

LANIKAI LANE MOBILE HOME PARK

LONG TERM LEASE AGREEMENT

[New Homeowner]

_____, 20____

THIS LONG TERM LEASE AGREEMENT ("AGREEMENT") IS AN IMPORTANT DOCUMENT THAT HAS LEGAL CONSEQUENCES. OWNER DOES NOT OFFER ANY ADVICE RESPECTING YOUR RIGHTS OR OBLIGATIONS OR RESPECTING THIS *AGREEMENT* OR YOUR APPLICATION FOR TENANCY OR ANYTHING REGARDING THE COMMUNITY, INCLUDING, WITHOUT LIMITATION, ITS OPERATION, MANAGEMENT, MAINTENANCE, OR FUTURE NOT EXPRESSLY STATED IN THIS *AGREEMENT*.

PLEASE READ THIS *AGREEMENT* CAREFULLY BECAUSE IT AFFECTS YOUR LEGAL RIGHTS. IT IS RECOMMENDED THAT YOU HAVE LEGAL COUNSEL OF YOUR CHOICE ADVISE YOU BEFORE YOU SIGN.

**This COMMUNITY 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**

SPACE NO. _____
("HOMESITE")

THIS LONG TERM LEASE AGREEMENT (hereinafter the "AGREEMENT") is made and entered into this _____ day of _____, 20____ by and between the management of Lanikai Lane Mobile Home Park (hereinafter the "OWNER") and those persons listed on the last page of this AGREEMENT as the HOMEOWNER (hereinafter collectively the "HOMEOWNER").

ANY PURCHASER OF A *HOME* WITHIN LANIKAI LANE MOBILE HOME PARK MUST RECOGNIZE AND UNDERSTAND THAT SUCH PERSON IS PURCHASING (OR HAS PURCHASED) ONLY THE *HOME* (AND ACCESSORY STRUCTURES) AND IS NOT PURCHASING THE *HOMESITE* WITHIN THE *COMMUNITY*. THE OWNERSHIP OF THE *HOMESITE* REMAINS WITH THE *OWNER*.

HOMEOWNER ACKNOWLEDGES THAT LANIKAI LANE MOBILE HOME PARK IS ADJACENT TO TRAIN TRACKS, WHICH MAY CAUSE A NOISE NUISANCE FOR *HOMEOWNER*. *HOMEOWNER* REPRESENTS THAT *HOMEOWNER* HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THIS MATTER.

OWNER MAKES NO REPRESENTATION AS TO THE *HOME* LOCATED ON THE *HOMESITE*. *HOMEOWNER* ASSUMES ALL RESPONSIBILITY FOR THE *HOME*, INCLUDING, BUT NOT LIMITED TO, TITLING AND REGISTRATION, PAYMENT OF TAXES, INSURANCE, GOVERNMENT FEES, SAFETY AND MAINTENANCE OF THE *HOME* AND ACCESSORY EQUIPMENT, AND COMPLIANCE OF THE *HOME* WITH ALL APPLICABLE LAWS, REGULATIONS AND ORDINANCES.

1. LEASE SUMMARY.

1.1. **Homesite:** The real property to be rented is designated as Space No. _____ (hereinafter the "HOMESITE") in Lanikai Lane Mobile Home Park, a mobilehome COMMUNITY located at 6550 Ponto Drive, Carlsbad, CA 92011.

1.2. **Term:** This AGREEMENT will be for a period of One Hundred Twenty (120) months, commencing on _____, 20____, and ending on _____, 20____, unless sooner terminated in accordance with the terms of this AGREEMENT ("Term").

Prospective Homeowner's Initials

1.3. **Adjustment Date:** _____1st of each year ("ADJUSTMENT DATE").

1.4. Rent:

1.4.1. Initial Base RENT: _____Dollars and _____Cents (\$_____) per month.

1.5. Utilities:

1.5.1. Provided and separately billed to HOMEOWNER: Electricity (metered), Gas (metered), Water (metered), Trash and Sewer.

1.5.2. Provided without separate charge to HOMEOWNER: None.

1.5.3. All other services and utilities (e.g., telephone, internet and cable TV, as HOMEOWNER so desires) are to be contracted with the appropriate utility company or provider and paid directly by HOMEOWNER:

1.6. Deposits:

A. Security Deposit	_____0_____Dollars and _____0_____Cents (\$_____0.00_____)
B. Gate Opener Deposit	_____0_____Dollars and _____0_____Cents (\$_____0.00_____)
C. Pool Key Deposit	_____0_____Dollars and _____0_____Cents (\$_____0.00_____)
D. Other Deposits	_____0_____Dollars and _____0_____Cents (\$_____0.00_____)

1.7. Additional Fees ("Additional Fees"):

A. Late RENT Charge	Seventy-five Dollars (\$75.00)
B. Check Handling Charge, including NSF Checks	Seventy-five Dollars (\$75.00)

1.8. Occupants of HOME upon the commencement date of this AGREEMENT:

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

1.8.2. Additional RESIDENTS:

☐ None
☐ Caregiver: _____
☐ Reverse Caregiver: _____
☐ Live-in Guest: _____

1.8.3. EXTRA PERSONS:

☐ None

☐ Names: _____

1.9. The specific information provided in Paragraph 1 is only a summary and is more fully detailed herein in this AGREEMENT.

2. DEFINITIONS.

The definitions set forth below shall apply to this AGREEMENT unless the context indicates that a different meaning is intended:

2.1. COMMON FACILITIES OF THE COMMUNITY,” “COMMUNITY FACILITIES” and “COMMON AREAS” mean those facilities of the COMMUNITY generally available to RESIDENTS and their guests.

2.2. “COMMUNITY” means Lanikai Lane Mobile Home Community. COMMUNITY reserves the right to change the name of the COMMUNITY.

2.3. “EXTRA PERSON” means any RESIDENT to whom Civil Code § 798.34 and § 798.35 do not apply.

2.4. “HOME” means a mobilehome or manufactured HOME.

2.5. “HOMEOWNER” means the person(s) signing this AGREEMENT.

2.6. “HOMESITE” means the real property rented to HOMEOWNER by OWNER. 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 or (2) the apparent physical boundaries of the HOMESITE as they exist at the time this AGREEMENT is entered into. However, if the minimum 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. PLEASE NOTE: The upper boundaries of the HOMESITE end at the top of the roofline of the HOMEOWNER’S HOME and no greater than as set out in the Architectural Standards, as may be amended by OWNER from time to time. The rental of the HOMESITE does not include any right or easement for light or view. These rights are specifically reserved to OWNER.

2.7. J&H Asset Property Mgt., Inc., shall be referred to as Management Company in this AGREEMENT.

2.8. “MOBILEHOME RESIDENCY LAW” or “MRL” means those provisions of the California Civil Code Sections 798, et seq. which are known as the

"MOBILEHOME RESIDENCY LAW" as may be amended from time to time.

2.9. "OWNER" means the OWNER the COMMUNITY, 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 means OWNER and its current principals (including the OWNER'S past and current partners, directors, members, representatives, officers, employees, attorneys and agents) and the management of the COMMUNITY.

2.10. "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 have been 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 requests OWNER to give prior written approval.

2.11. "RENT" means Base RENT and Adjustments as provided in Paragraphs 5.2 and 5.3 below.

2.12. "RESIDENT" is: (a) the HOMEOWNER; or (b) any person who lawfully occupies the HOME on the HOMESITE.

2.13. "RULES AND REGULATIONS" means the RULES AND REGULATIONS of the COMMUNITY, as they may be amended from time to time.

3. RENTAL OF HOMESITE.

OWNER rents to HOMEOWNER, and HOMEOWNER rents from OWNER, the HOMESITE. The rental of the HOMESITE does not include any right or easement for light or view. These rights are specifically reserved to OWNER.

4. TERM.

The tenancy created under this AGREEMENT shall be for the Term specified in Paragraph 1.2.

5. RENT, UTILITIES AND INCIDENTAL REASONABLE SERVICE CHARGES.

5.1. 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:

5.1.1. The Base RENT as defined in Paragraph 5.2 below and Adjustments to Base RENT as defined in Paragraph 5.3 below.

5.1.2. All utility charges will be billed to HOMEOWNER by OWNER during each month, which charges may include amounts from prior months, and shall be payable in full for each calendar month or portion thereof.

5.1.3. 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.

5.2. **Base RENT.** The “Base RENT” shall initially be the amount specified in Paragraph 1.4 above and shall remain in effect until the first ADJUSTMENT DATE of this AGREEMENT. Thereafter, adjustments shall be made pursuant to this paragraph and Paragraph 5.3 below. **Long-Term Lease:** For any Homeowner on a Long-Term Lease as set forth in Paragraph 1.2 above, the Base Rent shall be the amount specified in Paragraph 1.4 above and shall remain in effect until the Rent Adjustment Date of this Agreement (specified in Paragraph 1.3 above), after which adjustments shall be made pursuant to this paragraph and Paragraph 5.3 below. On each Rent Adjustment Date, the Base Rent **then in effect** shall be increased by **the greater of:** (a) an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers for the San Diego-Carlsbad area (the “CPI”) as published by the United States Department of Labor, Bureau of Labor Statistics during the twelve (12) month period ending in August of the preceding year; or (b) four percent (4%), if the CPI has not increased by at least four percent (4%) during the last twelve (12) month comparison period. In the event the foregoing CPI is discontinued or revised, another governmental index then in existence shall be selected by the Park and used to obtain substantially the same result as if the foregoing CPI had not been discontinued or revised. Any increase in the Base Rent shall be made upon written notice of at least ninety (90) days.

5.3. **Formula Adjustments to Base RENT.** Commencing with the first ADJUSTMENT DATE of this AGREEMENT and upon written notice of at least ninety (90) days, the Base RENT then in effect shall be subject to formula adjustments. For each formula increase set forth below, the “comparison period” is the twelve (12) month period ending at least one (1) month (but not more than four (4) months) from the month in which the RENT increase notice is given or, at the election of OWNER, the twelve (12) month period ending in December of the year prior to the month in which the RENT increase notice is given. The “base period” is defined as the twelve (12) month period immediately preceding the comparison period.

5.3.1. If the amount for any item subject to the formula adjustments listed in subparagraph 5.3.2 below has been instituted or increased at any time during the comparison period, such amounts may, at the election of OWNER, be annualized and be considered on a full twelve (12) month basis for the comparison period.

5.3.2. Formula adjustments are as follows (collectively “Adjustments”):

5.3.2.1. **Property Taxes.** If, after taking the costs for Property Taxes (as defined below) for the comparison period and comparing these costs to the costs for the base period, there is an increase in Property Taxes in excess of two percent

(2%), the Base RENT then in effect shall be increased by the amount of the increase in excess of two percent (2%), divided by twelve (12) and divided by the number of homesites in the COMMUNITY. The term "Property Taxes" includes, without limitation, both general and special real estate taxes, personal property taxes, bonds, fees, user fees, charges and surcharges, and assessments (including, but not limited to, any taxes, assessments or charges for or on offsite or onsite improvements, or any assessments or charges in lieu of real property taxes). The term "Property Taxes" also includes any tax or excise on rents or any such other tax, however described, which is levied or assessed against OWNER as a direct substitution in whole or in part for any real property taxes.

5.3.2.2. **Government Required Services.** If, after taking the costs for Government Required Services (as defined below) on an item-by-item basis during

the comparison period and comparing these costs to the costs for the base period, the cost for any one or more Government Required Service is more than the cost for that item in the base period, the Base RENT then in effect shall be increased by the amount of all such increased costs, divided by twelve (12) and divided by the number of homesites in the COMMUNITY. The term "Government Required Services" includes, without limitation, any existing, new, additional or changed service or facility which OWNER is required by the government to provide or which is rendered economically imprudent not to provide by virtue of governmental regulation. The term "Government Required Services" also includes, without limitation, fees, bonds, charges and other costs and expenses associated thereto for water, sewer, hook-up to municipal sewer or local water company, trash pickup and trash bin rental and utilities provided by OWNER. Costs for utilities separately billed to HOMEOWNER are specifically excluded from this paragraph.

5.3.2.3. Capital Improvements and/or Capital Replacements. If there have been Capital Improvements and/or Capital Replacements (as defined below) made by the OWNER during the relevant time period, the amount of the increase to the Base RENT shall equal the total cost of Capital Improvements and/or Capital Replacements made by the OWNER during the twelve (12) month period preceding the month in which the current RENT increase notice is given, amortized over a five (5) year period, divided by twelve (12) and divided by the number of homesites in the COMMUNITY. OWNER shall be entitled to receive interest on the unamortized balances of such Capital Improvement and/or Capital Replacement, calculated by utilizing a ten percent (10%) interest factor.

5.3.2.3.1. The term "Capital Replacement" refers to replacement of any existing thing or item in the COMMUNITY with a useful life of one (1) year or more. Examples of Capital Replacements: A roof to replace the old roof on the existing clubhouse; a replacement pump and filter for the swimming pool, not to be construed as upgrading but to be of comparative quality, workmanship and materials, or upgraded as necessary to comply with the law. Examples of repairs which are Capital Replacements, but which are excluded from the formula increase: Ordinary upkeep, e.g. repairing the clubhouse roof or repairing the pool pump and filter, maintaining landscaping and ordinary expenses which may be deducted in accordance with Internal Revenue Service rules.

5.3.2.3.2. The term "Capital Improvement" refers to any thing or item which is new and not before existing in the COMMUNITY and has a useful life of one (1) year or more. Examples of Capital Improvement: Construction of a new swimming pool where none existed before; adding new landscaping where none existed before; installing air conditioning in the clubhouse where none existed before.

5.3.2.4. Insurance. If, after taking the costs for Insurance (as defined below) during the comparison period and comparing these costs with the costs during the base period, the costs for Insurance have increased over the costs in the base period, the Base Rent in effect shall be increased by the amount of that increase, divided by twelve (12) and divided by the number of homesites in the COMMUNITY. The term "Insurance" includes all amounts paid by the COMMUNITY for insurance,

including, but not limited to, insurance for any loss, damage, or injury to property or person, including fire, earthquake, flood, vandalism, burglary, or theft. The term "Insurance" does not include premiums paid by the COMMUNITY for workers' compensation insurance.

5.3.2.5. Uninsured Losses. If there have been costs associated with Uninsured Losses (as defined below) during the relevant time period, the Base RENT then in effect shall be increased by the amount of Uninsured Losses divided by twelve (12) and divided by the number of homesites in the COMMUNITY, amortized over a five (5) year period. The term "Uninsured Losses" is defined as either: (1) any losses for which OWNER is not fully compensated by insurance or (2) any losses for which the OWNER is ordered by any court or arbitrator to pay as damages or to compensate any person or group of persons, because of any claim, lawsuit, arbitration or administrative action brought against the OWNER and which is, for any reason, not paid by an insurance company (including, but not limited to, any good faith and reasonable settlement of any claim, with or without litigation or arbitration). Uninsured Losses shall be limited to losses related to, connected with, or concerning the operation, management, maintenance, leasing, or ownership of the COMMUNITY. The term "Uninsured Loss," however, does not include any fine, forfeiture, penalty, money damages, or fee (including any attorneys' fees or costs) assessed by a court of law against the OWNER, COMMUNITY or management of the COMMUNITY for a violation of the MOBILEHOME RESIDENCY LAW.

5.3.2.5.1. Notwithstanding anything contained above, OWNER shall bear the responsibility of five percent (5%) or \$2,000.00, whichever is greater, for each Uninsured Loss.

5.3.2.5.2. When an Uninsured Loss necessitates OWNER replacing or repairing COMMUNITY property, the total amount of Uninsured Losses shall include the actual cost incurred by OWNER to replace or reconstruct any property, including legal and engineering fees related to said replacement, plus all interest, points and other costs and charges relating to the borrowing of any sums during the period of construction or installation. Such interest, points, fees or other costs and charges shall not exceed an amount equal to that charged by an institutional lender of OWNER'S choice.

5.3.2.5.3. OWNER shall maintain an insurance policy or policies with extended coverage endorsements for ninety percent (90%) insurable replacement value of the COMMUNITY FACILITIES. Earthquake and flood insurance are not required to be maintained by OWNER.

5.3.3. The above-mentioned Adjustments and Base RENT together will comprise "Rent" for the HOMESITE.

5.3.4. OWNER shall use good faith in calculating Adjustments to Base RENT. If, however, it is determined that any formula increase to Base RENT was not calculated in good faith or is invalid or unenforceable for any reason, then, at the option of OWNER, upon each ADJUSTMENT DATE of this AGREEMENT, the Base RENT

then in effect shall be increased by eight percent (8%) per year (in addition to all other Adjustments provided herein).

5.4. All RENT, utilities, and additional fees payable hereunder shall be paid by check or money order to OWNER at the COMMUNITY Office located at 6550 PONTO DR., CARLSBAD, CA 92011 or such other address as provided by OWNER upon notice to HOMEOWNER. If any tendered payment of Base Rent is dishonored by the bank for insufficient funds or stop payment, OWNER may, upon at least ten (10) days' written notice to HOMEOWNER, require payment to be made in money order or cashier's check for a period not to exceed three (3) months after the date of notice from the OWNER as provided by law. If the Base Rent and additional fees are not paid to the office by 5:00 p.m. on the sixth (6th) day of the month, the late charge specified in Paragraph 1.7 above shall be charged to cover OWNER'S cost for additional accounting and collection expenses. Additionally, the handling charge specified in Paragraph 1.7 above shall be required for all checks returned by the bank due to insufficient funds in HOMEOWNER'S account or for any other reason. The acceptance by OWNER of any late payment shall 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 shall it reinstate, continue or extend the term of this AGREEMENT or affect any notice, demand or suit hereunder. Late charges and returned check handling charges may be increased pursuant to governing law.

5.5. 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.

5.6. HOMEOWNER agrees that no act (including, but not limited to, noticing and collecting of any subsequent Rent Adjustment or increase), 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 or increase amount or portion thereof at a later date upon the required notice in this AGREEMENT.

6. UTILITIES.

6.1. OWNER shall provide and separately bill to HOMEOWNER for the following utilities: Electricity (metered), Gas (metered), Water (metered), Sewer and Trash. Upon sixty (60) days' notice to HOMEOWNER, however, OWNER may require HOMEOWNER to contract with the appropriate utility provider for service and to pay directly for one or all of the utilities which have previously been separately billed to HOMEOWNER. 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 COMMUNITY.

6.2. Utilities will be billed monthly, in arrears. Utility rates charged by OWNER which are governed by law (presently electricity and natural 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 methods:

6.2.1. The rate and fees the servicing utility or utility provider in the area in which the COMMUNITY is located charges for delivering said utility and utility services to single family detached residences.

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

6.2.3. Any other reasonable method upon the giving of ninety (90) days written notice prior to implementing that method.

6.3. OWNER shall provide without separate charge to HOMEOWNER the following utility service(s): NONE.

6.4. HOMEOWNER shall contract with the appropriate utility company or provider and pay directly for all other utilities and/or services, such as telephone, cable, internet, etc., as required or desired by HOMEOWNER.

6.5. 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 COMMUNITY. (Please Note: The provisions of the paragraph below entitled "INDEMNIFICATION" apply to this paragraph.)

6.6. Utilities are provided by utility companies and other service providers to the COMMUNITY, 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.

6.7. 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.

6.8. HOMEOWNER is responsible for determining that HOMEOWNER'S HOME as well as all appliances and additional equipment used on or at the HOMESITE is compatible with the electric service of the COMMUNITY, and HOMEOWNER agrees and acknowledges that COMMUNITY has no liability or responsibility to HOMEOWNER if the available electrical supply is not compatible.

6.9. 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) from the HOMESITE utility connection to the HOMEOWNER'S HOME.

6.10. Whenever it is necessary for OWNER to make repairs or improvements to the COMMUNITY'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.

6.11. HOMEOWNER agrees to review all COMMUNITY utility billing statements and to notify OWNER in writing of purported errors or discrepancies within thirty (30) days of receipt thereof.

6.12. Should the COMMUNITY'S electricity and/or gas utilities be taken over by the local utility company or companies, HOMEOWNER will cooperate with such changeover, including without limitation, allowing the local utility company or companies to relocate, at utility company's sole cost, any utility pedestal as they may require, including allowing the such utility company to come onto the HOMESITE to conduct such work and further including the attachment of additional gas or electrical lines to the HOME.

7. SECURITY DEPOSIT.

7.1. Any new HOMEOWNER moving into the COMMUNITY must, upon execution of this AGREEMENT, deposit the amount specified in Paragraph 1.6 above as a Security Deposit for the performance by HOMEOWNER of the provisions of this AGREEMENT. In the event HOMEOWNER defaults on any provision of this AGREEMENT, OWNER may use the Security Deposit, or any portion of it, to cure any default on any of the provisions of this AGREEMENT. In addition, HOMEOWNER shall, on demand, immediately pay to OWNER a sum equal to the portion of the Security Deposit expended or applied by OWNER, as provided in this paragraph, so as to maintain the Security Deposit in the sum initially deposited with OWNER. In no event shall the total Security Deposit held by OWNER exceed twice the initial Base RENT. OWNER may maintain the Security Deposit separate and apart from OWNER'S general funds or may commingle the Security Deposit with OWNER'S general and other funds. OWNER will not be required to pay to HOMEOWNER interest on the Security Deposit.

7.2. Upon written request by HOMEOWNER, OWNER shall refund to HOMEOWNER the remaining balance of the Security Deposit within thirty (30) days following the end of a twelve (12) consecutive month period of prompt payment of Rent, utilities and Additional Fees. Upon HOMEOWNER terminating possession of the HOMESITE, and if HOMEOWNER is not in default of this AGREEMENT, OWNER shall return, within thirty (30) days, the remaining balance of the Security Deposit to HOMEOWNER.

7.3. PLEASE NOTE: Under Civil Code § 798.23.5 (b) (6), the OWNER may require a HOMEOWNER to resubmit a security deposit if there is a sublease, in an amount equal to two month's RENT as may be allowed under this AGREEMENT, as amended.

8. TAXES AND REGISTRATION.

8.1. 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 HOME and other property owned by HOMEOWNER, including property taxes on accessory equipment and structures (including, but not limited to, awnings, skirting, storage sheds, steps and porches) and other improvements made or installed by HOMEOWNER, former HOMEOWNERS or by persons other than OWNER.

8.2. Any and all taxes and assessments and installment of taxes, possessory 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.

8.3. HOMEOWNER shall indemnify and hold OWNER, OWNER'S employees, agents and property, including the COMMUNITY and any improvements now or subsequently located in or on the COMMUNITY, free and harmless from any liens, liability, loss or damage resulting from any taxes, assessments or other charges required to be paid by HOMEOWNER and from all interest, penalties, and other sums imposed thereon and from any sales or other proceedings to enforce collection of any such taxes, assessments or other charges.

8.4. Should HOMEOWNER fail to pay within the time specified in this paragraph, any taxes, assessments or other charges required to be paid by HOMEOWNER, OWNER may, without notice to or demand on HOMEOWNER, pay, discharge, or adjust such tax, assessment or other charge for the benefit of HOMEOWNER. In such event, HOMEOWNER shall promptly, upon written demand of OWNER, reimburse OWNER for the full amount paid by OWNER in paying, discharging, or adjusting that tax, assessment or other charge together with interest thereon at the then maximum legal rate from the date of payment by OWNER until the date of repayment by HOMEOWNER.

8.5. This AGREEMENT may create a possessory interest which vests in the HOMEOWNER, and the HOMEOWNER may be subject to the payment of property taxes levied on the possessory interest, if created.

8.6. HOMEOWNER must provide a current registration for the HOME on a yearly basis.

9. 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 occupancy agreement with respect to the HOMESITE, said possession by HOMEOWNER shall be deemed a month-to-month tenancy, and OWNER may terminate or refuse to renew HOMEOWNER'S tenancy in accordance with the paragraph in this AGREEMENT entitled "TERMINATION OF TENANCY BY OWNER." Notwithstanding anything contained in this AGREEMENT to the contrary, OWNER may also, upon written notice of increase pursuant to governing law, increase the Base RENT then in effect and other charges of the COMMUNITY, without limitation, to the HOMEOWNER who is holding over [unless specifically prohibited by local RENT control ordinance].

10. RESPONSIBILITY OF THE OWNER.

10.1. 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 shall provide the following physical improvements and services for the non-exclusive use of HOMEOWNERS. For the purpose of this paragraph, physical improvements mean: Pool, whirlpool, clubhouse (game room and kitchen) and all streets, non-restricted parking areas, all recreational facilities and equipment, pools, lawns, laundry facilities (pay for use) and all other facilities, equipment and conveniences located in the COMMON AREAS and Common Facilities for the use of HOMEOWNERS. For the purpose of this paragraph, services mean: the services provided by the OWNER and other persons employed by the COMMUNITY and the utilities specified in this AGREEMENT. (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 COMMUNITY to provide or maintain.)

10.2. With respect to any sudden or unforeseeable breakdown or deterioration of the physical improvements of the COMMUNITY, OWNER 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 OWNER knows or should have known of the breakdown or deterioration.

10.3. The COMMUNITY clubhouse will be kept ventilated as required by law, but heating will not be operated on a constant basis in order to conserve energy. Rather, heating will be turned on as required to maintain reasonable temperature levels. Regarding heating, the COMMUNITY may have to follow and conform with energy conservation programs as mandated by government or by utility companies.

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

10.5. The COMMUNITY has no obligation to heat the COMMUNITY'S pool, but may do so in COMMUNITY'S sole discretion.

11. ALTERATION OF THIS AGREEMENT.

This AGREEMENT may be altered by HOMEOWNER only by written agreement signed by both of the parties or by operation of law. This AGREEMENT may be altered by 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, including without limitation, Civil Code Section 827. In addition, OWNER may amend, delete, alter, supplement or modify this AGREEMENT after giving HOMEOWNER at least 60 days prior written notice of same, in which event HOMEOWNER may elect to accept such change or to terminate this AGREEMENT by giving OWNER written notice of termination within 30 days of receipt of such written notice from OWNER.

12. HOME OCCUPANCY AND GUESTS.

12.1. Any person who stays at the HOMESITE a total of twenty (20) consecutive days or a total of thirty (30) days in a calendar year must register with the OWNER.

13. INCORPORATED DOCUMENTS.

13.1. 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 to the following Exhibits, and HOMEOWNER acknowledges receipt of a copy of the same:

13.1.1. Estoppel Certificate (Exhibit "A");

13.1.2. Summary of California Law pursuant to Civil Code Section 798.15(i) (Exhibit "B");

13.1.3. The COMMUNITY'S RULES AND REGULATIONS and ARCHITECTURAL GUIDELINES, as may be amended by OWNER from time to time (Exhibit "C"); and

13.1.4. A complete copy of the provisions of the California Civil Code, Division 2, Part 2, Title 2, Chapter 2.5, known as the "Mobilehome Residency Law" (Exhibit "D").

13.2. The following documents, copies of which shall be providing to HOMEOWNER in according with California law, are acknowledged by HOMEOWNER and are incorporated by reference into this AGREEMENT:

13.2.1. Mobilehome Park Rental Agreement Disclosure Form Pursuant to Civil Code Section 798.75.5.

13.2.2. Application for Residency.

14. HOMEOWNER'S WARRANTIES.

If, on the date of this AGREEMENT, there is not presently a HOME located on the HOMESITE, or if HOMEOWNER is to remove the HOME presently located on said HOMESITE and replace it with another HOME, 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 HOME which will occupy the HOMESITE and the accessory equipment and structures which will be a part of or installed with the HOME. HOMEOWNER warrants to OWNER that all representations made regarding the HOME and all accessory equipment and structures prior to their being placed on the HOMESITE are true and accurate. OWNER is permitted by this paragraph to inspect the HOME and the accessory equipment, and HOMEOWNER agrees not to substitute another HOME 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 HOME or the accessory equipment and structures for installation. Inspection by OWNER may be made at the time the HOME and the accessory equipment and structures arrive at the COMMUNITY, and the HOME and the accessory equipment and structures shall not be allowed within the COMMUNITY until they are inspected and approved.

15. USE OF HOMESITE AND COMMUNITY.

15.1. The HOMESITE shall be used only as a site to locate, maintain and occupy a HOME for private residential purposes. No business or commercial activity of any nature shall be conducted on the HOMESITE. This prohibition applies to any commercial or business activity, including, but not limited to, the following:

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

15.1.2. The leasing, subleasing, sale or exchange of mobile homes.

15.2. 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 HOME which occupies the HOMESITE.

15.3. HOMEOWNER shall give OWNER at least seventy-two (72) hours advance written notice of the date HOMEOWNER'S HOME will be installed on the HOMESITE. HOMEOWNER, at HOMEOWNER'S sole expense, shall obtain the required installation permit and shall otherwise cause the installation to comply with all applicable laws and regulations then in effect for HOME installation. Appurtenances to HOMEOWNER'S HOME, including awnings, porches, decks, and storage sheds, shall be installed or erected only after obtaining any required permits, and then only with the prior written CONSENT OF OWNER and only if in compliance with the COMMUNITY'S RULES AND REGULATIONS and ARCHITECTURAL GUIDELINES. 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.

15.4. 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. All new Homes must be pre-approved in writing by OWNER.

15.5. 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 COMMUNITY, or cause the cancellation of any insurance policy covering the COMMUNITY or any part thereof.

15.6. 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 COMMUNITY RESIDENT.

16. COMPLIANCE WITH LAW AND RULES AND REGULATIONS.

16.1. 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, as may amended from time to time. Any violation of the RULES AND REGULATIONS shall be deemed a public nuisance and OWNER shall be entitled to injunctive relief against the HOMEOWNER.

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

17. MAINTENANCE OF HOMESITE.

17.1. HOMEOWNER shall at all times maintain HOMEOWNER'S HOME and the HOMESITE in a clean and sanitary condition, and shall cause all rubbish and other debris to be removed from HOMEOWNER'S HOME and HOMESITE on a regular basis. Landscaping on the HOMESITE shall be watered and maintained by HOMEOWNER, at HOMEOWNER'S expense. In addition, HOMEOWNER shall comply with all COMMUNITY RULES AND REGULATIONS pertaining to the maintenance of the HOMESITE by HOMEOWNER.

17.2. In the event HOMEOWNER fails to maintain HOMEOWNER'S HOMESITE as provided in the RULES AND REGULATIONS, OWNER 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 OWNER 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.

18. 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, and for the protection of the COMMUNITY at any reasonable time, but OWNER may not do so in a manner or at a time which would interfere with the occupant's quiet enjoyment. OWNER may enter a HOME or enclosed accessory structure without the prior written consent of HOMEOWNER in the case of an emergency or when HOMEOWNER has abandoned the HOME or accessory structure.

19. 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.

20. TERMINATION OF TENANCY BY OWNER.

20.1. This AGREEMENT, at the sole option of OWNER, 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 in accordance with the provisions of 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.

20.2. If HOMEOWNER remains in possession of the HOMESITE 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. Acceptance of any money by OWNER pursuant to this provision shall not be construed as a reinstatement of HOMEOWNER'S tenancy.

20.3. If all or a substantial part of the COMMUNITY is damaged or destroyed due to earthquake, fire, flood or other natural disaster or catastrophe, and if the cost of repairs and rebuilding exceeds \$250,000.00 or if, in OWNER'S sole opinion, the balance of the COMMUNITY is not suitable for a mobilehome COMMUNITY, then

OWNER may terminate this AGREEMENT upon sixty (60) days' written notice to HOMEOWNER. OWNER may exercise this option even if loss to the COMMUNITY may be covered all or in part by insurance.

20.4. If HOMEOWNER breaches any term of this AGREEMENT, then the OWNER has the right to adjust the Term back to twelve (12) months from the date of the breach or to shorten the Term to the shortest lease term allowed under the MOBILEHOME RESIDENCY LAW, whichever is greater.

21. TRANSFER OF OWNER'S INTEREST.

In the event OWNER transfers OWNER'S interest in the COMMUNITY, OWNER shall be automatically relieved of any obligations hereunder which occur after the date of such transfer.

22. TERMINATION BY HOMEOWNER.

22.1. This AGREEMENT may only be terminated in accordance with this AGREEMENT. The tenancy may only be terminated in accordance with the MOBILEHOME RESIDENCY LAW.

23. APPROVAL OF PURCHASER AND SUBSEQUENT HOMEOWNERS.

23.1. HOMEOWNER may sell HOMEOWNER'S HOME 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 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 HOME. If the prospective purchaser of the HOME intends for the HOME to remain in the COMMUNITY, said purchaser must do the following before occupying the HOME: (a) complete an application for tenancy (which may include a fee for obtaining a financial report or credit rating); (b) be accepted by the OWNER; (c) execute a new rental agreement or other agreements for the occupancy of the HOMESITE; and (d) execute and deliver to the OWNER a copy of the COMMUNITY'S then effective RULES AND REGULATIONS and other residency documents. **IF THE PURCHASER FAILS TO EXECUTE A RENTAL AGREEMENT, SUCH PURCHASER SHALL HAVE NO RIGHTS OF TENANCY.** The rental 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.

23.2. IT IS AGREED THAT THE BASE RENT FOR ANY PROSPECTIVE PURCHASER OF HOMEOWNER'S HOME WILL BE THE THEN MARKET RENT AS DETERMINED BY OWNER IN ITS SOLE AND EXCLUSIVE DISCRETION AND THE BASE RENT UNDER THIS AGREEMENT DOES NOT CARRY OVER TO ANY NEW HOMEOWNER.

Prospective Homeowner's Initials

23.3. Notwithstanding anything contained herein to the contrary, OWNER may, in order to upgrade the quality of the COMMUNITY, require the removal of HOMEOWNER'S HOME from the HOMESITE upon its sale to a third party, in accordance with the provisions of the MOBILEHOME RESIDENCY LAW and other applicable law. Any rights granted either party by the MOBILEHOME RESIDENCY LAW and by other applicable law may be enforced by either party at that party's option.

23.4. Notwithstanding anything contained in this AGREEMENT to the contrary, upon the sale or transfer of HOMEOWNER'S HOME if the HOME is to remain in the COMMUNITY, HOMEOWNER shall make all repairs or improvements to HOMEOWNER'S HOME, to its appurtenances, or to an accessory structure as required by OWNER, pursuant to California Civil Code § 798.73.5, as amended. HOMEOWNER, prior to selling the HOME, shall submit to OWNER a request for a written summary of repairs or improvements that OWNER requires to the HOME, its appurtenances or an accessory structure that is not owned and installed by OWNER, pursuant to Civil Code Section 798.73.5(b).

23.5. The COMMUNITY'S obligation to enter into a new lease with a prospective purchaser does not arise unless and until HOMEOWNER delivers a written termination of this AGREEMENT to OWNER.

23.6. In addition, the following **Escrow Requirements** apply to seller and buyer of any mobilehome to remain in the COMMUNITY:

23.6.1. All transfers of mobilehomes to remain in the COMMUNITY must go through an escrow with an escrow company pre-approved by the COMMUNITY Management;

23.6.2. Any and all required transfer documentation must be completed, submitted, approved and returned by the Department of Housing and Community Development and deposited into escrow;

23.6.3. All COMMUNITY approvals for purchaser must be in writing, received and deposited into escrow, including without limitation, a fully executed Rental Agreement or a statement signed by COMMUNITY Management and an approved purchaser/prospective homeowner that the parties have agreed to the terms and conditions of a rental agreement;

23.6.4. Title to the mobilehome must have transferred into the name of the purchaser/prospective Homeowner as the registered owner of the mobilehome; and

23.6.5. Escrow must close on the mobilehome transfer before the purchaser/prospective Homeowner or anyone else occupies the mobilehome.

24. OCCUPANCY QUESTIONNAIRE.

HOMEOWNER shall complete, sign and provide to OWNER, on three (3) days written notice, an "Occupancy Questionnaire." Such executed Occupancy Questionnaire shall contain the following:

24.1. The names of all occupants of HOMEOWNER'S HOME;

24.2. Nature of occupancy for each individual named pursuant to subparagraph A above, i.e., HOMEOWNER, EXTRA PERSON, RESIDENT, shared tenancy under California Civil Code § 798.34(b), family member;

24.3. The legal OWNER and registered OWNER of the HOME occupying the HOMESITE;

24.4. Names and addresses of all lienholders of the HOME occupying the HOMESITE;

24.5. A copy of the registration card issued by the Department of Housing and Community Development for the HOME occupying the HOMESITE.

24.6. Proof of HOMEOWNER'S insurance policy (or policies) on HOMEOWNER'S HOME and that OWNER, Management Company and COMMUNITY are additional insureds on the same.

25. LIENS AND CLAIMS.

25.1. **Prohibition Against:** HOMEOWNER shall not suffer or permit to be enforced against OWNER'S title to the COMMUNITY, or any part thereof, any lien, claim or demand arising from any work of construction, repair, restoration or maintenance of the HOMESITE or HOME.

25.2. **Removal of Liens by HOMEOWNER:** Should any lien, demand or claim be filed, HOMEOWNER shall cause it to be immediately removed. In the event HOMEOWNER, in good faith, desires to contest such lien, demand or claim, he may do so, but in such case HOMEOWNER agrees to and shall indemnify and save OWNER harmless from any and all liability for damages, including reasonable attorneys' fees and costs, resulting therefrom and agrees to and shall, in the event of a judgment of foreclosure on said lien, cause the same to be satisfied, discharged and removed prior to execution of the judgment.

25.3. Removal of Liens by OWNER: Should HOMEOWNER fail to discharge any such lien or furnish bond against the foreclosure thereof, OWNER may, but shall not be obligated to, discharge the same or take such other action as it deems necessary to prevent a judgment of foreclosure on said lien from being executed against the property, and all costs and expenses, including, but not limited to, reasonable attorneys' fees and court costs incurred by OWNER in connection therewith, shall be repaid by HOMEOWNER to OWNER on written demand.

26. INDEMNIFICATION.

26.1. OWNER and COMMUNITY shall not be liable for any loss, damage or injury of any kind whatsoever to the person or property of any HOMEOWNER or to any of the employees, guests, invitees, permittees or licensees of any HOMEOWNER, or to any other person whomsoever, caused by any use of the COMMUNITY or HOMESITE (including any defect in improvements erected thereon) or the failure of any service or amenity, or arising from any other cause whatsoever, unless resulting from circumstances described in the subparagraph below. As a material part of the consideration of this AGREEMENT, HOMEOWNER hereby waives all claims and demands against OWNER, Management Company, and COMMUNITY, and hereby agrees to indemnify and hold OWNER, Management Company, and COMMUNITY 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, unless resulting from the circumstances described in the subparagraph below.

26.2. PLEASE NOTE: Nothing contained in the above paragraph or elsewhere in this AGREEMENT, the RULES AND REGULATIONS or other residency documents of the COMMUNITY, shall have the effect of an agreement by HOMEOWNER to release, indemnify and hold harmless OWNER, Management Company, and COMMUNITY or any other person for the negligent or willful acts or omissions of OWNER, Management Company and COMMUNITY or any other person or from a breach by OWNER or any other person of this AGREEMENT or the breach of any other duty owed by OWNER, Management Company and COMMUNITY, or any other person to HOMEOWNER or to any other person. Furthermore, the terms and conditions of this paragraph do not include any fine, forfeiture, penalty, or fee (including any attorneys' fees or costs) assessed by a court of law against the OWNER, Management Company and/or COMMUNITY for a violation of the MOBILEHOME RESIDENCY LAW.

26.3. HOMEOWNER shall, at HOMEOWNER'S own expense, defend all actions brought against OWNER, Management Company and/or COMMUNITY for which HOMEOWNER is responsible for indemnification hereunder. If HOMEOWNER fails to do so, OWNER, Management Company and/or COMMUNITY (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.

27. HOMEOWNER INSURANCE.

OWNER does not carry public liability or property damage insurance to compensate HOMEOWNER, HOMEOWNER'S guests, or any other persons from any loss, damage, or injury except those resulting from actions where OWNER would be legally liable for such loss, damage or injury. HOMEOWNER shall obtain at HOMEOWNER'S own cost, extended coverage for HOMEOWNERS, fire and other casualty insurance on the HOME, 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, and HOMEOWNER hereby agrees to indemnify and hold harmless OWNER from any liability thereof.

Any insurance policy obtained by HOMEOWNER shall name OWNER and Management Company as an additional insured. HOMEOWNER shall provide OWNER, on three (3) days' written notice, proof of HOMEOWNER'S insurance policy (or policies) on HOMEOWNER'S HOME and Homesite. Prior to approval of any application for pets, subleasing (if permitted) and installation of improvements to HOMEOWNER'S HOMESITE, HOME, or its accessory equipment and structures, HOMEOWNER will be required to provide to OWNER written proof of liability and insurance and will be required to make OWNER, Management Company and COMMUNITY additional insureds under such policy.

28. SUBORDINATION AND ATTORNMENT.

28.1. 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 COMMUNITY, the common areas, recreational facilities or other facilities of the COMMUNITY, 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 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.

28.2. Upon any assignment, transfer or sale of the Real Property on which the COMMUNITY is located to any current or future lender with an encumbrance on the COMMUNITY property or new transferee/owner (collectively "TRANSFeree"), OWNER has the sole right, but not the obligation, to demand that the HOMEOWNER attorn HOMEOWNER'S interest in the HOMESITE and the COMMUNITY to such TRANSFeree.

29. NO THIRD-PARTY RIGHTS.

Except as to the OWNER, HOMEOWNER and RESIDENTS, nothing in this AGREEMENT, express or implied, is intended to confer and does not confer any rights, privileges or remedies upon any person or entity including, without limitation, any corporation or unincorporated association. No rights under this AGREEMENT or any rights that may arise as a result of this AGREEMENT shall be assigned and any other attempted assignment and/or transfer of rights shall be deemed void and unenforceable and shall convey no rights whatsoever. HOMEOWNER also agrees that HOMEOWNER is not a third-party beneficiary of any other agreement between OWNER and any other COMMUNITY RESIDENT.

30. ABANDONMENT.

During the term of this AGREEMENT or any period of holding over, HOMEOWNER shall not abandon the HOMESITE or the HOME located thereon. In the event HOMEOWNER does abandon either the HOMESITE or HOMEOWNER'S HOME, 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 HOME and personal property located on the HOMESITE and within the COMMUNITY.

31. FIXTURES.

31.1. Upon HOMEOWNER vacating the HOMESITE, all landscaping, structures or other improvements permanently attached to or embedded in the ground shall be removed unless OWNER instructs otherwise. HOMEOWNER may transfer these improvements to a new HOMEOWNER if the HOME is sold in place. Removal of said improvements shall be at HOMEOWNER'S expense. 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 COMMUNITY'S original engineered grade intact.

31.2. Should HOMEOWNER decide to remove the HOME from the COMMUNITY, HOMEOWNER, in addition to other applicable provisions and the MOBILEHOME RESIDENCY LAW, shall be subject to following provisions:

31.2.1. Provide the COMMUNITY with the name and contact information for the mover of the HOME.

31.2.2. Provide the COMMUNITY with the name and contact information for the mover of the HOME.

31.2.3. Require, and provide to COMMUNITY, the mover to be licensed, bonded and have the required limits of insurance coverage. Insurance requirements as follows:

31.2.3.1. \$1,000,000.00 property and liability insurance;

31.2.3.2. Worker's Compensation Insurance;

31.2.3.3. COMMUNITY must be added as an additionally insured party; and

31.2.3.4. COMMUNITY must be provided with a certificate of insurance evidencing the insurance requirements above.

31.2.4. Provide the COMMUNITY with at least three (3) days advanced notice, in writing, of the date of removal of HOME.

32. EMINENT DOMAIN.

32.1. If the entire COMMUNITY, or a portion thereof which, in OWNER'S sole opinion, the balance remaining is not suitable for a mobilehome 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, 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 COMMUNITY 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 COMMUNITY. 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.

32.2. In the event that the taking or condemnation of part of the COMMUNITY does not result in the termination of this AGREEMENT as provided above, then this AGREEMENT shall terminate as to that portion of the COMMUNITY so taken or condemned and the payments to be made under this AGREEMENT as to that portion of the COMMUNITY 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 COMMUNITY not so taken or condemned.

33. 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 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 Base Rent for the period between the beginning of the Term and the time when OWNER can actually deliver possession will be deducted from the Base Rent due.

34. 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.

35. 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.

36. ATTORNEYS' FEES AND COSTS.

If any action arises out of the express terms of this AGREEMENT or the provisions of the MOBILEHOME RESIDENCY LAW, the prevailing party or parties shall be entitled to recover reasonable expenses, including without limitation, attorneys' fees and costs. A party shall be deemed the prevailing party if judgment is rendered in his or her favor or where the litigation is dismissed in his or her favor prior to or during trial, unless the parties otherwise agree in the settlement or compromise.

37. 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.

38. HEADINGS.

The title of the paragraphs and subparagraphs contained herein are inserted solely for convenience only and do not define, limit, construe or describe the scope or intent of such paragraphs and subparagraphs, and under no circumstances are they or any of them to be treated or construed as any part of this AGREEMENT.

39. NOTICES.

All notices required or permitted under this AGREEMENT must be in writing and may be served upon OWNER or HOMEOWNER by any means then permitted by law. HOMEOWNER understands that any notice of OWNER terminating HOMEOWNER'S tenancy must be given to HOMEOWNER in writing in the manner described by Section 1162 of the California Code of Civil Procedure.

40. MEDIATION.

40.1. COMMUNITY 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 COMMUNITY'S residency documents, the interpretation or enforcement of the COMMUNITY'S residency documents, the HOMEOWNER'S leasehold interest or interests at the COMMUNITY, the HOMEOWNER'S HOMESITE or HOMESITES at the COMMUNITY, the COMMUNITY'S common areas, services and facilities and the COMMUNITY'S operation and maintenance pursuant to this AGREEMENT. The agreement by the parties to attempt in good faith to resolve any disputes through the mediation process does not serve to waive any substantive or procedural rights of the parties to file an action.

40.2. Mediation fees will be borne by the COMMUNITY. If, for any dispute or claim to which this paragraph applies, any party commences an action 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.

40.3. Notice of demand for mediation must provide: (i) a description of the dispute; (ii) facts from which the dispute arises, including witnesses, dates, times, and circumstances; (iii) a description of the relief or action requested.

40.4. Within ten (10) days of the request of any party, the requesting party 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 appointment. If the parties are unable to agree on such third person, they will apply to either JAMS or Adjudicate West for a list of five mediators from which each side can eliminate two (2) names. If the parties are unable to agree on such third person, or, if on completion of such mediation, the parties are unable to agree and settle the dispute, then the dispute shall be referred to arbitration as set forth below.

40.5. Within fifteen (15) days of the selection of the mediator, each party will submit a brief memorandum setting forth its position on the issues that need to be resolved. The mediation will begin within five (5) days following the 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 San Diego County, California or another place acceptable to all parties.

40.6. 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 or reference hearings. All expenses of witnesses and consultants for either side will be paid by the party producing said witnesses.

40.7. OWNER (through its authorized agent or agents) and HOMEOWNER will attend the mediation sessions in person. 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, and all records, reports, or other documents received by the mediator will be confidential.

40.8. Notwithstanding anything to the contrary expressed or implied in this AGREEMENT, the following matters are excluded from Mediation:

- 40.8.1. Unlawful Detainer Actions;
- 40.8.2. Forcible Detainer Actions;
- 40.8.3. Unlawful Occupant Actions under Civil Code § 798.75 (c); and
- 40.8.4. Injunction Actions under Civil Code § 798.88.

Prospective Homeowner's Initials

41. TRIAL BY REFERENCE.

41.1. The parties agree that any civil action regarding any claims or disputes between OWNER and HOMEOWNER arising out of or relating to this Lease or tenancy, may then be decided by trial by reference pursuant to California Code of Civil Procedure § 638, et seq. Both OWNER and HOMEOWNER agree that either party may move the court to order the matter to reference pursuant to section 638 once the action is filed, after which the court in which the civil action subject to this provision is filed shall immediately order a trial by reference pursuant to California Code of Civil Procedure § 638(1).

41.2. OWNER and HOMEOWNER agree that the referee for the trial by reference shall be a retired judge from JAMS 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 § 640.

41.3. The moving party 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 § 1023, as well as all related costs, which are necessary to try this matter by reference. Following the hearing 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 § 645.1.

41.4. Pursuant to California Code of Civil Procedure § 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 § 644. 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, either 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 discovery 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.

41.5. 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 § 645.

41.6. The following matters shall be exempt from reference:

- 41.6.1. Unlawful Detainer Actions;
- 41.6.2. Forcible Detainer Actions;
- 41.6.3. Unlawful Occupant Actions under Civil Code § 798.75 (c); and
- 41.6.4. Injunction Actions under Civil Code § 798.88.

Prospective Homeowner's Initials

42. COUNTERPARTS.

This AGREEMENT may be executed in several counterparts each of which shall be deemed an original.

43. NO RECORDING.

No recording of this AGREEMENT or any memorandum of this AGREEMENT may be made without the prior written CONSENT OF OWNER, which consent may be withheld in OWNER'S sole discretion.

44. 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.

45. INVALIDITY OF PROVISIONS.

45.1. Certain terms and provisions of this AGREEMENT and other documents referred to in this AGREEMENT refer to, restate or summarize provisions of the MOBILEHOME RESIDENCY LAW and other applicable laws. In every instance it is intended that these references, restatements and summaries will accurately reflect the law and correctly set forth HOMEOWNER'S and OWNER'S rights, liabilities, duties and obligations to one another and to other persons. If any of the provisions of this AGREEMENT or the other documents used by the COMMUNITY fail in any way to meet the above criteria, then it is unintentional and all such provisions shall be deemed to be automatically revised to correctly reflect the OWNER'S and HOMEOWNER'S rights, liabilities, duties and obligations under the provisions of the MOBILEHOME RESIDENCY LAW and all other applicable laws. HOMEOWNER agrees to promptly notify OWNER in writing of any instance where HOMEOWNER believes that any of the provisions of this AGREEMENT or the other documents used by the COMMUNITY fail to meet the above criteria.

45.2. If any term or provision of this AGREEMENT or any document referred to in this AGREEMENT or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this AGREEMENT or the other document or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this AGREEMENT or the other document shall be valid and be enforced to the fullest extent permitted by law. OWNER has the right, but not the obligation, to excise any provision herein to the extent, and during the period which, such provision is deemed illegal or unenforceable by any court of competent jurisdiction.

45.3. In the event that material portions of the paragraphs in this AGREEMENT regarding the term of tenancy or RENT, utilities and incidental reasonable service charges are determined to be invalid or unenforceable, HOMEOWNER agrees that HOMEOWNER shall RENT the HOMESITE from OWNER and shall have a tenancy for such HOMESITE for a period of the lesser of two (2) years from the date of this AGREEMENT or the maximum term allowed by law, at an initial Base RENT equal to one hundred percent (100%) of the initial Base RENT set forth in this AGREEMENT, increased by ten percent (10%) per annum.

45.4. In the event any provision of this AGREEMENT is determined to be invalid or unenforceable by a court of competent jurisdiction, the OWNER has the sole right, but not the obligation, to shorten the Term of this AGREEMENT as is determined by OWNER, at its sole discretion, to the shortest lease term as allowed under applicable law.

45.5. OWNER has the right to excise any provision in this AGREEMENT or amend this AGREEMENT due to any action by (a) the California or federal legislature or (b) the California or federal courts invalidating or potentially invalidating any provision of this AGREEMENT.

46. BANKRUPTCY.

In the event that HOMEOWNER seeks protection under the federal bankruptcy law or is otherwise determined to be a debtor under the federal bankruptcy law or other law affecting creditors' rights, HOMEOWNER must provide OWNER with at least five (5) days prior written notice of such action or determination.

47. 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.

48. FURTHER ASSURANCES.

HOMEOWNER agrees, without further consideration, to execute and deliver such other documents and take such other action as may be necessary to consummate more effectively the subject matter hereof.

49. ASSUMPTION OF AGREEMENT.

This AGREEMENT may not be assigned by HOMEOWNER.

50. HOMEOWNER'S RESPONSIBILITY FOR EARTH MOVEMENT DAMAGE.

HOMEOWNER assumes any and all liability for any loss, injury, or damage to HOMEOWNER, RESIDENT, HOMEOWNER'S guests, invitees, permittees, or licensees, to HOMEOWNER'S HOMESITE, to HOMEOWNER'S HOME, 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 that results from HOMEOWNER'S unapproved or unpermitted (1) modifications of or improvements to their HOMESITE, (2) alteration of the grade of their HOMESITE'S, or (3) accumulation of personal property or debris on or around their HOMESITE. HOMEOWNER hereby agrees to indemnify and hold COMMUNITY and OWNER harmless from any such loss, injury, damage or expense, including, without limitation, reasonable attorneys' fees and expenses of litigation which the COMMUNITY or OWNER may suffer. HOMEOWNER is encouraged to obtain the necessary insurance and to undertake all precautions necessary to stabilize HOMEOWNER'S HOME and accessory equipment, including, but not limited to, the bracing of HOMEOWNER'S HOME and obtaining a civil engineer's report respecting HOMEOWNER'S use of the HOMESITE.

51. ESTOPPEL CERTIFICATES.

51.1. HOMEOWNER agrees, (i) within ten (10) days of each ADJUSTMENT DATE of this AGREEMENT and (ii) at any time upon not less than ten (10) days' prior notice by COMMUNITY, to execute, acknowledge and deliver to OWNER a statement in writing in substantially the form of Exhibit "A" 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 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 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.

51.2. 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) OWNER is not in breach, default, or violation in any of the respects referenced above.

52. 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.

53. EXTENSION OR RENEWAL.

This AGREEMENT may not be extended or renewed.

54. DUTY TO REPORT DEFECTS.

54.1. HOMEOWNER shall report any defect in the maintenance of the COMMUNITY'S common facilities, including, but not limited to, the following: water leaks; gas leaks; potholes or cracks in the pavement or roads; unclean or inoperable laundry facilities; insufficient trash bin capacity; dirty trash areas; dust, dirt or debris on roads; problems with the heating or cooling at the common buildings; discolored or bad smelling or inadequate water supply or pressure; problems with the COMMUNITY'S common electrical system; leaks or backups or lack of capacity of the COMMUNITY'S sewer system; torn or dirty carpeting, floor covers or window coverings in the COMMUNITY'S recreational facilities; holes or worn spots in floors, decks or stairs of the COMMUNITY'S recreational facilities; dirty swimming pool or spa pool; or any other defect in the COMMUNITY'S equipment, buildings, recreational facilities, COMMON AREAS, or maintenance, including landscaping. HOMEOWNER shall give such notice in writing to the COMMUNITY'S resident manager within thirty (30) days of HOMEOWNER'S discovery of any of the conditions set forth above, so that such conditions may be corrected within a reasonable period of time by the COMMUNITY.

54.2. HOMEOWNER further agrees that if HOMEOWNER fails to report any such defects in writing to the COMMUNITY'S resident manager within thirty (30) days of its discovery, HOMEOWNER is in substantial violation of this AGREEMENT.

Prospective Homeowner's Initials

55. SUBLEASING.

55.1. HOMEOWNER **shall not** sublet, assign, lease, RENT or otherwise allow any person to occupy the HOMESITE for a fee or other remuneration except as specifically provided and allowed by the MOBILEHOME RESIDENCY LAW. If HOMEOWNER subleases his or her HOME, except as provided by law, it shall be material breach of the terms of this AGREEMENT.

56. INSPECTION OF HOMESITE AND COMMUNITY.

56.1. By signing this AGREEMENT, HOMEOWNER acknowledges that HOMEOWNER has carefully inspected the HOMESITE to be leased and all the COMMUNITY'S facilities, has found them to be in good and sanitary order, condition and repair as represented by OWNER 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.

56.2. HOMEOWNER agrees and acknowledges that OWNER may relocate the lot lines of HOMEOWNER'S HOMESITE. To the extent that such relocation decreases the size of the HOMESITE, OWNER shall proportionately decrease Base RENT for the HOMESITE.

56.3. HOMEOWNER further acknowledges that COMMUNITY is not a "security" COMMUNITY and that OWNER is not responsible for any damage or injury in, on or to HOMEOWNER'S HOMESITE, HOME, personal property or person. HOMEOWNER understands that HOMEOWNER should maintain HOMEOWNER'S own security precautions.

Prospective Homeowner's Initials

57. ACKNOWLEDGMENTS.

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

Prospective Homeowner's Initials

57.2. HOMEOWNER acknowledges that HOMEOWNER has had the opportunity to read this AGREEMENT and consult independent legal counsel regarding this AGREEMENT.

Prospective Homeowner's Initials

57.3. Any claim, demand, right or defense of any kind by HOMEOWNER which is based upon or arises in connection with this AGREEMENT or the negotiations prior to its execution, shall be barred unless HOMEOWNER commences an action thereon, or interposes in a legal proceeding a defense by reason thereof, within six (6) months after the date of the inaction or omission or the date of the occurrence of the event or of the action to which the claim, demand, right or defense relates, whichever applies.

Prospective Homeowner's Initials

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

57.5. HOMEOWNER agrees and acknowledges that OWNER has the right to adjust the lot lines of HOMEOWNER'S HOMESITE. Upon a request by OWNER to adjust a HOMESITE lot line, 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. However, OWNER shall not adjust any lot lines that would put any validly and previously installed HOME and accessory equipment in violation of any state or local law or ordinance.

58. ACKNOWLEDGMENT BY PROSPECTIVE HOMEOWNER.

58.1. If this AGREEMENT is being offered to a prospective HOMEOWNER, HOMEOWNER acknowledges that:

58.1.1. OWNER has offered HOMEOWNER the option of a rental agreement with a term of twelve (12) months; however, HOMEOWNER has voluntarily elected the Term of tenancy set forth in paragraph 1.2 above.

58.1.2. This AGREEMENT is a One Hundred Twenty (120) Month Long Term Lease.

58.1.3. After submitting this AGREEMENT to HOMEOWNER, OWNER has given HOMEOWNER thirty (30) days to accept or reject this AGREEMENT.

58.1.4. Within seventy-two (72) hours after executing this AGREEMENT and receiving a fully executed copy of the AGREEMENT, HOMEOWNER may cancel this AGREEMENT by delivering to OWNER a written notice stating HOMEOWNER'S election to cancel this AGREEMENT.

Prospective Homeowner's Initials

59. NO RIGHTS OF "HOMEOWNER" WITHOUT FULL COMPLIANCE.

59.1. Notwithstanding anything contained herein to the contrary, the parties hereto acknowledge and agree that the person described as "HOMEOWNER" shall not be deemed to be a "HOMEOWNER" under the MOBILEHOME RESIDENCY LAW, and shall not have the rights of a HOMEOWNER unless and until the following have occurred:

59.1.1. The person has a tenancy in the PARK under a rental agreement.

59.1.2. The person has the present right to the use of the HOMESITE within the PARK on which to locate, maintain, and occupy a HOME, site improvements, and accessory structures for human habitation, including the use of services and facilities of the PARK.

59.1.3. The person has completed an application for tenancy, and has been approved in writing by the PARK for tenancy.

59.1.4. The person has paid all required deposits.

59.1.5. The person has executed all of the other residency documents in effect at the PARK.

59.1.6. Escrow has closed, or the purchase/sale transaction by which the person is acquiring the HOME has been completed.

59.2. Until such time, the parties acknowledge and agree that such person or persons are "prospective HOMEOWNERS."

Prospective Homeowner's Initials

60. NO ENFORCEABLE AGREEMENT UNTIL EXECUTION BY OWNER.

Notwithstanding any other provision of this AGREEMENT, this AGREEMENT will not be enforceable unless and until it has been executed by the OWNER'S authorized agent.

[Signatures Begin on Following Page]

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.

LANIKAI LANE MOBILE HOME PARK

Dated: _____

By: _____

By: _____

HOMEOWNER

Dated: _____

Signature

Print Name

HOMEOWNER

Dated: _____

Signature

Print Name

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 AND AGREEMENT BY HOMEOWNER'S LEGAL COUNSEL:

I, the undersigned, hereby acknowledge that I have reviewed the terms and conditions of this Long Term Lease Agreement, as well as all of the attachments hereto ("Residency Documents"). I hereby confirm and acknowledge that I have reviewed all of such Residency Documents with my clients.

Dated: _____, 20 ____

Attorney

Printed Name

State Bar Number

[OR]

ACKNOWLEDGMENT BY HEIR, AND/OR EXECUTOR AND/OR TRUSTED FRIEND

I, the undersigned, am the heir, and/or executor and/or trusted friend of _____. I hereby acknowledge that I have reviewed the terms and conditions of this Long Term Lease Agreement, as well as all of the attachments hereto ("Residency Documents"). I hereby confirm and acknowledge that I have discussed all of such Residency Documents with the HOMEOWNERS noted above.

Dated: _____, 20 ____

Signature

Printed Name

☐ I have elected to waive this option. _____
(Initials)