Country Living Manufactured Home Community

87911 Territorial Road, Veneta, OR 97487 Phone/Fax (541) 935-2612 STATEMENT OF POLICY

1. LOCATION AND SIZE OF SPACE:

- **A.** The location and approximate side of your space is as described on the attached map of the Community (Exhibit C). The <u>approximate</u> dimensions in feet are 40 x 70 (approximately 2800 square feet); some spaces differ from this.
- **B.** Regrettably we cannot reserve space; it is "first come, first served." Rent on the space will start the day your application is approved. If you are purchasing a home from a current Tenant, your rent will start the day your application is approved. It is your responsibility to prorate the rent between you and the Tenant from whom you are purchasing the home.

2. FACILITY CLASSIFICATION:

The federal fair-housing age classification of this Community is as an All Age Community allowing tenants of all ages. We <u>cannot</u> promise to keep this age classification forever. It could change without your consent.

Occupancy Limits: We do apply occupancy limits as follows: Each dwelling must contain a minimum floor are of not less than 150 square feet for the first occupant and 100 square feet for each additional occupant; a) all bedrooms shall have at least 50 square feet of floor area for the first occupant, b) bedrooms for two (2) people shall have 70 square feet of floor space, c) every room designed for sleeping purposes shall have accessible clothes handling space with a minimum inside depth of 22 inches, with a rod and shelf. Should HUD change the standards, we will modify our occupancy limits to reflect those changes. Occupancy is limited to two (2) persons per bedroom, as allowed by Oregon law. We reserve the right to apply different occupancy limits.

3. CURRENT ZONING:

The current zoning affecting the use of the rented space is General Residential. Permitted uses include manufactured home communities. The zoning authority for this community is the City of Veneta.

4. RENT ADJUSTMENT POLICY:

Under current state law the Landlord may increase your rent with 90 days notice. State law does not limit the amount of the frequency of rent increases. Your rental agreement may give you more protection than state law. Our policy is to change rents according to Oregon Law section ORS 90. We try to limit rent adjustments as much as possible, but we do reserve the right to make changes whenever we deem it necessary. A rental history is attached as Exhibit E.

<u>How Rent Increases Are Determined:</u> Landlord shall determine rent increases by considering several factors, including but not limited to increase costs, prevailing market rents, prevailing economic conditions, repair or improvement costs, operations and management costs.

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:

- **A.** <u>Rent:</u> The space rent for your space is \$_____ per month. The term of tenancy is month to month. Spaces and homes may NOT be sublet. Homes must be owner-occupied.
- **B.** Additional Fees: As operations costs change, the following amounts may be adjusted from time to time without notice to Tenant.

1) Return NST checks charge	\$45.00
2) Late rent charge	\$30.00
3) Lot maintenance charge per hour (one hour minimum)	\$35.00

- C. 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 category on the date hereof... Such amounts are subject to increase. Nothing in this Statement of Policy shall be deemed a waiver of the Landlord's rights to collect from Tenant for any damages caused by Tenant, Tenant's family or Tenant's guests. We reserve the right to make changes in this rent adjustment policy.
- **D.** Can You Afford To Live Here? Many financial consultants and mortgage lenders advise consumers to keep the total of rent, utility and home mortgage payments below 30% of take-home pay or income. This can be important if you 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. By way of example, the rent for a typical space in 1995 averaged \$230. In the year 2000 rent was \$275, an increase of \$45.00 or 3.9% per year. At this rate of increase the rent 5 years form then would be \$332 and 10 years from then would be \$401. While rent is still \$275 in 2004, actual rent may change more or less than this hypothetical example.

5. PERSONAL PROPERTY AND FACILITIES PROVIDED BY LANDLORD:

There are no recreational or common facilities, not personal property available for use by Tenants.

You Should Know That We Do Not Provide:

Locked gates, first aid services, household garbage disposal over one (1) can/space, security guards/patrol, emergence utility services, fire hydrants in the Community, restricted access to Community. We must ask you to be responsible for the security of your own home and possessions and report any security problems to police, sheriff's department, and Management. The Community has no security services or systems.

Tenants assumes the rick of and waives any claim against Landlord for damages resulting from the criminal acts of third parties.

<u>Landscape and Home Maintenance:</u> In general and except as expressly provided to the contrary in the Rental Agreement or Rules and Regulations, each Tenant is responsible for the maintenance and repair of their own space, and all improvements thereon, including landscaping.

6. <u>UTILITIES AND SERVICES AND PAYMENT RESPONSIBILITY:</u>

Sewer, water, household garbage in excess of one (1) can per week, electricity, phone satellite TV and cable TV are the responsibility of the Tenant. Your water usage is metered where your water ling connects to the main distribution line. You will be billed by Management for your prorated share of water usage based on your consumption as indicated on the meter connected to your service line. Such billing will be on a monthly basis. You will also be billed by Management for sewer service and fire protection based on your prorated share.

Change 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 or bulk rates (where applicable) were not available. Unless your lease or rental agreements provides otherwise, we reserve the right to bill you separately for the utility service fees and charges assessed by the utility for services provided to or for spaces in the Community. 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, noting contained herein shall be construed to require our lease or rental agreement to provide for separate billing to tenants of fees and changes.

7. LANDSCAPE & TREE MAINTENANCE:

Our policy on landscape & tree maintenance is as follows:

A. 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.
- **B.** 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).

Tree policy:

- **A.** 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 diagramed on a plot plan which must be approved in writing prior to installation of any tree(s).
- **B.** 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.
- **C.** 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.
- **D.** 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).
- **E.** 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.
- **F.** 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.

8. <u>REFUNDABLE DEPOSITS, NON-REFUNDABLE FEES, AND INSTALLATION</u> CHARGES IMPOSED BY LANDLORD OR GOVERNMENT:

Moving a home into the Community:

All costs of moving into <u>and out of</u> the Community and any damage to the Community resulting from this process are your sole responsibility. Your approximate casts to move a home into the Community are shown below.

The following **non-refundable** fees and installation charges are imposed by Landlord. We reserve the right to adjust these fees without notice to the Tenant.

1) Application Fee	\$60.00
2) Tenant Screening Fee	\$60.00
3) Home Move-in Fee	\$200.00

The following deposits are imposed by the Landlord and are refundable as described below or as modified in the Rental Agreement, Paragraph 7: (A Security Deposit IS NOT the same as "Last Month's Rent," which is due the last month of occupancy.)

1) Security Deposit \$

The following fees and charges are imposed by government to move into the Community. Amounts <u>are</u> **approximate** and are **subject to change.** Landlord does not warrant the list to be complete or accurate. The government agency and phone number to contact for permits is: City of Veneta (541 935-2191.

1)	Manufactured Home Set Up Fee Basic	\$255.00
2)	Decks	\$40.00
3)	Electrical	\$110.00
4)	State Manufactured Home Fee	\$45.00

A description of all improvements, both temporary and permanent, which are required to be installed by Tenant on their space as a condition of occupancy in the Community is listed with the required term fir completion below. Homes must have the tongues removed or skirted if not removable, within thirty days (30) or move-in. All homes must be completely skirted with manufactured metal or code approval wood material prior to occupancy. A storage unit not exceeding 100 square feet must be installed within 60 days of move in. A porch at the front door of at least 48 square feet (4' x 12' including steps) and covered with a free standing metal or wood frame awning painted to match the color scheme of the home must be installed in accordance with state and local laws and Community Rules prior to occupancy. Rear deck of at least four feet by three feet (4' x 3') must be installed within thirty days (30) of move in. All appurtenances including fences, porches, steps, storage buildings, awnings, improvements, or home modifications of any kind must be approved in writing by Management prior to beginning construction. If Tenant fails to comply any of the above items within the allowed time, Management may use its own judgment to order missing items, purchase them, and have them installed at Tenant's expense. See "Fees, Charges, and Assessments" (Section 16, Rules and Regulation.

Purchasing a Home in the Community:

If you are applying to buy a home in the Community, as a condition of keeping the home in the Community, you or the present owner will be required to do all of the following prior to occupying the home. If the home you are purchasing does not meet current Community policy requirements, the home must have the tongue removed or skirted. It must be completely skirted with manufactured metal or code approved wood skirting. A storage unit not exceeding 100 square feet must installed. A deck at the front door of at least 48 square feet and covered with a free standing metal or wood framed awning, and painted to match the color scheme of the home must be installed in accordance with state and local laws and Community standards. A rear deck of at least four feet by three feet (4' x 3') must be installed. All appurtenances including fences, porches, steps, storage buildings, awnings and other improvements or home modifications of any kind must be approved in writing by Management prior to beginning construction. If Tenant fails to complete any of the above items within the prescribed time, Management may use its own judgment to order and purchase missing items, and have them installed at Tenant's expense. See "Fees, Charges, and Assessments" (Section 16. Rules and Regulations). The improvements or maintenance items you are required to complete are listed in the attached RESALE COMPLIANCE NOTICE.

If you are purchasing a home in the community, the following **non-refundable** fees and installations charges are imposed by the Landlord.

1) Application Fee

\$60.00

2) Tenant Screening Fee

\$60.00 per adult.

The following **refundable** deposits are imposed by Landlord and are refundable as described below or in the Rental Agreement, Paragraph 7:

1) Security Deposit

\$

Some of the above improvements <u>may not be required of existing Tenants</u> on the date of this Statement of Policy, <u>but are required of new Tenants</u>. We reserve the right to change these fees without notice to the Tenant.

9. 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 Community Rules and your Rental Agreement. It may also terminate upon closure of the Community or upon expiration of you Rental Agreement term. Our policy is the same as Oregon Law.

<u>Community policy on the sale of you home:</u> (see Rental Agreement, Paragraph 12). If your home does not meet the current Community policy for homes moving into the Community <u>at</u> the time you wish to sell, and you are unwilling or unable to bring the home and its appurtenances up to current policy level for homes moving into the Community, <u>you may be</u> required to remove it from the Community. If your present home does not meet current Community policy standards, you may be allowed to replace it with one that does, during the term of your tenancy.

10. COMMUNITY CLOSURE POLICY:

Under current state law, all or part of the Community may be closed with not less than 365 days notice and the Landlord has no further obligation to Tenants. The Community may be closed with notice of 180 to 364 if the Landlord finds you another space and pays your moving expense and set up fees, or \$3,500.00, whichever is less. Landlord offers no contractual protection against future closure of the Community and reserves the right to close the Community at any time with notice to Tenant as stated above. We have no present plans for closure of the Community; however, you will appreciate that we cannot predict the future.

11. POLICY REGARDING SALE OF THE COMMUNITY:

Pursuant to Oregon Law, if requested by a tenant association or facility purchase association ("the association") to do so, the owner is obligated to notify them of the listing for sale of the Community or of written offers of purchase which the Landlord intends to consider. Thereafter, the Landlord may be required to negotiate in good faith with the association for sale of the Community to them. This does not apply to tax deferred exchanges of the Community. Our policy is the same as Oregon Law. We have no present intention to sell the Community, but you must understand that this could change in the future.

12. DISPUT RESOLUTION POLICY:

To encourage Community tenants and the owner/manager to settle disputes, it is the policy of this Community that each issue with merit shall be given a fair hearing within 30 days of receipt of a written complaint. The specific procedure for dispute resolution is set forth in your Rental Agreement and/or Rules and Regulations. The mediation provisions shall not apply to disputes relating to the closure of the Community, sale of the Community, or rent, including but not limited to, amount, increase, or non-payment of rent. It also shall not apply to disputes for which management could terminate tenancy with 24-hour notice under ORS 90.400, or any non-curable notice such as a repeated rules violation or "three strikes" violations.

13. THE FOLLOWING ATTACHMENTS ARE EXHIBITS TO THIS DOCUMENT:

Pet Agreement Exhibit A
Rules & Regulations Exhibit B
Community Layout Map Exhibit C
Rental Agreement Exhibit D
Rental History Exhibit E

Resale Compliance Notice, if applicable

14. OTHER IMPORTANT INFORMATION:

Amendment of Community Rule:

In the event of any change of Oregon or Federal law, Landlord reserves the right to require that the Tenant sign a new rental agreement to comply therewith. Oregon Laws permit the rules and regulations to be amended by the Landlord from time to time. Unless 51% of the affected spaces in the Community object in writing within thirty (30) days of receiving notice of a proposed rule change, it shall become effective for all tenants sixty (60) days after the date that the notice was served by the Landlord. Our policy is the same as Oregon Law.

Community Management:

Please read Rental Agreement paragraph 4 regarding arrangements for Management and notice for the Community.

Legal Advice and Cancellation by You of Rental Agreement:

You have the right to seek legal advice: We recommend you should show this Statement of Policy and all Exhibits to an attorney, to be advised as to your rights and responsibilities under these documents, as well as on 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 or moving a home into the Community, whichever first occurs. After that, Rental Agreement is a binding agreement.

Amendments:

This Statement of Policy contains in summary form, the Landlord's representation of Community 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 is a general statement of policy, and may be superseded by the actual terms of **Manufactured Dwelling Space Rental Agreement** and **Rules & Regulations** you sign at the beginning of your tenancy. **READ THEM CAREFULLY**. 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 right reserved herein, and c) to comply with changes in federal, state and local law.

If you are a prospective new Tenant, or 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.

Effective Date: April 1, 2005, until superseded.

Applicant or Tenant acknowledges receipt of t signing here and by signing a separate receipt.	this Statement of Policy and exhibits by
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APPLICANT	DATE
APPLICANT	DATE
MANAGER	DATE

Receipt for:

Statement of Policy	
Pet Agreement	Exhibit A
Rules & Regulations	Exhibit B
Community Layout Map	Exhibit C
Rental Agreement	Exhibit D
Rental History	Exhibit E
Resale Compliance Notice, if applicable	
facility whose name appears above. This is undersigned Tenant or prospective Tenant in purpose is to prove the documents were deprospective Tenant and refuse to sign this recommendation.	he Statement of Policy and exhibits thereto for the not a contract and signing it does not obligate the any way, or does it obligate Management. The only elivered as required by Oregon Law. If you are a ceipt, the Landlord may refuse to rent to you. The Statement of Policy and exhibits by signing
APPLICANT	DATE
APPLICANT	DATE

EXHIBIT E

RENT HISTORY – EXHIBIT TO STATEMENT OF POLICY

COUNTRY LIVING MANUFACTURED HOME COMMUNITY

Monthly base rent as of January 1, for each of the five years preceding this year is as follows (Starting with January 1 of the year <u>prior</u> to the current year):

1.	Year 2004	Monthly Base Rent	\$275.00
2.	Year 2003	Monthly Base Rent	\$275.00
3.	Year 2002	Monthly Base Rent	\$275.00
4.	Year 2001	Monthly Base Rent	\$275.00
5.	Year 2000	Monthly Base Rent	\$275.00
6.	Year 1999	Monthly Base Rent	\$275.00
7.	Year 1998	Monthly Base Rent	\$265.00