. The legal owner and registered owner of the mobilehome;

22.4.4. Names and addresses of all lien holders of the mobilehome;

22.4.5. A copy of the current title document for the mobilehome and a copy of the insurance policy or policies of HOMEOWNER respecting fire, flood, and general liability.

23. LIENS AND CLAIMS.

Prohibition Against. HOMEOWNER shall not suffer or permit to be enforced against OWNER'S title to the PARK, or any part thereof, any lien, claim or demand arising from any work of construction, repair, restoration or maintenance of the Homesite or mobilehome.

24. INDEMNIFICATION.

24.1. To the fullest extent allowable by law, and subject to any such legal limitations, OWNER and PARK shall not be liable for any loss, damage or injury of any kind whatsoever to the person or property of any HOMEOWNER, RESIDENT, EXTRA PERSON or to any of the employees, guests, invitees, permittees or licensees of any HOMEOWNER or RESIDENT, or to any other person whomsoever, caused by any use of the PARK or Homesite (including any defect in improvements erected thereon) or the failure of any service or amenity, or arising from any other cause whatsoever. As a material part of the consideration of this AGREEMENT, HOMEOWNER hereby waives all claims and demands against OWNER and PARK, and hereby agrees to indemnify and hold OWNER and PARK free and harmless from liability for all claims and demands for any such loss, damage or injury, including attorneys' fees, together with all costs and expenses arising therefrom or in connection therewith. Nothing in this Paragraph 24.1 shall have the effect of an agreement by HOMEOWNER to indemnify and hold harmless the OWNER or PARK for the negligent or willful acts or omissions of the OWNER or

PARK, a breach of this AGREEMENT by the OWNER or PARK, or a breach of duty owed by the OWNER or PARK.

24.2. HOMEOWNER shall, at HOMEOWNER'S own expense, defend all actions brought against OWNER or PARK for which HOMEOWNER is responsible for indemnification hereunder. If HOMEOWNER fails to do so, OWNER or PARK (at OWNER'S option, but without being obligated to do so) may, at the expense of HOMEOWNER, defend such actions, and HOMEOWNER shall pay and discharge any and all amounts that arise therefrom.

25. INSURANCE.

OWNER does not necessarily carry public liability or property damage insurance. HOMEOWNER agrees to maintain from an admitted insurer (having a rating of at least A- at all times) a homeowner's insurance policy for his/her mobilehome, with general liability ("GLC") and hazard insurance coverage, with insured limits of at least \$100,000, listing in the policy the name of the OWNER and OWNER's PARK manager as an "additional interest" for notification purposes. Said policy shall include extended coverage for homeowners, fire and other casualty insurance on the mobilehome, other improvements and contents to the full insurable value and such other insurance as is necessary to protect HOMEOWNER, HOMEOWNER'S invitees or others from loss or liability. OWNER may during the term of this Agreement may make changes in the required insurance coverage or limits as determined by OWNER in its reasonable discretion. HOMEOWNER agrees to provide a copy of all insurance policies affecting the Homesite to OWNER upon ten (10) days' request. HOMEOWNER requests that in the event HOMEOWNER does not provide said insurance, OWNER obtain said insurance meeting the above coverages and bill HOMEOWNER for the insurance as additional rent. OWNER shall have no obligation to obtain such insurance. OWNER may obtain such policy that protects OWNER, but not HOMEOWNER, to satisfy HOMEOWNER'S obligation.

26. SUBORDINATION.

This AGREEMENT, and any leasehold interest which may be created by it, shall be subordinate to any encumbrance, restriction or declaration of record before or after the date of this AGREEMENT affecting the PARK, the common areas, recreational facilities or other facilities of the PARK, or the Homesite rented to HOMEOWNER. Such subordination is effective without any further act of HOMEOWNER; however, HOMEOWNER agrees, upon request by OWNER, to promptly execute and deliver any documents or instruments which may be required by any lender or purchaser to effectuate any subordination, including reasonable modifications to this AGREEMENT, provided they do not increase the obligations of HOMEOWNER or materially adversely affect the interests of HOMEOWNER herein. If HOMEOWNER fails to execute and deliver any such documents or instruments, HOMEOWNER hereby irrevocably constitutes and

appoints OWNER as HOMEOWNER'S special attorney-in-fact to execute and deliver any such documents or instruments.

27. ABANDONMENT.

During the term of this AGREEMENT or any period of holding over, HOMEOWNER shall not abandon the Homesite or the mobilehome located thereon. In the event HOMEOWNER does abandon either the Homesite or HOMEOWNER'S mobilehome, such action may (at OWNER'S sole option) be deemed as HOMEOWNER'S election to terminate this AGREEMENT and OWNER shall have the rights afforded to OWNER under California law to dispose of HOMEOWNER'S mobilehome and personal property located on the Homesite and within the PARK.

28. FIXTURES AND IMPROVEMENTS.

All landscaping and structures or other improvements permanently attached to or embedded in the ground at the Homesite (collectively, "Fixtures and Improvements"), shall become a part of the realty upon their installation and belong to OWNER. Upon HOMEOWNER vacating the Homesite, such improvements shall remain upon and be surrendered with the Homesite. During the lease term, and at HOMEOWNER'S sole cost and expense, HOMEOWNER shall maintain all Fixtures and Improvements on the Homesite in good repair and condition. HOMEOWNER shall be solely responsible, at HOMEOWNER'S sole cost, for the maintenance, repair, replacement, paving and sealing of said Fixtures and Improvements. OWNER shall be responsible, at OWNER'S sole cost, for the maintenance, repair, replacement, paving, sealing and other costs and expenses related to driveways installed by the PARK. OWNER may, however, at OWNER'S sole option, permit HOMEOWNER to remove, at HOMEOWNER'S own expense, OWNER installed Fixtures and Improvements, provided that such approval, if any, is obtained in advance and is in writing signed by OWNER. HOMEOWNER shall repair any damage to the Homesite caused by the removal, including, but not limited to, the filling in and leveling of holes or depressions and shall leave the Homesite in a neat and uncluttered condition with the PARK'S original engineered grade intact.

29. LOT LINE ADJUSTMENT. HOMEOWNER agrees and acknowledges that the OWNER has the right to adjust the lot lines of HOMEOWNER'S Homesite. Upon a request of OWNER, HOMEOWNER agrees and consents to such adjustment and agrees to execute any documents required by the California Department of Housing and Community Development or other governmental agency with jurisdiction to adjust such lot line. To the extent that such adjustment decreases the size of the Homesite, OWNER shall proportionately decrease Base Rent for the Homesite. Should a lot line adjustment require that HOMEOWNER relocate HOMEOWNER'S mobilehome and accessory equipment, OWNER shall pay the expense to relocate HOMEOWNER'S mobilehome and accessory equipment to another suitable Homesite in the PARK to the extent necessary to bring the mobilehome and accessory equipment in the new Homesite into compliance with applicable setback rules, etc.

29. EMINENT DOMAIN.

29.1 If the entire PARK, or a portion thereof so that, in OWNER'S sole opinion, the balance remaining is not suitable for a mobilehome park, is taken under the power of eminent domain, or is sold to any authority having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, then this AGREEMENT shall automatically terminate as of the date the condemning authority takes possession. Any award for any taking of all, or any part, of the PARK under the power of eminent domain shall be the property of OWNER, whether such award shall be made as compensation for diminution in value of the leasehold or for taking of the fee or the taking of any interest HOMEOWNER may have had due to this AGREEMENT or HOMEOWNER'S tenancy in the PARK. Nothing contained herein, however, shall be deemed to preclude HOMEOWNER from obtaining any award for loss of or damage to HOMEOWNER'S removable personal property, or to give OWNER any interest in such award.

29.2 In the event that the taking or condemnation of part of the PARK does not result in the termination of this AGREEMENT as provided above, then this AGREEMENT shall terminate as to that portion of the PARK so taken or condemned and the payments to be made under this AGREEMENT as to that portion of the PARK shall be abated and prorated as of the date of possession of the condemning entity. This AGREEMENT shall continue in full force and effect as to that portion of the PARK not so taken or condemned.

30. DELAY IN DELIVERY OF POSSESSION.

This AGREEMENT shall not be rendered void or voidable by the inability of OWNER to deliver possession of the Homesite to HOMEOWNER at the beginning of the lease term, nor shall any inability to deliver render OWNER liable to HOMEOWNER for loss or damage suffered thereby. If OWNER cannot deliver possession of the Homesite, the rent for the period between the beginning of the term and the time when OWNER can actually deliver possession will be abated.

31. JOINT AND SEVERAL LIABILITY.

If HOMEOWNER is more than one person, each person shall be jointly and severally liable for the performance of HOMEOWNER'S obligations under this AGREEMENT.

32. ENTIRE AGREEMENT.

This AGREEMENT and the documents referred to herein constitute the entire AGREEMENT between HOMEOWNER and OWNER pertaining to the subject matter contained herein and supersedes all prior and contemporaneous agreements, representations and understandings of the parties, whether written or oral.

33. FORCE MAJEURE.

If the performance by OWNER of any of OWNER'S obligations or undertakings under this AGREEMENT is interrupted or delayed by any occurrence not occasioned by the conduct of either party to this AGREEMENT, whether that occurrence is an act of God or public enemy, or whether that occurrence is caused by war, terrorist acts, riot, storm, earthquake, or other natural forces, or by the acts of anyone not party to this AGREEMENT, then OWNER shall be excused from any further performance for whatever period of time after the occurrence is reasonably necessary to remedy the effects of that occurrence.

34. NOTICES.

All notices required or permitted under this AGREEMENT must be in writing and may be served upon OWNER or HOMEOWNER by any lawful means. OWNER, when permitted by law, may serve HOMEOWNER personally at his or her address in the PARK or by First Class United States mail, postage prepaid, addressed to the HOMEOWNER at his or her Homesite within the PARK. HOMEOWNER may serve OWNER via management at the PARK Office at 501 E. Orangethorpe Avenue, Anaheim, California 92801 in the manner prescribed by Section 1162 of the Code of Civil Procedure.

35. TIME OF ESSENCE.

Time is of the essence with respect to the performance of every provision of this AGREEMENT.

36. INVALIDITY OF PROVISIONS.

36.1. Should any provision of this AGREEMENT be declared or determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions of this AGREEMENT shall not be affected thereby, and any such illegal and invalid part, term or provision shall be deemed not to be a part of this AGREEMENT.

36.2. If any of the provisions of this AGREEMENT or the other documents used by the PARK fail in any way to be legally enforceable as written, then it is unintentional and all such provisions shall be deemed to be automatically revised to correctly reflect the OWNER'S and HOMEOWNER'S respective rights, obligations, and prerogatives. HOMEOWNER agrees to promptly notify OWNER in writing of any such instance.

36.3. If any term or provision of this AGREEMENT or other document used by the PARK shall, on its face or as applied be illegal or unenforceable or claimed by HOMEOWNER to be unenforceable, or illegal, OWNER has the right, but not the obligation, to excise or modify any provision herein to the extent, and during the period which, such provision is deemed by any court of competent jurisdiction or claimed by

HOMEOWNER to be illegal or unenforceable to reasonably address such claimed or actual illegality or unenforceability.

37. CHOICE OF LAW.

This AGREEMENT and all documents referred to in this AGREEMENT shall be construed and enforced in accordance with the laws of the State of California, except for the Arbitration Agreement, if any, signed by OWNER and HOMEOWNER, which shall be construed and enforced in accordance with the Federal Arbitration Act.

38. MEGAN'S LAW DISCLOSURE.

NOTICE: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

39. ALTERNATIVE DISPUTE RESOLUTION.

39.1. Mediation: OWNER and HOMEOWNER agree to mediate any and all disputes between them relating to, arising out of, concerning, or connected with, without limitation, this AGREEMENT, the PARK'S residency documents, the interpretation and enforcement of the PARK'S residency documents, the HOMEOWNER'S leasehold interest or interests at the PARK, the HOMEOWNER'S Homesite or Space or Spaces at the PARK, the PARK'S common areas, services and facilities or the PARK'S operation and maintenance pursuant to this AGREEMENT. The following matters shall be exempt from mediation: (1) unlawful detainer actions, forcible detainer actions, and rule violation injunctions pursuant to Civil Code, section 798.88.

39.1.1. Mediation fees will be borne equally by the parties. If, for any dispute or claim to which this paragraph applies, any party commences an action (or files a complaint with any governmental entity, including the Department of Housing and Community Development) without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorneys' fees, even if they would otherwise be available to that party under this AGREEMENT, in any such event.

39.1.2. To initiate the mediation process, a party must serve a notice of demand for mediation which must provide: (i) a description of the dispute, (ii) facts from which the dispute arises, including witnesses, dates, times, and circumstances, and (iii) a description of the relief or action requested.

39.1.3. Within ten (10) days of serving the notice of demand, the party requesting mediation shall attempt to employ the services of a third person mutually acceptable to the parties to conduct and conclude such mediation within forty-five (45)

days of his or her appointment. If the parties are unable to agree on such third person, they will apply to either Judicial Arbitration and Mediation Services (“JAMS”) or Judicate West for a list of five mediators from which each side can eliminate two (2) names. If, on completion of the mediation, the parties are unable to agree and resolve the dispute, then the dispute shall be referred to arbitration or trial by reference as provided below.

39.1.4. Within fifteen (15) days of the selection of the mediator, each party will submit a brief setting forth the party’s position on the issues that need to be resolved. The mediation will begin within five (5) days following submittal of the memorandums and will be concluded within forty-five (45) days from the beginning of the mediation unless the parties agree to extend the mediation period. The mediation will be held in the county in which the PARK is located or another place acceptable to all parties.

39.1.5. Before the mediation proceedings begin, the mediator and all parties to the mediation will execute an agreement to maintain confidentiality of the proceedings, in order to exclude the use of any testimony or evidence produced at the mediation in any subsequent dispute resolution, including court proceedings, arbitration, or reference hearings. Further, the mediation agreement will provide that the expenses of witnesses and consultants for either side will be paid by the party producing the witnesses, and all other expenses of the mediation, including required travel and other expenses of the mediator and the cost of any witnesses or expert advice produced at the mediator’s direct request, will be paid equally by the parties unless they agree otherwise.

39.1.6. OWNER (through its authorized agent or agents) and HOMEOWNER will attend the mediation sessions in person. Persons other than the parties or the parties’ representatives and the mediator may attend the mediation sessions only with the permission of the parties. Confidential information disclosed to a mediator by the parties or by witnesses during the course of the mediation will not be divulged by the mediator. All records, reports, or other documents received by the mediator will be kept confidential. There will be no stenographic or tape recording of the mediation process.

39.2. Arbitration: IF, ON COMPLETION OF SUCH MEDIATION, THE PARTIES ARE UNABLE TO AGREE AND SETTLE THE DISPUTE, THEN THE DISPUTE SHALL BE REFERRED TO ARBITRATION PURSUANT TO THE SIGNED ARBITRATION AGREEMENT ATTACHED TO THIS AGREEMENT AS **EXHIBIT F**, OR, IF NONE, BY TRIAL BY REFERENCE AS SET FORTH BELOW.

39.3. Trial by Reference: Any and all disputes between OWNER and HOMEOWNER relating to, arising out of, concerning, or connected with, without limitation, this AGREEMENT, the PARK’S residency documents, the interpretation and enforcement of the PARK’S residency documents, the HOMEOWNER’S leasehold interest or interests at the PARK, the HOMEOWNER’S Homesite or Space or Spaces at the PARK, the PARK’S common areas, services and facilities or the PARK’S operation and maintenance pursuant to this AGREEMENT, except those subjected to arbitration

pursuant to the signed Arbitration Agreement attached to this AGREEMENT, which fail to be resolved in mediation as proscribed above, shall then be decided by trial by reference pursuant to California Code of Civil Procedure section 638, et seq. Both OWNER and HOMEOWNER agree that the court in which any action subject to this provision is filed shall immediately order a trial by reference pursuant to California Code of Civil Procedure, section 638(1), and that either party may move the court to order the matter to reference pursuant to section 638 once the action is filed.

39.3.1. OWNER and HOMEOWNER agree that the referee for the trial by reference shall be a retired judge from Judicial Arbitration and Mediation Services ("JAMS") or Judicate West and that the parties shall select the referee in the manner set forth above regarding selection of a mediator, and further agree that the general reference shall be ordered to the selected referee pursuant to California Code of Civil Procedure section 640.

39.3.2. The plaintiff in any action which is heard by reference pursuant to this section shall pay all fees of the referee, if any, as fixed pursuant to California Code of Civil Procedure section 1023, as well as all related costs, which are necessary to try this matter by reference. Should the plaintiff fail to make any payments in a timely manner, the parties agree that the entire action shall be dismissed with prejudice for failure to prosecute, either by the referee or upon ex parte application to the court in which the action is filed. Following the trial by reference, the referee shall award to the prevailing party the referee's fees and related costs paid by the prevailing party, if any, which award shall become the order of the court pursuant to California Code of Civil Procedure, section 645.1.

39.3.3. Pursuant to California Code of Civil Procedure, section 643, the referee must submit a written statement of decision to the court within twenty (20) days after the testimony is closed, after which the court may enter judgment pursuant to California Code of Civil Procedure, section 644.

39.3.4. Notwithstanding anything to the contrary contained herein, the parties agree that at any time prior to the last day for the referee to submit a written statement of decision, or fifteen (15) days after service of the written statement of decision on each party, whichever date is later, either party may comply with the statement of decision entirely or in part. In the event that a party timely complies with the statement of decision entirely or in part, judgment shall not be entered on the statement of decision, or, alternatively, that portion of the statement of decision with which the party complies. Upon compliance with the statement of decision, or any portions thereof, the parties shall request that the court not enter judgment thereon and, to the extent possible, to dismiss the action, or, if judgment has been entered, that the court vacate the judgment or the applicable portion of the judgment. In the event of a non-monetary claim, the party shall be deemed to have complied with the statement of decision, or any applicable portion, if that party timely stipulates to its intent to comply. In the event of a monetary claim, the

party shall be deemed to have complied with the statement of decision, or any applicable portion, if the party timely tenders payment to the other party.

39.3.5. Each party specifically retains their right to appeal any decision of the referee, and subsequent judgment of the court, as permitted by law, including but not limited to California Code of Civil Procedure, section 645.

39.3.6. In addition to the matters to be arbitrated pursuant to the attached Arbitration Agreement, the following matters shall be exempt from reference: (1) Unlawful Detainer actions; (2) Forcible Detainer actions; and (3) Rule Violation Injunctions per Civil Code, section 798.88.

40. DUTY TO REPORT DEFECTS.

40.1. HOMEOWNER shall report any observable defect in the PARK'S Common Facilities, Common Areas, utility services of the PARK, landscaping, or other services and facilities which are to be maintained by OWNER. HOMEOWNER shall give such notice in writing to the PARK'S resident manager by registered U. S. Mail (return receipt requested) within sixty (60) days of HOMEOWNER'S discovery of any such defect, so that such conditions may be corrected within a reasonable period of time by the PARK.

40.2. HOMEOWNER further agrees that if HOMEOWNER fails to report any such defects in writing by certified mail within sixty (60) days of its discovery, HOMEOWNER is in substantial violation of this AGREEMENT. Should HOMEOWNER fail to report any such defect within six (6) months of its discovery, HOMEOWNER does by signing this AGREEMENT waive and shall be deemed to have waived any damages HOMEOWNER had or has by reason of such unreported defect completely and without qualification.

HOMEOWNER'S Initials

41. RELEASE OF CLAIMS.

41.1. As a material part of the consideration for this AGREEMENT, HOMEOWNER hereby waives, releases and discharges OWNER and each and all of PARK'S present and former partners, officers, directors, agents, representatives, employees and attorneys and each and all of OWNER'S respective heirs, successors, executors, administrators and assignees of each from and against any and all claims, agreements, contracts, covenants, representations, obligations, losses, liabilities, demands and causes of action which HOMEOWNER may now or hereafter have or claim to have against OWNER or PARK, by reason of any matter or thing, whether of a personal or business nature, whatsoever, to and including the date hereof. HOMEOWNER hereby waives any and all rights which HOMEOWNER may have under the provisions of Section 1542 of the Civil Code of the State of California, which section reads as follows:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

41.2. It is understood by HOMEOWNER that, if the facts or law with respect to which the foregoing release as given turn out hereafter to be other than or different from the facts or law in that connection now known to be or believed by HOMEOWNER to be true, then HOMEOWNER expressly assumes the risk of the facts or law turning out to be so different, and agrees that the foregoing release shall be in all respects effective and not subject to termination or rescission for any such difference in facts or law. This provision “RELEASE OF CLAIMS” shall not, and does not, apply to any finding by a court or arbitrator of OWNER’S or PARK’S willful violation of the California Mobilehome Residency Law.

HOMEOWNER’S Initials

42. SUBLEASING.

Subleasing or renting all or any part of the mobilehome or Homesite is prohibited, except as required to be permitted by law or as may be expressly permitted under the Rules and Regulations (as may be amended from time to time).

HOMEOWNER’S Initials

43. INSPECTION OF HOMESITE AND PARK.

43.1. By signing this AGREEMENT, HOMEOWNER acknowledges that HOMEOWNER has carefully inspected the Homesite to be leased and all the PARK’S facilities, has found them to be in good and sanitary order, condition and repair as represented by PARK to HOMEOWNER, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, agrees to accept them as they are.

43.2. HOMEOWNER further acknowledges that PARK is not a “security” PARK and that OWNER is not responsible for any damage or injury in, on or to HOMEOWNER’S Homesite, mobilehome, personal property or person. HOMEOWNER understands that HOMEOWNER should maintain HOMEOWNER’S own security precautions.

HOMEOWNER’S Initials

44. HOMEOWNER'S RESPONSIBILITY FOR WATER/EARTH MOVEMENT DAMAGE.

44.1. Except to the extent, if any, prohibited by law, HOMEOWNER assumes any and all liability for any loss, injury, or damage to HOMEOWNER, RESIDENT, EXTRA PERSON, HOMEOWNER's guests, invitees, permittees, or licensees, to HOMEOWNER'S Homesite, to HOMEOWNER'S mobilehome, to improvements at or upon HOMEOWNER'S Homesite (including, but not limited to, any accessory equipment or storage building), or to HOMEOWNER'S personal property from flow of ground water, surface water and/or flood water, from subsidence, from erosion, from earth movement, or from resultant mud and debris.

44.2. HOMEOWNER hereby agrees to indemnify and hold PARK and OWNER harmless from any such loss, injury, damage or expense, including, without limitation, reasonable attorneys' fees and expenses of litigation which the PARK or OWNER may suffer. HOMEOWNER is encouraged to obtain the necessary insurance and to undertake all precautions necessary to stabilize HOMEOWNER'S mobilehome and accessory equipment, including, but not limited to, the bracing of HOMEOWNER'S mobilehome and obtaining a civil engineer's report respecting HOMEOWNER'S use of the Homesite.

HOMEOWNER'S Initials

45. ACKNOWLEDGMENTS.

45.1. HOMEOWNER represents and acknowledges that this AGREEMENT is being entered into between OWNER and HOMEOWNER for the personal and actual residence of HOMEOWNER.

HOMEOWNER'S Initials

45.2. HOMEOWNER understands, agrees, and acknowledges that HOMEOWNER is acquiring a leasehold for a limited period of time and is purchasing (or has purchased) only the mobilehome which occupies the Homesite. Ownership of the mobilehome space remains with OWNER. The price, appraisal, or stated value of the mobilehome, may reflect not only the mobilehome's value, but its "site" value; that being the willingness of a lender to finance or a purchaser to pay a larger amount for the mobilehome by virtue of its location in this PARK. In other words, the mobilehome may be worth substantially less off the HOMEOWNER'S Homesite than on the HOMEOWNER'S Homesite. HOMEOWNER understands that HOMEOWNER is not entitled to receive any value for OWNER'S property, or to receive any value by virtue of having a mobilehome located at the PARK or on the Homesite.

HOMEOWNER'S Initials

45.3. HOMEOWNER acknowledges and agrees that, pursuant to Civil Code § 798.18(b), this AGREEMENT contains the same terms and conditions with respect to charges for rent, utilities, or incidental reasonable service charges for the first twelve (12) months of this AGREEMENT as are contained in the rental agreement offered to HOMEOWNER for a term of twelve (12) months or less, including a month-to-month term.

HOMEOWNER'S Initials

45.4. Notwithstanding anything set forth herein to the contrary, in the event that OWNER elects to subdivide the PARK to provide for the conversion to a subdivision, cooperative or condominium, HOMEOWNER agrees that HOMEOWNER shall execute a petition indicating HOMEOWNER'S support for conversion of the PARK to resident ownership in accordance with Government Code §§ 66410 and 66428.1, *et seq.*, as such statutes may be amended from time to time.

HOMEOWNER'S Initials

45.5. If this AGREEMENT is being offered to a prospective HOMEOWNER, said HOMEOWNER acknowledges receipt from PARK management of a Mobilehome Park Rental Agreement Disclosure Form (pursuant to California Civil Code § 798.75.5), and said HOMEOWNER further acknowledges that HOMEOWNER received the Mobilehome Park Rental Agreement Disclosure Form at least three (3) days prior to execution of this AGREEMENT.

HOMEOWNER'S Initials

45.6. ACKNOWLEDGMENT OF HOMEOWNER'S INVESTIGATION. HOMEOWNER warrants that he/she has read this AGREEMENT and does not rely upon anything said or done by OWNER or management in deciding to enter into and execute this AGREEMENT beyond what is represented in this AGREEMENT. HOMEOWNER represents that he/she is a sophisticated renter with respect to this AGREEMENT and possesses equal bargaining power with OWNER. HOMEOWNER represents that he/she has made all investigations necessary before executing this AGREEMENT. This AGREEMENT is the product of arm's length negotiations between sophisticated parties.

HOMEOWNER'S Initials

45.7. ACKNOWLEDGEMENT OF PARK'S RIGHT TO OFFER DIFFERENT LEASES TO DIFFERENT RESIDENTS. HOMEOWNER acknowledges that the PARK has and will continue to offer different leases on different terms with different starting rental rates. HOMEOWNER acknowledges that such practice is lawful, fair and

reasonable under the applicable statutory and case law, including the Mobilehome Residency Law.

HOMEOWNER'S Initials

IN WITNESS WHEREOF, OWNER and HOMEOWNER have executed this AGREEMENT as of the day and year written below, further acknowledging and agreeing that all blank spaces have been completely filled in prior to such execution.

HOMEOWNER

Dated: _____

Clearly print name: _____

HOMEOWNER

Dated: _____

Clearly print name: _____

**OWNER OF RANCHO LA PAZ
MOBILEHOME PARK**

Dated: _____

By: _____
Authorized Agent

ACKNOWLEDGMENT AND AGREEMENT BY RESIDENT AND/OR EXTRA PERSON:

The persons signing below hereby acknowledge and agree to the following:

1. That they are not a "HOMEOWNER" as defined by the Mobilehome Residency Law and this AGREEMENT.
2. That they are bound by the PARK'S Rules and Regulations and all other obligations pursuant to this AGREEMENT (except for the obligation for payment of rent).
3. That they have no rights of tenancy pursuant to the Mobilehome Residency Law.

RESIDENT / EXTRA PERSON

Dated: _____

RESIDENT / EXTRA PERSON

Dated: _____

ACKNOWLEDGMENT BY COUNSEL (where HOMEOWNER has counsel):

I, the undersigned, hereby acknowledge that I have reviewed the terms and conditions of this Rental Agreement and have fully discussed them with my client.

Dated: _____

Attorney for _____ (Homeowner)

Name: _____

Bar Number