STATEMENT OF POLICY OF GIADANJ LAKE ESTATES

LOCATION AND SIZE OF HOMESITES:

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

- * As follows (approximate area in square feet):
 - Site # _____
 - Approximate size: _____ square feet

2. Our policy on reserving a home site is as follows:

- * A site may be reserved upon payment of a deposit equal to the first months rent.
- * If you do not occupy the site within thirty (30) days, you may either:
 - Renew the reservation for a period of thirty (30) additional days by paying the designated monthly site rent or,
 - Forfeit the deposit on the 31st day following our receipt of the deposit.
- * In order to extend the reservation, resident agrees to notify the community manager in writing.

FACILITY AGE CLASSIFICATION:

- 1. The federal fair housing age classification of this community is:
 - * All Ages, 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) persons per bedroom depending upon size of the bedroom and overall size of the dwelling unit plus one (1) additional person per dwelling unit.

_

* We reserve the right to apply different occupancy limits to subsequent buyers of your home.

CURRENT ZONING:

- 1. The current zoning affecting the use of the rented site is:
 - * Zone MR-1
- 2. Permitted uses include:
 - * R.V. Park
- 3. The zoning authority for this site is:
 - Clackamas County 503-742-4400
- 4. Pending zoning action which could impact the community's zoning of which owner is aware:
 - None 1) Zoning may change through no control of community owner or management.

RENT ADJUSTMENT POLICY:

*

Under current state law the community may increase your rent with 90 days notice. State law does not limit the amount or the frequency of rent increases.

1. Our policy is to give you no less than <u>ninety (90)</u> 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.

2. How rent increases are determined:

* Rent increases shall be determined by community 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 community, accounting, administration, legal and management fees, increased taxes, assessments and annual cost of living adjustment and a fair return on the owner's investment.

Home Site Rental Amount:

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

1. Special Use Fees

Type of Fee	<u>Amount</u>
 Late Rent Charge Returned Check Charge Pet Fee Guest Fee 	<u>\$50.00</u> <u>\$50.00</u> <u>\$-0-</u> <u>\$-0-</u>

2. Pass-through Charges

The resident will be responsible for payment of pass-through charges which are the resident'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 resident on a pro-rata basis. The pro-rata share will be determined by dividing the number of manufactured home sites rented by a resident by the total number of rented manufactured home sites in the community. We will give notice of any increase in compliance with Oregon State Law.

3. Generally

The costs of all other services required by resident are solely resident'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 community 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 community's right to collect from resident any damages caused by resident, resident's family, resident's guests, and resident's pets or family or guest's pets.

4. User Fees

The resident is responsible for the payment of user fees if resident agrees that the services will be provided by the community. "User fees" are defined as those amounts charged in addition to the site rental amount for non-essential optional services provided by or through community to resident under a separate written agreement between resident 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 resident not less than ninety (90) days prior to the increase.

RV Storage * \$35.00 up to 25' plus \$2.00 per foot over 25' per vehicle per month.

*R.V. storage is a courtesy and is not required. Community reserves the right to no longer provide R.V. storage at a later date.

5. More information

Many financial consultants and mortgage lenders advise consumers to keep the total of rent, utility and manufactured 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 resident <u>if</u> 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.

PERSONAL PROPERTY, SERVICES AND FACILITIES PROVIDED BY COMMUNITY

Buildings:

1. Are there any recreational or common facilities available for use by resident?

Yes X No ____

- * Community Basketball Court (between hours 8:00 AM Dusk)
- * Two Community Picnic Areas
- * Viewing Lake (No Resident or Guest Access)
- * R.V. Storage (See rules for use required. Limited to space availability).

Personal Property:

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. The community has no security services or systems. Resident assumes the risk of and waives any claim against community for damages resulting from the criminal acts of third parties.

1. Our policy on trees, and landscape & tree maintenance, is as follows:

* Resident is responsible to maintain and clean their site, including but not limited to, maintenance of all trees, shrubbery and landscaping within the boundaries of their space, whether planted by resident 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. Resident 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 resident. You maintain your site and we maintain the common areas. Any substantial improvements that you intend to make to your site, including but not limited to landscaping, must first receive written approval of management. Upon termination of your residency, the site must be left in substantially the same condition as it was upon commencement. Resident shall be solely responsible for all damage to the site occasioned upon removal of the dwelling unit. All plantings or other landscaping placed upon the site, whether by the community or resident, shall become the property of the community upon termination of the residency, 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 Community Rules and Regulations, each resident is responsible for the maintenance and repair of his or her manufactured home, manufactured home site and all improvements thereon (including landscaping).
- * Any tree(s) which is intended to be planted on the resident's site must first have a written request submitted to Community 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).
- * 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 resident's site in the community. Trees exceeding this height at maturity will generally not be allowed.
- * Trees which, in the sole opinion of Community, 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 resident's site.
- * Failure to receive written approval from Community or misrepresentation by the resident, 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 resident's sole expense and/or termination of residency. This applies at any time during the lifespan of said nonconforming tree(s).
- * Resident shall take any and all reasonable steps to properly care for any tree on resident's site, whether planted previously or by resident, to ensure it does not grow or deteriorate to the point of presenting a future safety risk to resident'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.

* Community reserves the right, but is not obligated, to remove any tree which resident fails to properly maintain and/or remove or otherwise cease from planting and to charge the resident 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:

	PAYMEN RESIDENT	IT BY COMMUNITY	FURNISHED / BY	WHO CONTACTS PROVIDER
- ·				-
Sewer *	<u> </u>		Water Environment Svcs.	<u>Community</u>
Garbage	<u>X</u>		Sunset Garbage	<u>Resident</u>
Water *	<u> </u>		Clackamas River Water.	<u>Community</u>
Electric	<u> </u>		<u>P.G.E.</u>	Resident
Phone	<u> </u>		Century Link	<u>Resident</u>
Cable TV **	<u>X</u>		Xfinity	<u>Resident</u>
Internet	<u>X</u>		Xfinity, Century Link	<u>Resident</u>
Garbage Cans***	<u>X</u>			

*Community receives a water and sewer bill for the entire community. You will receive an individual water and sewer breakdown which includes your individual consumption charges, which will be paid in addition to your rent at the community office.

**Cable is not optional. Every resident is required to pay for expanded basic cable through the Community in order for the Community to receive the discounted bulk rate so long as the community is under contract for bulk services. In addition to the cable service and at resident's sole expense, Residents are also welcome to subscribe for other services from the cable company or with other vendors such as satellite companies subject to proper satellite placement in compliance with the Rental Agreement and Community Rules and Regulations. Any subsequent increase in the bulk costs will be immediately passed through.

***Resident is responsible for furnishing at Resident's sole expense, a suitable garbage container unless such container is furnished by Garbage provider. Resident is responsible to dispose of grass clippings, pruning and trimming of any shrubs or trees on home site.

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 and internet, could be discontinued if no provider were available or in the event the bulk rate contract isn't renewed. Please see Section "Services" of your Rental Agreement. Unless your rental agreement provides otherwise, we reserve the right to bill the resident separately for utility service fees and charges assessed by the utility for services provided to or for sites in the community. Any separately billed utility fees and charges shall not be considered to be included in the rent charged for those home sites 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, internet, 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 residents of fees and charges.

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

- 1. All costs of moving a manufactured home <u>into</u> (and <u>out of</u>) the community and any damage to the community resulting from this process are your sole responsibility. Your costs to get into the community are shown below:
 - * The following non-refundable fees and installation charges are imposed by community:

Application Fee <u>\$60.00</u>.

The following refundable deposits are imposed by community and are refundable as described below and/or in the Rental Agreement (section 7).

- * A refundable security deposit in the amount of <u>\$150.00</u>.
- 2. The following fees are imposed by governmental agencies to move a home into the community. Amount is approximate, subject to change, and the community does not warrant the amount to be comprehensive. <u>Note:</u> Homes now in the community and up to code should not require governmental permits:

For the most current Permit Fee amounts please contact: Clackamas County 503-742-4400.

- 3. A description of all improvements, both temporary and permanent, which are required to be installed by resident on the manufactured home site as a condition of occupancy in the community 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 community and as a condition of leaving the home in the community <u>you or the present owner</u> will be required to do certain things to the home and/or site.
 - Bring manufactured home up to community standards
 - Wash and/or paint home, colors subject to community approval
 - Landscape improvements required by community

RENTAL AGREEMENT TERMINATION POLICY:

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

expiration of your rental agreement term or for any other cause or reason permitted by Oregon Law.

1. Term of the residency offered:

- * The residency offered is month-to-month and may terminate for cause or upon closure of the community. Please refer to your Rental Agreement addressing termination of residency.
- * In the event of any change of Oregon or federal law, community reserves the right to require that the resident sign a new rental agreement to comply therewith.

2. Other terms and conditions:

- * The **residency offered is month-to-month** and the community reserves the following rights to amend the rules and regulations. <u>Note:</u> These reserved rights <u>do not and cannot</u> include the right to modify the term of the residency:
 - Oregon Law states the community may propose changes in rules and regulations including changes that make a substantial modification of the community's bargain with a resident, and unless residents of fiftyone percent (51%) of the eligible units in the facility object in writing within thirty (30) days of receiving the proposed change, the change shall be effective for all residents on a date not less than sixty (60) days after the date that the notice was served by the community.
- 3. Following is a summary of the community policy on sale of your home. For details see your Rental Agreement.

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

- * If the home may remain in the community on resale, the following applies:
- * Resident must give ten (10) days written notice of intent to sell home.
- * Prospective purchaser must submit a complete and accurate application for residency, meet the admission criteria, and be approved by community.
- * Purchaser shall not move into home until approved by community and has signed a new Rental Agreement and other community documents.

* Oregon and federal law permit the community to impose conditions upon approval of the resident relating to, but not limited to; pets, number of occupants, vehicles, credit references, rental references and criminal records. Our policy is the same as these laws and further detailed in the Applicant Screening Criteria/Policy.

COMMUNITY CLOSURE POLICY:

Pursuant to Oregon law, if a manufactured dwelling community, or a portion of the community that includes the space for a manufactured dwelling is to be closed and the land or leasehold converted to a use other than as a manufactured dwelling community (and the closure is not required by the exercise of eminent domain or by order of federal, state or local agencies) the Community may terminate a month-to-month or fixed term rental agreement for a manufactured dwelling community space by giving Residents not less than 365 days' notice in writing before the date designated in the notice for termination and by paying Residents one of the following amounts for their dwelling: (a) \$6,000 if it is a singlewide; (b) \$8,000 if it is a double-wide; or (c) \$10,000 if it is a triple-wide or larger. Certain jurisdictions in Oregon, including unincorporated Clackamas County, have local ordinances that provide increased benefits and/or money to Residents located in a manufactured dwelling community that is closing. Our policy is the same. You are encouraged to review ORS Chapter 90 (Oregon's landlord-tenant law) and your local city or county ordinances regarding community closure or have an expert do so on your behalf before entering into your tenancy. There are no current plans to close all or any portion of this Community, but understand this could change in the future. Residents may be eligible for a tax credit for moving costs.

IF WE SHOULD DECIDE IN THE FUTURE TO CLOSE ALL OR PART OF THE COMMUNITY, WE WILL GIVE YOU NO LESS THAN <u>365</u> DAYS NOTICE PRIOR TO SUCH CLOSURE TO ALLOW YOU TIME TO MAKE PLANS.

- 1. Contractual Protection against Closure:
 - * Community offers no contractual protection against future closure of the community and reserves the right to close the community at any time with notice to resident as stated above.

2. Assistance to resident if community 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 manufactured home and pay some of the moving costs yourself.

POLICY REGARDING SALE OF THE COMMUNITY:

The owner reserves the right to sell the community at any time and to any purchaser

subject to strict compliance with Oregon Law.

Pursuant to Oregon Law, if requested by a resident association or facility purchase association ("the association") to do so, the owner is obliged to notify them of the listing for sale of the community or of written offers of purchase, which the community intends to consider. Thereafter, the community may be required to negotiate in good faith with the association for the sale of the community to them. This does not apply to tax deferred exchanges of the community, or any other exempted transactions covered by Oregon Law. Our policy is to comply with Oregon Law in its entirety. There are no current plans to sell all or any portion of the community, but understand this could change in the future.

DISPUTE RESOLUTION POLICY:

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

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

- * Informal meeting
- * Mediation and/or arbitration
- * Court

The second step, after the informal in-community hearing discussed above, is mediation and arbitration. Our procedure is described in our Rules and Regulations.

In accordance with Oregon Law, we must respectfully decline to mediate or arbitrate disputes relating to: (a) Community closure; (b) Community sale, or (c) Rent, including the amount of rent, rent increases, and nonpayment of rent, and (d) Any termination of residency for which the notice is non curable.

THE FOLLOWING ATTACHMENTS ARE EXHIBITS TO THIS DOCUMENT:

	Exhibit
[X] Rental Agreement	А
[X] Rules and Regulations	В
[X] R.V. Storage Agreement	С
[X] Pet Agreement	D
[X] Re-Sale Compliance Notice (Form #39)	E

OTHER IMPORTANT INFORMATION:

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, <u>before</u> you sign a rental agreement with us. After you sign the Rental Agreement, it is binding on you.

Amendments:

This Statement of Policy contains in summary from the community's representations of community policies in effect as of this date.

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

Effective Date of Legislation: July 1, 1992 until Superseded

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

Applicant/Resident

Applicant/Resident

Date

Date