

Item No. 4 - Attachment B

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN THE CITY OF CALABASAS AND CALABASAS CREST LTD. (OWNERS OF CALABASAS VILLAGE) PROVIDING FOR AN ANNUAL MAXIMUM RENT ADJUSTMENT AND SECURE TENANCY FOR PERIOD OF ACCORD

This Memorandum of Understanding ("Agreement") is made and entered into effective October 1, 2021 ("Effective Date") by and between the Calabasas Crest Ltd., a California limited partnership ("Calabasas Crest"), and the City of Calabasas, a California municipal corporation ("Calabasas") (collectively, "Parties").

RECITALS

WHEREAS, there exists within the City and the surrounding area a serious shortage of mobile home rental spaces, which has resulted in low vacancy rates and potential for rising space rents; and

WHEREAS, it is necessary to protect the residents of mobile homes from unreasonable space rent increases, while at the same time recognizing the need for mobile home park owners to receive a just and reasonable income sufficient to cover the costs of repairs, maintenance, insurance, employee services, additional amenities and other operations, as well as a just and reasonable return on investment; and

WHEREAS, decisions of a rent stabilization board or rent stabilization ordinance may not necessarily fulfill the intent of protecting mobile home residents from unreasonable rent increases, nor do such decisions or ordinances always provide an owner with the opportunity for a just and reasonable income sufficient to operate a mobile home park, and to gain a fair and reasonable return on investment; and

WHEREAS, the City, Calabasas Crest Ltd, and residents of Calabasas Village have agreed to various programs, principles and guidelines for the mutual benefit of the owners of mobile homes and management of Calabasas Village including terms of a long-term lease agreement. The lease agreement reflects long-term resolution of pricing and rights and entitlements to the security offered by long-term lease covenants between Calabasas Crest Ltd. and residents of Calabasas Village; and

WHEREAS, it is in the mutual interest of the stakeholders to work together for advancement of entitlements for all. Fair bargaining and appreciation for the interests of

others succeeds in long and stable relationships; and

WHEREAS, due to changes in state law embodied in AB 2782, governmental authority to provide leasing price regulations previously authorized since 1986 under state law, has been delegated to the authority of local governments. An updated lease has been offered and accepted by Calabasas Village residents, reflecting the changes required by AB 2782 (i.e., the deletion of references to previously authorized lease exemptions from local controls); and

WHEREAS, it is desirable to both management and residents to continue leasing based on the terms and conditions which were previously agreed to between management and a committee of the Calabasas Village Home Owners Association (CVHOA); and

WHEREAS, Calabasas Village and its residents have enjoyed stable and long-term relations embodied in leasing for more than 30 years; and

WHEREAS, the terms of a new lease have been reached and the lease has been accepted by ninety-percent (90%) of the resident community; and

WHEREAS, it is in the interest of the City to recognize and encourage efforts of its citizens to achieve consensus without imposing new expensive burdens on Calabasas taxpayers; and

WHEREAS, the parties to this desire to enter into this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. GENERAL PROVISIONS

1. The Recitals above are true and correct and fully incorporated herein.

2. RENT REGULATION

1. The signatories below agree to the foregoing policies, principles and guidelines for future efforts to promote long time security in manufactured home tenancy in Calabasas Village.

2.
The signatories below agree to honor and cooperate in assuring respectful communications with any stakeholder and shall maintain an "open door" policy to discourse, discussion, with good faith efforts to appreciate and understand the interests and position of both sides to the management-resident relationship in Calabasas Village.
3.
Calabasas Crest also recognizes that there are residents whose incomes have not kept pace with rising living costs and that these residents need assistance from private and governmental sources to remain in their homes. Calabasas Crest agrees to continue providing subsidy contributions in the form and manner previously requested by the City of Calabasas.
4.
Guidelines for Rent Adjustments, Park Maintenance and Capital Improvements: Calabasas Crest agrees to waive reimbursement of ALL capital improvements, as provided in Sections 3 and 4 of the Lease inclusive of owner initiated and "Other Improvements" (including government mandated capital improvements), while this Agreement is effective. Space rent adjustments will be fixed based upon the terms of the Lease, as modified by this Memorandum of Understanding by removing Sections 3 and 4 from the Lease. A copy of the Lease is attached as Exhibit "A."
5.
Calabasas Crest shall communicate annually with the Calabasas Village Homeowners Association regarding any plans for park maintenance, repair, or capital improvements.
6.
City agrees—during the term of this Agreement—to not impose rent regulation for mobile home space tenancies. All parties acknowledge that the City Council or the City's voters may unilaterally terminate this MOU and consistent with City police powers vested in Article XI, §7 of the California Constitution, impose any ordinance, rule, regulation, or initiative measure which establishes a maximum amount that may be charged for rent, at any time ("mobile home space rent regulations").

3. INDEMNIFICATION

1. Calabasas Crest shall indemnify and hold City, its officials, officers, agents, employees, designated volunteers, attorneys, successors, and assigns (“City Indemnitees”) harmless against all actions, claims, demands, and liabilities, and against all losses, damages, costs, expenses, and attorney’s fees, arising directly or indirectly out of or in connection with its alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Calabasas Crest or failure to comply with any provision in this Agreement.
2. Calabasas Crest’s obligations under this Section shall survive the termination of the Agreement.

4. TERMS AND TERMINATION

1. The term of this Agreement shall be deemed to have commenced when executed by both parties and shall end at the same time as the Lease Agreement between Calabasas Crest and residents or December 31, 2029, whichever comes sooner. The parties may extend this Agreement further by mutual written consent. This Agreement may be terminated by either party if the City imposes mobile home space rent regulations. Notwithstanding any terms to the contrary, City is empowered to unilaterally cancel and terminate this Agreement at any regularly noticed public meeting. Either party may terminate this Agreement in writing for breach.

5. NOTICES

All notices and demands required or permitted to be given or made under this Agreement shall be in writing and either (1) hand delivered with signed receipt, or (2) mailed by first class registered or certified mail, postage prepaid and return receipt requested, addressed to the Parties at the following addresses and to the attention of the person named. Addresses and persons named may be changed by either of the Parties by giving ten (10) days written notice to the other party.

If to Calabasas:

If to Calabasas Crest:

City of Calabasas
Attn: Kindon Meik
100 Civic Center Way
Calabasas, CA 91302

Calabasas Crest Ltd.
23777 Mulholland Highway
Calabasas, CA 91302

6. WARRANTY OF AUTHORIZATION

1.

Calabasas Crest represents and warrants that the person executing this Agreement is a duly authorized representative of Calabasas Crest with actual authority to bind Calabasas Crest to each and every term, condition, and obligation contained in this Agreement and that all requirements relating to such authority have been fulfilled.

2.

Calabasas represents and warrants that the person executing this Agreement is a duly authorized representative of the City of Calabasas with actual authority to bind the City of Calabasas to each and every term, condition, and obligation contained in this Agreement and that all requirements relating to such authority have been fulfilled.

7. MISCELLANEOUS PROVISIONS

1. This Agreement is intended for the benefit of the City and Calabasas Crest and for no other person or entity. No other person or entity shall have the rights of a third-party beneficiary under this Agreement.

2.

The Parties agree that specific performance (or writ of mandate for performance of a required act) shall be the sole available and appropriate remedy for Calabasas Crest under this Agreement, and Calabasas Crest shall not seek monetary damages from the City under this Agreement or under any otherwise applicable legal basis for monetary damages.

3.

This Agreement shall be governed and construed in accordance with the laws of

the State of California. In the event of a dispute or claim arising out of this Agreement, venue shall be in the Superior Court of the State of California for the County of Los Angeles.

4.

This Agreement shall be construed as a whole and according to its fair meaning. This Agreement shall not be construed strictly for or against either of the Parties. If any provision of this Agreement is found unenforceable, void, or voidable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

5.

This Agreement may be executed in counterparts such that the signatures appear on separate pages. A copy or facsimile of this Agreement, with all signatures appended together, shall be deemed a fully executed agreement. Signatures transmitted by facsimile or electronic means shall be deemed original signatures.

6.

This Agreement represents the complete understanding of the Parties with respect to the matters set forth herein.

7.

Except as expressly provided herein, this Agreement may only be modified or amended by a written instrument executed by duly authorized representatives of the Parties.

8.

The Parties agree to meet and confer periodically at mutually agreeable times to exchange relevant information and discuss performance under this Agreement.

9.

This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective successors, legal representatives and assigns.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the day and year below written.

CALABASAS CREST LTD., owner of

CITY OF CALABASAS,

Calabasas Village

a Municipal Corporation

By: _____

By: _____
Kindon Meik
City Manager

By:

ATTEST:

By: _____
Maricela Hernandez, MMC
City Clerk

APPROVED AS TO FORM:
By: _____

APPROVED AS TO FORM:
By: _____
Matthew T. Summers
City Attorney



**CALABASAS VILLAGE LONG TERM
TRANSFERABLE
MOBILEHOME TENANCY LEASE**

CALABASAS VILLAGE, 23777 Mulholland Highway, Calabasas, CA, 91302-2716



Calabasas Village Long Term Transferable Mobilehome Tenancy Lease

Calabasas Village is an Equal Housing Opportunity Provider.

We do business in accordance with both State and Federal Fair Housing Laws. It is illegal to discriminate against any person because of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, military status, medical condition, genetic information, or for arbitrary reasons.

THIS AGREEMENT IS ENTERED INTO PURSUANT TO THE MOBILEHOME RESIDENCY LAW (CIVIL CODE §798. ET SEQ.). THIS AGREEMENT IS OFFERED BY THE LESSOR, CALABASAS CREST, LTD. A CALIFORNIA LIMITED PARTNERSHIP (“Owner,” “Park,” “We,” “Lessor,” Management” or “Us”) doing business as CALABASAS VILLAGE and the “Homeowner(s)” executing this agreement for amobilehome tenancy in the Park.

THIS AGREEMENT IS VOLUNTARY; THIS AGREEMENT IS NOT AREQUIREMENT OF TENANCY. Homeowner is not required to sign this agreement. Homeowner is free to decline this Lease and in lieu thereof enter into amonthly tenancy or agreement from one month to twelve (12) months.

IT IS IMPORTANT FOR YOU ILESSEE. DEFINED AS “TENANT” UNDER CIVIL CODE §798.17I TO READ THIS AGREEMENT AND THE OTHER DOCUMENTS REFERRED TO IN THIS AGREEMENT BEFORE SIGNING.

IT IS RECOMMENDED THAT YOU CONSULT ALEGAL PROFESSIONAL (PREFERABLY ALICENSED ATTORNEY) PRIOR TO SIGNING THIS AGREEMENT. YOU MAY FIND OR CHECK THE STATUS OF YOUR ATTORNEY AT: <http://www.calbar.ca.gov/Public/Free-Legal-Information/Legal-Guides/Finding-the-Right-Lawyer>.

LESSEE MAY UNILATERALLY TERMINATE TENANCY BY REMOVING THE MOBILEHOME FROM THE HOMESITE TOGETHER WITH ALL OTHER PERSONALTY, ON SIXTY (60) DAYS PRIOR WRITTEN NOTICE TO LESSOR (CALIFORNIA CIVIL CODE §798.59). IF THE MOBILEHOME IS SOLD, TRANSFERRED, GIFTED OR INHERITED. THIS AGREEMENT MUST BE ASSIGNED IF THE MOBILEHOME IS TO REMAIN IN THE PARK AND PURSUANT TO THE ESTABLISHMENT OF AMOBILEHOME TENANCY (BY APARK-APPROVED ASSIGNEE FOR MOBILEHOME TENANCY). IN SUCH CASE THIS AGREEMENT REMAINS APPLICABLE TO ASSIGNEE.

THIS AGREEMENT SUPERSEDES AND REPLACES ANY PRIOR AGREEMENTS BETWEEN LESSOR AND LESSEE.

DEFINITIONS

As used in this Agreement, defined terms will have meanings as ascribed unless context indicates that a different meaning is intended. The plain meaning of terms will apply and interpreted in fair and neutral fashion.

“Owner,” “Lessor,” “Management,” “Us” means the owner of the Park, Calabasas Crest, Ltd., inclusive of its officers, partners, representatives, employees, authorized agents and representatives, exclusive of onsite resident managers per Health and Safety Code § 18603.

“Park” means Calabasas Village, Calabasas, California, 91302-2716.

“Homeowner,” or “Lessee,” means: (a) the person(s) who was offered this Agreement after approval by Management for the establishment of a Mobilehome tenancy, executed this Agreement, and is the registered owner of the Mobilehome on the space. California also defines a lessee as a “tenant” in Civil Code §798.17. Tenant, homeowner and lessee are synonymous.

“Resident” means members of the Homeowner’s household at inception of tenancy, and includes subsequent occupants in possession with the consent or acquiescence of the Homeowner, but who have not been financially approved by the Lessor for tenancy as a Homeowner. A prospective resident, or those persons listed on the last page of this Agreement who have not been approved for tenancy by the Park and have not closed escrow on the manufactured home occupying the homesite shall not be deemed a “Resident”.

“Guest” means occupants or other persons on the space, in the Park, or, in occupation of the Mobilehome or invited or allowed onto the park property by the homeowner, who is known, invited or allowed by the Homeowner or other resident. “Resident” includes the MRL term “Companion” identified to the Owner annually and in lieu of a guest fee. The general public is not permitted in the common areas for any use or purpose.

“Space” or “Homesite” means the real property rented to Homeowner by Owner. Lot lines for the Space are based on current use, as marked or as otherwise legally defined for set-back clearances only. There is no entitlement to a lot of specific size or dimension; new construction may not exceed 60% of lot coverage as marked from time to time. The lot lines of the homesite may be the smaller of either [1] the lot lines as governmentally approved or [2] as necessary to maintain lawfully required setbacks. Lot lines may be amended, changed or modified as legally mandated. There is no right to the maintenance of a lot line location as marked. Any reduction in the size of a lot due to required change in lot line location will be compensated by a reduction in the amount of space rent, based on a comparison of the amount of area lost, to the size and dimensions of the lot before the modification of the lot lines. For example, if the lot were 100

feet and the area taken was 5 feet, the rent may be reduced by the fraction of 5/100 to fully compensate homeowner, and no other loss of value or use, or improvements or landscaping would be required.

“Maintenance Duties of The Homeowner”: Maintenance duties of the Homeowner include all areas around the Mobilehome and lot construction, as then shown by lot line markers at each corner of the space, fences, walls and other criteria made known to the Homeowner. If the minimum area necessary to comply with set-back requirements comprises a smaller area than stated above, then the smaller area shall comprise the Space.

“Easements” refers to the EASEMENTS AND ENCUMBRANCES of record and which exist in fact, if applicable, which affect use and occupancy of the Homesite. The Homesite may contain underground easements, rights of way, utilities or other encumbrances which may limit the maximum size of any Mobilehome, accessory structure or equipment which may be subsequently installed on the Homesite which would otherwise be permitted by defined lot lines and applicable codes and standards. Standards and practices which preceded Homeowners’ occupation of the premises are not precedent and may not be relied on for the offering or request for approval of new proposals, existing enforcement or application of Rules, or as past allowances, practices and standards which do no longer apply.

“MRL” or the *“Mobilehome Residency Law”* refers to California Civil Code (“Civil Code ” or “Civ. C”) §§798 et seq. All terms of this lease are subject to the *“MRL”* at the time of its execution.

“Term” means the period of time that this Agreement is agreed to be in effect.

“Tenancy” is defined as defined by the Mobilehome Residency Law (Civil Code sections 798, et seq.), *“Tenancy”* is defined by the Civ C as the right of a homeowner to the use of a site within a Mobilehome park on which to locate, maintain, and occupy a Mobilehome, site improvements, and accessory structures for human habitation, including the use of the services and facilities of the park. See, too, Civ. C §798.55(b), which confers on the homeowner a non-terminable tenancy until reversion of the lot to the Lessor absent statutory good cause for termination.

“Sale” means any full or partial transfer, purchase, inheritance, gift or other hypothecation or conveyance of title, possession, or ownership interest in or to the Mobilehome, in whole or part, voluntary and involuntary.

“Buyer” refers to any person who seeks to establish tenancy in the Park or purchase a Homeowner’s Mobilehome or otherwise acquire all or part of the Mobilehome and/or acquire the right to an interest or claim to occupy or possess the Mobilehome or Space, with adjustments to rents and charges as provided herein.

“Turnover Increase” means a rent adjustment at the time of *“Sale.”* *“Sale”* refers to the voluntary or involuntary transfer, purchase, sale, hypothecation, alienation, attachment, foreclosure, listing, preemptive option, assignment, or other modification in the interest in or to the Mobilehome or possession thereof, or tenancy.

“Preemptive option” refers to a first right of refusal, first offer, option to buy.

“Owner’s approval” or *“approval of Owner,”* *“Owner’s consent”* or *“consent of Owner”* means that Owner’s prior written consent is required before Lessee commences any action requiring written permission. Lessee shall submit a written request to describe the action Homeowner proposes to take and requests Owner to give prior written approval. The resident manager is not empowered or authorized to enter tenancy agreements, establish a tenancy or tenancy rights, and has no authority or power to make any changes, deletions, additions, releases, exceptions or waivers of performance or payments, or other exceptions to this Agreement, or take other action for Owner.

“Our Option,” or *“We May”* means that the Owner may elect, absent obligation, to take the action in its fairly applied discretion.

“Park Manager,” *“Resident Manager,”* refers to the Resident Manager. The onsite personnel of the park, including all management personnel, have no authority to change or make exceptions to this or any agreement which relate to tenancy, or enter into this agreement, or take any other action on behalf of the Lessor in respect to documentation required to be in writing to be enforceable, which is not expressly approved and authorized in writing. Lessor shall be represented by its Resident Manager, vested with the authority to collect rents, receive communications from all Lessees and residents, clean and open/close facilities, and enforce the Rules and Regulations on behalf of Lessor. Resident Managers have no authority to modify, waive, release or amend terms or conditions of tenancy. As all tenancy agreements must be in writing, only Lessor or authorized agents may bind, modify, release or change tenancy terms and conditions, under California’s equal dignities rule. The managers have no authority to represent or give opinions about Mobilehome values, quality, utility, condition or merchantability: please consult your dealer or broker. Contact numbers for the managers when not in the office are posted.

“No Advance Written Consent Considered”: Resident managers may not give advance written consent where called for by this agreement for any change in appearance of exterior or interior of the home or homesite, and may not approve requests for any other work or change whatsoever to the homesite. The Resident Managers are not authorized to consent or agree to, nor acquiesce in exceptions, special arrangements, or to waive compliance with this rental agreement or Rules and Regulations. Resident Managers shall do no work in or around a homesite except as needed to fulfill park management duties.

“Park Facilities,” *“recreational facilities,”* *“common areas”* mean those facilities and areas of the Park which are generally open to Homeowners and Residents.

“Mobilehome”: means the manufactured housing or Mobilehome, Homeowner’s lot improvements for which Homeowner shall provide maintenance, cleaning and repair when necessary, inclusive of driveway and trees as provided by the MRL.

“Appearance”: Where standards of appearance, maintenance or construction are referred to herein by terms such as *“Unightly,”* *“Aesthetically Compatible,”* *“Attractive,”* *“Aesthetically Pleasing,”* *“Good Condition,”* *“Well- Kept,”* *“First Class,”*

and other words describing a condition or standard of appearance, construction or maintenance Owner shall be the sole arbiter of whether the condition exists or if the standard is being complied with.

“CPI” means Consumer Price Index, All Urban Consumers, Los Angeles-Long Beach-Anaheim (100 =1982 -1984)

“Association” means Calabasas Village Homeowner’s Association.

“Pass-throughs” are additional rent.

“Capital Improvements” means any new construction, renovation, repairing, replacing, or refurbishment, that adds to, modifies or changes the Park’s infrastructure and any costs to provide new services or equipment in or to the Park

1. THIS AGREEMENT IS MADE BETWEEN CALABASAS CREST, LTD., A CALIFORNIA LIMITED PARTNERSHIP ("Owner," "Park," "we" "Lessor" "Management" or "us"), doing business as CALABASAS VILLAGE and "Homeowner" (singular includes plural, singular includes collective, male or female refers to all homo sapiens) who is or are:

Name _____ s Homeowner

Name _____ Homeowner

Name _____ Homeowner

Name _____ Homeowner

A. FOR THE RENTAL OF HOMESITE # _____ in CALABASAS VILLAGE, 23777 MULHOLLAND HIGHWAY, CALABASAS, CALIFORNIA 91302-2716; which Homeowner hereby rents from Owner;

B. FOR A TERM OF THIS LEASE: Beginning as of the date this Lease is signed by both Homeowner and Owner and ending on December 31, 2039; irrespective of the date this agreement is signed by Homeowner and Owner.

C. RENT ADJUSTMENT DATE: January 1st, of each calendar year ("Anniversary Date") as provided herein.

D. PAYMENT OF RENT: Homeowner shall pay a monthly rent to Owner without notice, demand or billing, or any deduction or offset, in advance, on the first day of each month for tenancy set forth in Paragraph 2 (B), as adjusted during the tenancy. Rent is to be paid at the Park office or such other place as Owner designates, in writing, to Homeowner. Owner does not issue printed rent invoices or bills, as the amount for all monthly charges is presented annually; however, notwithstanding the foregoing, Owner reserves the right to do so in the future at its election. Your rent will be LATE if not paid in full by 5:00 p.m. on the sixth (6th) day of each month. Owner may require payment of its actual cost whenever a check is returned for any reason.

2. RENT

A. LIMITS ON BASE RENT: Attached hereto is "Schedule A", incorporated herein by reference, showing the category (A or B) each space has been assigned to. Homeowner's BASE RENT after an increase as per ¶ C below shall be limited for calendar year 2021 to: \$1,820.00 for Space Type A Homesites and \$1,976.00 for Space Type B Homesites. For the calendar years following 2021 the preceding LIMITS ON BASE RENT will be increased annually as of the Anniversary Date (January 1st.). The increase in the LIMITS ON BASE RENT shall be determined by comparing the most recent CPI that is available when Owner prepares the rent increase notice (during September), to the CPI for the same month which was published twelve (12) months earlier or another index or formula as defined in ¶C below. If Homeowner’s BASE RENT exceeds these limits, as adjusted annually, Homeowner's BASE RENT shall be lowered to the limit calculated in accordance with this paragraph. EXAMPLE: If the BASE RENT on a category “A” homesite was \$1,820.00.00 per month on January 1, 2021 and on January 1, 2022 the proposed BASE RENT increase was to \$1,856.40 and the CPI adjustment for 2022 to the LIMITS ON BASE RENT was two percent (2%) the new limit on BASE RENT for category “A” homesites would be \$1,856.40 per month. Therefore, the proposed BASE RENT for the homesite of \$1,856.40 per month for 2022 would be Lowered to \$1,856.00 per month. Adjustments for pass-throughs and other rent charges permitted by this Lease are in ADDITION to the BASE RENT adjustments for the Homesite.

B. BEGINNING MONTHLY RENT: As of January 1, 2021, total monthly rent (“rent”) for the homesite is:

\$ _____ which is a total of the beginning amount of:

\$ _____ for the "monthly BASE RENT"; and, the beginning amount of

\$ 250.00 _____ "monthly pass-throughs" as further rent," which together constitute total beginning monthly rent as periodically adjusted and rounded up in accordance with 8 below.

C. **"CPI" RENT INCREASES:** Starting with Homeowner's Anniversary Date of January 1, 2022, and on each successive Anniversary Date during the term of this Agreement, Homeowner's BASE RENT will increase as follows unless the proposed BASE RENT exceeds the limits called for by ¶ 2(A) above:

- 1) Your monthly BASE RENT (excluding pass-through charges) portion of your rent will increase by the annual percentage increase, if any, in the Consumer Price Index, All Urban Consumers, Los Angeles-Long Beach-Anaheim (100=1982 - 1984) ("CPI") by comparing the most recent CPI that is available when Owner prepares the rent increase notice (during September), to the CPI for the same month which was published twelve (12) months earlier plus up to three percent (3%). Pass-through charges are EXEMPT from the CPI adjustment. The total monthly BASE RENT increase **shall not exceed four percent (4.0%)** except in the event of "High Inflation." "High inflation" is defined as a Bank of America N.A. ("B of A") or J.P. Morgan Chase ("Chase") published prime rate of ten percent (10%) or above (during September when the increase in BASE RENT to be effective on the next Anniversary date (the following January 1st) is determined by Owner). The lower of either the "B of A" or "Chase" prime rate" applies. If high inflation exists when Owner prepares the next BASE rent increase notice, during September, the annual limitation of a 4% maximum increase in BASE RENT no longer applies. In lieu thereof, Owner may increase BASE RENT to an amount equal to the percentage remainder of the then-published B of A or Chase prime rate (whichever is lower), less five (5) percent. (*Example: If September prime rate is 10.5%, the base rent adjustment shall be 5.5% (10.5% prime rate less 5%); if prime rate is 9%, the high inflation adjustment does not apply*). If the CPI ceases to exist in its present form or is calculated in a different manner, Owner will use another index or formula which, in Owner's opinion, shows inflation of the U.S. Dollar in Los Angeles County.

Any adjustment to BASE RENT(s) because of the LIMITS ON BASE RENT set forth in 2. A above are the only terms in this Lease allowing for a reduction or limitation on Homeowner's BASE RENT. A negative CPI (or another index as per 2. C. 1) shall be treated as a zero and not cause any adjustment to RENT, BASE RENT OR LIMITS ON BASE RENT.

D. MONTHLY PASS-THROUGH RENT CHARGES AS OF JANUARY 1, 2021.

- 1) \$35.00 for: TV and Internet service;
- 2) \$73.00 for insurance (in the event of an insured casualty occurring in the Park this amount may be increased or decreased by the difference in the insurance settlement payment and Owner's actual costs in correcting the damage done by the casualty occurrence);
- 3) \$31.00 for trash removal;
- 4) \$105.00 for the expenses (reflected for, inter alia, common area services, facilities, amenities and improvements) restricted to water and sewer services. PLEASE NOTE: Owner may install water meters at each individual Homesite and after required notice, bill Lessee for monthly usage and charges for lot consumption of water and sewer usage at charges regulated, set and established by the Las Virgenes Municipal Water District ("LVMWD"). If Owner elects to install individual meters at each Homesite and bill for lot usage, pre-existing monthly pass-through charges shall not be disturbed and remain a pass-through charge to Lessee per this agreement (as lawfully permissible).
- 5) \$0.00 for: Security Services above \$2,500.00 per month;
- 6) \$6.00 for Real Property Tax increase in excess of Two percent (2%) over the prior year;
- 7) \$0.00 for pass-throughs set forth in Section 3. below;
- 8) \$0.00 for Government related expenses
- 9) \$0.00 for: future services, which may or may not presently exist, which substitute for, supplement or complement "(D.1) through (D.9)" hereof or other new Park services hereinafter collectively "pass-through" charges.

The foregoing amounts are defined as further rent and consist of rent. The beginning rent level is not subject to decrease, deduction, offset, reduction or rebate for any reason. It is acknowledged that the base rent rate, further rent, and the beginning and subsequent amount of further rent pass-through amounts are valid, binding and accurately reflect the agreement of the parties.

Owner may adjust charges to Homeowner for the Pass-through charges: (a) anytime, based upon its actual costs, (b) as of January 1, of each year based on actual costs for the prior year or (c) projected costs for the coming year, with reconciliation of past projections.

3. **OTHER IMPROVEMENTS:** For the purpose of this Agreement, "Other Improvements" shall be defined as our costs of constructing new improvements or repairing or replacing old improvements in the Park that WE ARE REQUIRED TO MAKE BY A GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY, UTILITY COMPANY, SOME OTHER PERSON OR ENTITY OVER WHOM WE HAVE NO CONTROL OR BECAUSE OF AN UNINSURED LOSS, OR PORTION THEREOF OR A DEDUCTIBLE PORTION OF AN INSURANCE POLICY:

- a.) **PARK'S ELECTRICAL, GAS AND WATER DISTRIBUTION SYSTEMS:** In the event that Owner or a Serving Utility determines that any or all of the Park's electrical, gas or water distribution systems need replacing in whole or part Owner shall bear the first Two Hundred and Fifty Thousand Dollars (\$250,000.00) of the cost of each replacement and any amount or amounts above Two Hundred and Fifty Thousand Dollars (\$250,000.00) of the cost of each replacement shall become a monthly pass-through paid back to Owner with interest at the lower of Bank of America (B of A) prime rate plus one half of one percent (.5%) or (six percent (6%). The monthly pass through(s) shall be paid to Owner in Sixty (60) equal monthly instalments beginning on the next Anniversary Date. In the event of a pass-through charge pursuant to this paragraph you have the right to pay all of your allocable costs at the time of notice in one lump sum without interest.
- b.) **GOVERNMENT RELATED EXPENSES:** For the purposes of this Agreement, "Government Related Services" shall be defined as services required by governmental agencies which are new or in addition to those services legally required to be provided by Owner to Homeowner or to the Park as of January 1, 2020. "Government Related Expenses" include: all expenses required by any government entity subsequent to January 1, 2020. These include all expenses of licenses, permits, approvals, fees, assessments, utility operations, professional services, other services or facilities provided and maintained according to law, including the Mobilehome Residency Law (*Civ C § 798, et seq.*), the California Mobilehome Parks Act (*Health and Safety Code § 18250, et seq.*), Title 25 of the Code of Regulations, Div. 1, Ch. 2 ("Title 25"); the cost of complying with additions, deletions or modifications for disability laws, access and accommodations per state or federal law, or other applicable law, as required or voluntarily provided; and labor, materials, exactions, and other costs or expenses Owner incurs to comply. In the event that Owner complies with any of the above mentioned "Government Related Expenses" Owner shall bear the first Twenty-Five Thousand Dollars (\$25,000.00) of the cost of each requirement and the amount or amounts above Twenty-Five Thousand Dollars (\$25,000.00) of the cost of each requirement shall become a monthly pass-through paid back to Owner with interest at the lower of Bank of America (B of A) prime rate plus one half of one percent (.5%) or six percent (6%).
- c.) We will not increase your rent by more than forty dollars (\$40.00) per month because of a pass-through(s) for Other Improvements. If, however, we have Other Improvement costs in excess of this per-month limitation, we may carry the excess amount over and include it in your rent at a later date so long as your total monthly pass-through charge for Other Improvements does not exceed forty dollars (\$40.00).
4. **OWNER BEARS THE COSTS OF CAPITAL IMPROVEMENTS INITIATED BY OWNER:** Owner will bear the cost of all Capital Improvements that Owner initiates that are not separately mentioned as pass-through charges elsewhere in this Lease Agreement.
5. **INSURANCE:** "Insurance" includes any insurance which Owner purchases for the operation of the Park.
6. **REAL PROPERTY TAXES:** "Real Property Taxes" are defined as taxes levied against the Park which are normally payable to the County tax collector pursuant to State Law on the tenth (10th) day of December and on the tenth (10th) day of April of each calendar year. Such taxes shall not include Owner's income taxes, or any assessments charged to Homeowner as a pass-through to Homeowner of "Government Related Services." "Real Property Taxes" also include increases in taxes charged and assessed to Owner as a result of assessment or re-assessment of the real property. Increased costs of the assessment or re-assessment shall be passed through to Homeowner as per 2.D.6) above. Real Property Taxes include all real estate taxes, personal property taxes, bonds, fees, charges, surcharge assessments, or other charges made in lieu of any of the items described in this paragraph or other charges made in lieu of Real Property Taxes which Owner is required to pay. Real Property Taxes also include any tax or excise on rents or any other tax, which is assessed against the Park as a direct substitution for any Real Property Taxes. Real Property Taxes include any new taxes, or new assessments, or expense, caused by or resulting from the establishment of a new or amended tax roll or governmental requirement to which the Park property becomes subject during tenancy, whether as a result of creation of a tax roll for commercial or other property use encompassing any portion of any park property. Only the amount of the increase in Real Property Taxes in excess of two percent (2%) over the amount charged during the prior year may be passed through to Homeowner.
7. **ROUNDING OF RENT:** Rent will be rounded up to the nearest one dollar (\$1.00).

Homeowner's Initials: _____

8. **RIGHT OF AUDIT TO PASS-THROUGH RENT CHARGES:** Owner shall substantiate its pass-through rent adjustments in effect for the present year (except CPI which can be easily verified or adjustments upon Turnover [sale]) by making the following available for inspection by Homeowner at the Park office during the month of February during normal business hours: a copy of documents which justify the pass-throughs of any expense or cost being used to justify a rent adjustment (other than a CPI adjustment or adjustments upon sale), such as checks, bills, statements or invoices which show the prior year's costs of each item which led to an upward actual or projected rent adjustment. Right of audit does not apply to the beginning amounts of specified charges, fees and rents, as all are acknowledged as right and proper in the first instance and not subject to reduction, deduction, offset or further modification or scrutiny: all beginning rents, charges and fees are agreed and acknowledged as correct, binding and enforceable.

If insurance proceeds affect the net cost of a given item passed through as a rent adjustment, documentation or a copy thereof received from the adjuster, insurance broker or insurance carrier establishing the amount of the deductible and or the claim not reimbursed to Owner by said company or companies are agreed and acknowledged as correct, binding and enforceable.

Any objection to a pass-through increase is waived if not raised by written notice within six months following notice of it. Otherwise, timely payments are deemed to reflect consent and agreement to the calculation of the pass-throughs and other rent and charges as adjusted per notice. Audits do not apply to CPI adjustments or adjustments on sale.

Homeowner must be in good standing, not in breach, and not in any default of payment of any monies or violations of the Rules and Regulations. Such Homeowner may then, during February business hours and on reasonable prior notice, inspect Owner's documentation (consisting of invoices, checks, or other evidence provided, not private information such as a general ledger).

- (i) If, after such inspection, Homeowner disputes the increase, the parties shall meet and attempt to resolve the dispute. If the parties cannot do so within sixty (60) days after inspection, Homeowner may submit the dispute to arbitration if the Park's arbitration agreement applies.
- (ii) No adjustments are to be made if the disputed amount is plus or minus Two Percent (2%) of the pass-through items listed in Section 2. ¶E hereof. Owner shall pay the costs of the arbitration. Homeowner's audit rights shall not relieve Homeowner's obligation to pay disputed amounts in the interim, and the rights under this subsection may only be exercised if Homeowner is not in default of payment of rent or other obligation for which tenancy may be terminated.
- (iii) If a variance in the audit process proves the claim(s) for adjustment to be under two percent (2%) from correct amounts and no adjustment was appropriate One-Hundred Percent (100%) of Owner's costs in defending its pass-through charge calculations including experts and attorney's fees may be passed-through as further rent. The adjustment, may, in Owner's sole discretion, apply to the complainants or all spaces, charged over the course of 12 or more months, after service of a ninety 90-day written notice to Homeowners in accordance with Civ C section ¶798.30.

9. TURNOVER INCREASES, SPACE CATEGORIES, LIMITS ON TURNOVER INCREASES

Notwithstanding any term or condition to the contrary in this Agreement, if the Mobilehome is sold, transferred or assigned to Homeowner's spouse, Registered Domestic Partner, child or grandchild and that spouse, Registered Domestic Partner, child or grandchild lives in the Mobilehome as his or her primary residence for a minimum of one year then for purposes of the turnover increase called for by this Section 9. the transfer to that spouse, Registered Domestic Partner, child or grandchild shall not be considered a sale, transfer or assignment. This exemption may only be used once. If the spouse, Registered Domestic Partner, child or grandchild occupies the Mobilehome as his or her principal residence for less than one year then the monthly BASE RENT shall be increased by the turnover increase retroactively to the date the Mobilehome was sold, transferred or assigned to the spouse, child or grandchild. The date of the sale, transfer or assignment will be the date the buyer's tenancy begins. All of the other rent increases provided for above and elsewhere in this Agreement will also continue to apply to the rent to be charged any buyer and will be in addition to the turnover increases. The provisions of this paragraph apply even if only a portion of Homeowner's interest is being sold, transferred, assigned or sublet.

- a. The date of the sale, transfer or assignment will be the date the buyer's tenancy begins. All of the other rent increases provided for above and elsewhere in this Agreement will also continue to apply to the rent to be paid by buyer and will be in addition to the turnover increases. The provisions of this paragraph apply even if only a portion of Homeowner's interest is being sold, transferred, assigned or sublet.
- b. **RENT INCREASE UPON TURNOVER:** At the time of a sale, transfer or assignment, except those Homeowners exempted by the first paragraph of this section 9. THE BASE RENT SHALL INCREASE BY UP TO EIGHTEEN PERCENT (18%). The percentage increase in the BASE RENT is limited by THE APPLICABLE LIMIT CALCULATED IN ACCORDANCE WITH Section 2. ¶A ABOVE.

10. SALE OF MOBILEHOME AND APPROVAL OF PURCHASER AND SUBSEQUENT HOMEOWNERS:

Homeowner may sell or transfer Homeowner's Mobilehome or assign Homeowner's right to occupy Homeowner's Space only as permitted by this Agreement and the Mobilehome Residency Law. Homeowner must give Owner written notice, immediately, upon offering Homeowner's Mobilehome for sale and ten (10) day's written notice prior to Homeowner's execution of any escrow, sale, or other similar agreement so that Owner can provide a written application for the assignment of this Agreement and tenancy rights, required disclosures as appropriate and to avoid unlawful occupancy.

- a. The requirements of this Agreement and this Section 10 will apply even if Homeowner sells only a portion of Homeowner's interest in Homeowner's Mobilehome or Homeowner's Mobilehome is repossessed or acquired by another. This Agreement also applies before any person other than the ones listed on the original signature page of this Agreement, or on any document assigning this Agreement, may become a Homeowner. A guest or other person who has not signed this Agreement who remains in the Park after his/her host has died, moved, or for any other reason does not physically reside in the Park on a regular basis, will be considered the equivalent of a buyer and subject to all of the provisions of this Agreement dealing with a sale and approval of a new buyer including the turnover rent increase. This will be true regardless of whether the guest is listed as a "legal" or "registered" Owner of the Mobilehome.
- b. If the buyer intends to leave the Mobilehome in the Park or the buyer intends to establish a Mobilehome tenancy, before occupying the Mobilehome or Space the buyer must complete an application for residency, be approved by Owner for tenancy and accept an assignment of this Agreement or enter into a new lease offered by Owner which is exempt from rent regulations in accordance with applicable law including Civ C§798.17. However, if a new offering to replace the remaining term of this Agreement is not accepted within 30 days after first offered, or is rescinded by buyer within 72 hours after execution and notice of cancellation is received by Management, the assignment of the pre-existing Agreement remains mandatory: buyer then takes tenancy subject to this Agreement. Thus, if buyer enters into a new lease and then rescinds that new lease within seventy two (72) hours after execution and notice of cancellation, the buyer must accept an assignment of this Agreement. Owner may

request a financial statement, credit report, references, and other information Owner reasonably needs from the buyer to determine acceptability as a tenant. Specific standards are available for review as provided by the MRL. If the buyer is not approved for tenancy buyer will have no rights of tenancy and no right of possession after seller vacates the homesite. In such case, the owner of the Mobilehome may remove it from the Park. **Homeowner remains fully responsible for the full performance of this Agreement for its entire Term or until fully terminated as is Homeowner's right under Civ C section ¶798.59.** If Homeowner or the buyer fail to perform the duties and obligations set forth in this Agreement, Owner may, at Owner's option, pursue any remedies Owner may have against buyer, Homeowner or both.

- c. If Homeowner or any buyer/transferee/assignee of Homeowner's Mobilehome or Space contend at any time that any of the provisions of this Agreement are unenforceable, it is agreed that the issue will be resolved in accordance with the arbitration terms of this agreement, if applicable. Homeowner agrees to do such other things and to sign and deliver to Owner such additional documents as Owner may reasonably require to protect Owner's interests in conjunction with an assignment of this Agreement.

11. TERMINATION: The termination of this Agreement may be in accordance with one of the following events and occurrences:

- a. Expiration of the specified term, in which case vested tenancy rights established by this agreement continue to apply until reversion as per applicable law including Civ C §§798.30, 798.55(b), 798.56,, 798.57, 798.73, 798.74, 798.75, 798.78, 798.79, etc., until voluntary surrender of tenancy by Homeowner and successors (contractual and statutory), and reversion to Owner. All provisions of the MRL continue to apply during tenancy.
- b. Homeowner's choice to vacate tenancy on sixty (60) days' advance written notice, together with the complete removal of homeowner's Mobilehome, and all personalty (including vehicles and all other personal property from the premises leaving landscaping and site improvements undisturbed and utilities off and de-energized). The Mobilehome Residency Law (Division 2, Part 2, Title 2, Chapter 2.5 of the Civ C, §§ 798, et seq.) and specifically Civ C §798.59, provides for vacation from tenancy on sixty (60) days written notice, so Park Owner may seek prospective Homeowners for the vacant premises.
- c. Homeowner demonstrates reasonable cause for termination of tenancy in accordance with the MRL, Civ C§798.56, in accordance with Civ C §798.55(b) and §798.57.
- d. Condemnation or acquisition of the Park by a governmental or quasi-governmental agency, trust, or non- profit corporation.
- e. Sale of the Mobilehome in the event that a mutually agreeable rental agreement is executed by Owner and Homeowner's buyer which replaces this lease Agreement for the balance of the remaining term or such other term that is agreed upon by buyer and Owner. Assignment of this Agreement is mandatory in the absence of such mutually agreeable replacement agreement.
- f. This Agreement may also be terminated in the event of acts of God, a catastrophic event or emergency, or other cause rendering it impractical for the Owner to continue operation of the Park in the reasonable discretion of the Owner in accordance with Civ C §798.56. Additionally, this Agreement may be terminated, at Owner's election in its sole discretion, in the event of acquisition of the Park for the benefit of the homeowner community based on homeowner purchase, acquisition by a non- profit corporation, entity or by reason of long term ground lease, conversion to cooperative or subdivision; or, if Owner elects to terminate this Agreement for other reasons as of December 31, 2029 or December 31, 2034. If such cancellation occurs, Owner will provide one year's notice if required by the MRL. Further, then available term options as per Civ C §798.18 will be offered and tenancy rights for possession and residency per MRL including Civ C §798.30 may apply. In any of the circumstances described in this subparagraph "F.," the Homeowner's Mobilehome tenancy will remain intact and subject to all provisions of the MRL, including rights under the MRL and including Civ C §798.18 (a rental agreement for one year, and from one month to one year in term). Nothing in this paragraph shall be construed as a release of Mobilehome tenancy rights as per Civ C § 798.19, § 798.77.
- g. While Homeowner is in bankruptcy, Homeowner may vacate tenancy and concurrently terminate this lease Agreement for any reason whatsoever, after providing thirty (30) days written notice to Park Owner. If this lease Agreement is terminated by Homeowner during Homeowner's bankruptcy, the maximum claim that the Park Owner may have against the Homeowner for early termination shall be sixty (60) days of rent.

12. FEES AND CHARGES

- a. **STATUTORY FEES FOR REMOVAL OF IMPROPER STORAGE ON SITE:** If Owner determines that the removal of personal property from the homesite is proper or necessary to bring it into compliance with the reasonable Rules and Regulations or applicable law (Mobilehome Parks Act or Title 25 of the Code of Regulations), Owner may remove the property to a reasonably secure storage facility. Owner, in such case, will provide written notice of at least Fourteen (14) days of Owner's intent to remove the personal property, including a description of the property to be removed. Homeowner shall be responsible for reimbursing Owner for the actual, reasonable costs, if any, of removing and storing the property. If Homeowner fails to claim the property as prescribed in the MRL, Owner may dispose of the property in any lawful manner. Owner shall comply with applicable terms of Civ C § 798.36.
- b. **CHARGES FOR TOW AWAY OF VEHICLES:** This section shall also be construed as a rule and regulation in the community guidelines, and may be amended as per Civ C §798.25. No vehicle is permitted to be parked on

the Park's streets, or parked on a driveway or designated parking space if it is not maintained in normal operating condition, neat and clean in appearance, not leaking fluids, in compliance with all Vehicle Codes, equipment requirements, bears current registration, not containing unsightly loads visible to others and not "stored" (left parked and unused for more than 96 hours). The foregoing include, but are not limited to, unlicensed "junkers," or other vehicles whose exterior appearance is unsightly, and excessively noisy vehicles. Any vehicle not meeting these standards may be removed from the park at Homeowner's expense in accordance with the MRL. A "junker" is any of the following: inoperative, not started within a month, cannot start, registrable with the department of motor vehicles but not currently registered, subject of complaint, used as a sleeping place, unfinished or unpainted appearance in whole or part (such as primed areas), flat tires, no tires, leaking fluids, noisy to the point of complaints, smoking, emitting odors, missing parts, not apparently roadworthy.

- (i) Park is not liable for any damages to vehicles, including damages due to collision, malicious mischief, theft, vandalism, towing or any cause whatsoever, related to vehicles parked on the Park premises. Improperly parked vehicles may be towed at vehicle owner's risk and expense.
 - (ii) Vehicles parked in the same space for 96 hours will be presumed to be stored, and may be towed, unless other arrangements are made with Park Management, in writing in advance. Homeowner hereby gives the Park the express permission to tow, at Homeowner's expense, any of Homeowner's vehicles; which are parked or stored anywhere (including Homeowner's space) in the Park in violation of law, this lease or the Park's Rules and Regulations. Homeowner specifically waives any injury or damage to any owned or guest's vehicle while it is being towed.
 - (iii) In the event that Homeowner's vehicle poses a danger to others, such as parking on the Park's streets, no prior notice is required prior to towing. Owner may refuse admittance to the park of any vehicle that does not comply with the law, this lease or the Park's Rules and Regulations, and remove it in accordance with the law.
- c. Where utilities are supplied by a public utility Owner has no control or responsibility for utilities. Homeowner therefore agrees to indemnify and hold owner, Management and all of their employees agents and representatives harmless against any loss, cost, damage, expense (including attorneys' fees and costs) or other liability by reason of any injury to persons or property as a result of use of utilities and or demand at the space in excess of the pedestal or lot rating or attempts by Homeowner to modify Homeowner's utility services.
 - d. If Homeowner does not maintain Homeowner's Mobilehome or Space as required by this Agreement and the Rules and Regulations, Owner may give Homeowner a written notice requiring Homeowner to do so within fourteen (14) days. If Homeowner does not, Owner may have this work done and charge Homeowner Owner's costs plus a reasonable fee for having the work done. Imposing charges for work may be by billing Homeowner after the work is completed or by electing another remedy. All remedies of Owner are cumulative.
 - e. If Homeowner stores or parks anything in the recreational vehicle storage area Homeowner must enter into a separate agreement with Owner with respect to that storage or parking and Homeowner will be charged for it separately. Owner is not obligated to provide the recreational vehicle storage lot and Owner may eliminate it upon sixty (60) days' written notice to any Homeowner who is using it.
 - f. Unless otherwise prohibited by law, all governmental charges and fees related to Homeowner's space and charged to the Park may be billed by Owner to Homeowner.
 - g. Homeowner agrees to pay, before delinquency, all taxes, assessments, license fees and other charges ("taxes") that are levied or assessed against Homeowner's personal property and improvements which are installed or located in or upon the Space, including Homeowner's Mobilehome and its accessory structures and equipment ("improvements"). Upon request, Homeowner agrees to furnish Owner with proof of these payments. If any taxes on Homeowner's improvements are levied against Owner or Owner's property, or if the assessed value of the Park, the Space and/or other improvements is increased by the inclusion of a value placed on Homeowner's improvements and if Owner pays the taxes on any of these improvements or the taxes based on the increased assessment due to these improvements, Homeowner agrees, at Owner's request, to immediately reimburse Owner for the taxes levied against Owner or the proportion of the taxes resulting from the increase in Owner's assessment. Owner has the right to pay these taxes regardless of the validity of the levy or assessment. Homeowner may contest any such tax that is levied or assessed against Homeowner's personal property and improvements. However, Homeowner is still obligated to pay such tax, before delinquency

13. AGREEMENT FOR COST-FREE ARBITRATION

- a. **Arbitration of disputes is free of charge to homeowners covered by this clause.** A dispute, claim or controversy arising out of or relating to tenancy or the breach, termination, enforcement, or meaning of this Agreement, the Rules and Regulations, other tenancy documents, and rights of tenancy, including assertion of loss, damages or injury, and the applicability of this arbitration agreement, shall be deemed a "covered dispute" (with exceptions set forth below) individually and privately decided by arbitration, in a location within 75 miles from the park, by a retired California judge as arbitrator. The judge will have the power to determine the arbitrability of a dispute. Owner will advance all arbitration costs. Homeowner may retain an attorney at its cost.
- b. The arbitration of a covered dispute shall be as per the Federal Arbitration Act, and shall be administered by JAMS or other dispute resolution organization designated by Owner per JAMS' Streamlined Arbitration Rules and Procedures, available at <https://www.jamsadr.com>

- c. A copy of the rules is in the office and available on request. To begin arbitration, the party complaining will write to JAMS or other dispute resolution organization designated by Owner with a plain simple statement of the dispute. JAMS or the other dispute resolution organization designated by Owner will set up a file, Owner will pay costs, JAMS or the other dispute resolution organization designated by Owner will administer the dispute (including arbitrator selection process, pre-meeting procedures and discovery (investigation), hearings as needed, and an award), accompanied by a reasoned decision which contains findings of fact and conclusions of law, all within 120 days after arbitrator is selected. Judgment on the award may be entered in any court with jurisdiction. Appeal through JAMS' or other dispute resolution organization's designated by Owner appeal process is allowed, at appellant's expense.
- d. This clause shall not preclude parties from seeking provisional remedies (like injunctions) in aid of arbitration from a court of appropriate jurisdiction. If any party refuses to arbitrate, a court petition may be filed for an order compelling arbitration.
- e. "Covered Disputes" Arbitration does not apply to unlawful, forcible detainer or small claims court actions (and any case in which damages sought are \$7,500.00 or less). Arbitration applies to "covered disputes": all claims of violation(s) of rights arising from tenancy, including but not limited to: the duty to maintain the Mobilehome park, utilities and improvements, facilities and amenities, rent levels, the Mobilehome Residency Law, fair housing Mobilehome Parks Act, rights under the Business and Professions Code (such as unfair business practices), Government Codes or other law, legal and regulatory compliance. All remedies available at law apply and shall be available.
- f. **Class Action Waiver:** Homeowner, on his behalf and in behalf of all his resident's, guests and invitees, hereby waives all rights to class action procedure, collective actions, and representative actions for resolution of a dispute. Owner, homeowner and all household members shall proceed with individual claims and shall not join, combine or consolidate with any other person(s) such as neighbors, homeowners, residents, or classes of persons in arbitration who assert the same or similar covered claims. There is no class action in arbitration. All parties waive and release all rights to join, proceed with, lead, represent or participate in a class action in arbitration. All parties shall have covered disputes resolved individually and privately, not as part of a class action. Homeowner waives and releases the right to join, participate in or to represent a class or sub-class of tenants, prospective lessees, residents, family members or others with any dispute against the Lessor, or its employees, agents or representatives arising out of occupation, possession, leasing or visiting the Park. Also waived are all claims and disputes consolidated, coordinated, joined, related and all multi-plaintiff claims.

14. APPEAL IS A RIGHT WHICH MAY BE SOUGHT BY EITHER SIDE AT ITS OWN EXPENSE:

- a. Any party may file an appeal after an award has become final, and then within 14 days.
- b. The Appeal Panel will consist of three neutral members, unless the Parties agree that there will be one neutral member. The case manager will recommend a panel of 3 and will make any disclosures that are mandated by applicable law regarding the candidates for the panel. If the parties do not agree on the composition of the panel within 7 calendar days of having received the recommendation for the panel, the case manager will appoint a panel.
- c. The Procedure for filing and arguing an Appeal is as per the procedure used by JAMS, as per its "Optional Arbitration Appeal Procedures" effective June 2003 (including any successor publication which shall automatically supersede this 2003 version), , a copy is available at <https://www.jamsadr.com> and a copy is maintained in the park office and is available at any time the office is open.
- d. The party appealing is responsible for costs of the appeal procedure. The letter or other writing evidencing the Appeal must specify those elements of the Award that are being Appealed and must contain a brief statement of the basis for the Appeal.
- e. After the Appeal Panel has rendered a decision, provided required Parties have paid all JAMS or other dispute resolution organization's fees designated in full, JAMS or other dispute resolution organization will issue the decision by serving copies on the Parties. Service will be deemed effective five (5) calendar days after deposited in the U.S. Mail. Upon service of the Appeal Panel decision, the Award will be final for purposes of judicial review.

This clause promotes federal policy favoring arbitration and is to be construed per *AT&T Mobility v. Concepcion*, in April of 2011. This agreement affects your rights. Consult with an attorney about the costs, benefits and convenience of arbitration.

NOTE: THIS INTERACTION IS ACKNOWLEDGED TO CONSTITUTE A MANIFESTATION OF COMMERCE WITHIN AND AMONG THE SEVERAL STATES, BY REASON OF THE MATERIALS, SUPPLIES, TRAVEL OF MANUFACTURED HOUSING, PARTS, COMPONENTS AND COMMERCE AMONG THE STATES AND ELSEWHERE, AND THE ACCUMULATION OF THE MULTIPLE EFFECTS OF IN- STATE MIGRATION FUELED BY THE ATTRACTION OF HOUSING IN CALIFORNIA. THIS CLAUSE 13 IS DEEMED ACCEPTED BY HOMEOWNER'S EXECUTION OF THIS AGREEMENT UNLESS EXPRESSLY DECLINED BY INITIALING IN THE SPACE THAT FOLLOWS: _____

NOTWITHSTANDING THE FOREGOING, IN THE EVENT HOMEOWNER ELECTS ARBITRATION ABOVE, SUCH REQUIREMENT SHALL NOT APPLY TO CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S SCREENING OF COMPLAINTS OR "MAC" (MOBILEHOME ASSISTANCE

CENTER) REFERRALS UNTIL SUCH TIME AS ACTUAL REFERRALS ARE MADE AND ACTION IS NOT DECLINED. CONSULTATION WITH A LEGAL PROFESSIONAL, PREFERABLY A LICENSED ATTORNEY, IS ADVISABLE

15. SERVICES AND IMPROVEMENTS PROVIDED:

- a. The Park's facilities are a clubhouse, exercise facility, "tennis court", playground, swimming pool, whirlpool spa and other miscellaneous facilities, equipment and conveniences located in the common areas. Owner maintains the Park's facilities in good working order and provides the services of a Park Manager. Owner also arranges for and provides trash collection and water and sewer services as provided.
- b. Homeowner agrees that Owner's responsibilities for the maintenance of Owner's facilities are as defined and limited by this Agreement. If Homeowner does not believe Owner is fulfilling these responsibilities, Homeowner must immediately give Owner a detailed written notice, so Owner has a reasonable chance to cure each identified default, failure of service, or breach. Without such notice Homeowner would be preventing mitigation of damages for which the Lessor might otherwise be responsible. All such demands are arbitrable.
- c. The Park's facilities and services are for the use of Park residents, their guests and personally invited invitees (not the general public) subject to the Rules and Regulations and other conditions of tenancy imposed by Owner from time to time. All facilities and services are subject to interruption and or temporary closure.
- d. From time to time, Owner heats and or cools the Clubhouse and exercise facility and may heat the swimming pool and the whirlpool spa. Owner does not hold either the Clubhouse, exercise facility, swimming pool or whirlpool temperatures constant. Owner may discontinue or alter Owner's pattern of heating the swimming pool or the whirlpool spa and heating and cooling the clubhouse or exercise facility without reducing Homeowner's rent or changing any of the other terms of this Agreement.
- e. Homeowner agrees that the standard of maintenance and repair of the park by Owner is the same custom and standard as applies in average Mobilehome parks similar in age, size and location (Los Angeles County). Owner may, upon the giving of a Ninety (90) day notice, amend, delete, add or modify any of the services or facilities provided. In such case, there will be no commensurate reduction, offset, reduction, or deduction in rents or other charges. On request, Owner shall meet and consult with Homeowner as provided by the Mobilehome Residency Law. Any dispute regarding performance of this paragraph shall be subject to arbitration per the Federal Arbitration Act set forth in this Agreement if applicable.
- f. Civil Code §798.15 provides, in effect, that with respect to a sudden or unforeseeable breakdown or deterioration of the facilities, equipment, and other improvements, Owner shall have a reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration and bring the facilities, equipment, or other improvements into good working order and condition after Owner 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 additional delay.
- g. Homeowner acknowledges and agrees that from time to time, Owner's utility systems and facilities and improvements may be interrupted, replaced, or become inoperative. Such occurrences are inevitable and expected from time to time;: (1) Owner shall be neither liable nor held responsible for reasonable efforts to reinstate or effect repairs; (2) Homeowner will cooperate and remain patient while remediation efforts are made; (3) breakdowns may occur for reasons other than a sudden or unforeseeable breakdown or deterioration; (4) Owner is in no manner responsible for occurrences beyond Owner's control, including; but not limited to, the interruption or failure of any serving utility over whom Owner has no control; the condition, taste, color or smell of Owner's water if it is delivered to Homeowner in substantially the same condition as that which Owner receives from the supplier of the water; (5) sewer backups, interruptions in sewer service, failures or impaired service caused by deliberate sabotage or natural occurrences; (6) the negligence of Homeowner or other persons, the failure of any equipment in Homeowner's Mobilehome or others' Mobilehomes, or failures or other interruptions in utility services which occur on Homeowner's side of utility connections. To the extent lawfully permissible, Homeowner releases, acquits and forgives Owner from all claims in respect to losses, damages and annoyances, inconvenience or damages.
- h. **ELECTRICAL SERVICE AND OTHER UTILITIES:** Electrical service is supplied by Southern California Edison and gas service to the Space is supplied by Southern California Gas Company. Water to the Space is supplied by Owner from water supplied to Owner by the Las Virgenes Municipal Water District (LVMWD). Sewer lines to the Space are provided by Owner and sewerage is discharged into sewer mains operated by LVMWD. Homeowner is responsible for ensuring that the maximum utility load requirements of Homeowner's Mobilehome, its equipment and appurtenances are compatible with the utility service at Homeowner's Space. Owner shall have no liability or responsibility to Homeowner if the available utility service is inadequate or incompatible
- i. Any prevention, delay, or stoppage due to strikes, walkouts, or other labor disputes, Acts of God, inability to obtain labor or materials or reasonable substitutes for them, Governmental restrictions, regulations or controls, judicial orders, fire/flood or other natural disaster or casualty, breakage, repairs, root infiltration of sewer lines, water lines, walks or roadways and other causes beyond Owner's reasonable control, will excuse Owner's providing any services, or facilities (including utilities) to Homeowner for a time period equal to the delay. Homeowner will remain responsible, without abatement or reduction, for the rent, pass-throughs, and other charges to be paid by Homeowner in accordance with this Agreement.

- j. Owner will use reasonable efforts to reinstate or repair any services or facilities, including utilities, which have been interrupted. Owner will not be liable to Homeowner or others, under any circumstances, for any loss or injury to property or persons because of a failure to furnish any services or facilities (including utilities) during a period of interruption irrespective of its cause.

16. SAFETY AND CHANGES:

- a. Owner makes no representations or warranties to Homeowner that the Park is secure from attacks upon persons or property or from theft or other criminal acts which may be perpetrated against Homeowner, Homeowner's guests or Homeowner's property.
- b. Owner may change from, time to time, Owner's Rules and Regulations or other residency documents, Owner's facilities, Owner's standards of maintenance, service, equipment, and improvements without reducing the rent or changing any other part of this Agreement.

17. INCORPORATED DOCUMENTS AND CONFLICTS: Homeowner agrees Homeowner has received, read and understood a copy of: this, Agreement; the Mobilehome Residency Law which is effective as of January 1st of the year in which Homeowner signed this Agreement; Owner's most current Rules and Regulations (including reading the signs posted in the common areas) which Homeowner agrees are effective immediately and RV Storage Agreement, if applicable. The above listed documents are hereby incorporated into and made a part of this Agreement. Homeowner understands that by signing this Agreement Homeowner is bound by all of the terms and conditions of these documents and signs, including as they may be revised from time to time. In the event of any conflicts between the terms and provisions of this Agreement and the terms and provisions of Owner's Rules and Regulations as revised from time to time, or any of the other incorporated documents the terms and provisions of that document which provides, in Owner's opinion, the greatest rights for Owner as owner of the Park shall control and be applicable.

18. COMPLIANCE WITH LAW AND RULES AND REGULATIONS: Homeowner agrees to comply with all applicable laws, ordinances, Rules, Regulations and all terms of this Agreement, the Rules and Regulations, and all terms contained in any document referred to in this Agreement, as they may be changed.

19. ASSIGNMENT, SUBLEASING PROHIBITED.

- a. No Subleasing: Subleasing is prohibited except as provided by the Rules and Regulations. Homeowner is permitted to sublease if a medical emergency or treatment requires Homeowner to be absent from the Mobilehome as confirmed in writing by a physician and in accordance with all other requirements set forth in the rules and regulations. Any attempted and unauthorized subleasing of the homesite is void. Homeowners shall not otherwise sublease, sublet or otherwise rent all or any portion of the leased space. There is no power and no right to sublease the space. "Sublease" is defined as an "underlease" which is, as per Black's Law Dictionary, "a lease granted by one who is himself a lessee for years, for any fewer or less number of years than he himself holds." Since a tenancy is not terminable except under Civ C §798.55(b), the leasing of the space is a "sublease" and is prohibited. Assignment of the entire leasehold interest requires approval of a new tenancy application by the proposed Mobilehome buyer. An authorized sublessee has no tenancy rights (as defined by Civ C §798.12) and no Homeowner status (as defined by Civ C §798.9). Any sublease or attempt to sublease the space inconsistent with this paragraph or the Park rules is void. Any previous authorization for subleasing is revocable; subleasing allowances may be prohibited by rule amendments per Civ C §798.25 based on any change in law. Rancho Santa Paula Mobilehome Park, Ltd. v. Evans (1994) 26 Cal.App.4th 1139 shall not apply.
- b. Park managers have no authority to allow an exception for subleasing, house-watching, care-taking or other allowance for third party occupation of the homesite.
- c. Owner occupation requirement. Owner-occupied status is a requirement of contract for many requirements of "owner-occupied" retail financing and lending. "Owner-occupation" mandates a prohibition on all forms of subleasing. This prohibition against subleasing includes all manner of possession by other than the lessee/homeowner, including gratuitous or for profit, vacation rental, informal house-sitting, any possession by a person other than lessee/homeowner. There is no power and no right to sublease. The no sublease covenant supersedes any term of tenancy to the contrary. Any dispute regarding "owner-occupation" of the premises shall be subject to arbitration per the Federal Arbitration Act, if applicable.

20. ZONING AND USE PERMIT INFORMATION: The Park is operated as a Mobilehome Park pursuant to the City of Calabasas Ordinance 92-24, "Permanent Mobile Home Park zoning." In the event of a change in this zoning which would not permit the continued operation of the Park as a Mobilehome Park Homeowner's tenancy and this Agreement will terminate on the effective date of any such change. The permits under which the Park operates are not subject to expiration or renewal. The Park is not located on land which Owner leases from someone else, but Owner does have the option to enter into such a lease at any time in the future. If Owner exercises this option, Owner will notify Homeowner of the expiration date of the land lease.

21. TRANSFER OF PARK'S INTEREST: If Owner, leases, sells or transfers Owner's interest in the Park Homeowner will continue to be obligated under this Agreement and Owner will be automatically relieved of Owner's obligations under this Agreement which occur after the date of the transfer of Owner's obligations hereunder whether by lease, sale, transfer or otherwise.

22. NON WAIVER:

- a. If Homeowner fails to meet any of Homeowner's obligations under this Agreement, a delay or omission by Owner in exercising any right or remedy Owner has because of Homeowner's default will not impair any of Owner's rights or remedies against Homeowner, nor will it be considered a waiver by Owner of any right or remedy. No waiver by Owner of Owner's right to enforce any provision of this Agreement after any default on Homeowner's part will be effective unless it is made in writing and signed by us, nor will it be considered a waiver of Owner's rights to enforce each and every provision of this Agreement upon any further or other default on Homeowner's part. Owner's acceptance of rent will also not be a waiver of any breach by Homeowner of any term or provision of this Agreement, including the Rules and Regulations or any term or provision of this Agreement or contained in any document referred to in this Agreement.
- b. Any delay, omission, or mistake by Owner in exercising any right to make any of the rent increases allowed by this Agreement and other provisions of this Agreement will not impair any of Owner's rights nor be considered to be a waiver, release or estoppel. Instead, Owner may, at any time, correct Owner's delay, omission, or mistake and collect from Homeowner the full increase retroactive to the date Owner could have first collected it from Homeowner. This covenant applies though Owner may have accepted previous payment or payments in an amount less than owed to Owner. Examples include: Owner's failure to send a rent increase notice Ninety (90) days in advance of Homeowner's anniversary date. Although Homeowner will still be entitled to a Ninety (90) day notice, Owner may send that notice at a later date and retroactively collect the full amount of the increase to Homeowner's anniversary date. Or, because of a miscalculation or clerical error, Owner did not charge Homeowner the full amount of an increase to which the Owner is entitled. When discovered, Owner may serve or re-serve a corrected notice and retroactively collect from Homeowner the full amount of the increase.

23. ATTORNEY'S FEES: Attorney's fees and costs shall not be awarded except as required by statute, including the MRL and other laws if attorney's fees cannot be released or waived, and in no other disputes. Each side shall bear its own attorney's fees and costs in all such other disputes, claims, suits and legal actions.

24. HEADINGS AND FORMATTING: The titles of the paragraphs and subparagraphs in this Agreement or in other documents are only for convenience and under no circumstances are they to be considered as any part of this Agreement. Homeowner agrees that this Agreement is to be considered a typed, not printed document, so that any legal requirements regarding printed documents are not applicable.

25. ALTERATION OF THIS AGREEMENT: This Agreement may be changed only as allowed for or provided for by this Agreement or by a written agreement signed by Homeowner and Owner, or, as per operation of law for, e.g., lawfully permissible and allowable notices, amendments, as unilaterally given by management such as rule amendments, rent adjustments, changes in services, facilities and improvements, etc. This Agreement will be construed and interpreted as though both Owner and Homeowner had written it together, not as if it had been written by Owner alone.

26. SUBORDINATION, NONDISTURBANCE AND ATTORNMENT: Homeowner's rights under this Agreement, including any holdover tenancy, shall be and are subordinated at all times to the present or future declarations, restrictions, notes, and all present or future ground leases affecting the real estate or any part of it on which the Space or Park is situated. Homeowner agrees to execute any further instruments required by Owner with respect to such subordination and Homeowner hereby irrevocably appoints Owner as Homeowner's attorney in fact to execute and deliver such instruments in Homeowner's name. Additionally, this Agreement shall be subject and subordinate to any and all present and future liens and encumbrances without the necessity of the execution and delivery of any further document on Homeowner's part to effectuate such subordination. In the event of any judicial or nonjudicial action or proceeding to foreclose any such mortgage, trust deed, lien or encumbrance, this Agreement shall not be terminated, nor shall Homeowner be joined as a defendant or disturbed in Homeowner's possession of the Space or in the enjoyment of Homeowner's rights under this Agreement, so long as the Homeowner is not in default in the payment of rent or other charges or in the performance of any of any of the other terms, covenants or conditions of this Agreement, beyond any applicable cure period. Homeowner shall attorn to and recognize any purchaser of the Space or the Park at a foreclosure sale or by deed in lieu of foreclosure, any transferee thereof, and each of their successors and assigns, as Homeowner's landlord, and this Agreement shall continue in full force and effect for the balance of the term remaining or any extension or renewal thereof, upon and subject to all terms, covenants and conditions of this Agreement.

27. OBLIGATIONS OF LESSEE WITH RESPECT TO NO RECORDING AND NOT ALLOWING ANY LIENS: LESSEE shall not allow any lien, claim or demand arising from any work of construction, repair, restoration, maintenance or removal, of or for the Mobilehome or space, to be enforced against Lessor, and liens, claims, and demands must be satisfied before any action is brought to enforce them. No Recordation: This Agreement shall not be recorded by Lessee. Lessee shall not record any homestead against the title to the park property, nor allow any mechanic's lien, materialman's lien or other lien to be filed against the park property. Litigation Liens are Forbidden: Homeowner shall file NO lis pendens (a claim notice recorded against title to the park property regarding a lawsuit). If any of such liens as described in this paragraph is filed, Homeowner shall immediately cause it to be removed and indemnify and defend Lessor from and against such lien(s). Removal of Liens by Lessee: Should any lien, demand or claim be filed, Lessee shall cause it to be immediately removed. In the event Lessee, in good faith, desires to contest such lien, demand or claim, he may do so, but in such case Lessee agrees to and shall indemnify and save Lessor 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. Removal of Liens by Lessor: Should Lessee fail to discharge any such lien or furnish bond against the foreclosure thereof, Lessor 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 Lessor in connection therewith, shall be repaid by Lessee to Lessor on written demand.

28. TENANCY CONTINUATION: If tenancy continues as per Civ C § 798.55(b) after the limited term of this Agreement has past, Homeowner may be offered a further agreement to govern tenancy thereafter. If Homeowner declines and does not sign for an acceptance of the supplemental tenancy provisions for the remainder of Homeowner's tenancy, witnessed by execution of new supplemental offers, tenancy will then continue, unabated and uninterrupted, pursuant to the MRL, and for the life of tenant and successors (contractual and statutory) per Civ C § 798.55(b), until reversion, subject to Civ C § 798.56, payable by the month, and subject to MRL protections and entitlements (including Civ C § 798.30). All other terms of this agreement will continue to apply to Homeowner to the extent legally enforceable and permissible which are not inconsistent with this paragraph in such case. Owner may also increase the rent or charges Homeowner pays or change any other terms of this Agreement upon ninety (90) days' written notice to Homeowner., Owner may, however further, increase the rent or charges or change any other terms of this Agreement upon written notice given at least 120 days prior to the expiration of the Term, as a rental market correction. The amount of such adjustment shall be billed before expiration of the Term as the last rental rate charged under this Agreement. The amount of the adjustment to monthly rent shall be up to and including the amount of adjustment to rents that applies on Sale of the Mobilehome, or twenty-five percent (25%) of the then- charged monthly rent whichever is higher, or the amount of market rental rate, and such adjustment shall become effective on 90 days written notice. If Owner elects to defer collection thereof, Owner may do so without prejudice to its right to do so subsequently. The parties may also negotiate for an extension hereof or for modifications of the final market rental correction if mutually agreeable.

29. COUNTERPARTS: This Agreement may be signed in duplicate copies, each of which shall be considered an original, but all of which taken together will be one and the same document.

30. EXHIBITS: Each exhibit, schedule or other document referred to in this Agreement is attached or enclosed and incorporated in this Agreement by this reference.

31. USE AND OCCUPANCY:

- a. At all times one of the persons listed on the last page of this Agreement must be the "registered" owner of the Mobilehome, and that person must regularly occupy the Mobilehome, and it must also be their primary residence. All buyers/transferees/assignees and all other new residents over the age of eighteen (18) must all be the "registered" owner of the Mobilehome, and all must regularly occupy the Mobilehome as their primary residence unless Owner, at Owner's sole option, consents otherwise. Homeowner agrees that the information Homeowner has provided to Owner regarding Homeowner, other members of Homeowner's household and Homeowner's Mobilehome is true and correct. Homeowner also agrees to promptly notify us, in writing, of any change in this information.

Please refer to the Rules and Regulations for further clarification of Homeowner's use and occupancy of the Mobilehome and Space. Owner, or someone Owner designates, may conduct a Mobilehome sales business in the Park. The Rules and Regulations are incorporated by reference at this point.

- b. No persons other than those listed on the signature pages of this Agreement or listed on any subsequent document assigning this Agreement to another party and Homeowner's guests, may reside at the Space without Owner's prior written consent.
- c. Homeowner's Mobilehome and Space are intended for use as a private residence. Any proposed business activity by Homeowner must be approved, in writing, in advance by us. Such approval may be withheld without further justification unless and until a business license is issued by the City of Calabasas. If no such license is required, consent of adjacent homeowners within 200 feet of the space must be obtained on a form approved in advance by the management in writing. Homeowner's Mobilehome and homesite may not be used for any business or commercial activity which would result in the residential nature of the Park being changed or disturbed. Home occupation ordinances of the City of Calabasas are deemed incorporated herein by this reference including any required business licenses or permits for the operation of a home occupation or business. A business which would result in: (1) customers of Homeowner coming into the Park on a frequent basis so that traffic or a parking problem are created; (2) the operation of noisy equipment or materials being stored on the Space, noxious fumes, smoke, odors, deliveries, storage of boxes, cartons and materials or creation of other nuisance; (3) a sign on or about Homeowner's Mobilehome or (4) the law or one of Owner's other Rules and Regulations or conditions of tenancy being violated will not be approved and is not permitted. Any business activity involving the leasing, subleasing, sale or exchange of Mobilehomes is not permitted.
- d. Homeowner agrees not to abandon Homeowner's Mobilehome or the Space so long as this Agreement or any renewal or extension of this Agreement is in effect.

32. INSPECTION: By signing this Agreement, or accepting an assignment of it, Homeowner agrees Homeowner has carefully inspected the Space Homeowner is renting and all of Owner's services, improvements and facilities and Homeowner has found them to be safe and as represented by Owner to Homeowner, either orally or in writing, and Homeowner accepts them as they are. To the extent that Homeowner has found such services, improvements and facilities not to be safe or not to be as represented by Owner to Homeowner, either orally or in writing, Homeowner nonetheless agrees to accept them in their current operative condition.

33. ESTOPPEL CERTIFICATE: Homeowner shall, on Owner's request, sign and deliver to Owner a written statement certifying: (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that they are in full force and effect as modified); (b) the dates to which the rent and other charges have been paid;(c) the term of

this Agreement; (d) the amount of any security deposit held by Owner; (e) that Owner is not in default nor has Owner been in default in the past under any provision of this Agreement or any laws or regulations affecting Owner's obligations; and (f) to any other matters as may be reasonably requested by us. Any such statement may be relied on by Owner or any person Owner gives it to. Homeowner will be in default of this Agreement if Homeowner fails to do the above within ten (10) days of Homeowner's receipt of a written request for such statement(s). Owner may, at Owner's option, treat Homeowner's failure to sign and deliver this document to Owner as Homeowner's agreement to the information Owner requested and that Owner is not in default nor has Owner been, in the past, under any provision of this Agreement or any laws, or regulations affecting Owner's obligations to Homeowner.

34. ENFORCEMENT OF CONDITIONS OF TENANCY: Homeowner agrees that the enforcement of this Agreement, the Rules and Regulations and the provisions of other documents and conditions of tenancy are a private matter between Owner, Homeowner and each resident of the Mobilehome on an individual basis and the enforcement or the lack thereof by Owner with regard to any resident shall not result in any damage or injury to, or claim by Homeowner.

- a. Homeowner agrees that it is not a third party beneficiary of any agreement between Owner and any other Homeowner or person[s]. The environment of the Park will be consistent with that of a normal single-family residential housing development with a similar population makeup. Consequently, Owner is not obligated to attempt to enforce conditions of tenancy to provide a living environment which is free from noise or the other normal disturbances and activities which would be expected under similar circumstances.
- b. Additionally, with regard to the enforcement of the Rules and Regulations and other conditions of tenancy, Homeowner agrees that it is Homeowner's responsibility to first attempt to reach a reasonable resolution of any problems or complaints Homeowner may have with other Homeowners or members of their household or their guests before Owner is asked to take any action.
- c. In many instances, it may be impossible or impractical to enforce Rules and Regulations and the terms of this Agreement as to other tenants, because, for example, Owner's legal advisors conclude that judicial willingness to enforce certain rules may not be reasonably certain, the severity of the violation warrants no enforcement activity, and due to other practical and legal reasons. Because of these and other similar considerations, Homeowner agrees that by freely deciding to establish tenancy in the Park and continuing tenancy, Owner will not be liable for typical and routine disturbances commonly foreseeable, nor liable for inconsistent or lack of enforcement. Should Management seek an injunction against the Homeowner. Homeowner agrees that irreparable harm and the lack of adequate legal remedy exists and need not be proved, established, or evidence thereof proffered.
- d. Accordingly, Homeowner, as a courtesy to others, shall not permit a condition, or maintain or permit to be maintained a condition on the Homesite which may cause an increase in the rate of Owner's insurance nor increase any of Owner's costs of maintenance and repair or in any way increase the risk of damage to the Homesite or other homesites, common area or land.

35. MAINTENANCE OF IMPROVEMENTS: Homeowner is specifically responsible for: (a) the maintenance and trimming of trees on the space except as otherwise specified by the MRL; and, (b) limiting the growth of trees on Homeowner's Space to the physical area of Homeowner's Space. Homeowner is financially responsible for insuring at all times that the Mobilehome, Space, and their improvements comply with all local, state and federal laws and regulations. The preceding includes without limitation such things as: insuring that the drainage is sufficient to prevent water from accumulating on Homeowner's homesite or under hillside so it adversely affects other homesites or Owner's property; that all required setbacks Homeowner's Mobilehome or running off and lot line requirements are met and that there are no encroachments on other property; that all building code and other similar requirements are met; and that all building and other permits have been obtained. The only exception to this paragraph is any of the Park's utility systems on Homeowner's homesite which are owned by Owner or a utility company so that Owner or they are responsible for them. Management shall be responsible for the remediation or removal of trees not subject to any preservation ordinance, which may damage property.

36. MODIFICATION FOR LENDER: If, in connection with Owner's obtaining financing where Owner uses the Park as security, if a lender requests reasonable changes in this Agreement as a condition to such financing, Homeowner agrees to promptly consent to those changes if they do not increase Homeowner's obligations under this Agreement or materially adversely affect Homeowner.

37. GUESTS AND ADDITIONAL RESIDENTS: A "guest" is defined under the "Definitions" section of this Agreement. Except as the MRL provides, a guest or guests staying beyond the consecutive twenty (20) day and total calendar year occupation of thirty (30) day periods may, at Owner's option, be charged a daily rate equal to one-half of tenancy value measured as follows: Monthly rent, divided by Two (2); then by Thirty (30) days (the contract value of daily [per diem] occupancy for a two (2) person household). If at any time during the Term Homeowner and any other person who originally signed this Agreement move from the Park and the new occupant(s) whom Owner approved to live with Homeowner in the Mobilehome remains, this change shall be deemed a "Sale" of the Mobilehome or assignment of the Space to the remaining occupant(s) who is required to:

- 1) Apply for and qualify for tenancy;
- 2) Attain entitlement to an offer of assignment;
- 3) Establish a Mobilehome tenancy;
- 4) Be offered and execute a new Lease or Assignment of this Agreement at the option of the Owner, and

Acceptance of rents during the qualification process shall be acknowledged in writing by the applicant as not establishing a rental contract: including a landlord-tenant relationship, right to tenancy or Mobilehome tenancy. All rent increases provided for or allowed by this Agreement will be immediately applicable and effective as to that remaining Occupant.

Additional Homeowners, Residents: No additional homeowners may be added to this Agreement. A new application and new approval of tenancy is required for any change of parties obligated to pay rent and perform the duties of this Agreement.

38. LIMITATION OF OWNER'S LIABILITY INDEMNIFICATION:

a. NOTHING IN THIS AGREEMENT IS INTENDED TO CREATE ANY LIABILITY ON OWNER'S PART OR ANY DUTY OF CARE UPON OWNER OTHER THAN THAT WHICH IS IMPOSED UPON OWNER BY LAW. THIS PARAGRAPH IS NOT AN EXCULPATORY CLAUSE OF ANY LEGALLY IMPOSED DUTY OF CARE UPON US, OR A DISCLAIMER OR RELEASE OF LIABILITY TO OTHER THAN THE FULLEST EXTENT PERMITTED BY LAW, AND SHALL NOT BE OTHERWISE CONSTRUED OR INTERPRETED.

- (i) Release of Core Tenancy Functions: are those duties of the Owner which pertain to habitability and residency of the homesite, including available area on the leased premises for installation of a Mobilehome, delivery of services to the leased premises as defined in this agreement, and the covenant of quiet enjoyment. Owner is not liable for and is hereby released from any accident, injury, damage, loss, expense or other liability, of any kind, to the person or property of Homeowner and other occupants or invitees of Homeowner or other persons caused: (a) by any use of or presence on the homesite; (b) by any defect in the services or improvements provided; or (c) arising from any other cause, inclusive of all "core" tenancy duties (those part of the covenant of habitability). Further, Owner shall not be liable for any accident, injury or damage to, or loss of, personal property (furniture, jewelry, clothing, etc.) from theft, vandalism, fire, water, rainstorms, smoke, explosions, or other causes whatsoever. Excepted from the release in this ¶ "38 (i)." is any accident, injury, damage, loss, expense or other liability proximately resulting from Owner's negligence or willful misconduct in respect to a core tenancy function. This paragraph is intended to be a full and complete release of liability to the fullest extent allowed by California law.
- (ii) Non-Core Tenancy Functions: are those duties of the Owner which pertain to the maintenance and operation of common area and recreational services, facilities, amenities and improvements. Included are all recreational facilities and areas, walking paths, roads, streets, and surfaces; common area buildings, equipment, appliances and furnishings ("non-essential facilities"). Owner is not liable and is hereby released from any accident, injury, damage, loss, expense or other liability, of any kind, to the person or property of Homeowner and other occupants or invitees of Homeowner or other persons, caused or occurring in or by "non-essential facilities," whether resulting from maintenance, operation, defects, disrepair or gross negligence. This release paragraph in ¶ 38 means that Homeowner and all other occupants and invitees shall proceed at their peril with respect to the use of all non-essential facilities.
- (iii) Indemnification: Homeowner shall indemnify and hold Owner harmless from and against any and all claims for any accident, injury, damage, loss, expense or other liability, of any kind, to the person or property of Homeowner and other occupants or invitees of Homeowner or other persons caused by, or arising from, use of, or presence upon or about, the leased premises or non-essential facilities, caused by any of the following: use or occupancy of the leased premises or non-essential facilities, any pet kept by Homeowner, any invitee or guest, any activity, work, repairs, whether permitted or suffered by Homeowner upon or about the leased premises, or any acts and omissions of Homeowner or other occupants and invitees. Homeowner therefore agrees to indemnify and hold Owner harmless from all injury, damage, loss, expense or other liability, of any kind, suffered by Homeowner or other occupants or invitees, while in the Park. Excepted from this indemnification duty are acts and omissions of Owner for which exculpation is not legally permitted by public policy restrictions of California law in respect to core tenancy functions. This paragraph is intended to be a full and complete indemnification of Owner to the fullest extent allowed by California law.
- (iv) Interpretation: This section entitled "Release of Liability" shall be construed to the fullest extent of the law in accordance with *Lewis Operating Corporation v. Superior Court of Riverside County*, 200 Cal.App.4th 940, 132 Cal.Rptr.3d 849 (2011).
- (v) Parties in Good Standing: Each of the parties, Owner and Homeowner, are in good standing as of the date of the execution of this Agreement. This representation is acknowledged as a true and correct recital. Homeowner acknowledges and agrees to release all claims for injury, damage, loss or expense to Homeowner and other occupants (whether known or unknown, foreseen or unforeseen) that they have or may have or had against Owner and all agents, employees and representatives of owner, and accordingly waive the application of Civ C § 1542, which all parties have read and understood:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY

HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

- (vi) Unknown Claims: Homeowner understands and acknowledges that the significance and consequences of this waiver of Civ C § 1542 is that even if Homeowner should eventually suffer additional damage arising out of any existing condition or act or omission, whether negligent or deliberate or any inaction of those released above, those injuries or damages would be waived by their signature(s) on this Agreement. Furthermore, Homeowner acknowledges that this release includes claims for damages not known to exist, and which, if known, would affect Homeowner’s decision to execute this release.

39. RECREATIONAL AND COMMON AREA RELEASE AND WAIVER OF LIABILITY AND INDEMNITY AGREEMENT (SUPPLEMENTAL TO NON-CORE TENANCY DUTIES):

- a. Homeowner agrees that Homeowner understands and fully appreciates the potential danger of injuries and damages which can occur with respect to the use and operation of the laundry room, exercise equipment, swimming pool and/or spa, playgrounds and other recreational facilities, adjacent areas and facilities and other common areas of the Park. Homeowner also understands and fully appreciates that, if Owner provided exercise instructors, lifeguards or other supervision in and about the recreational facilities or other common areas, the increased expense would necessarily cause related increases in rent. Therefore, in consideration for the Park's forbearance from raising rents to cover the expense of exercise instructors, lifeguards or other supervision in and about the Park's recreational facilities and other common areas, and in consideration of Homeowner’s being permitted to use and enjoy the recreational facilities and other common areas of the Park, Homeowner, ON BEHALF OF HOMEOWNER’S SELF AND HOMEOWNER’S SPOUSE, HOMEOWNER’S CHILDREN, OTHER MEMBERS OF HOMEOWNER’S HOUSEHOLD (COLLECTIVELY “MEMBERS OF HOMEOWNER’S FAMILY”), AND HOMEOWNER’S GUESTS HEREBY RELEASE AND AGREE TO INDEMNIFY AND HOLD HARMLESS THE PARK AND ITS OWNERS, operators , employees, agents and representatives from all liability for any loss, injury or damage on account of injury resulting from the use of the clubhouse, laundry room, exercise equipment, swimming pool and/or spa, playgrounds or other recreational facilities, or their adjacent areas and facilities, for other common areas of the Park by Homeowner’s self, members of Homeowner’s family or Homeowner’s guests, including any loss, Injury, or damage caused by the negligence of the Park or its Owners, operators, employees, agents, and representatives.
- b. These agreements are intended as a full and complete release as to any and all claims resulting from the use of the exercise facilities (including the “tennis court”), pool and/or spa, playgrounds other recreation areas, or their adjacent areas or facilities or other common areas of the Park, notwithstanding Civ C §1542, which provides that: A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor, and Homeowner, members of Homeowner’s family and Homeowner’s guests do hereby release and Indemnify and hold harmless the Park, its owners, operators, employees, agents and representatives from any and all such claims in the future.
- c. HOMEOWNER ALSO AGREES ON BEHALF OF HOMEOWNER’S SPOUSE, CHILDREN, OTHER MEMBERS OF HOMEOWNER’S FAMILY, HOUSEHOLD OCCUPANTS AND GUESTS TO HEREBY ASSUME FULL RESPONSIBILITY FOR AND RISK OF BODILY INJURY, LOSS OR DAMAGE resulting from the use of the clubhouse, laundry room, exercise room or equipment, swimming pool, whirlpool spa, sauna, playgrounds or other recreational facilities (including the “tennis court”), or their adjacent areas and facilities or other common areas of the Park, even if such bodily injury, loss or damage is due to the negligence of owner including its employees, agents and representatives. All disputes which arise from this paragraph concerning damage or injury in the Park are subject to the arbitration provisions of this agreement, if applicable.

40. ACKNOWLEDGMENT OF BENEFITS TO HOMEOWNER OF THIS AGREEMENT:

- a. Homeowner has not been compelled by Owner to live in Owner’s Park or purchase any Mobilehome. Homeowner has voluntarily signed this Agreement or voluntarily accepted an Assignment of it. Homeowner agrees that the rent and other terms of this Agreement are fair and reasonable, that Homeowner has been given the option to negotiate changes of this Agreement and that Homeowner will comply with all of the terms of this Agreement. Homeowner also agrees that this Agreement is binding on Homeowner and all other present and future members of Homeowner’s household and others who may live with Homeowner even though they may not have signed this Agreement, or a document related to this Agreement. Homeowner agrees to advise all such persons of the preceding and further agrees (except for guests and others specifically allowed by Civ C § 798§798.34) not to allow any adult to reside with Homeowner who has not agreed to be bound as a resident of his or her household by this Agreement and, executed a copy of it. Homeowner also agrees to indemnify and hold Owner harmless from any injury, loss or expense, including attorneys' fees and costs which Owner may incur if any these other persons assert they are not bound by this Agreement.
- b. Homeowner agrees that Homeowner is receiving many important benefits from this Agreement, including peace of mind because of the long-term rent stability and knowledge of how Homeowner’s rent increases will be calculated in the future and Homeowner’s ability to terminate this Agreement without any liability to Owner by removing Homeowner’s Mobilehome and personalty from the Park and allowing control of the space to revert to Owner.
- c. Homeowner agrees Owner has made a number of concessions and agreements in this Agreement regarding rent and other things of importance and benefit to both Homeowner and the future residents of Homeowner’s Space

which Owner is not required to do. Homeowner also agrees Owner has taken this action with the understanding and agreement that, this Agreement (or another rental or lease agreement acceptable to us) will be signed by Homeowner and will apply to the Space which is being leased from Owner for the entire term of this Agreement. This will be true even though the person(s) who originally signed this Agreement or the person(s) to whom this Agreement was later assigned, sells the Mobilehome to someone else or ceases to live in the Park. Both the person(s) who originally signed this Agreement and all persons to whom it was assigned agree that they will not do or fail to do anything which may have the effect of preventing this Agreement from applying to their Space for the entire term of this Agreement.

41. RESTRICTIONS ON RENT: If any ordinance, statute, rule, regulation or initiative measure is adopted by the State of California, the City of Calabasas, its successors or any local governmental entity which establishes the maximum amount the Owner may charge Homeowner for rent, and this Agreement is not exempt from said statute, rule, regulation or initiative measure, then, effective as of the day before the effective date of the change in the law, the rent to be paid by the Homeowner per this Agreement will be as follows: The rent will be the higher of:

- a. the rent allowed by the ordinance, statute, rule, regulation or initiative measure adopted by the State of California the City of Calabasas, its successor or any governmental entity which establishes the maximum amount that Owner may charge Homeowner for rent; or
- b. the maximum amount allowed for each Homesite pursuant to RENT LIMITS ON SPACES (III C) then in effect;
- c. plus, all pass-throughs and other charges called for by this Agreement as of the date the change in the law is adopted.

This rent also remains subject to all of the other rent and pass-through provisions of this Agreement. The CPI which will be used for calculating the above rent is the Consumer Price Index, All Urban Consumers or Urban Wage Earners for Los Angeles—Long Beach—Anaheim noted in ¶ C1 of this Agreement. If for any reason the CPI ceases to be published Owner will use the most similar alternative index that is available. If the formula by which the CPI was calculated during 2017 - 2018 is changed Owner may, at Owner's option, use a formula which in Owner's opinion closely approximates the calculation of the CPI before the change in the formula and or reflects the rate of inflation for Los Angeles County.

42. LOT LINES AND EASEMENTS: Lot lines "float" (may change, move, relocate, shift) at any time in accordance with legal procedure, for purposes of assuring adequate set-backs, separation and distances and from other Mobilehomes, structures and slopes. Lot lines are subject to change at the discretion of Management. Minimum set-back clearance required by the Rules and Regulations is: four (4) feet minimum. Greater set-back distances may apply in some locations as prescribed by Mobilehome Parks Act (Health and Safety Code §§ 18200-18700) ("MPA") implemented by California Code of Regulations, Title 25, Chapter 2 (Mobilehome Parks and Installations), Articles 1-11.

- a. "Floating Lot Line Markers" refers to visible markers prescribed by the MPA which reflect lot terminus points for set-back measurement (currently four (4) foot set-backs are required). The lot line markers are described as "floating" because the lot lines may be re-adjusted, corrected, re-established or modified as specified by Management. Such changes shall be in accordance with and as authorized by law and or regulation. Changes or modifications to lot lines will affect lot size, and either increase or decrease lot size. Homeowner shall maintain the lot line markers and report any loss or destruction of a lot line marker; Homeowner shall replace, and then maintain any replacement marker. Adjustment to the Space dimensions is a right and duty of tenancy; not a cause for a change in rent. The lot line markers are "floating" because the nature thereof is indefinite and inchoate, such that all lot lines remain subject to change as a right and corresponding duty of the Mobilehome tenancy.
- b. "Set-back" refers to minimum: (i) four (4) foot clearances of Mobilehomes and other structures from lot lines, including separation and distances between and from other Mobilehomes and structures; and, (ii) up to ten (10) feet from a slope terminus. Minimum set-back distances set the enforceable expectations of the Owner and Homeowner for lot size.
- c. "Useable Area" refers to the flat area of the lot on which a Mobilehome or other structure may be sited. "Useable area" may be less than the total lot area because it is limited to the flat portion of the Space. Further, slope terminus may further restrict "useable area." For example, where the flat portion of the Space ends or "terminates" at the edge of a slope (slope terminus), an additional set-back of up to ten (10) feet from that slope terminus may be required, in the sole and absolute discretion of the Management, if such an installation is allowed at all, which the Management reserves the right to decline. Unless declined outright, Management may require additional set-back distances to avoid slope deterioration, failure or disintegration causing instability of installations above. Such change in siting restrictions is without respect to pre-existing, past, or a proposed location for any installations.
- d. "Grand-Fathering" refers to a tolerance for pre-existing non-conforming conditions, which are permitted to survive changes in standards, codes, specification and covenants of tenancy and the Rules and Regulations. Existing usage is not grandfathered and is subject to standards, codes, specifications and covenants of tenancy, except for Mobilehomes and other structures sited at the inception of tenancy.

43. GEOLOGICAL CONDITIONS. Owner strongly recommends that Homeowner re-set and re-level the Mobilehome on the homesite not less than once each two (2) years, as a duty of tenancy by the homeowner for homeowner's safety and the protection of the home. The Park and/or homesite which is the subject of this Agreement is situated on land approved for permitted installation of Mobilehomes meeting legal requirements for construction and installation, that may be geologically unstable. The lot may be subject to possible geological failure including, but not limited to earth

shifts, slides and erosion. Some settlement, subsidence or water on the premises may occur and Homeowner should be aware that from time to time, it is possible that Homeowner will be required to adjust, add, move, reinforce or periodically replace the supporting piers in order to keep the Mobilehome level on the Space. The need and frequency of Homeowner re-leveling is also affected by compaction, water intrusion, the number and placement of piers, the quality of work by the set-up contractors, the size of the footings below the piers, the relative weight absorbed by each pier (and the extent of home improvements, such as masonry, concrete and stone products concentrating weight at certain locations and on the placement of porches or other additions to the Mobilehome). Homeowner must provide and ensure that drainage is to be away from the Space (towards the street) such that water is not blocked and does not accumulate under the Mobilehome or in any other location on the Space. Homeowner must provide for and ensure that the weight distribution of the Mobilehome or loading of the lot (more modern Mobilehomes may have significantly more outside perimeter weight than the rest of the Mobilehome requiring greater attention to and support of the outside perimeter of the Mobilehome) does not result in uneven floors, mismatched moldings, warped or off perpendicular vertical projections. Defective installations may also result in splitting, warping, breakage, rises at the center of rooms or across rooms, separation of decks sometimes caused by the outside perimeter bearing down on an insufficient number of and disproportionately located piers, or unequal distribution of weight within the Mobilehome. Damage may also be caused by allowing heavy objects, such as motorcycles, scooters etc., to be stored within the Mobilehome or on any of its decks.

- a. Homeowner agrees to fully investigate and to obtain independent advice and opinions from an appropriate advisor, expert or other knowledgeable persons concerning land conditions and the frequency of expected adjustments to the home. By signing below, Homeowner hereby acknowledges that he or she has received this notice and has been made aware of the unstable condition and of the potential for geological failure.
- b. **EASEMENTS AND ENCUMBRANCES:** The Homesite is demised and let unto Homeowner, SUBJECT TO ALL EASEMENTS AND ENCUMBRANCES of record and which exist in fact. The Homesite may contain underground easements, rights of way, utilities or other encumbrances which may limit the maximum size of any Mobilehome, accessory structure or equipment which may be subsequently installed on the Homesite which would otherwise be permitted by defined lot lines and applicable codes and standards.

44. COMPLIANCE WITH LAW AND LEASE AND RENTAL AGREEMENT:

- a. Homeowner may only reside in the Park and use its facilities if Homeowner complies with this Agreement, including all amendments, additions or changes, as well as the Rules and Regulations and all other conditions of Homeowner's tenancy. No violation by Homeowner of any federal, state, or local law or regulation or administrative order is permitted.
- b. Also prohibited is any violation of any term, condition, or other provision of this lease or rental agreement applicable to anyone's tenancy or residency in the Park. Building permits are required before many improvements may be made and it is Homeowner's responsibility to determine when permits are required and to obtain them and all necessary inspections and approvals. It is Homeowner's responsibility to ensure that all work done by Homeowner or for Homeowner by others, including, but not limited to, the installation of Homeowner's Mobilehome, driveway, walkways, or any other equipment or improvements of any type, is completed in compliance with all applicable State, City, and County laws, and Park's codes or standards and all contractors carry adequate insurance which names the Park as an insured.
- c. It is also Homeowner's responsibility to ensure that permits or approvals required by the State, City, County or Park are completed in accordance with all applicable laws, codes or standards. Any inspections completed by Park are for Park's purposes only, and Homeowner is not entitled to rely on that inspection or approval to ensure that the item has been installed or constructed correctly or that the work has otherwise been done as required. Homeowner agrees to indemnify and hold Owner harmless for any work which is improperly done, and/or not in compliance with State, City, and County laws, and Park's codes or standards such indemnity to include the Park's reasonable attorney's fees if any legal proceedings become necessary to address any such problems.
- d. Injunctive relief may be sought without proof of irreparable harm or lack of an adequate legal remedy in the event of a violation of the Rules and Regulations. A violation of this Agreement raises a conclusive presumption of irreparable harm and lack of adequate legal remedy and proof thereof is agreed to be unnecessary.
- e. **Covenant of Peaceable Co-Existence:** The Rules and Regulations regulate a variety of subjects, but not every conceivable act or omission which is disturbing, annoying, hazardous, dangerous or offensive to others. Accordingly, the overarching requirement is that each Homeowner is required to adhere to a covenant of good faith and fair dealing including a duty to [i] behave reasonably, respectfully, and consistent with the rights of Owner and others; [ii] do nothing to unreasonably or adversely affect Owner or others; and [iii] do nothing which may unreasonably endanger anyone or other persons' property, result in any nuisance recognized in the law, or violate any one's legal rights. This covenant applies to all Homeowners, residents, occupants and guests.

45. **ENTRY UPON THE HOMESITE:** So long as Owner does not unreasonably interfere with the use of the Homesite, Owner's Management employees or contractors may enter onto the Homesite for any legitimate purpose, including, but not limited to, the following: inspection, reading of meters, maintenance, addition or deletion of utilities, to gain access to slopes or other improvements, to add, modify or delete improvements, or maintain the premises, adjacent premises or common area as provided by the MRL, to serve and deliver notices and at Homeowner's request. Entry upon the Homesite at reasonable times (between dawn and dusk) and in a reasonable manner shall not be actionable trespass or interference with the quiet enjoyment of the premises or other wrong. "The Ownership or management of a park may enter a Mobilehome or accessory structure without the prior written consent of the resident in case of an emergency or when the resident has abandoned the Mobilehome or accessory structure." [MRL § 798.26 (b)].

- 46. ALTERATIONS AND ADDITIONS:** No alterations, improvements, additions or utility installations to, on or about the Homesite or Mobilehome are permitted without Owner's prior written consent. Homeowner may not install, remove or change any existing improvements, or modify the drainage or landscaping nor make any contract for such work without prior written consent and approval. In giving or withholding consent to any such work, Owner may, at its option, take into account and base such agreement or refusal of consent entirely upon aesthetic considerations and the compatibility of such changes to the Park. If Homeowner fails to obtain prior written consent and approval, all such alterations, improvements, additions or utility installations shall be promptly removed at Homeowner's expense, upon seven days written notice. Homeowner shall close all windows for landscape maintenance of common areas, the Homesite or other areas, to attenuate noise, dust and debris from leaf blowers and other equipment, from entering the Mobilehome.
- 47. DUTY TO INSPECT FOR MOLD:** Prior to taking possession of the Mobilehome Homeowner and or buyer, if applicable, agree that Homeowner or buyer has caused or will cause a home warranty inspection to be conducted at Homeowner's or buyer's expense in order to investigate the conditions of the Mobilehome including the presence of any mold. If the inspection discovers the presence of any mold, it shall be the immediate duty of the Homeowner and or Buyer, if applicable to remediate and remove any such discovered mold. Homeowner and or Buyer, if applicable, thereafter at reasonable and recommended intervals, shall cause to be made further periodic inspections, as necessary and appropriate, in order to ensure that the Mobilehome shall be kept free of any mold. Homeowner and or Buyer, if applicable assumes all risk that any mold is present in or about the Mobilehome at time of purchase. Homeowner and or Buyer, if applicable agree to indemnify, defend and hold Management, Owner and all agents and employees free and harmless from any claim, demand, suit, action, or liability [personal or bodily injury or property damage to any person or thing] caused or claimed to be caused by mold in, about or under a Mobilehome or any accessory structure equipment, appliance or other property, or upon the Homesite. Since Management may not enter the Mobilehome except under the circumstances allowed by the MRL, Homeowner and or Buyer, if applicable further warrants that the Mobilehome is under the exclusive control of the Homeowner and that Management has no duties respecting prevention or treatment of mold within the Mobilehome. If the occurrence of mold is observed by Management and the Homeowner and or Buyer, if applicable, fails to properly remediate such condition, Owner may, but has no duty to proceed with any available remedy to cause Homeowner and or Buyer, if applicable to do so.
- 48. HOMEOWNER RESPONSIBLE FOR MOISTURE, ACCUMULATED WATER AND MOLD:** Homeowner shall maintain the Homesite, so water does not accumulate. Water must drain off in a fashion as to avoid runoff onto another Homesite or onto a cliffside. The skirting shall not extend into the grade because moisture or water may accumulate under the Mobilehome. All watering systems shall be installed, maintained and adjusted as necessary to avoid water runoff and standing water. Any berms shall be maintained to avoid the accumulation of water on the Homesite. Any masonry skirting must contain sufficient ventilation and drainage to prevent accumulation of water under the Mobilehome.
- 49. HOMEOWNER'S WARRANTIES AS TO MOLD:** Homeowner is required to maintain the Mobilehome and areas under the Mobilehome and Homesite free of and from conditions which produce mold. Homeowner is also responsible for mold cleanup. It is imperative to treat and remove all molds as if they are potentially harmful. The following are sources of indoor moisture that may cause problems: flooding, backed- up sewers, leaky roofs, humidifiers, mud or ice dams, damp crawl spaces, constant plumbing leaks, house plants -- watering can generate large amounts of moisture, steam from cooking, shower/bath steam and leaks, wet clothes on indoor drying lines, clothes dryers vented indoors, combustion appliances [e.g. stoves] not exhausted to the outdoors. Homeowner should keep the humidity of the home down and ensure adequate ventilation inside the home [especially in the kitchen and bathroom].
- a. Any discovery of mold in or about the Mobilehome should be cleaned up promptly. When considering cleanup of mold, verify the extent of the problem. It can be treated with bleach or other mold killing products. Common dish soap will also aid in dissolving accumulated grease and dirt in the area.
 - b. Homeowner agrees to indemnify, defend and hold Management, Owner and all agents and employees free and harmless from any claim, demand, suit, action, or liability [personal or bodily injury or property damage to any person or thing] caused or claimed to be caused by mold in, about or under a Mobilehome or any accessory structure equipment, appliance or other property, or upon the Homesite. Homeowner furthermore warrants that there is no mold of any kind upon any location on the Homesite. Since Management may not enter the Mobilehome except under the circumstances allowed by the Mobilehome Residency Law, Homeowner further warrants that the Mobilehome is under the exclusive control of the Homeowner and that Management has no duties respecting prevention or treatment of mold within the Mobilehome.
 - c. If the occurrence of mold on the Homesite is observed by the Management and Homeowner fails to properly remediate such condition, Management may proceed with any available remedy including a fourteen day notice with Management's costs therefor to be added as further rent payable together with rents and other charges on the first month, as billed, following such remediation; seek injunctive relief to compel compliance with mold remediation as hereby required; and / or terminate tenancy for failure to comply with this reasonable Rule and Regulation. Such remedies are cumulative, and election of any remedy shall not preclude the resort to other remedies.
- 50. NEGOTIATION OF THIS AGREEMENT:** Owner is willing to negotiate changes to this Agreement. If Homeowner wishes to propose changes, Homeowner must give Owner Homeowner's proposal in writing. Owner will give reasonable consideration to Homeowner's proposal and, if it is agreeable to us, prepare an amendment which both Homeowner and Owner must sign before it is effective. If it is not agreeable to us Homeowner may propose other changes in order for Owner and Homeowner to attempt to reach agreement to terms of a Mobilehome tenancy.

HOMEOWNER MUST EXECUTE AND DELIVER TO OWNER A SIGNED COPY OF OWNER'S MOST CURRENT RULES & REGULATIONS TOGETHER WITH SIGNED COPIES OF THIS LEASE AGREEMENT BEFORE OWNER WILL EXECUTE AND ACCEPT THIS LEASE AGREEMENT BETWEEN US

COMPLIANCE WITH LAW AND RULES AND REGULATIONS: Homeowner agrees to comply with all applicable laws, ordinances, regulations and all terms of this Agreement, the Rules and Regulations, and all terms contained in any document referred to in this Agreement, as they may be changed. PARK MANAGER(S), other personnel, Mobilehome dealers, the selling Homeowner or sales person who sold Homeowner the Mobilehome and other persons are not authorized to make any representations or agreements with Homeowner about the Park unless those agreements are representations are contained in this Agreement and the other documents and posted signs referred to in it. On site personnel have no power and are not authorized to enter into, modify, release or terminate tenancies, nor to modify, waive or release terms of performance of any Homeowner duty. Therefore, Homeowner agrees that this Agreement and the other documents and posted signs referred to in it are the entire Agreement between Homeowner and Owner.

THIS AGREEMENT supersedes and replaces all prior and contemporaneous agreements, representations and understandings of Homeowner with Owner.

PARTIAL INVALIDITY: If any part of this Agreement or any document referred to in it is, in any way, invalid or unenforceable, the remainder of this Agreement or the other document shall not be affected, and will be valid and enforceable to the fullest extent permitted by law. The same is true if the application of any part of this Agreement, or any document referred to in this Agreement, is, in any way, invalid or unenforceable to any person or circumstance. At Owner's sole option the preceding shall not, be applicable if Owner's ability to charge for or increase the amount of rent, utilities, or make other charges provided for by this Agreement is held in any way, in whole or in part, to be invalid or unenforceable. In such circumstances, Owner may, at Owner's sole option, either keep this Agreement in full force and effect or terminate this Agreement or convert Homeowner's tenancy under this Agreement to a twelve(12) month or less tenancy.

51. TIME IS OF THE ESSENCE in this Agreement and each and every provision hereof.

52. HOMEOWNER ACKNOWLEDGES AND AGREES THAT:

- 1) THE OFFER OF A LONG-TERM RENTAL AGREEMENT IS AVAILABLE FOR AT LEAST THIRTY (30) DAYS. IF EXECUTED, HOMEOWNER MAY CANCEL WITHIN SEVENTY-TWO (72) HOURS BY GIVING OWNER WRITTEN NOTICE OF CANCELLATION;
- 2) AS OF THE DATE OF THE OFFER OF THIS RENTAL AGREEMENT, HOMEOWNER AND OWNER ARE EACH IN GOOD STANDING; NEITHER IS IN NOR HAS BEEN IN DEFAULT OR VIOLATION OF ANY LEGAL RIGHT, DUTY OR OBLIGATION IN CALABASAS VILLAGE DURING THE TIME OF TENANCY.

Homeowner's Initial: _____

- 3) READ THIS AGREEMENT AND ALL OF THE OTHER DOCUMENTS REFERRED TO IN THIS AGREEMENT CAREFULLY BEFORE SIGNING THIS AGREEMENT.

I HAVE READ, UNDERSTOOD AND VOLUNTARILY AGREE TO ALL OF THE PROVISIONS OF THIS AGREEMENT AND THE OTHER DOCUMENTS REFERRED TO IN IT.

I/HOMEOWNER HAS BEEN ADVISED BY REPRESENTATIVES OF THE PARK THAT I/WE MAY CONSULT A LAWYER AND RECEIVE THE LAWYER'S ADVICE BEFORE SIGNING THIS AGREEMENT.

Lessees have 72 hours to cancel this Agreement by notifying the management of cancellation within such 72 hour time period. Escrow may not close until a mutually executed and binding agreement has been executed, as per Civ. C §798.75.

BY SIGNING THIS AGREEMENT, HOMEOWNER IS AGREEING THAT IF "FREE ARBITRATION OF DISPUTES" HAS NOT BEEN DECLINED BY HOMEOWNER, THOSE DISPUTES WHICH ARE SPECIFIED HEREIN WILL BE DECIDED IN ARBITRATION BY A RETIRED JUDGE.

EXECUTION: This Agreement is signed by Homeowner at: o'clock am/pm., on _____, 2020.

HOMEOWNER(S) SIGNATURE(S)

SIGNATURE PRINTED NAME (Date)

SIGNATURE PRINTED NAME (Date)

PARK OWNER'S SIGNATURE: CALABASAS CREST, LTD., a California Limited Partnership, doing business as CALABASAS VILLAGE

Dated: _____, 20____ By _____, authorized agent of Calabasas Crest, Ltd.

SCHEDULE A TO CALABASAS VILLAGE LEASE											
SPACE NUMBERS & TYPES											
Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type
1	A	36	A	71	B	107	A	142	A	177	A

SCHEDULE A TO CALABASAS VILLAGE LEASE

SPACE NUMBERS & TYPES

Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type
2	A	37	A	72	B	108	A	143	A	178	A
3	A	38	A	73	B	109	A	144	A	179	A
4	A	39	A	74	B	110	A	145	A	180	A
5	A	40	A	75	B	111	A	146	A	181	B
6	A	41	A	76	B	112	A	147	A	182	A
7	A	42	A	77-78	B	113	A	148	A	183	A
8	A	43	A	79	B	114	A	149	B	184	A
9	A	44	A	80	B	115	A	150	A	185	A
10	A	45	A	81	A	116	A	151	A	186	A
11	A	46	A	82	A	117	A	152	A	187	A
12	A	47	A	83	A	118	A	153	A	188	A
13	A	48	A	84	A	119	A	154	A	189	A
14	B	49	A	85	A	120	A	155	A	190	A
15	A	50	A	86	A	121	A	156	A	191	A
16	A	51	A	87	A	122	A	157	A	192	A
17	A	52	A	88	A	123	A	158	A	193	A
18	A	53	A	89	A	124	A	159	A	194	A
19	A	54	A	90	A	125	A	160	A	195	A
20	A	55	A	91	A	126	A	161	A	196	A
21	A	56	B	92	A	127	A	162	A	197	A
22	A	57	B	93	A	128	A	163	A	198	A
23	A	58	B	94	A	129	A	164	A	199	A
24	A	59	B	95	A	130	A	165	A	200	A
25	A	60	B	96	A	131	A	166	A	201	A
26	A	61	B	97	A	132	A	167	A	202	A
27	A	62	B	98	A	133	A	168	A	203	A
28	A	63	B	99	A	134	A	169	A	204	A
29	A	64	B	100	A	135	A	170	A	205	A

SCHEDULE A TO CALABASAS VILLAGE LEASE

SPACE NUMBERS & TYPES

Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type	Space Number	Space Type
30	A	65	B	101	A	136	A	171	A	206	A
31	A	66	B	102	A	137	A	172	A	207	A
32	A	67	B	103	A	138	A	173	A	208	A
33	A	68	B	104	A	139	A	174	A	209	A
34	A	69	B	105	A	140	A	175	A	210	A
35	A	70	B	106	A	141	A	176	A	211	A

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