

STATEMENT OF POLICY OF BIRCH TREES MOBILE VILLAGE

LOCATION AND SIZE OF SPACE:

1. The location and approximate size of your space is:

- * As follows (approximate dimensions in feet and approximate area in square feet):

SPACE #
Approximate size is _____ square feet.

2. Our policy on reserving spaces is as follows:

- * A space may be reserved upon payment of a deposit equal to the first months rent.
- * If you do not occupy the space within thirty (30) days, you may either:
 - Renew the reservation for a period of thirty (30) additional days by paying the designated monthly space rent or,
 - Forfeit the deposit
- * In order to extend the reservation, tenant agrees to notify the park manager in writing.

FACILITY CLASSIFICATION:

1. The federal fair-housing age classification of this park is:

- * Family park allowing residents of all ages

2. Our policy in applying this classification includes the following terms and conditions:

- * We do apply occupancy limits as follows: two (2) occupants per bedroom.
- * We reserve the right to apply different occupancy limits to subsequent buyers of your home.
- * Our occupancy limit is applied in accordance with Oregon State Law.

CURRENT ZONING:

1. The current zoning affecting the use of the rented space is:

* C-3

2. Permitted uses include:

* Residential use - minor home occupation, (no additional traffic) - no commercial usage.

3. The zoning authority for this park is:

* Clackamas County - 655-8521

4. Pending zoning action which could impact the park's zoning of which owner is aware:

* None

RENT ADJUSTMENT POLICY:

Under current state law the landlord may increase your rent with 90 days notice. State law does not limit the amount or the frequency of rent increases, but you must be given the opportunity to meet with management to discuss any increase. Your rental agreement may give you more protection than state law.

1. Our policy is to give you no less than ninety (90) days notice (minimum 90) of a rent increase. It is also our policy to adjust rents:

* We try to limit rent adjustments as much as possible, but we do reserve the right to make changes whenever we deem it necessary.

Many financial consultants and mortgage lenders advise consumers to keep the total of rent, utility and mobile home mortgage payments below 30% of take-home pay or income. This can be important if your income is fixed but your rent increases over time. **Please understand that we want you as a tenant if you can afford to live here. We don't want to create financial problems for you or us, so we share these facts with you.**

2. How rent increases are determined:

Rent increases shall be determined by landlord by reference to increased costs, prevailing market rents, prevailing economic conditions and repair or improvement costs or any other costs related to the operation of the park, accounting, administration, legal and management fees, increased taxes, assessments and annual cost of living adjustment and a fair return on the owner's investment.

3. Space Rental Amount:

The tenant will be responsible for payment of rent, special use fees, pass-through charges, user fees and other financial obligations, as follows:

➤ **Special Use Fees**

| <u>Type of fee</u> | <u>Amount</u> |
|-------------------------|----------------|
| Late rent charge - | <u>\$50.00</u> |
| Returned Check Charge - | <u>\$25.00</u> |

➤ **Pass-through Charges**

The tenant will be responsible for payment of pass-through charges which are the tenant's proportionate share of the direct costs and impact or hookup fees for any governmentally mandated capital improvement or program. This may include the direct costs and impact or hookup fees incurred for capital improvements or programs required by or for public or private regulated utilities.

The charges may be assessed more often than annually and will be assessed to tenant on a pro rata basis. The pro rata share will be determined by dividing the number of mobile home spaces leased by a tenant by the total number of leased mobile home spaces in the park. We will give 90 days notice of an increase for this reason but we don't have to wait for your anniversary date to do this.

4. Generally

The costs of all other services required by tenant are solely tenant's responsibility.

The dollar amounts set above represent only the amounts charged for each rental category on the date hereof, such amounts are subject to increase.

Wherever "0" appears above a blank for the amount charged for any category described above, it means that charges for that category are not imposed by landlord on the date hereof. The amount of those charges may be increased upon 90 days written notice.

Nothing in this Statement of Policy shall be deemed a waiver of the landlord's right to collect from tenant any damages caused by tenant, tenant's family or tenant's guests.

We reserve the right to make changes in this rent adjustment policy in accordance with Oregon Landlord/Tenant law.

5. User Fees

The tenant is responsible for the payment of user fees if tenant agrees to the provision of services for such fees by the landlord.

"User fees" are defined as those amounts charged in addition to the space rental amount for non-essential optional services provided by or through landlord to tenant under a separate written agreement between tenant and the person furnishing the optional service or services.

User fees are subject to increase. Notice of an increase in user fee changes will be provided to tenant ninety (90) days prior to the increase. The current user fees in the park are as follows:

| | |
|----------------|---|
| RV Storage - | <u>\$15.00 per vehicle, if space is available</u> |
| Laundry Room - | <u>Coin Operated</u> |

PERSONAL PROPERTY, SERVICES AND FACILITIES PROVIDED BY LANDLORD

In addition to the services necessary to maintain the facility in a habitable condition, the Landlord will provide the following for the use of residents:

- Laundry Facilities
- R.V. Storage

Some things you should know we do not provide:

- locked gates
- first aid services
- emergency utility services
- security guards/patrols
- a local bus stop
- restricted access to park
- fire hydrants in the park

We must ask you to be responsible for the security of your own home and possessions and report any security problems to police and management. Tenant assumes the risk of and waives any claim against landlord for damages resulting from the criminal acts of third parties.

LANDSCAPE & TREE MAINTENANCE:

1. Our policy on landscape maintenance is as follows:

- * Tenant is responsible to maintain their space. This includes mowing, weeding, fertilizing, pruning of shrubs and trees.
- * You maintain your space, we maintain the common areas. Any substantial improvements that you intend to make to your space, including but not limited to landscaping, must first receive written approval of management. Upon termination of your tenancy, the space must be left in substantially the same condition as it was upon commencement. Tenant shall be solely responsible for all damage to the space occasioned upon removal of the dwelling unit. All plantings or other landscaping placed upon the space, whether by the landlord or tenant, shall become the property of the landlord upon termination of the tenancy, unless the parties agree otherwise in writing

prior to such termination.

2. Our policy on landscape & tree maintenance is as follows:

- * Tenant is responsible to maintain and clean their space, including but not limited to, maintenance of all trees, shrubbery and landscaping within the boundaries of their space, whether planted by tenant or others. Maintenance shall include, but not be limited to: watering, spraying (fertilizer, pesticide, herbicide, etc.), mowing, raking, weeding, leaf & needle removal, edging, trimming, limb removal, and diseased or dead tree removal. Tenant is responsible for properly disposing of all landscaping debris, including all trimmings and leaves & pine cones/needles. The cost of said maintenance shall be the sole responsibility of the Tenant. You maintain your space, we maintain the common areas. Any substantial improvements that you intend to make to your space, including but not limited to landscaping, must first receive written approval of management. Upon termination of your tenancy, the space must be left in substantially the same condition as it was upon commencement. Tenant shall be solely responsible for all damage to the space occasioned upon removal of the dwelling unit. All plantings or other landscaping placed upon the space, whether by the landlord or tenant, shall become the property of the landlord upon termination of the tenancy, unless the parties agree otherwise in writing prior to such termination.
- * In general and except as expressly provided to the contrary in the Rental Agreement or the park Rules and Regulations, each tenant is responsible for the maintenance and repair of his or her mobile home, mobile home lot and all improvements thereon (including landscaping).

3. Tree policy:

- * Any tree(s) which is intended to be planted on the Tenant's space must first have a written request submitted to Landlord outlining the type, species, characteristics, height at maturity and specific location diagrammed on a plot plan which must be approved in writing prior to installation of any tree(s).
- * Except for trees with aggressive or shallow root systems, trees that reach a height of less than 15 feet at maturity will generally, but not necessarily, be allowed to be planted on Tenant's space in the community. Trees exceeding this height at maturity will generally not be allowed.
- * Trees which, in the sole opinion of Landlord, are anticipated to have root systems which may potentially compromise the utility lines housed underground, curbing, sidewalks, driveways and/or streets will not be allowed to be planted or to otherwise remain on Tenant's space.
- * Failure to receive written approval from Landlord or misrepresentation by the Tenant, whether intentional or unintentional, concerning the type, species, characteristics, height

at maturity and specific location of tree(s) to be planted and/or failure to comply with any portion of this Tree Policy shall be grounds for immediate removal of such tree(s) at Tenant's sole expense and/or termination of tenancy. This applies at any time during the lifespan of said nonconforming tree(s).

- * Tenant shall take any and all reasonable steps to properly care for any tree on Tenant's space, whether planted previously or by Tenant, to ensure it does not grow or deteriorate to the point of presenting a future safety risk to Tenant's or other's person or property. The Community may have specific Rules & Regulations regarding maintenance of existing trees. Please refer to the Community Rules and Regulations for details.
- * Landlord reserves the right, but is not obligated, to remove any tree which Tenant fails to properly maintain and/or remove or otherwise cease from planting and to charge the Tenant for all costs associated with such trimming or removal except for that which is not permitted according to Oregon Law ORS 90.727.

UTILITIES AND SERVICES AND PAYMENT RESPONSIBILITY:

| | PAYMENT BY: | | FURNISHED | WHO CONTACTS |
|---------------|--------------|--------------|-------------------------------|-----------------|
| | TENANT | LANDLORD | BY: | PROVIDER: |
| Sewer | _____ | <u> X </u> | <u>Oak Lodge Sanit. Dist.</u> | <u>Landlord</u> |
| Garbage | _____ | <u> X </u> | <u>Oak Grove Disposal</u> | <u>Landlord</u> |
| Water | _____ | <u> X </u> | <u>Oak Lodge Water Dist.</u> | <u>Landlord</u> |
| Elec. | _____ | _____ | <u>P.G.E.</u> | <u>Tenant</u> |
| Nat. Gas | _____ | _____ | <u>N.W. Natural Gas</u> | <u>Tenant</u> |
| Phone | <u> X </u> | _____ | <u>U.S. West</u> | <u>Tenant</u> |
| Cable TV | <u> X </u> | _____ | <u>AT&T Cable</u> | <u>Tenant</u> |
| Garbage Cans* | <u> X </u> | _____ | | |

- * Tenant is responsible to dispose of grass clippings, pruning and trimming of any shrubs or trees on space.

1. Changes to Utilities and Other Services:

We must reserve the right to change these utility arrangements, including the billing procedure, with reasonable notice to you. Nonessential utilities, such as cable TV, could be discontinued if no provider were available. Please see Section "8" of your Rental Agreement.

Unless your rental agreement provides otherwise, we reserve the right to bill the tenant separately for utility service fees and charges assessed by the utility for services provided to or for spaces in the park. Any separately billed utility fees and charges shall not be considered to be included in the rent charged for those spaces under the rental agreement and shall not be considered to be rent or a rent increase. Utility services to which this applies are natural or liquid propane gas, electricity, water, cable television, garbage or refuse service and sewer service. However, nothing contained herein shall be construed to require our rental agreement to provide for separate billing to tenants of fees and charges.

REFUNDABLE DEPOSITS, NON-REFUNDABLE FEES, AND INSTALLATION CHARGES IMPOSED BY LANDLORD OR GOVERNMENT:

1. All costs of moving a home into (and out of) the park and any damage to the park resulting from this process are your sole responsibility. Your costs to get into the park are shown below:

- The following non-refundable fees and installation charges are imposed by landlord:

Application Fee \$60.00 (non-refundable)

2. The following fees and charges are imposed by government to move into the park.

Amounts are approximate and are subject to change and landlord does not warrant the list to be complete. We have listed below the government agencies and their phone numbers, where available. Note: Homes now in the park and up to code will not need government permits:

Set-up permit - \$130.25

Electrical - \$ 42.00

Plumbing - \$ 26.25

Clackamas County - (503) 655-8521

3. A description of all improvements, both temporary and permanent, which are required to be installed by tenant on the mobile home space as a condition of occupancy in the park and the required date for completion is as follows:

* Skirting, permanent deck, permanent steps, shed and awning to be installed sixty (60) days from date of occupancy.

* If you have applied to buy a home in the park and as a condition of leaving the home in the park you or the present owner will be required to do certain things to the home and/or space.

- (a) Bring mobile home up to park standards
- (b) Wash and/or paint home
- (c) Landscape improvements required by landlord

RENTAL AGREEMENT TERMINATION POLICY:

Under current state law, your tenancy may terminate for cause as specified by law, which includes among other causes the failure to pay rent and violation of park rules or your rental agreement. It may also terminate upon closure of the park or upon expiration of your rental agreement term.

1. Term of the tenancy offered:

- * THE TENANCY OFFERED IS MONTH TO MONTH AND MAY TERMINATE FOR CAUSE OR UPON CLOSURE OF THE PARK, AS PROVIDED IN THE RENTAL AGREEMENT, SECTION 16.

2. Other terms and conditions:

The tenancy offered is month to month and the landlord reserves the following rights to amend the rules and regulations. **Note: These reserved rights do not and cannot include the right to modify the term of the tenancy:**

- Oregon Law states "the landlord may propose changes in rules and regulations including changes that make a substantial modification of the landlord's bargain with a tenant, and unless tenants of fifty-one percent (51%) of the units in the facility object in writing within thirty (30) days of receiving the proposed change, the change shall be effective for all tenants on a date not less than sixty (60) days after the date that the notice was served by the landlord".
- In the event the law changes, landlord will comply with revised law.

3. Following is a summary of the park policy on sale of your home, and on assumption (if allowed) of your rental agreement by the buyer. For details see Rental Agreement, section 13:

THIS FACILITY HAS A POLICY ON REMOVAL OF HOMES BASED ON AGE AND/OR CONDITION OF THE HOME FOR SUBSEQUENT BUYERS. THIS POLICY MAY IMPACT THE MARKET VALUE OF THE DWELLING.

If the home may remain in the park on resale, the following applies:

- * Tenant must give thirty (30) day written notice of intent to sell home.
- * Prospective purchaser must fill out application and be approved by landlord.
- * Purchaser shall not move into home until approved by landlord and has signed a new Rental Agreement.
- * Oregon and federal law permit the landlord to impose conditions upon approval of the tenant relating to, but not limited to; pets, number of occupants, credit references, character references and criminal records. Our policy is the same as these laws.

PARK CLOSURE POLICY:

Under current state law, all or part of the park may be closed with 365 days notice and the landlord has no further obligation to tenants. The park may be closed with notice of 180 to 364 days if the landlord finds you another space and pays your moving expenses. Low income tenants can get a tax credit for moving costs.

IF WE SHOULD DECIDE IN THE FUTURE TO CLOSE ALL OR PART OF THE PARK, WE WILL GIVE YOU NO LESS THAN 180 DAYS NOTICE (MINIMUM 180 DAYS) PRIOR TO SUCH CLOSURE TO ALLOW YOU TIME TO MAKE PLANS.

1. Contractual Protection Against Closure:

Landlord offers no contractual protection against future closure of the park and reserves the right to close the park at any time with notice to tenant as stated above.

2. Assistance to tenant if park closes:

In the event of closure, we can not offer you any assistance in excess of that required by law as of the date of our Rental Agreement with you. This means that you could have to find another place for your mobile home and pay the moving costs yourself.

POLICY REGARDING SALE OF THE PARK:

Under current state law, the owner may sell the park to anyone and you have no special priority ("right of first refusal") to buy it. A buyer may raise the rent with 90 days notice unless your rental agreement provides otherwise. The owner may be obliged to notify a tenant association of a possible sale.

1. Park Policy:

We have no definite present plans for sale of the park but you will appreciate that we cannot predict the future. For this reason, we cannot offer any assurances on this point.

DISPUTE RESOLUTION POLICY:

To encourage park residents and the owner/manager to settle disputes, it is the policy of this park that each issue with merit shall be given a fair hearing within 30 days of receipt of a formal complaint. Park management will meet and confer with the complainant and attempt to resolve the problem.

Disputes not resolved under the above procedure shall be resolved as follows:

- Informal Meeting
- Mediation and/or Arbitration
- Court

We must respectfully decline to mediate or arbitrate disputes relating to:

(a) Park closure; (b) Park sale, or (c) Rent, including the amount of rent, rent increases, and nonpayment of rent.

THE FOLLOWING ATTACHMENTS ARE EXHIBITS TO THIS DOCUMENT:

| | Exhibit |
|---|----------|
| <input checked="" type="checkbox"/> <u>Rental Agreement</u> | <u>A</u> |
| <input checked="" type="checkbox"/> <u>Rules and Regulations</u> | <u>B</u> |
| <input checked="" type="checkbox"/> <u>R V Storage Agreement (if appl.)</u> | <u>C</u> |
| <input checked="" type="checkbox"/> <u>Pet Agreement (if appl.)</u> | <u>D</u> |

OTHER IMPORTANT INFORMATION:

1. Amendment of Park Rules:

Please read Rental Agreement, Section 25, on amendment of park rules. Our rules can be amended without your consent in compliance with Oregon law.

2. Legal Advice and Cancellation by You of Rental Agreement:

You have the right to seek legal advice. We recommend you show this Statement of Policy and all Exhibits to an attorney and get advice on your rights and responsibilities under these documents, as well as the risks you are assuming, before you sign a rental agreement with us. Once you sign the agreement, we will allow you to cancel it by written notice to us for a period of 5 days or until occupancy in the park, whichever first occurs. After that, it is binding on you.

3. Amendments:

This Statement of Policy contains in summary from the landlord's representations of park policies in effect as of this date. It is subject to landlord's reserved rights to amend or change these policies, as stated herein. This Statement of Policy is not itself a contract.

We reserve the right to amend this Statement of Policy and its exhibits from time to time: (a) for future tenants, (b) for all tenants to exercise the rights reserved herein, and (c) to comply with changes in federal, state and local law.

If you are a prospective new tenant or an existing tenant being offered a new Rental Agreement, the policies in this document will be incorporated in the Rental Agreement you sign, which is a binding legal contract for the term thereof and any renewals.

If you are an existing tenant in this park not being offered a new Rental Agreement, then the following applies:

- * This Statement of Policy contains a summary of parts of your present Rental Agreement.
- * This Statement of Policy cannot change your present agreement without your consent. Anything in this document that conflicts with your Rental Agreement is not binding on you, unless a change in the law has had the effect of changing your Rental Agreement.
- * This document may also contain policies which are not part of your present agreement. You can make these policies part of your contract with the landlord by signing a new Rental Agreement. Unless you sign a new Rental Agreement, certain policies may be subject to change

Effective Date of Legislation: July 1, 1992 until Superseded

Applicant or tenant acknowledges receipt of this Statement of Policy and exhibits by signing here or by signing a separate receipt.

Applicant

Applicant

Date: _____