

THE FRANCISCAN PARK



An Equal Opportunity Housing Provider

700 Hoffman Street
Daly City, California 94014

LEASE AGREEMENT

THIS 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. Notwithstanding the foregoing, this Agreement shall be subject to the provisions of the Regulatory Agreement and Declaration of Restrictive Covenants by and among the Daly City Housing Development Finance Agency, Union Bank of California, N.A., and Franciscan Park LLC, dated December 1, 2007 (hereinafter the "Regulatory Agreement").

THIS AGREEMENT is made as of the date specified below between Franciscan Park LLC (the "Owner"), and _____ listed on the last page of this Lease Agreement (the "Agreement") as the Resident (the "Resident").

The Franciscan Park is an equal opportunity housing provider. It is the policy and intent of The Franciscan Park to do business in accordance with the Federal Fair Housing Law. It is illegal to discriminate against any person because of race, color, creed, religion, disability, sex, sexual orientation, marital status, familial status, age or national origin. Owner will not discriminate on the basis of race, color, creed, religion, disability, sex, sexual orientation, marital status, familial status, national origin, age or source of income with the rental of any Space or home.

1. SPACE:

A. Owner leases/rents to Resident and Resident leases/rents from Owner _____, **SPACE #** _____ (the "Space") located in The Franciscan Park (the "Community"), 700 Hoffman Street, Daly City, California 94014.

B. By signing this Agreement, Resident acknowledges and agrees that he or she understands that The Franciscan Park was purchased, and the lease hold interest acquired, with tax exempt bonds made available with the assistance of the Daly City Housing Development Finance Agency. Resident further acknowledges and agrees that he or she understands that the purchase/lease of the Community by Franciscan Park LLC results in the imposition of certain affordability requirements to be met by the residents of the Community and certified on an annual basis. Owner shall have the right to monitor compliance with these requirements by requesting, no more than annually, (1) a copy of the Resident's federal income tax return, including Schedule C and/or (2) a written certification under penalty of perjury that the home is owner-occupied, accompanied by supporting documentation satisfactory to Owner. Resident must complete and return these forms to the management office when requested. Failure to do so can be considered a breach of this Lease and could lead to termination and subsequent eviction.

Residents' Initials _____

C. By signing this Agreement, Resident acknowledges and agrees that he or she has, prior to the date of this Agreement, fully and completely examined and inspected, to his/her satisfaction, the premises, including, without limitation, the Space, the streets, the laundry facilities, all recreational facilities, the common areas and all other areas open to Resident for his/her use. Resident further acknowledges and agrees that he or she has received all information requested, that he or she found all conditions safe and acceptable as now existing and maintained by Owner and has found them to be in every respect as represented by Owner to Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are. Resident further agrees that if, at some future date, there should exist any condition other than as set forth herein, Resident will immediately notify Owner of same in writing of any such condition, within sixty (60) days of its discovery, Resident will be deemed to have waived any right to seek damages for same against Franciscan Park LLC.

Residents' Initials _____

D. By signing this Agreement, Resident acknowledges that he or she understands that The Franciscan Park is an older community; therefore, the utility systems (electric, natural gas, water and sewer) may not work as well as newer systems and do periodically break down or provide less than adequate service. Resident further acknowledges and agrees that he or she has found the utility systems acceptable as now existing and maintained by Owner and has found them to be in every respect as represented by Owner to Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are. Resident further acknowledges and agrees that by signing this Agreement, Resident will not make any claim against Owner as a result of any periodic breakdown or interruption in any utility system so long as Owner makes reasonable efforts to reinstate or repair the utility. Resident further acknowledges and agrees that the electrical service available at the space is 100amps, which service is satisfactory to meet all of Resident's needs. Resident understands and agrees that it is Resident's responsibility to ensure that Resident's home and all accessory equipment, structures and appliances that Resident has or may install on the space are compatible with the electric service now available and do not exceed the available service. Resident acknowledges that The Franciscan Park is not responsible for television or telephone equipment, service or maintenance.

Residents' Initials _____

E. By signing this Agreement, Resident acknowledges that he or she understands that he or she will be a tenant of the Community and that he or she rents only the land upon which his/her home is located. Resident further acknowledges that he or she has no other rights in the land, the Community, or the value of the land or Community, except those which are expressly given to him/her by this Agreement, the Mobilehome Residency Law or any other applicable law.

Residents' Initials _____

F. By signing this Agreement, Resident acknowledges that he or she understands that the value of Resident's home is in no way guaranteed by Owner. Resident acknowledges that neither Owner nor any person acting on Owner's behalf have made any representations that Resident's home will increase in value over time and that in fact the home may decrease in value depending upon (without limitation): market conditions; availability of financing; condition of the home; demand for housing in the area; availability and cost of other housing alternatives; the age of the Community; changes in the Community's Rules and Regulations; the rental rate; and levels of maintenance in the Community. By signing this Agreement, Resident specifically accepts the risk of changes in the above-referenced factors and accepts the increase or decrease in value of Resident's home that they may bring about.

Residents' Initials _____

2. TERM:

A. The tenancy created under this Agreement shall be for a period of 12 MONTHS (1) YEAR and shall commence of and end on unless sooner terminated in accordance with the terms of this Agreement. **PLEASE NOTE: PARAGRAPH 41 OF THIS LEASE CONTAINS AN AUTOMATIC RENEWAL PROVISION.**

B. Resident acknowledges that Owner has offered Resident the option of: a 12 MONTHS (1) YEAR; an agreement having a term of twelve (12) months; an agreement having a term which is longer than a month-to-month tenancy but less than twelve (12) months in length; and an agreement having a term of 12 MONTHS (1) years. Resident acknowledges his/her understanding that he or she may elect to accept any one of these four (4) options and that this election is solely at Resident's option. Resident further acknowledges that even though he or she has these four (4) options, he or she has voluntarily elected the term of tenancy set forth above. **Resident further acknowledges that he or she understands that regardless of the term of tenancy elected by Resident, Resident's tenancy in the Community cannot be terminated, nor can Owner refuse to renew Resident's tenancy, except for the reasons set forth in the Mobilehome Residency Law.**

Residents' Initials

C. Resident further acknowledges that Owner has, at the time this Lease was first offered to Resident, provided Resident with written notice of Resident's right to have at least thirty (30) days to inspect this Lease and to void this Lease by notifying Owner in writing within seventy-two (72) hours of the signing of this Lease. If Resident is signing this Lease prior to the expiration of the thirty (30) day inspection period, Resident acknowledges that Resident has voluntarily elected to take less than thirty (30) days to inspect and review this Lease. **Because this Lease is a binding Agreement for the entire term of the Agreement, including any applicable extensions thereof, Resident is advised to read this Agreement carefully and to see an attorney prior to its' signing.**

Residents' Initials

3. RENT:

A. Resident will pay as rent to Owner without deduction or offset (without waiving Civil Code Section 1942) and on the first day of each month:

(1) The base rent (as it may be adjusted) as specified in Paragraph 3(B) below.

(2) All utility charges are billed to Resident by Owner during each month. (Please Note: Utility rates for utilities billed to Resident by Owner are set by the Public Utilities Commission and/or other governmental agencies. Therefore, charges for these utilities may be increased at any time in accordance with the rates established by these other parties and no advance notice of increases in these rates will be given to Resident by Owner).

(3) Extra/recreational vehicle parking charges of N/A Dollars (\$N/A) for each extra/recreational vehicle parked in the recreational vehicle storage area.

(4) Owner may charge a reasonable fee for services relating to the maintenance of the land and premises upon which the home is situated in the event the Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Community after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days.

(5) Other Monthly charge (specify) GAS, ELECTRIC, WATER, SEWER AND TRASH

Charges for extra/recreational vehicles, guests and charges listed after the title "Other Monthly Charges" may be increased upon ninety (90) days' notice to Resident.

B. Base Rent

The base rent shall be _____ Dollars (\$.) per month and this base rent shall remain in effect until _____ N/A _____, 20__ N/A __. Effective _____ N/A _____, 20__ N/A__, the base rent shall be increased by \$ _ N/A__ per month and this base rent shall remain in effect until _____ N/A _____, 20__ N/A_. Effective _____ N/A _____, 20__ N/A __, and each _____ N/A _____^{1st} thereafter for the remaining term of this Agreement, the then current monthly base rent shall be adjusted based upon current financial and budgetary needs. **Notwithstanding the foregoing, in addition to the foregoing increases in base rent, the base rent may, upon ninety (90) days prior written notice to Resident, be increased by such additional sums or temporary assessments as required to pay the operating expenses and debt service in full.**

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C. Additional Rent

Lessee shall, upon ninety (90) days written notice, pay Additional Rent as itemized below:

(1) SERVICES AND FEES REQUIRED BY A GOVERNMENTAL AGENCY: The amount of any increase in the cost to Owner of services, including a Capital Improvement, which any governmental or quasi-governmental entity requires to be provided to residents of the Community, including, but not limited to, permits, fire protection and paramedic services. In the event that any governmental agency imposes any fee, tax, assessment or charge of any kind, however characterized, such fee, tax, assessment or charge shall be passed through to Resident as additional rent. If any governmental or quasi-governmental entity imposes the building of a capital improvement in the Community, or acquisition of a capital asset, the cost of such capital improvements or asset shall be passed through as additional rent to Resident. For purposes of this paragraph, the costs of capital improvements includes, without limitation, the costs of purchase, construction or installation associated with any structures, fixtures or additions to the Community. The amount of this additional rent shall be amortized at the same rate of interest actually charged Owner over the life of the loan. The annual amortized cost shall be divided by 12 months and divided again by the number of homes in the Community. Residents shall have no right to vote on any fee, tax, assessment, charge, or capital improvement or asset governed by this paragraph:

(2) INSURANCE. The amount of any increase over 35% in the cost to Owner of fire, casualty, workers' compensation or liability insurance for the Community. The additional rent described herein shall be calculated by taking the costs of such items for the calendar year ending prior to the anniversary date (the measuring calendar year) and comparing such costs to the same items for the calendar year proceeding the measuring calendar year. The amount of the increase will be divided by 12 months and divided again by the number of home in the Community. The result of the calculation shall be added each month as additional rent. Supporting documentation for additional rent will be available the Community office for inspection by Residents during normal business hours.

D. All rents payable hereunder will be paid by check or money order. Two-party checks will not be accepted. Owner may, upon ten (10) days written notice to Resident require payment to be made in cash equivalent. If the entire rent owed by Resident is not paid by the end of business on the sixth (6th) day of the month, Resident will pay a late charge of Twenty-Five Dollars (\$25.00) to Owner. Resident will also pay to Owner a Twenty-five Dollar (\$25.00) charge for each check of Resident's which is returned or dishonored for any reason by Owner's bank. The acceptance by Owner of any late payment will not constitute 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 will it reinstate, continue or extend the term of this Agreement or affect any notice, demand or suit hereunder. Charges for late rent and returned checks may be increased upon ninety (90) days' notice to Resident. The rent, utilities and other charges not paid when due will bear interest at the rate of 10 percent (10%) per annum from the date due until paid.

4. TERMINATION:

THE RESIDENT OCCUPYING THE SPACE MAY ELECT TO TERMINATE THIS AGREEMENT ON SIXTY (60) DAYS WRITTEN NOTICE TO SUCH EFFECT TO OWNER IF ONE OF THE FOLLOWING OCCURS:

A. All persons occupying the Space rented to Resident by this Agreement terminate their tenancy as to said Space and remove their Home from the Community. In such event, the Space will revert to Owner's control and Owner may lease or rent the Space to any party on any terms he chooses; or

B. All persons occupying the Space rented to Resident by this Agreement terminate their tenancy as to said Space and sell their Home to another party who has been approved by Owner for tenancy in the Community in accordance with the terms of this Agreement.

5. SECURITY DEPOSIT:

Upon execution of this Agreement, unless Resident is already a resident of the Community, Resident shall deposit with Owner _____ N/A _____ Dollars (\$ N/A) as a security deposit for the performance by Resident of the provisions of this Agreement. If Resident is in default, Owner can use the security deposit, or any portion of it, to cure the default or to compensate Owner for any damage sustained by Owner resulting from Resident's default. Owner shall return the security deposit to Resident in accordance with the provisions of the Mobilehome Residency Law. Owner's obligations with respect to the security deposit are those of a debtor and not a Trustee. Owner can maintain the security deposit separate and apart from Owner's general funds or can commingle the security deposit with Owner's general and other funds. Owner will not be required to pay Resident interest on the security deposit.

6. 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 incorporated herein by this reference, and Resident acknowledges receipt of a copy of the following documents listed below:

A. California Civil Code provisions known as the "Mobilehome Residency Law" effective January 1, **2011** a copy of which is attached hereto as Exhibit "1" and incorporated herein by this reference;

B. The Community's Rules and Regulations dated **DECEMBER 9, 2005**. Owner reserves the right to amend or eliminate any and all of the Community's Rules and Regulations in accordance with the provisions of the Mobilehome Residency Law and any other applicable law without liability to Resident and/or others. Failure by Owner to enforce any rule does not invalidate or delete that rule. Residents are advised that Rules and Regulations are severable. If any rule is declared invalid for any reason, the remainder of the rules will continue to be valid and enforceable; and

C. Other

(Specify): N/A

7. UTILITIES:

Owner will provide and separately charge Resident each month for **electricity, natural gas, water, trash collection and sewage service**. Telephone, satellite and all other utilities are provided by and billed directly to Resident by the supplying utility. **Any increase in utility rates or any utility tax shall be immediately passed through and paid by Resident.**

8. APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:

A. Resident may sell his/her Home at any time pursuant to the rights and obligations of Resident and Owner under the Mobilehome Residency Law and other applicable law. Resident shall within three business days of listing the home for sale, notify the Owner in writing of Resident's intention to sell his/her Home. The sale of any home shall be subject to the provisions of the Regulatory Agreements. If the prospective buyer/transferee/assignee of the Home intends for the Home to remain in the Community, or for the buyer/transferee/assignee to reside in the Community, said buyer/transferee/assignee must do the following before occupying the Home:

(1) Complete an application for tenancy;

(2) Be accepted by Owner;

(3) Execute a new written rental agreement, an assignment of this lease agreement or other agreement for the occupancy of the Space; and

(4) Execute and deliver to Owner a copy of the Community's then effective Rules and Regulations and other residency documents.

IF THE BUYER/TRANSFEREE/ASSIGNEE FAILS TO EXECUTE A NEW LEASE/RENTAL AGREEMENT, OR AN ASSIGNMENT OF THIS LEASE AGREEMENT, PRIOR TO TRANSFER OF TITLE, HE OR SHE WILL HAVE NO RIGHTS OF TENANCY. The rental and other agreements, Rules and Regulations and other residency documents signed by the new Resident may be different in their terms and provisions than this Agreement, Rules and Regulations and other residency documents now in effect.

Residents' Initials _____

B. Except for guests, the requirements in paragraph 8(A) for completion of an application, approval by Owner, and the execution of documents will also apply before any additional person other than the ones listed on the last page of this Agreement will be permitted to become a Resident of the Community.

C. In the event that Resident's heir, joint tenant, or personal representative of the estate gains ownership of Resident's home through the death of Resident, said heir, joint tenant or personal representative's rights shall, in addition to the provisions of this Lease Agreement, be governed by the provisions of California Civil Code, Section 798.78.

9. USE PROHIBITED

A. The home and space will be used only for private residential purposes and no business or commercial activity of any nature will be conducted thereon. Resident and/or non-resident understand that violation of section 10 is a breach of this lease agreement. For purposes of this Agreement, commercial activity includes, but will not be limited to:

(1) Any on-site activity requiring the issuance of a business license or permit by any governmental agency that increases traffic within the Community; and

(2) Any activity which increases traffic within the Community requires the storage of material on the space, results in deliveries within the Community or unreasonably interferes with other residents' quiet enjoyment of their homes and spaces.

B. No persons other than those listed on the last page of this Agreement, and Resident's guest, may reside that Space without the prior written consent of Owner. At all times at least one of the persons listed on the last page of this Agreement as a Resident must be the "legal" or "registered" owner of the Homes which occupies the Space and that person must regularly occupy the Home on a full-time basis.

C. No more than two (2) per bedroom, plus one (1) additional person per home, may regularly occupy the home. For purposes of this restriction, "bedroom" is a room regularly uses as a bedroom and containing closet space. Notwithstanding the foregoing, this restriction does not and shall not apply to children born/adopted after that date of initial occupancy. In the event that these occupancy restrictions should violate any local, state or federal housing laws, then, in such event, the number of occupants per home shall be restricted as allowed by law.

D. Resident will not abandon the Space at any time during the term of this Agreement or renewal or period of holding over. Abandonment does not relieve the Resident of any obligation under the lease.

These limitations are not intended to and shall not prohibit a properly licensed foster family home, family day care home or residential care facility which the Community is required by law to accept.

Residents' Initials _____

9. RIGHT OF FIRST REFUSAL:

By signing this Agreement, **RESIDENT GRANTS TO OWNER A RIGHT OF FIRST REFUSAL TO PERMIT OWNER TO PURCHASE RESIDENT'S HOME.** If Resident receives an acceptable bona fide offer to purchase Resident's home, Resident agrees to offer to sell the home to Owner on the same terms and conditions. Owner has three (3) business days (e.g., Monday through Friday, **excepting** holidays) from receipt of Resident's written notice to notify Resident that Owner will buy Resident's home. If Owner fails to notify Resident within three (3) working days, Resident will be free to accept the **original** offer and sell the home on the same terms which were offered to Owner. If, after Owner has failed **to** purchase Resident's home on the terms submitted, any of those terms are changed, Resident must **once** again submit the new offer to Owner advising of the change in terms, and Owner will have the same right to purchase the home on the same terms. Homes so purchased by Owner will be sold to qualified low or income residents. Any such right of first refusal by Owner shall only be exercised when necessary in order for Owner to comply with the Regulatory Agreements to fulfill Owner's obligation to provide housing for low and income residents.

Residents' Initials _____

10. USE PROHIBITED:

A. The home and space will be used only for private residential purposes and no business or commercial activity of any nature will be conducted thereon. Resident and/or non-resident understand that violation of section 10 is a breach of this lease agreement. For purposes of this Agreement, commercial activity includes, but will not be limited to:

- (1) Any on-site activity requiring the issuance of a business license or permit by any governmental agency that increases traffic within the Community; and
- (2) Any activity which increases traffic within the Community requires the storage of material on the space results in deliveries within the Community or unreasonably interferes with other residents' quiet enjoyment of their homes and spaces.

B. No persons other than those listed on the last page of this Agreement, and Resident's guests, may reside at the Space without the prior written consent of Owner. At all times at least one of the persons listed on the last page of this Agreement as a Resident must be the "legal" or "registered" owner of the Home which occupies the Space and that person must regularly occupy the Home on a full-time basis.

C. No more than two (2) persons per bedroom, plus one (1) additional person per home, may regularly occupy the home. For purposes of this restriction, "bedroom" is a room regularly used as a bedroom and containing closet space. Notwithstanding the foregoing, this restriction does not and shall not apply to children born/adopted after the date of initial occupancy. In the event that these occupancy restrictions should violate any local, state or federal housing laws, then, in such event, the number of occupants per home shall be restricted as allowed by law.

D. Resident will not abandon the Space at any time during the term of this Agreement or renewal or period of holding over. Abandonment does not relieve the Resident of any obligations under the lease. These limitations are not intended to and shall not prohibit a properly licensed foster family home, family day care home or residential care facility which the Community is required by law to accept.

Residents' Initials _____

10. REMOVAL ON SALE:

In order to upgrade the quality of the Community, Owner may, require the removal of a home from the Space upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and other applicable law, including, but not limited to, the Regulatory Agreements, if the home is, based upon an inspection by the Department of Housing and Community Development or other appropriate regulatory agency, in a significantly rundown condition or in disrepair, as determined by the general conditions of the home and its acceptability to the health and safety of the occupants and to the public. Any such rights granted to Owner due to amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by Owner at its option.

11. ENTRY UPON RESIDENT'S SPACE:

Owner will have a right of entry upon the space upon which a Home is situated for maintenance of utilities, trees and driveways, for maintenance and/or inspection of the Space when allowed by law, required by law or when Resident fails to maintain the Space in accordance with the Rules and Regulations, and the protection of the Community at any reasonable time, but not in a manner or at a time which would interfere with the occupant's quiet enjoyment. Owner may enter a home without the prior written consent of the occupant in the case of an emergency or when the occupant has apparently left the home without notice. .

12. INDEMNIFICATION:

A. Owner will not be liable for any loss, damage or injury of any kind whatsoever to the person or property of any Resident or any of the employees, guests, invitees, permittees, or licensees of any Resident, or of any other person whomsoever, caused by any use of the Community or the space, or by any defect in improvements erected thereon, or arising from any cause whatsoever, unless resulting from the gross negligence or willful act of Owner.

B. Resident acknowledges that Owner does not carry public liability or property damage insurance to compensate Resident, Resident's guest or any other person from any loss, damage or injury except those resulting from situations where Owner would be legally liable for such loss, damage or injury. Residents wanting this type of insurance coverage should obtain, at Resident's own cost, extended coverage for Resident's home, fire, earthquake and other casualty insurance on the home, other improvements and contents to the full insurable value, personal liability and such other insurance as is necessary to protect Resident, Resident's guests or others from loss or liability.

13. RENTING, SUBLETTING OR ASSIGNING:

A. Resident shall not sublease, or otherwise rent all or any portion of Resident's home or the Space. Resident shall not assign or encumber its interest in this Agreement or the Space. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph. OWNER RESERVES THE RIGHT TO LEASE, RENT OR SUBLET ANY OF ITS SPACES OR OWNER'S HOMES WITHIN THE COMMUNITY. In the event that Owner is required by law to permit subletting, any such person subletting from Resident shall be subject to the same requirements for prior approval of purchasers as set forth in paragraph 8 herein and Owner may require a minimum subletting term of six (6) months. In such event, Owner may, in addition to any other increase provided by this Agreement, unless otherwise prohibited by law, increase the base rent by an amount not to exceed N/A Percent (N/A%) of the then current monthly base rent. Notwithstanding the foregoing, nothing herein shall be construed to prohibit Resident from sharing his or her home with another in accordance with California Civil Code, Section 798.34(b).

B. Notwithstanding that which is set forth herein, RESIDENT MAY ASSIGN THE REMAINING TERM OF THIS LEASE TO A NEW PURCHASER OF RESIDENT'S HOME PROVIDED RESIDENT HAS COMPLIED WITH THE PROVISIONS OF PARAGRAPH 8(A).

C. Notwithstanding that which is set forth herein, Owner may permit Resident, at Owner's sole discretion, to sublet his/her home in the case of hardship. For purpose of this paragraph, hardship shall include, but not be limited to, situations in which Resident is forced to move away from Daly City for employment purposes (limited to where Resident is relocated to or obtains new employment in excess of 50 miles from the location of the previous employment site, or, if no previous employment site, in excess of 50 miles from Daly City); Resident loses his or her job or any other event resulting in a substantial loss of income; health problems; or the size of Resident's household has increased so as to outgrow the size of Resident's home. In the event of a hardship as set forth herein, Resident's home shall be leased or rented only in accordance with the following provisions:

(1) Resident may lease or rent the only upon notice to Owner that the owner-occupancy restriction is working a hardship on Resident (including an explanation of such hardship), and only during the period that the home is being offered for sale, provided that such lease or rental period shall not exceed six (6) months, subject to such additional time (two three month extensions) as Owner shall deem appropriate under the circumstances, and such lease or rental agreement shall terminate upon sale of the home. During this time, Resident shall list the home for sale with a bona fide real estate or mobilehome broker or certify under penalty of perjury that Resident intends in good faith to re-occupy the home at the end of such time period.

(2) A written lease agreement shall be executed between Resident and the lessee or renter approved by Owner. Resident shall obtain from the lessee or renter a lease application, in a form approved by Owner, and shall submit it to Owner for approval together with the written lease/rental agreement. If the explanation of the hardship described above, the lease application and the written lease/rental agreement are approved, Owner shall provide a written "consent to lease/rental" to Resident and shall deliver same to Resident. The lease/rental agreement between Resident and any lessee/renter shall provide that the terms of the lease/rental agreement shall be subject, in all respects, to the provisions of this Agreement as well as the applicable conditions, covenants and restrictions for the Community and the failure by the lessee/renter to comply with the terms of same shall be a default under the lease/rental agreement.

(3) Subject to this paragraph 14(C), should the Resident rent the home to a low income household the monthly rental may not exceed an affordable rent. The rents amounts are available in the management office. Any space already designated as a low income space will remain at low income.

4) Owner shall have the right to monitor compliance with this paragraph by requesting that Resident provide Owner, as required with: (I) A copy of the Resident's federal income tax return, including Schedule "C," and (ii) a written certification under penalty of perjury that the home is owner-occupied, accompanied by supporting documentation reasonably satisfactory to Owner; or (iii) if the home is not owner- occupied, a copy of the lease/rental agreement then in effect and Owner's consent pertaining to that lease/rental agreement; a written certification signed under penalty of perjury stating when the home was last owner-occupied, accompanied by supporting documentation satisfactory to Owner, and stating the amount of monthly rent collected under the lease/rental agreement; and documentation reasonably satisfactory to Owner that Resident is making a reasonable effort to sell the Home.

(5) The above may be reviewed by Owner and from time to time, changed as needed for sale of home or something like that.

Residents' Initials _____

14. COMPLIANCE WITH LAW AND RULES AND REGULATIONS:

Resident agrees to abide by and conform with all applicable law, ordinances, regulations and all terms and provisions of this Agreement, the Rules and Regulations, and all rules, regulations, terms and provisions contained in any document referred to in this Agreement, as said rules, regulations, terms and provisions may from time to time be amended, eliminated, modified or otherwise changed by Owner as permitted by the terms of this Agreement.

15. MODIFICATION OF RESIDENCY DOCUMENTS:

Owner may, pursuant to the rights granted to it by the Mobilehome Residency Law or any other law now in effect or as amended, modify, amend or otherwise change any term, provision, rule or regulation contained in this Agreement, the Rules and Regulations or in any document referred to herein.

16. CHANGES IN STANDARDS OF MAINTENANCE, SERVICES, EQUIPMENT OR PHYSICAL IMPROVEMENTS:

The Community's general standards of maintenance, standards of maintenance of physical improvements in the Community, together with services, including utilities, equipment and physical improvements within the Community may be changed from time to time as provided by the Mobilehome Residency Law, and other applicable law. Resident acknowledges that this provision applies to all Residents, including those on other than a month-to-month tenancy. Any such rights granted Owner due to any amendments, deletions or modifications of the Mobilehome Residency Law and other applicable law may be enforced by Owner.

17. TERMINATION OF TENANCY BY OWNER:

This Agreement, at the sole option of Owner, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession or to renew Resident's tenancy terminated in accordance with the provisions of the Mobilehome Residency Law and other applicable law. Any such rights granted to

Owner due to any amendments, deletions or modifications of the Mobilehome Residency Law and other applicable law may be enforced by Owner. The issuance of a termination of tenancy notice will be considered an election to forfeit the tenancy within the meaning of this Agreement.

18. RESPONSIBILITY OF OWNER:

A. It is the responsibility of the Owner to provide and maintain the physical improvements in the common facilities of the Community in good working order and condition. Owner will provide all of the physical improvements and services which are now in existence in the Community. These physical improvements include the nonexclusive use of all of the common areas and common facilities of the Community which includes without limitation all streets, non restricted parking areas, all recreational facilities and equipment, clubhouse with adjacent kitchen, pool, jacuzzi, sauna, two (2) cabanas with showers, three (3) laundry facilities, lawns and all other facilities, equipment and conveniences located in the common areas and common facilities for the use of Residents. These services include the services provided by the Community Manager and other persons employed by the Community and the utilities specified in this Agreement. The clubhouse will be kept ventilated as required by law. In order to conserve energy, the air-conditioning and heating systems will not be operated on a constant basis. Rather, air-conditioning and heating will be operated as required to maintain reasonable temperature levels consistent with energy conservation requirements.

B. With respect to a sudden or unforeseeable breakdown or deterioration of these improvements, the 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting a health or safety condition, and shall not exceed thirty (30) days in any other case except where exigent circumstances justify a delay.

C. With respect to Owner's providing any services or facilities, (including utilities) to Resident, any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, regulation or controls, judicial orders, fire or other casualty, deliberate sabotage, breakage, repairs and other causes beyond the reasonable control of Owner will excuse Owner's performance of Owner's obligation in these areas for a period equal to any such prevention, delay, stoppage or repair time. Resident will remain responsible without abatement or reduction for the rent, utilities, and other charges to be paid by Resident pursuant to the terms of this Agreement.

D. With respect to the electrical service, Resident acknowledges that the Community's electrical service delivery system is subject to minor momentary and transient voltage surges, fluctuations and disruptions which may occur in the normal operation of the electrical system and which are beyond the control of Owner. It will be the responsibility of Resident, at Resident's own expense, to install and maintain any and all special and/or auxiliary protective devices on the load side of the service delivery point as deemed necessary by Resident to protect Resident's electrical equipment and devices from voltage surges, fluctuations and disruption resulting from causes beyond the control of Owner. Owner will not be responsible for any loss or damage occasioned or caused by voltage surges, fluctuations or disruption resulting from causes beyond the control of Owner.

E. Owner purchases the utilities provided Resident from others and is not responsible for any defects in the quality of these utilities or the services provided by the supplying utility companies, including, but not limited to, the quality of water, power outages, interruptions in service, reduction of service or any similar defect beyond the control of Owner.

F. Resident acknowledges and agrees that the Community is not a "secure" Community. Owner makes no representation or warranty that the Community is secure from theft or any other criminal act perpetrated by any Resident or any other person.

19. MAINTENANCE OF IMPROVEMENTS:

Resident is financially responsible to maintain, repair and/or replace Resident's home and all equipment, structures and other improvements to Resident's home and space in good and safe condition and repair and in an aesthetically pleasing manner at all times. This obligation includes, without limitation, the home, accessory structures and equipment, fences, banks, trees (except to the extent Owner is required by law to trim, prune or remove any tree), shrubbery, lawns and other landscaping located on Resident's space regardless of whether Resident is the original occupant of the space or purchased the home from a former occupant of the space. This obligation also applies to Resident regardless of whether or not Resident installed the improvements or purchased the home with the improvements already installed on the home and/or space. This obligation also includes the responsibility to insure that the drainage is maintained on the space so as to prevent water from accumulating on the space, under the home or running off so as to adversely affect other spaces and/or property; that all required setbacks and lot line requirements are met; that there are no encroachments on other spaces and/or property; that all building codes and other similar requirements have been met; and that all required permits have been obtained.

20. DISCLOSURE:

Owner is required by law to make the following disclosure:

Notice: The California Department of Justice, sheriffs' departments, police departments serving jurisdictions of 200,000 or more and many other local law enforcement authorities maintain for public access a data base of the locations of persons required to register pursuant to paragraph (1) of subdivision (a) of Section 290.4 of the Penal Code. The database is updated on a quarterly basis and a source of information about the presence of these individuals in any neighborhood. The Department of Justice also maintains a Sex Offender Identification Line through which inquiries about individuals may be made. This is a "900" telephone service. Callers must have specific information about individuals they are checking. Information regarding neighborhoods is not available through the "900" telephone service.

21. NOTICES:

All notices required or permitted under this Agreement must be in writing and may be served upon Owner or Resident by any means then permitted by law. Resident understands that any notice terminating Resident's tenancy must be given to Resident in writing in the manner described by Section 1162 of the California Code of Civil Procedure. The service of any other notice on Resident, including but not limited to, a notice of rent increase; a notice of amendments to the Community's Rules and Regulations/Standards for Maintenance of Physical Improvements in the Community/Additions, Alterations or Deletions of Services, Equipment or Physical Improvements; notices relating to other matters in Articles 1 through 5, inclusive and Article 7 of the Mobilehome Residency Law; or future copies of the Mobilehome Residency Law, may be duly and validly

served if the notice is mailed to the Resident at his address in the Community by First Class United State mail, postage prepaid. Any such notice served upon Resident in this manner will be deemed served five (5) days after its mailing.

22. WAIVER OF DEFAULT:

No delay or omission in the exercise of any right or remedy of Owner on any default by Resident will 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 Resident will be effective unless made in writing and signed by Owner nor will 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 Resident. The acceptance of rent hereunder will not be, or be 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 will it reinstate, continue or extend the term of this Agreement or affect any notice, demand or suit hereunder.

23. ENTIRE AGREEMENT:

This Agreement and the documents referred to herein constitute the entire agreement between Resident and Owner pertaining to the subject matter contained herein and supersede all prior and contemporaneous agreements, representations and understandings of the parties, whether written or oral.

24. ALTERATION OF THIS AGREEMENT:

This Agreement may be altered by the Resident only by written agreement signed by both of the parties or by operation of law. This Agreement may be altered by the Owner 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.

25. INFORMATION REGARDING RESIDENT'S HOME:

Resident agrees to provide to Owner the following information concerning the home which presently occupies, or will occupy the Space which is the subject of this Agreement. Resident further agrees to immediately notify Owner in writing of any change to any of the following information. Resident grants Owner permission to contact the legal owner of Resident's home directly should the need arise. Resident represents and warrants that all such information, including changes to such information, is true and correct to the best of Resident's knowledge:

A. Legal Owner's Information (i.e., usually the lender who financed the Home)

Name: _____

Address: _____

Telephone Number _____

Loan Number / Escrow Number: _____

B. Registered Owner's Information (i.e., usually Resident's name/etc.)

Name: _____

Address: _____

Telephone Number: _____

C. Make of Home: _____

D. Model of Home: _____

E. Year of Manufacture: _____

F. Vehicle Identification/Serial Number(s): _____

G. License or Decal Number: _____

26. OCCUPANCY QUESTIONNAIRE:

Resident will complete, sign and return to Owner, on three (3) days' written notice, an Occupancy Questionnaire on a form provided by Owner containing the following:

- A.** The names of all occupants of the Space;
- B.** The nature of occupancy, i.e., guest, resident, shared tenancy under Civil Code, Section 798.34(b), family member, etc.;
- C.** The names and addresses of all lienholders of the home occupying the Space;
- D.** The name, address and telephone number of Resident's employer;
- E.** The name, address and telephone number of the person to contact in the event of an emergency; and
- F.** A copy of the registration card issued by the Department of Housing and Community Development for the home occupying the Space.

27. ESTOPPEL CERTIFICATE:

A. Resident agrees, upon not less than ten (10) days' prior notice by Owner, and within ten (10) days' of each anniversary of this Agreement without notice, to deliver to Owner a statement in writing 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), the dates to which the rent and other charges have been paid and whether or not Owner 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 Owner or any other party who may reasonably rely upon such statement. Resident also agrees to execute and deliver from time to time such estoppel

certificates as any institutional lender or other third party may require or request with respect to this Agreement.

B. Should any required estoppel certificate not be provided in a timely fashion, it will be conclusively presumed, and will constitute a representation and warranty by such party, that this Agreement is in full force and effect without modification, except as may be represented by the requesting party, and that Owner is not in breach, default, or violation of any of the respects referenced above.

Residents' Initials _____

28. ATTORNEYS' FEES AND COSTS:

In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party will be entitled to reasonable attorneys' fees and costs. A party will be deemed a prevailing party if the judgment is rendered in his or her favor or where the litigation is dismissed in his or her favor prior to or during the trial, unless the parties otherwise agree in the settlement or compromise.

29. HEADINGS:

The word titles of the paragraph and subparagraph designations contained herein are inserted solely for convenience and under no circumstances are they, or any of them, to be treated or construed as part of this Agreement.

30. TIME OF ESSENCE:

Time is of the essence with respect to the performance of every provision of this Agreement in which time is a factor.

31. INVALIDITY OF PROVISIONS:

If any term or provision of this Agreement or any document referred to in this Agreement or the application thereof to any person or circumstance will, to any extent, be invalid or unenforceable, such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable remainder of this Agreement or the other document or the application of e, will not be affected thereby, and each term and provision of this Agreement or the other document will be valid and be enforced to the fullest extent permitted by law.

32. IMPROVEMENTS:

All landscaping and structures or other improvements permanently attached to or embedded in the ground (with the exception of resident's home, cabana, garage, storage shed or other accessory structure installed on the home) will become a part of the realty upon their installation and belong to Owner and will remain upon and be surrendered with the Space, unless Resident obtains permission from Owner to remove, at his own expense, said improvements. Resident will repair any damage to the Space caused by the removal, including, but not limited to, the filling in and leveling of holes or depressions and will leave the Space in a neat, uncluttered condition with the Community's original engineered grade intact.

33. HOLD-OVER TENANCY:

If Resident remains in possession of the Space after expiration of the term of this Agreement and has not executed a new occupancy agreement with respect to the Space, said possession of Resident will be deemed to be a month-to-month tenancy and Owner may terminate or refuse to renew Resident's tenancy in accordance with the paragraph in this Agreement entitled "Termination of Tenancy by Owner". Subject to the requirements of existing law and other agreements entered into by the parties hereto, Owner may also, on ninety (90) days' notice, increase the rental rate and other charges of the Community charged to Resident.

34. LIENS AND CLAIMS:

Resident will not suffer or permit to be enforced against Owner's interest in the Community, or any part thereof, any lien, claim or demand arising from any work of construction, repair, restoration, maintenance or removal as herein provided, or otherwise arising, and Resident will pay all such liens, claims and demands before any action is brought to enforce the same against the Community. Resident agrees to hold Owner and the Community free and harmless from all liability for any such liens, claims or demands, together with all costs and expenses, including, but not limited to, attorneys' fees and court costs incurred by Owner and the Community in connection therewith.

35. DAMAGE:

Resident agrees to pay for all damages to the Community, Space and other persons and/or property caused by Resident or Resident's guests. Resident indemnifies and holds Owner harmless from any damage or injury to any person or property arising from any acts or omissions of Resident, Resident's family, Resident's guests or any invitee of Resident.

36. TRANSFER OF OWNER'S INTEREST, SUBORDINATION:

In the event Owner transfers its interest in the Community, Owner will be automatically relieved of any obligations hereunder which occur after the date of such transfer. This Agreement will always be subject and subordinate to all present and future trust deeds and encumbrances that are or may be placed upon the Community.

37. CONDEMNATION:

If any portion of the Community 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, or the utility systems or other portions of the Community are or will be affected by the condemnation to the point where, in Owner's sole discretion, it is not practical to continue to operate the Community, Owner will have the right, but not the obligation, to terminate this Agreement as of the date of the condemning authority takes possession. The entire amount of any such award given for any reason under the power of eminent domain will be Owner's property provided, however, that Resident shall be entitled to that amount of any such award given for value attributable to Resident's home.

38. ZONING AND USE PERMIT INFORMATION:

- A. The nature of the zoning under which the Community operates is MOBILE HOME.
- B. The Community does not operate under a conditional use permit which has an expiration date.
- C. The Community is in part subject to a ground lease that expires on 12/13/2052.
- D. If a change occurs concerning the ground lease, the zoning or permit under which the Community operates, all residents will be given notice within thirty (30) days of such change.

Residents' Initials _____

39. EFFECTIVE DATE OF LEASE AGREEMENT:

This Agreement will be effective upon its signing by both Resident and Owner, even though that date may be before the beginning date of this Agreement. If Resident is a "Prospective Resident," and is signing this Agreement in accordance with Civil Code, Section 798.75(a), this Agreement, and any tenancy created hereby will be null and void, and of no force and effect unless and until: (a) escrow is closed within thirty (30) days of the execution of this Agreement, unless otherwise extended in writing by Owner; (b) at least one (1) person signing this Agreement will be the registered owner of the home located on the Space; and (c) Resident assumes physical occupancy of the home within thirty (30) days of the execution of this Agreement, unless otherwise extended in writing by Owner.

40. AUTOMATIC RENEWAL OF THIS LEASE:

UNLESS EITHER PARTY TO THIS LEASE NOTIFIES THE OTHER IN WRITING AT LEAST 120 DAYS, BUT NO MORE THAN 180 DAYS, IN ADVANCE OF THE END OF THE INITIAL TERM DESCRIBED IN PARAGRAPH 2, THE TERM OF THIS LEASE WILL BE AUTOMATICALLY EXTENDED FOR AN ADDITIONAL 10 YEARS (AN "EXTENSION TERM") ON THE SAME TERMS AND CONDITIONS PLUS THE INCREASE NOTED BELOW. THE AUTOMATIC RENEWAL OF THIS LEASE WILL CONTINUE FOR TWO (2) SUCCESSIVE TEN YEAR EXTENSION TERMS UNTIL IT HAS BEEN AUTOMATICALLY RENEWED FOR A TOTAL OF 20 YEARS UNLESS EITHER PARTY TO THIS LEASE NOTIFIES THE OTHER THAT IT IS NOT BEING EXTENDED, AS SET FORTH ABOVE. AT THE BEGINNING OF EACH OF THE EXTENSION TERMS, THE THEN CURRENT BASE RENT WILL INCREASE IN ACCORDANCE WITH THE PROVISIONS DESCRIBED IN PARAGRAPH 3 HEREIN.

41. ACKNOWLEDGMENT:

Resident (which includes each of the people whose names are listed below), acknowledges that he/she has read, understood, and received a copy of this Agreement, together with a copy of the Community's Rules and Regulations and all other residency documents referred to in this Agreement, and a copy of the Mobilehome Residency Law, and further, that he/she has read and understood each of these documents and the other Rules and Regulations posted in and about the Community. Resident understands that by executing this Agreement he will be bound by the terms and conditions thereof.

Dated: _____

PROPERTY MANAGER/AGENT FOR OWNER

Dated: _____

Resident

Dated: _____

Resident

Dated: _____

Resident

Dated: _____

Person(s) in addition to the above who will reside in the above space:



INFORMATION FOR PROSPECTIVE HOMEOWNERS

As a prospective homeowner you are being provided with certain information you should know prior to applying for tenancy in a mobile home park. This is not meant to be a complete list of information.

Owning a home in a mobile home park incorporates the dual role of "homeowner" (the owner of the home) and park resident or tenant (also called a "homeowner" in the Mobile home Residency Law). As a homeowner under the Mobile home Residency Law, you will be responsible for paying the amount necessary to rent the space for your home, in addition to other fees and charges described below. You must also follow certain rules and regulations to reside in the park.

If you are approved for tenancy, and your tenancy commences within the next 30 days, your beginning monthly rent will be \$_____ (must be completed by the management) for space number _____ (must be completed by the management). Additional information regarding future rent or fee increases may also be provided.

In addition to the monthly rent, you will be obligated to pay to the park the following additional fees and charges listed below. Other fees or charges may apply depending upon your specific requests. **Metered utility charges (gas, electricity, and water) are based on use.**

Sewer: \$39.06 Trash: \$26.03 (small can)

Some spaces are governed by an ordinance, rule, regulation, or initiative measure that limits or restricts rents in mobile home parks. Long-term leases specify rent increases during the term of the lease. By signing a rental agreement or lease for a term of more than one year, you may be removing your rental space from a local rent control ordinance during the term, or any extension, of the lease if a local rent control ordinance is in effect for the area in which the space is located.

A fully executed lease or rental agreement, or a statement signed by the park's management and by you stating that you and the management have agreed to the terms and conditions of a rental agreement, is required to complete the sale or escrow process of the home. You have no rights to tenancy without a properly executed lease or agreement or that statement. (Civil Code Section 798.75)

If the management collects a fee or charge from you in order to obtain a financial report or credit rating, the full amount of the fee or charge will be either credited toward your first month's rent or, if you are rejected for any reason, refunded to you. However, if you are approved by management, but, for whatever reason, you elect not to purchase the mobile home, the management may retain the fee to defray its administrative costs. (Civil Code Section 798.74)

We encourage you to request from management a copy of the lease or rental agreement, the park's rules and regulations, and a copy of the Mobile home Residency Law. Upon request, park management will provide you a copy of each document. We urge you to read these documents before making the decision that you want to become a mobile home park resident.

Dated: _____

ACKNOWLEDGE RECEIPT BY PROSPECTIVE HOMEOWNER(S): _____

Signature of Park Manager: _____