

EXHIBIT A

ORIGINAL



COUNTY OF SAN MATEO
TREASURER-TAX COLLECTOR'S OFFICE

555 COUNTY CENTER
REDWOOD CITY, CA 94063
(650) 363-4979

PAYMENT RECEIVED

MAY 14 2003

SAN MATEO COUNTY

APPLICATION FOR ANNUAL BUSINESS LICENSE
TO OPERATE A MOBILEHOME PARK

(San Mateo County Ordinance Code Section 5.92.055)

Please type or print legibly. Please use attachment(s) to respond to items 2 through 5.

- 1. Please provide the name, address and telephone number of the person acting on the management's behalf to whom communications are to be directed.

NAME: Nate Nelson

TITLE (e.g. Manager): Account Manager for El Granada MHC

MAILING ADDRESS: 5314 North 250 West, Suite 210

Provo, Utah 84604

PHONE: 801 228-9702 x107

NAME AND ADDRESS OF MOBILEHOME PARK:

EL GRANADA MANUFACTURED HOME COMMUNITY

164 Culebra Street, Moss Beach, CA 94038

NUMBER OF MOBILEHOME SPACES IN PARK: 227

NAME OF OWNER(S): KMC El Granada, L.P.

If the owner/applicant is a corporation, provide the name and address of its agent who is duly authorized to accept the service of legal process in California.

AGENT FOR SERVICE OF PROCESS: Robert Williamson, Esq.

200 East Sandpointe, 4th Floor, Santa Ana, CA 92707

- 2. Specify current rent(s) and other charges being collected from homeowners, and the amount of any increase in rent or other charges proposed to be imposed during the one year term of this license.

3. State the purpose of any proposed rent increase and the uses to which the proposed rent increase is to be put.
4. Provide a detailed description of the maintenance and repair program for the mobilehome park.
5. Describe management's proposed process for addressing complaints or concerns by homeowners of the park including, at a minimum, the following: a process by which homeowners may register their complaints or concerns regarding the management's maintenance and repair program for the mobilehome park, the opportunity for homeowners to participate in a meet and confer session with the management to resolve issues related to the management's maintenance and repair program, and a process for selecting a third party community based mediator to mediate disputes related to the management's maintenance and repair program in the event that the dispute cannot be resolved through a meet and confer session.

I hereby declare under penalty of perjury under the laws of the State of California that the statements and information provided in connection with this application are true and correct. I understand that if this application is withdrawn or denied by the License Board for any reason, the sum of \$10.00 plus 25% of the license fee in excess of \$10.00 will be forfeited as provided by County Ordinance Code Section 5.04.240.

Signature of Applicant

Dated this 5th day of May, 2003

At Provo, Utah, ~~CANYON~~

FOR STAFF USE ONLY:

Received By: *AM*

Date Received: *05-14-03*

License Fee Paid \$ *500.00*

TO: Tax Collector of San Mateo County

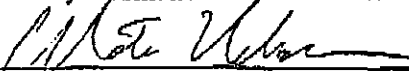
FROM: Chair of the County License Board

The above application for an annual Business License to Operate a Mobilehome Park is hereby
 Granted Denied.

Effective Date: _____

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Signature of Applicant

Dated this 5th day of May, 2003

At Provo, Utah, ~~PROVO, UTAH~~

FOR STAFF USE ONLY:

Received By: _____

Date Received: _____

License Fee Paid \$ _____

TO: Tax Collector of San Mateo County

FROM: Chair of the County License Board

The above application for an annual Business License to Operate a Mobilehome Park is hereby
 Granted Denied.

Effective Date: _____

**ATTACHMENT TO APPLICATION FOR ANNUAL BUSINESS LICENSE
TO OPERATE A MOBILEHOME PARK**

Response to Item No. 2

Current Rents and Other Charges

Current Base Rent Structure: \$775.30, \$825.30, and \$863.00 (rent on turnover)*

Base Rent effective August 1, 2003: \$813.00, \$863.00, and \$894.00 (rent on turnover)**

Utilities and Other Charges:

<u>Utilities and Other Charges</u>	<u>Included in Rent</u>	<u>Paid by Resident Directly to Utility</u>	<u>Community Management Will Bill Resident Monthly</u>
Water	No	No	Yes
Sewer	Yes	No	No
Natural Gas	No	No	Yes
Electricity	No	Yes	No
Trash - (2) 33 gal containers	No	No	Yes

Additionally, community management charges a landscape maintenance charge as appropriate under the rental agreement and the Mobilehome Residency Law.

* The Base Rent for the Corona well site currently is the sum of \$590.30

** The Base Rent for the Corona well site effective August 1, 2003 \$628.00

Response to Item No. 3

Proposed Rent Increase:

Concurrent with the submission of this application, community management has noticed a rent increase for the community in the sum of \$37.70, effective August 1, 2003. Community management voluntarily has rescinded the previously noticed April 2003 rent increase for the same amount. Management contemplates that rents will be increased in an amount not to exceed four percent (4%) on April 1, 2004. Management also contemplates a rent increase on turnover of an amount not exceeding ten percent (10%). For your information, effective August 1, 2003 residents will be paying water charges for all individual water usage, at the appropriate rate, under the terms of their rental agreements.

The purpose of the above-stated rent increase is to protect the highest and best use of the property. The above-stated rent increase shall be used to promote the highest and best use of the property, including, but not limited to a fair rate of return on the owner's investment in the community and the direct and indirect costs of maintenance and operation.

Response to Item No. 4

Maintenance and Repair

GENERAL MAINTENANCE GUIDELINES

Community management maintains and operates the community in compliance with all applicable federal, state, and local standards. Management follows the following general maintenance guidelines for the El Granada Manufactured Home Community. Many of the guidelines presented below state that action, cleaning, or repairs will be made on an “as-needed” basis. Please note that Community management reserves the right to determine what needs to be done at their sole and absolute discretion. With respect to major infrastructure, community management complies with all federal, state, and local regulations concerning their maintenance and operation. The specific tasks relating to infrastructure maintenance and operation may not be reflected specifically in these guidelines. Finally, the following maintenance guidelines do not reflect the ongoing maintenance and operation of the water treatment facility at the community. This facility continues to be maintained and operated in compliance with all applicable regulations.

DAILY MAINTENANCE

- Respond as needed to resident concerns regarding common area maintenance
- Clubhouse – open area and kitchen area, clean, dust, mop, vacuum as needed
- Library – dusted twice weekly
- Restrooms – check and clean as needed
- Exercise Room – check and clean as needed
- Office – check and clean as needed
- Laundry Room – wipe tops and under lids of machines, sweep floors, check lint traps, and check behind machines
- Common Areas – visually examine areas, check common trashcans, pick up trash as needed, check lights and sprinklers for damage
- Pool – when in use, sweep twice weekly, vacuum when needed, check chemicals once per day (twice daily during heavy usage), backwash as needed, visually examine plumbing, pumps and gauges daily
- Pool Deck – during use sweep or hose down as needed, adjust pool area furniture
- Open and Close Clubhouse – per rules and regulations

WEEKLY MAINTENANCE

- Mop and buff clubhouse floors as needed
- Clubhouse entrance doors – clean windows
- Mop laundry floors as needed
- Mow and edge lawns if needed
- Weed and care for landscape areas as needed
- Wash a section of clubhouse windows (1 per week on continuing basis)
- Check Street Lights

QUARTERLY MAINTENANCE

- Check storm drains and ditch, weed as needed
- Fertilize lawns, landscaping, and flower beds
- Visually check mailboxes and repair as needed

- ❑ Visually check exterior of clubhouse, gazebo, and laundry building
- ❑ Check community truck for maintenance and repairs
- ❑ Check community lawn mower, weed eater, and edger and repair as needed
- ❑ Prune shrubs as needed
- ❑

YEARLY MAINTENANCE

- ❑ Perform a Compliance Survey (Check Cathodic Protection System & Gas Leak Survey) on the gas distribution system in accordance with the Department of Transportation
- ❑ Check community streets and roadways to ensure compliance with California Civil Code
- ❑ Check driveways to ensure compliance with California Civil Code
- ❑ Hydro-jet main sewer lines

HOMEOWNER RESPONSIBILITIES CONCERNING MAINTENANCE

The residents of the El Granada Manufactured Home Community have a reciprocal maintenance obligation under their rental agreement and the California Civil Code. In addition to their obligation to maintain their individual manufactured home space and the utility connections on their home, Community Management relies on resident communication concerning common area maintenance concerns that they observe in the community. Community Management will continue to respond to these resident concerns as promptly, professionally, and efficiently as possible under the circumstances.

Response to Item No. 5

Addressing Complaint and Concerns

Management continues its strong effort to cultivate and maintain a strong line of communication with individual residents of the community, the current Homeowner's Association, and its individual officers and representatives. All residents initially should contact the onsite resident managers, as needed, in person during business office hours or through the following optional methods:

Telephone: (650) 728-3389
 Facsimile: (650) 728-3287
 Mail: 164 Culebra Street, Moss Beach, CA 94063
 E-mail: _____

If any such complaints are not resolved at this initial level, residents may contact Mr. Nelson directly, by the following optional methods:

Telephone: (801) 228-9702
 Facsimile: (801) 434-3187
 Mail: 5314 North 250 West, Suite #210, Provo, Utah 84604
 E-mail: _____@_____ .com

Under the current rental agreement and state law, resident(s) may request, by written notice, a meeting with community management concerning: 1) Existing rules and regulations of the community, 2) Standards for maintenance of physical improvements in the community, 3) Addition, alteration, or deletion of service, equipment, or physical improvements in the

community, and 4) Long term rental agreements. An individual homeowner may request these meetings and any requesting homeowner may participate in such meetings. Such meetings may be held in the community clubhouse and are facilitated by Kingsley Management or its representatives. All residents who attend such meetings are invited to participate in an open and honest discussion on the requested issue.

Additionally, the current rental agreement provides residents with the opportunity to seek arbitration of certain specified disputes and presents the guidelines for such arbitration. Community management also will agree to mediate any unresolved disputes with a third party community mediator. Community management proposes that following general process for mediation of disputes:

1. Any requests for mediation be made in writing directed to the owner, c/o Kingsley Management, 5314 North 250 West, Suite #210, Provo, Utah 84604.
2. Kingsley Management shall send written acknowledgment of receipt of request for mediation within 10 days of receipt.
3. A mediator be selected within 30 days of acknowledgment of receipt of the written request for mediation.
4. If all parties cannot agree upon a mediator, then a neutral mediator supplied by J.A.M.S. located in San Jose, California shall mediate the matter.
5. All parties shall use their best efforts to complete the mediation within forty-five (45) days after selection of a mediator.

California Civil Code Provisions

Mobilehome Residency Law (Effective January 1, 2003)

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Article 1. General

798. This chapter shall be known and may be cited as the "Mobilehome Residency Law."

798.1. Unless the provisions or context otherwise requires, the following definitions shall govern the construction of this chapter.

798.2. "Management" means the owner of a mobilehome park or an agent or representative authorized to act on his behalf in connection with matters relating to a tenancy in the park.

798.3. (a) "Mobilehome" is a structure designed for human habitation and for being moved on a street or highway under permit pursuant to Section 35790 of the Vehicle Code. Mobilehome includes a manufactured home, as defined in Section 18007 of the Health and Safety Code, and a mobilehome, as defined in Section 18008 of the Health and Safety Code, but, except as provided in subdivision (b), does not include a recreational vehicle, as defined in Section 799.29 of this code and Section 18010 of the Health and Safety Code or a commercial coach as defined in Section 18001.8 of the Health and Safety Code.

(b) "Mobilehome," for purposes of this chapter, other than Section 798.73, also includes trailers and other recreational vehicles of all types defined in Section 18010 of the Health and Safety Code, other than motor homes, truck campers, and camping trailers, which are used for human habitation if the occupancy criteria of either paragraph (1) or (2), as follows, are met:

(1) The trailer or other recreational vehicle occupies a mobilehome site in the park, on November 15, 1992, under a rental agreement with a term of one month or longer, and the trailer or other recreational vehicle occupied a mobilehome site in the park prior to January 1, 1991.

(2) The trailer or other recreational vehicle occupies a mobilehome site in the park for nine or more continuous months commencing on or after November 15, 1992.

"Mobilehome" does not include a trailer or other recreational vehicle located in a recreational vehicle park subject to Chapter 2.6 (commencing with Section 799.20), except as otherwise provided in subdivision (b) of Section 799.45.

798.4. "Mobilehome park" is an area of land where two or more mobilehome sites are rented, or held out for rent, to accommodate mobilehomes used for human habitation.

798.6. "Park" is a manufactured housing community as defined in Section 18801 of the Health and Safety Code, or a mobilehome park.

798.7. "New Construction" means any newly constructed spaces initially held out for rent after January 1, 1990.

798.8. "Rental agreement" is an agreement between the management and the homeowner establishing the terms and conditions of a park tenancy. A lease is a rental agreement.

798.9. "Homeowner" is a person who has a tenancy in a mobilehome park under a rental agreement.

798.10. "Change of use" means a use of the park for a purpose other than the rental, or the holding out for rent, of two or more mobilehome sites to accommodate mobilehomes used for human habitation, and does not mean the adoption, amendment, or repeal of a park rule or regulation. A change of use may affect an entire park or any portion thereof. "Change of use" includes, but is not limited to, a change of the park or any portion thereof to a condominium, stock cooperative, planned unit development, or any form of ownership wherein spaces within the park are to be sold.

798.11. "Resident" is a homeowner or other person who lawfully occupies a mobilehome.

798.12. "Tenancy" is the right of a homeowner to the use of a site within a mobilehome park on which to locate, maintain, and oc-

cupy a mobilehome, site improvements, and accessory structures for human habitation, including the use of the services and facilities of the park.

798.13 (a) This chapter does not apply to any area owned, operated, or maintained by the state for the purpose of providing employee housing or space for a mobilehome owned or occupied by an employee of the state.

(b) Notwithstanding subdivision (a), a state employer shall provide the occupant of a privately owned mobilehome that is situated in an employee housing area owned, operated, or maintained by the state, and that is occupied by a state employee by agreement with his or her state employer and subject to the terms and conditions of that state employment, with a minimum of 60-days' notice prior to terminating the tenancy for any reason.

798.14. Unless otherwise provided, all notices required by this chapter shall be either delivered personally to the homeowner or deposited in the United States mail, postage prepaid, addressed to the homeowner at his or her site within the mobilehome park.

Article 2. Rental Agreement

798.15. The rental agreement shall be in writing and shall contain, in addition to the provisions otherwise required by law to be included, all of the following:

(a) The term of the tenancy and the rent therefor.

(b) The rules and regulations of the park.

(c) A copy of the text of this chapter shall be attached as an exhibit and shall be incorporated into the rental agreement by reference. Management shall provide all homeowners with a copy of this chapter prior to February 1 of each year, if a significant change was made in the chapter by legislation enacted in the prior year.

(d) A provision specifying that (1) it is the responsibility of the management to provide and maintain physical improvements in the common facilities in good working order and condition and (2) with respect to a sudden or unforeseeable breakdown or deterioration of these improvements, the management shall have a reasonable period of time to repair the sudden or unforeseeable breakdown or deterioration and bring the improvements into good working order and condition after management knows or should have known of the breakdown or deterioration. For purposes of this subdivision, 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 30 days in any other case except where exigent circumstances justify a delay.

(e) A description of the physical improvements to be provided the homeowner during his or her tenancy.

(f) A provision listing those services which will be provided at the time the rental agreement is executed and will continue to be offered for the term of tenancy and the fees, if any, to be charged for those services.

(g) A provision stating that management may charge a reasonable fee for services relating to the maintenance of the land and premises upon which a mobilehome is situated in the event the homeowner fails to maintain the land or premises in accordance with the rules and regulations of the park after written notification to the homeowner and the failure of the homeowner to comply within 14 days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by management if the services are performed by management or its agent.

(h) All other provisions governing the tenancy.

798.16. The rental agreement may include such other provisions permitted by law, but need not include specific language contained in state or local laws not a part of this chapter.

798.17. (a) (1) Rental agreements meeting the criteria of subdivision (b) shall be exempt from any ordinance, rule, regulation, or

initiative measure adopted by any local governmental entity which establishes a maximum amount that a landlord may charge a tenant for rent. The terms of a rental agreement meeting the criteria of subdivision (b) shall prevail over conflicting provisions of an ordinance, rule, regulation, or initiative measure limiting or restricting rents in mobilehome parks, only during the term of the rental agreement or one or more uninterrupted, continuous extensions thereof. If the rental agreement is not extended and no new rental agreement in excess of 12 months' duration is entered into, then the last rental rate charged for the space under the previous rental agreement shall be the base rent for purposes of applicable provisions of law concerning rent regulation, if any.

(2) In the first sentence of the first paragraph of a rental agreement entered into on or after January 1, 1993, pursuant to this section, there shall be set forth a provision in at least 12-point boldface type if the rental agreement is printed, or in capital letters if the rental agreement is typed, giving notice to the homeowner that the rental agreement will be exempt from any ordinance, rule, regulation, or initiative measure adopted by any local governmental entity which establishes a maximum amount that a landlord may charge a tenant for rent.

(b) Rental agreements subject to this section shall meet all of the following criteria:

(1) The rental agreement shall be in excess of 12 months' duration.

(2) The rental agreement shall be entered into between the management and a homeowner for the personal and actual residence of the homeowner.

(3) The homeowner shall have at least 30 days from the date the rental agreement is first offered to the homeowner to accept or reject the rental agreement.

(4) The homeowner who executes a rental agreement offered pursuant to this section may void the rental agreement by notifying management in writing within 72 hours of the homeowner's execution of the rental agreement.

(c) If, pursuant to paragraph (3) or (4) of subdivision (b), the homeowner rejects the offered rental agreement or rescinds a signed rental agreement, the homeowner shall be entitled to instead accept, pursuant to Section 798.18, a rental agreement for a term of 12 months or less from the date the offered rental agreement was to have begun. In the event the homeowner elects to have a rental agreement for a term of 12 months or less, including a month-to-month rental agreement, the rental agreement shall contain the same rental charges, terms, and conditions as the rental agreement offered pursuant to subdivision (b), during the first 12 months, except for options, if any, contained in the offered rental agreement to extend or renew the rental agreement.

(d) Nothing in subdivision (c) shall be construed to prohibit the management from offering gifts of value, other than rental rate reductions, to homeowners who execute a rental agreement pursuant to this section.

(e) With respect to any space in a mobilehome park that is exempt under subdivision (a) from any ordinance, rule, regulation, or initiative measure adopted by any local governmental entity that establishes a maximum amount that a landlord may charge a homeowner for rent, and notwithstanding any ordinance, rule, regulation, or initiative measure, a mobilehome park shall not be assessed any fee or other exaction for a park space that is exempt under subdivision (a) imposed pursuant to any ordinance, rule, regulation, or initiative measure. No other fee or other exaction shall be imposed for a park space that is exempt under subdivision (a) for the purpose of defraying the cost of administration thereof.

(f) At the time the rental agreement is first offered to the homeowner, the management shall provide written notice to the home-

owner of the homeowner's right (1) to have at least 30 days to inspect the rental agreement, and (2) to void the rental agreement by notifying management in writing within 72 hours of the acceptance of a rental agreement. The failure of the management to provide the written notice shall make the rental agreement voidable at the homeowner's option upon the homeowner's discovery of the failure. The receipt of any written notice provided pursuant to this subdivision shall be acknowledged in writing by the homeowner.

(g) No rental agreement subject to subdivision (a) that is first entered into on or after January 1, 1993, shall have a provision which authorizes automatic extension or renewal of, or automatically extends or renews, the rental agreement for a period beyond the initial stated term at the sole option of either the management or the homeowner.

(h) This section does not apply to or supersede other provisions of this part or other state law.

798.18. (a) A homeowner shall be offered a rental agreement for (1) a term of 12 months, or (2) a lesser period as the homeowner may request, or (3) a longer period as mutually agreed upon by both the homeowner and management.

(b) No rental agreement shall contain any terms or conditions with respect to charges for rent, utilities, or incidental reasonable service charges that would be different during the first 12 months of the rental agreement from the corresponding terms or conditions that would be offered to the homeowners on a month-to-month basis.

(c) No rental agreement for a term of 12 months or less shall include any provision which authorizes automatic extension or renewal of, or automatically extends or renews, the rental agreement beyond the initial term for a term longer than 12 months at the sole option of either the management or the homeowner.

798.19. No rental agreement for a mobilehome shall contain a provision by which the homeowner waives his or her rights under the provisions of Articles 1 to 8, inclusive, of this chapter. Any such waiver shall be deemed contrary to public policy and void.

798.20. Membership in any private club or organization which is a condition for tenancy in a park shall not be denied on the basis of race, color, religion, sex, national origin, ancestry, or marital status.

798.21. (a) Notwithstanding Section 798.17, if a mobilehome space within a mobilehome park is not the principal residence of the homeowner and the homeowner has not rented the mobilehome to another party, it shall be exempt from any ordinance, rule, regulation, or initiative measure adopted by any city, county, or city and county, which establishes a maximum amount that the landlord may charge a tenant for rent.

(b) Nothing in this section is intended to require any homeowner to disclose information concerning his or her personal finances. Nothing in this section shall be construed to authorize management to gain access to any records which would otherwise be confidential or privileged.

(c) For purposes of this section, a mobilehome shall be deemed to be the principal residence of the homeowner, unless a review of state or county records demonstrates that the homeowner is receiving a homeowner's exemption for another property or mobilehome in this state.

(d) Before modifying the rent or other terms of tenancy as a result of a review of state or county records, as described in subdivision (c), the management shall notify the homeowner, in writing, of the proposed changes and provide the homeowner with a copy of the documents upon which management relied.

(e) The homeowner shall have 90 days from the date the notice described in subdivision (d) is mailed to review and respond to the notice. Management shall not modify the rent or other terms of tenancy prior to the expiration of the 90-day period or prior to respond-

ing, in writing, to information provided by the homeowner. Management shall not modify the rent or other terms of tenancy if the homeowner provides documentation reasonably establishing that the information provided by management is incorrect or that the homeowner is not the same person identified in the documents. However, nothing in this subdivision shall be construed to authorize the homeowner to change the homeowner's exemption status of the other property or mobilehome owned by the homeowner.

(f) This section shall not apply under any of the following conditions:

(1) The homeowner is unable to rent or lease the mobilehome because the owner or management of the mobilehome park in which the mobilehome is located does not permit, or the rental agreement limits or prohibits, the assignment of the mobilehome or the subletting of the park space.

(2) The mobilehome is being actively held available for sale by the homeowner, or pursuant to a listing agreement with a real estate broker licensed pursuant to Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, or a mobilehome dealer, as defined in Section 18002.6 of the Health and Safety Code.

(3) The legal owner has taken possession or ownership, or both, of the mobilehome from a registered owner through either a surrender of ownership interest by the registered owner or a foreclosure proceeding.

798.22. (a) In any new mobilehome park that is developed after January 1, 1982, mobilehome spaces shall not be rented for the accommodation of recreational vehicles as defined by Section 799.29 unless the mobilehome park has a specifically designated area within the park for recreational vehicles, which is separate and apart from the area designated for mobilehomes. Recreational vehicles may be located only in the specifically designated area.

(b) Any new mobilehome park that is developed after January 1, 1982, is not subject to the provisions of this section until 75 percent of the spaces have been rented for the first time.

798.23. (a) The owner of the park, and any person employed by the park, shall be subject to, and comply with, all park rules and regulations, to the same extent as residents and their guests.

(b) Subdivision (a) of this section does not apply to either of the following:

(1) Any rule or regulation that governs the age of any resident or guest.

(2) Acts of a park owner or park employee which are undertaken to fulfill a park owner's maintenance, management, and business operation responsibilities.

798.23.5. (a) (1) Management shall permit a homeowner to rent his or her home that serves as the homeowner's primary residence or sublet his or her space, under the circumstances described in paragraph (2) and subject to the requirements of this section.

(2) A homeowner shall be permitted to rent or sublet pursuant to paragraph (1) if a medical emergency or medical treatment requires the homeowner to be absent from his or her home and this is confirmed in writing by an attending physician.

(b) The following provisions shall apply to a rental or sublease pursuant to this section:

(1) The minimum term of the rental or sublease shall be six months, unless the management approves a shorter term, but no greater than 12 months, unless management approves a longer term.

(2) The management may require approval of a prospective renter or sublessee, subject to the process and restrictions provided by subdivision (a) of Section 798.74 for prospective purchasers of mobilehomes. A prospective sublessee shall comply with any rule or regulation limiting residency based on age requirements,

pursuant to Section 798.76. The management may charge a prospective sublessee a credit screening fee for the actual cost of any personal reference check or consumer credit report that is provided by a consumer credit reporting agency, as defined in Section 1785.3, if the management or his or her agent requires that personal reference check or consumer credit report.

(3) The renter or sublessee shall comply with all rules and regulations of the park. The failure of a renter or sublessee to comply with the rules and regulations of the park may result in the termination of the homeowner's tenancy in the mobilehome park, in accordance with Section 798.56. A homeowner's tenancy may not be terminated under this paragraph if the homeowner completes an action for unlawful detainer or executes a judgement for possession, pursuant to Chapter 4 (commencing with Section 1159) of Title 3 of Part 3 of the Code of Civil Procedure within 60 days of the homeowner receiving notice of termination of tenancy.

(4) The homeowner shall remain liable for the mobilehome park rent and other park charges.

(5) The management may require the homeowner to reside in the mobilehome park for a term of one year before management permits the renting or subletting of a mobilehome or mobilehome space.

(6) Notwithstanding subdivision (a) of Section 798.39, if a security deposit has been refunded to the homeowner pursuant to subdivision (b) or (c) of Section 798.39, the management may require the homeowner to resubmit a security deposit in an amount or value not to exceed two months' rent in addition to the first month's rent. Management may retain this security deposit for the duration of the term of the rental or sublease.

(7) The homeowner shall keep his or her current address and telephone number on file with the management during the term of rental or sublease. If applicable, the homeowner may provide the name, address, and telephone number of his or her legal representative.

(c) A homeowner may not charge a renter or sublessee more than an amount necessary to cover the cost of space rent, utilities, and scheduled loan payments on the mobilehome, if any.

Article 3. Rules and Regulations

798.24. Each common area facility shall be open or available to residents at all reasonable hours and the hours of the common area facility shall be posted at the facility.

798.25. (a) When the management proposes an amendment to the park's rules and regulations, the management shall meet and consult with the homeowners in the park, their representatives, or both, after written notice has been given to all the homeowners in the park 10 days or more before the meeting. The notice shall set forth the proposed amendment to the park rules and regulations and shall state the date, time, and location of the meeting.

(b) Following the meeting and consultation with the homeowners, the noticed amendment to the park rules and regulations may be implemented, as to any homeowner, with the consent of that homeowner, or without the homeowner's consent upon written notice of not less than six months, except for regulations applicable to recreational facilities, which may be amended without homeowner consent upon written notice of not less than 60 days.

(c) Written notice to a homeowner whose tenancy commences within the required period of notice of a proposed amendment to the park's rules and regulations under subdivision (b) shall constitute compliance with this section where the written notice is given before the inception of the tenancy.

(d) Any amendment to the park's rules and regulations that creates a new fee payable by the homeowner and that has not been expressly agreed upon by the homeowner and management in the

written rental agreement or lease, shall be void and unenforceable.

798.25.5. Any rule or regulation of a mobilehome park that (a) is unilaterally adopted by the management, (b) is implemented without the consent of the homeowners, and (c) by its terms purports to deny homeowners their right to a trial by jury or which would mandate binding arbitration of any dispute between the management and homeowners shall be void and unenforceable.

798.26. (a) Except as provided in subdivision (b), and notwithstanding any other provision of law to the contrary, the ownership or management of a park, subdivision, cooperative, or condominium for mobilehomes shall have no right of entry to a mobilehome without the prior written consent of the resident. The consent may be revoked in writing by the resident at any time. The ownership or management shall have a right of entry upon the land upon which a mobilehome is situated for maintenance of utilities, trees, and drive-ways, for maintenance of the premises in accordance with the rules and regulations of the park when the homeowner or resident fails to so maintain the premises, and protection of the mobilehome park, subdivision, cooperative, or condominium at any reasonable time, but not in a manner or at a time which would interfere with the resident's quiet enjoyment.

(b) The ownership or management of a park, subdivision, cooperative, or condominium for mobilehomes may enter a mobilehome without the prior written consent of the resident in case of an emergency or when the resident has abandoned the mobilehome.

798.27. (a) The management shall give written notice to all homeowners and prospective homeowners concerning the following matters: (1) the nature of the zoning or use permit under which the mobilehome park operates. If the mobilehome park is operating pursuant to a permit subject to a renewal or expiration date, the relevant information and dates shall be included in the notice. (2) The duration of any lease of the mobilehome park, or any portion thereof, in which the management is a lessee.

(b) If a change occurs concerning the zoning or use permit under which the park operates or a lease in which the management is a lessee, all homeowners shall be given written notice within 30 days of that change. Notification regarding the change of use of the park, or any portion thereof, shall be governed by subdivision (g) of Section 798.56. A prospective homeowner shall be notified prior to the inception of the tenancy.

798.28. The management of a mobilehome park shall disclose, in writing, the name, business address, and business telephone number of the mobilehome park owner upon the request of a homeowner.

798.28.5. The management may cause the removal, pursuant to Section 22658 of the Vehicle Code, of a vehicle other than a mobilehome which is parked in the park when there is displayed a sign at each entrance to the park as provided in paragraph (1) of subdivision (a) of Section 22658 of the Vehicle Code.

798.29. The management shall post a mobilehome ombudsman sign provided by the Department of Housing and Community Development, as required by Section 18253.5 of the Health and Safety Code.

798.29.5. The management shall provide, by posting notice on the mobilehomes of all affected homeowners and residents, at least 72 hours' written advance notice of an interruption in utility service of more than two hours for the maintenance, repair, or replacement of facilities of utility systems over which the management has control within the park, provided that the interruption is not due to an emergency. The management shall be liable only for actual damages sustained by a homeowner or resident for violation of this section.

"Emergency," for purposes of this section, means the interruption of utility service resulting from an accident or act of nature, or cessation of service caused by other than the management's regular

or planned maintenance, repair, or replacement of utility facilities.

Article 4. Fees and Charges

798.30. The management shall give a homeowner written notice of any increase in his or her rent at least 90 days before the date of the increase.

798.31. A homeowner shall not be charged a fee for other than rent, utilities, and incidental reasonable charges for services actually rendered.

A homeowner shall not be charged a fee for obtaining a lease on a mobilehome lot for (1) a term of 12 months, or (2) a lesser period as the homeowner may request. A fee may be charged for a lease of more than one year if the fee is mutually agreed upon by both the homeowner and management.

798.32. (a) A homeowner shall not be charged a fee for services actually rendered which are not listed in the rental agreement unless he or she has been given written notice thereof by the management, at least 60 days before imposition of the charge.

(b) Those fees and charges specified in subdivision (a) shall be separately stated on any monthly or other periodic billing to the homeowner. If the fee or charge has a limited duration or is amortized for a specified period, the expiration date shall be stated on the initial notice and each subsequent billing to the homeowner while the fee or charge is billed to the homeowner.

798.33. (a) No lease agreement entered into, modified, or renewed on or after January 1, 2001, shall prohibit a homeowner from keeping at least one pet within the park, subject to reasonable rules and regulations of the park. This section may not be construed to affect any other rights provided by law to a homeowner to keep a pet within the park.

(b) A homeowner shall not be charged a fee for keeping a pet in the park unless the management actually provides special facilities or services for pets. If special pet facilities are maintained by the management, the fee charged shall reasonably relate to the cost of maintenance of the facilities or services and the number of pets kept in the park.

(c) For purposes of this section, "pet" means any domesticated bird, cat, dog, aquatic animal kept within an aquarium, or other animal as agreed to between the management and the homeowner.

798.34. (a) A homeowner shall not be charged a fee for a guest who does not stay with him or her for more than a total of 20 consecutive days or a total of 30 days in a calendar year. A person who is a guest, as described in this subdivision, shall not be required to register with the management.

(b) A homeowner who is living alone and who wishes to share his or her mobilehome with one person may do so, and a fee shall not be imposed by management for that person. The person shall be considered a guest of the homeowner and any agreement between the homeowner and the person shall not change the terms and conditions of the rental agreement between management and the homeowner. The guest shall comply with the provisions of the rules and regulations of the mobilehome park.

(c) A senior homeowner may share his or her mobilehome with any person over 18 years of age if that person is providing live-in health care or live-in supportive care to the homeowner pursuant to a written treatment plan prepared by the homeowner's physician. A fee shall not be charged by management for that person. That person shall have no rights of tenancy in the park, and any agreement between the homeowner and the person shall not change the terms and conditions of the rental agreement between management and the homeowner. That person shall comply with the rules and regulations of the mobilehome park. As used in this subdivision, "senior homeowner" means a homeowner who is 55 years of age or older.

(d) A senior homeowner who resides in a mobilehome park that

has implemented rules or regulations limiting residency based on age requirements for housing for older persons, pursuant to Section 798.76, may share his or her mobilehome with any person over 18 years of age if this person is a parent, sibling, child, or grandchild of the senior homeowner and requires live-in health care, live-in supportive care, or supervision pursuant to a written treatment plan prepared by a physician and surgeon. Management may not charge a fee for this person. Any agreement between the senior homeowner and this person shall not change the terms and conditions of the rental agreement between management and the senior homeowner. Unless otherwise agreed upon, park management shall not be required to manage, supervise, or provide for this person's care during his or her stay in the mobilehome park. This person shall have no rights of tenancy in the park, but shall comply with the rules and regulations of the mobilehome park. A violation of the mobilehome park rules and regulations by this person shall be deemed a violation of the rules and regulations by the homeowner pursuant to subdivision (d) of Section 798.56. As used in this subdivision, "senior homeowner" means a homeowner who is 55 years of age or older.

798.35. A homeowner shall not be charged a fee based on the number of members in his or her immediate family. As used in this section, the "immediate family" shall be limited to the homeowner, his or her spouse, their parents, their children, and their grandchildren under 18 years of age.

798.36. A homeowner shall not be charged a fee for the enforcement of any of the rules and regulations of the park, except a reasonable fee may be charged by management for the maintenance of the land and premises upon which the mobilehome is situated in the event the homeowner fails to do so in accordance with the rules and regulations of the park after written notification to the homeowner and the failure of the homeowner to comply within 14 days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by management if the services are performed by management or its agent.

798.37. A homeowner shall not be charged a fee for the entry, installation, hookup, or landscaping as a condition of tenancy except for an actual fee or cost imposed by a local governmental ordinance or requirement directly related to the occupancy of the specific site upon which the mobilehome is located and not incurred as a portion of the development of the mobilehome park as a whole. However, reasonable landscaping and maintenance requirements may be included in the park rules and regulations. The management shall not require a homeowner or prospective homeowner to purchase, rent, or lease goods or services for landscaping from any person, company, or corporation.

798.37.5 (a) With respect to trees on rental spaces in a mobilehome park, park management shall be solely responsible for the trimming, pruning, or removal of any tree, and the costs thereof, upon written notice by a homeowner or a determination by park management that the tree poses a specific hazard or health and safety violation. In the case of a dispute over that assertion, the park management or a homeowner may request an inspection by the Department of Housing and Community Development or a local agency responsible for the enforcement of the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 3 of the Health and Safety Code) in order to determine whether a violation of that act exists.

(b) With respect to trees in the common areas of a mobilehome park, park management shall be solely responsible for the trimming, pruning, or removal of any tree, and the costs thereof.

(c) Park management shall be solely responsible for the maintenance, repair, replacement, paving, sealing, and the expenses related to the maintenance of all driveways installed by park management including, but not limited to, repair of root damage to driveways

and foundation systems and removal. Homeowners shall be responsible for the maintenance, repair, replacement, paving, sealing, and the expenses related to the maintenance of a homeowner installed driveway. A homeowner may be charged for the cost of any damage to the driveway caused by an act of the homeowner or a breach of the homeowner's responsibilities under the rules and regulations so long as those rules and regulations are not inconsistent with the provisions of this section.

(d) No homeowner may plant a tree within the mobilehome park without first obtaining written permission from the management.

(e) This section shall not apply to alter the terms of any rental agreement in effect prior to January 1, 2001, between the park management and the homeowner regarding the responsibility for the maintenance of trees and driveways within the mobilehome park, except that upon any renewal or extension, the rental agreement shall be subject to this section. This section is not intended to abrogate the content of any existing rental agreement or other written agreements regarding trees or driveways that are in effect prior to January 1, 2001.

(f) This section shall only apply to rental agreements entered into, renewed, or extended on or after January 1, 2001.

(g) Any mobilehome park rule or regulation shall be in compliance with this section.

798.38. Where the management provides both master meter and submeter service of utilities to a homeowner, for each billing period the cost of the charges for the period shall be separately stated along with the opening and closing readings for his meter. The management shall post in a conspicuous place, the prevailing residential utilities rate schedule as published by the serving utility.

798.39. (a) The management may only demand a security deposit on or before initial occupancy and the security deposit may not be in an amount or value in excess of an amount equal to two months' rent that is charged at the inception of the occupancy, in addition to any rent for the first month. In no event shall additional security deposits be demanded of a homeowner following the initial occupancy.

(b) As to all security deposits collected on or after January 1, 1989, after the homeowner has promptly paid to the management, within five days of the date the amount is due, all of the rent, utilities, and reasonable service charges for any 12-consecutive-month period subsequent to the collection of the security deposit by the management, or upon resale of the mobilehome, whichever occurs earlier, the management shall, upon the receipt of a written request from the homeowner, refund to the homeowner the amount of the security deposit within 30 days following the end of the 12-consecutive-month period of the prompt payment or the date of the resale of the mobilehome.

(c) As to all security deposits collected prior to January 1, 1989, upon the extension or renewal of the rental agreement or lease between the homeowner and the management, and upon the receipt of a written request from the homeowner, if the homeowner has promptly paid to the management, within five days of the date the amount is due, all of the rent, utilities, and reasonable service charges for the 12-consecutive-month period preceding the receipt of the written request, the management shall refund to the homeowner the amount of the security deposit within 60 days.

(d) As to all security deposits collected prior to January 1, 1989, and not disbursed pursuant to subdivision (c), in the event that the mobilehome park is sold or transferred to any other party or entity, the selling park owner shall deposit in escrow an amount equal to all security deposits that the park owner holds. The seller's escrow instructions shall direct that, upon close of escrow, the security deposits therein that were held by the selling park owner (includ-

ing the period in escrow) for 12 months or more, shall be disbursed to the persons who paid the deposits to the selling park owner and promptly paid, within five days of the date the amount is due, all rent, utilities, and reasonable service charges for the 12-month period preceding the close of escrow.

(e) Any and all security deposits in escrow that were held by the selling park owner that are not required to be disbursed pursuant to subdivision (b), (c), or (d) shall be disbursed to the successors in interest to the selling or transferring park owner, who shall have the same obligations of the park's management and ownership specified in this section with respect to security deposits. The disbursement may be made in escrow by a debit against the selling park owner and a credit to the successors in interest to the selling park owner.

(f) The management shall not be required to place any security deposit collected in an interest-bearing account or to provide a homeowner with any interest on the security deposit collected.

(g) Nothing in this section shall affect the validity of title to real property transferred in violation of this section.

798.40. The management shall not acquire a lien or security interest, other than an interest arising by reason of process issued to enforce a judgment of any court, in a mobilehome located in the park unless it is mutually agreed upon by both the homeowner and management. Any billing and payment upon the obligation shall be kept separate from current rent.

798.41. (a) Where a rental agreement, including a rental agreement specified in Section 798.17, does not specifically provide otherwise, the park management may elect to bill a homeowner 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 deemed to be included in the rent charged for those spaces under the rental agreement, and shall not be deemed to be rent or a rent increase for purposes of any ordinance, rule, regulation, or initiative measure adopted or enforced by any local governmental entity which establishes a maximum amount that a landlord may charge a tenant for rent, provided that at the time of the initial separate billing of any utility fees and charges the rent chargeable under the rental agreement or the base rent chargeable under the terms of a local rent control provision is simultaneously reduced by an amount equal to the fees and charges separately billed. The amount of this reduction shall be equal to the average amount charged to the park management for that utility service for that space during the 12 months immediately preceding notice of the commencement of the separate billing for that utility service.

Utility services to which this section applies are natural gas or liquid propane gas, electricity, water, cable television, garbage or refuse service, and sewer service.

(b) This section does not apply to rental agreements entered into prior to January 1, 1991, until extended or renewed on or after that date.

(c) Nothing in this section shall require rental agreements to provide for separate billing to homeowners of fees and charges specified in subdivision (a).

(d) Those fees and charges specified in subdivision (a) shall be separately stated on any monthly or other periodic billing to the homeowner. If the fee or charge has a limited duration or is amortized for a specified period, the expiration date shall be stated on the initial notice and each subsequent billing to the homeowner while the fee or charge is billed to the homeowner.

798.42. (a) The management shall not charge or impose upon a homeowner any fee or increase in rent which reflects the cost to the management of any fine, forfeiture, penalty, money damages, or fee assessed or awarded by a court of law against the management for a violation of this chapter, including any attorney's fees and costs

incurred by the management in connection therewith.

(b) A court shall consider the remoteness in time of the assessment or award against the management of any fine, forfeiture, penalty, money damages, or fee in determining whether the homeowner has met the burden of proof that the fee or increase in rent is in violation of this section.

(c) Any provision in a rental agreement entered into, renewed, or modified on or after January 1, 1995, that permits a fee or increase in rent that reflects the cost to the management of any money damages awarded against the management for a violation of this chapter shall be void.

798.43. (a) Except as provided in subdivision (b), whenever a homeowner is responsible for payment of gas, water, or electric utility service, management shall disclose to the homeowner any condition by which a gas, water, or electric meter on the homeowner's site measures gas, water, or electric service for common area facilities or equipment, including lighting, provided that management has knowledge of the condition.

Management shall disclose this information prior to the inception of the tenancy or upon discovery and shall complete either of the following:

(1) Enter into a mutual written agreement with the homeowner for compensation by management for the cost of the portion of the service measured by the homeowner's meter for the common area facilities or equipment to the extent that this cost accrues on or after January 1, 1991.

(2) Discontinue using the meter on the homeowner's site for the utility service to the common area facilities and equipment.

(b) On and after January 1, 1994, if the electric meter on the homeowner's site measures electricity for lighting mandated by Section 18602 of the Health and Safety Code and this lighting provides lighting for the homeowner's site, management shall be required to comply with subdivision (a).

798.43.1. (a) The management of a master-meter park shall give written notice to homeowners and residents on or before February 1 of each year in their utility billing statements about assistance to low-income persons for utility costs available under the California Alternate Rates for Energy (CARE) program, established pursuant to Section 739.1 of the Public Utilities Code. The notice shall include CARE information available to master-meter customers from their serving utility, to include, at a minimum: (1) the fact that CARE offers a discount on monthly gas or electric bills for qualifying low-income residents; and (2) the telephone number of the serving utility which provides CARE information and applications. The park shall also post the notice in a conspicuous place in the clubhouse, or if there is no clubhouse, in a conspicuous public place in the park.

(b) The management of a master-meter park may accept and help process CARE program applications from homeowners and residents in the park, fill in the necessary account or other park information required by the serving utility to process the applications, and send the applications to the serving utility. The management shall not deny a homeowner or resident who chooses to submit a CARE application to the utility himself or herself any park information, including a utility account number, the serving utility requires to process a homeowner or resident CARE program application.

(c) The management of a master-meter park shall pass through the full amount of the CARE program discount in monthly utility billings to homeowners and residents who have qualified for the CARE rate schedule, as defined in the serving utility's applicable rate schedule. The management shall notice the discount on the billing statement of any homeowner or resident who has qualified for the CARE rate schedule as either the itemized amount of the discount or a notation on the statement that the homeowner or resident

is receiving the CARE discount on the electric bill, the gas bill, or both the electric and gas bills.

(d) "Master-meter park" as used in this section means "master-meter customer" as used in Section 739.5 of the Public Utilities Code.

798.44. (a) The management of a park that does not permit mobilehome owners or park tenants to purchase liquefied petroleum gas for use in the mobilehome park from someone other than the mobilehome park management shall not sell liquefied petroleum gas to mobilehome owners and tenants within the park at a cost which exceeds 110 percent of the actual price paid by the management of the park for liquefied petroleum gas.

(b) The management of a park shall post in a visible location the actual price paid by management for liquefied petroleum gas sold pursuant to subdivision (a).

(c) This section shall apply only to mobilehome parks regulated under the Mobilehome Residency Law. This section shall not apply to recreational vehicle parks, as defined in Section 18215 of the Health and Safety Code, which exclusively serve recreational vehicles, as defined in Section 18010 of the Health and Safety Code.

(d) Nothing in this section is intended to abrogate any rights a mobilehome park owner may have under Section 798.31 of the Civil Code.

(e) In addition to a mobilehome park described in subdivision (a), the requirements of subdivisions (a) and (b) shall apply to a mobilehome park where requirements of federal, state, or local law or regulation, including, but not limited to, requirements for setbacks between mobilehomes, prohibit homeowners or tenants from installing their own liquefied petroleum gas supply tanks, notwithstanding that the management of the mobilehome park permits mobilehome owners and park tenants to buy their own liquefied petroleum gas.

Article 4.5. Rent Control

798.45. Notwithstanding Section 798.17, "new construction" as defined in Section 798.7, shall be exempt from any ordinance, rule, regulation, or initiative measure adopted by any city, county, or city and county, which establishes a maximum amount that a landlord may charge a tenant for rent.

798.49. (a) Except as provided in subdivision (d), the local agency of any city, including a charter city, county, or city and county, which administers an ordinance, rule, regulation, or initiative measure that establishes a maximum amount that management may charge a tenant for rent shall permit the management to separately charge a homeowner for any of the following:

(1) The amount of any fee, assessment or other charge first imposed by a city, including a charter city, a county, a city and county, the state, or the federal government on or after January 1, 1995, upon the space rented by the homeowner.

(2) The amount of any increase on or after January 1, 1995, in an existing fee, assessment or other charge imposed by any governmental entity upon the space rented by the homeowner.

(3) The amount of any fee, assessment or other charge upon the space first imposed or increased on or after January 1, 1993, pursuant to any state or locally mandated program relating to housing contained in the Health and Safety Code.

(b) If management has charged the homeowner for a fee, assessment, or other charge specified in subdivision (a) that was increased or first imposed on or after January 1, 1993, and the fee, assessment, or other charge is decreased or eliminated thereafter, the charge to the homeowner shall be decreased or eliminated accordingly.

(c) The amount of the fee, assessment or other charges authorized by subdivision (a) shall be separately stated on any billing to the homeowner. Any change in the amount of the fee, assessment, or other charges that are separately billed pursuant to subdivision (a)

shall be considered when determining any rental adjustment under the local ordinance.

(d) This section shall not apply to any of the following:

(1) Those fees, assessments, or charges imposed pursuant to the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), unless specifically authorized by Section 18502 of the Health and Safety Code.

(2) Those costs that are imposed on management by a court pursuant to Section 798.42.

(3) Any fee or other exaction imposed upon management for the specific purpose of defraying the cost of administration of any ordinance, rule, regulation, or initiative measure that establishes a maximum amount that management may charge a tenant for rent.

(4) Any tax imposed upon the property by a city, including a charter city, county, or city and county.

(e) Those fees and charges specified in subdivision (a) shall be separately stated on any monthly or other periodic billing to the homeowner. If the fee or charge has a limited duration or is amortized for a specified period, the expiration date shall be stated on the initial notice and each subsequent billing to the homeowner while the fee or charge is billed to the homeowner.

Article 5. Homeowner Communications and Meetings

798.50. It is the intent of the Legislature in enacting this article to ensure that homeowners and residents of mobilehome parks have the right to peacefully assemble and freely communicate with one another and with others with respect to mobilehome living or for social or educational purposes.

798.51. No provision contained in any mobilehome park rental agreement, rule, or regulation shall deny or prohibit the right of any homeowner or resident in the park to do any of the following:

(a) Peacefully assemble or meet in the park, at reasonable hours and in a reasonable manner, for any lawful purpose. Meetings may be held in the park community or recreation hall or clubhouse when the facility is not otherwise in use, and, with the consent of the homeowner, in any mobilehome within the park.

(b) Invite public officials, candidates for public office, or representatives of mobilehome owner organizations to meet with homeowners and residents and speak upon matters of public interest, in accordance with Section 798.50.

(c) Canvass and petition homeowners and residents for non-commercial purposes relating to mobilehome living, election to public office, or the initiative, referendum, or recall processes, at reasonable hours and in a reasonable manner, including the distribution or circulation of information.

(d) A homeowner or resident may not be charged a cleaning deposit in order to use the park recreation hall or clubhouse for meetings of resident organizations for any of the purposes stated in Section 798.50 and this section, whether or not guests or visitors from outside the park are invited to attend the meeting, if a homeowner or resident of the park is hosting the meeting and all homeowners or residents of the park are allowed to attend.

(e) A homeowner or resident may not be required to obtain liability insurance in order to use common area facilities for the purposes specified in this section and Section 798.50. However, if alcoholic beverages are to be served at any meeting or private function, a liability insurance binder may be required by the park ownership or management. The ownership or management of a mobilehome park may prohibit the consumption of alcoholic beverages in the park common area facilities if the terms of the rental agreement or the rules and regulations of the park prohibit it.

(f) A homeowner, organization, or group of homeowners using a recreation hall or clubhouse pursuant to this section shall be required to adhere to any limitations or restrictions regarding vehicle

parking or maximum occupancy for the clubhouse or recreation hall.

798.52. Any homeowner or resident who is prevented by management from exercising the rights provided for in Section 798.51 may bring an action in a court of law to enjoin enforcement of any rule, regulation, or other policy which unreasonably deprives a homeowner or resident of those rights.

Article 5.5. Homeowners Meetings with Management

798.53. The management shall meet and consult with the homeowners, upon written request, within 30 days of the request, either individually, collectively, or with representatives of a group of homeowners who have signed a request to be so represented on the following matters:

(a) Resident concerns regarding existing park rules that are not subject to Section 798.25.

(b) Standards for maintenance of physical improvements in the park.

(c) Addition, alteration, or deletion of service, equipment, or physical improvements.

(d) Rental agreements offered pursuant to Section 798.17.

Any collective meeting shall be conducted only after notice thereof has been given to all the requesting homeowners 10 days or more before the meeting.

Article 6. Termination of Tenancy

798.55. (a) The Legislature finds and declares that, because of the high cost of moving mobilehomes, the potential for damage resulting therefrom, the requirements relating to the installation of mobilehomes, and the cost of landscaping or lot preparation, it is necessary that the owners of mobilehomes occupied within mobilehome parks be provided with the unique protection from actual or constructive eviction afforded by the provisions of this chapter.

(b) The management shall not terminate or refuse to renew a tenancy, except for a reason specified in this article and upon the giving of written notice to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure, to remove the mobilehome from the park within a period of not less than 60 days, which period shall be specified in the notice. A copy of this notice shall be sent to the legal owner, as defined in Section 18005.8 of the Health and Safety Code, each junior lienholder, as defined in Section 18005.3 of the Health and Safety Code, and the registered owner of the mobilehome, if other than the homeowner, by United States mail within 10 days after notice to the homeowner. The copy may be sent by regular mail or by certified or registered mail with return receipt requested, at the option of the management. If the homeowner has not paid the rent due within three days after notice to the homeowner, and if the first notice was not sent by certified or registered mail with return receipt requested, a copy of the notice shall again be sent to the legal owner, each junior lienholder, and the registered owner, if other than the homeowner, by certified or registered mail with return receipt requested within 10 days after notice to the homeowner. Copies of the notice shall be addressed to the legal owner, each junior lienholder, and the registered owner at their addresses, as set forth in the registration card specified in Section 18091.5 of the Health and Safety Code.

(c) The resident of a mobilehome that remains in the mobilehome park after service of the notice to remove the mobilehome shall continue to be subject to this chapter and the rules and regulations of the park, including rules regarding maintenance of the space.

(d) No lawful act by the management to enforce this chapter or the rules and regulations of the park may be deemed or construed to waive or otherwise affect the notice to remove the mobilehome.

798.56. A tenancy shall be terminated by the management

only for one or more of the following reasons:

(a) Failure of the homeowner or resident to comply with a local ordinance or state law or regulation relating to mobilehomes within a reasonable time after the homeowner receives a notice of noncompliance from the appropriate governmental agency.

(b) Conduct by the homeowner or resident, upon the park premises, that constitutes a substantial annoyance to other homeowners or residents.

(c) Conviction of the homeowner or resident for prostitution or a felony controlled substance offense if the act resulting in the conviction was committed anywhere on the premises of the mobilehome park, including, but not limited to, within the homeowner's mobilehome.

However the tenancy may not be terminated for the reason specified in this subdivision if the person convicted of the offense has permanently vacated, and does not subsequently reoccupy, the mobilehome.

(d) Failure of the homeowner or resident to comply with a reasonable rule or regulation of the park that is part of the rental agreement or any amendment thereto.

No act or omission of the homeowner or resident shall constitute a failure to comply with a reasonable rule or regulation unless and until the management has given the homeowner written notice of the alleged rule or regulation violation and the homeowner or resident has failed to adhere to the rule or regulation within seven days. However, if a homeowner has been given a written notice of an alleged violation of the same rule or regulation on three or more occasions within a 12-month period after the homeowner or resident has violated that rule or regulation, no written notice shall be required for a subsequent violation of the same rule or regulation.

Nothing in this subdivision shall relieve the management from its obligation to demonstrate that a rule or regulation has in fact been violated.

(e) (1) Nonpayment of rent, utility charges, or reasonable incidental service charges; provided that the amount due has been unpaid for a period of at least five days from its due date, and provided that the homeowner shall be given a three-day written notice subsequent to that five-day period to pay the amount due or to vacate the tenancy. For purposes of this subdivision, the five-day period does not include the date the payment is due. The three-day written notice shall be given to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure. A copy of this notice shall be sent to the persons or entities specified in subdivision (b) of Section 798.55 within 10 days after notice is delivered to the homeowner. If the homeowner cures the default, the notice need not be sent. The notice may be given at the same time as the 60 days' notice required for termination of the tenancy.

(2) Payment by the homeowner prior to the expiration of the three-day notice period shall cure a default under this subdivision. If the homeowner does not pay prior to the expiration of the three-day notice period, the homeowner shall remain liable for all payments due up until the time the tenancy is vacated.

(3) Payment by the legal owner, as defined in Section 18005.8 of the Health and Safety Code, any junior lienholder, as defined in Section 18005.3 of the Health and Safety Code, or the registered owner, as defined in Section 18009.5 of the Health and Safety Code, if other than the homeowner, on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice to the legal owner, each junior lienholder, and the registered owner provided in subdivision (b) of Section 798.55, shall cure a default under this subdivision with respect to that payment.

(4) Cure of a default of rent, utility charges, or reasonable incidental service charges by the legal owner, any junior lienholder, or

the registered owner, if other than the homeowner, as provided by this subdivision, may not be exercised more than twice during a 12-month period.

(5) If a homeowner has been given a three-day notice to pay the amount due or to vacate the tenancy on three or more occasions within the preceding 12-month period, no written three-day notice shall be required in the case of a subsequent nonpayment of rent, utility charges, or reasonable incidental service charges.

In that event, the management shall give written notice to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure to remove the mobilehome from the park within a period of not less than 60 days, which period shall be specified in the notice. A copy of this notice shall be sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, as specified in paragraph (b) of Section 798.55, by certified or registered mail return receipt requested within 10 days after notice is sent to the homeowner.

(6) When a copy of the 60 days' notice described in paragraph (5) is sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, the default may be cured by any of them on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice, if all of the following conditions exist:

(A) A copy of a three-day notice sent pursuant to subdivision (b) of Section 798.55 to a homeowner for the nonpayment of rent, utility charges, or reasonable incidental service charges was not sent to the legal owner, junior lienholder, or registered owner, of the mobilehome, if other than the homeowner, during the preceding 12-month period.

(B) The legal owner, junior lienholder, or registered owner of the mobilehome, if other than the homeowner, has not previously cured a default of the homeowner during the preceding 12-month period.

(C) The legal owner, junior lienholder or registered owner, if other than the homeowner, is not a financial institution or mobilehome dealer.

If the default is cured by the legal owner, junior lienholder, or registered owner within the 30-day period, the notice to remove the mobilehome from the park described in paragraph (5) shall be rescinded.

(f) Condemnation of the park.

(g) Change of use of the park or any portion thereof, provided:

(1) The management gives the homeowners at least 15 days' written notice that the management will be appearing before a local governmental board, commission, or body to request permits for a change of use of the mobilehome park.

(2) After all required permits requesting a change of use have been approved by the local governmental board, commission, or body, the management shall give the homeowners six months' or more written notice of termination of tenancy.

If the change of use requires no local governmental permits, then notice shall be given 12 months or more prior to the management's determination that a change of use will occur. The management in the notice shall disclose and describe in detail the nature of the change of use.

(3) The management gives each proposed homeowner written notice thereof prior to the inception of his or her tenancy that the management is requesting a change of use before local governmental bodies or that a change of use request has been granted.

(4) The notice requirements for termination of tenancy set forth in Sections 798.56 and 798.57 shall be followed if the proposed change actually occurs.

(5) A notice of a proposed change of use given prior to January

1, 1980, that conforms to the requirements in effect at that time shall be valid. The requirements for a notice of a proposed change of use imposed by this subdivision shall be governed by the law in effect at the time the notice was given.

(h) The report required pursuant to subdivisions (b) and (i) of Section 65863.7 of the Government Code shall be given to the homeowners or residents at the same time that notice is required pursuant to subdivision (g) of this section.

(i) For purposes of this section, "financial institution" means a state or national bank, state or federal savings and loan association or credit union, or similar organization, and mobilehome dealer as defined in Section 18002.6 of the Health and Safety Code or any other organization that, as part of its usual course of business, originates, owns, or provides loan servicing for loans secured by a mobilehome.

798.56a. (a) Within 60 days after receipt of, or no later than 65 days after the mailing of, the notice of termination of tenancy pursuant to any reason provided in Section 798.56, the legal owner, if any, and each junior lienholder, if any, shall notify the management in writing of at least one of the following:

(1) Its offer to sell the obligation secured by the mobilehome to the management for the amount specified in its written offer. In that event, the management shall have 15 days following receipt of the offer to accept or reject the offer in writing. If the offer is rejected, the person or entity that made the offer shall have 10 days in which to exercise one of the other options contained in this section and shall notify management in writing of its choice.

(2) Its intention to foreclose on its security interest in the mobilehome.

(3) Its request that the management pursue the termination of tenancy against the homeowner and its offer to reimburse management for the reasonable attorney's fees and court costs incurred by the management in that action. If this request and offer are made, the legal owner, if any, or junior lienholder, if any, shall reimburse the management the amount of reasonable attorney's fees and court costs, as agreed upon by the management and the legal owner or junior lienholder, incurred by the management in an action to terminate the homeowner's tenancy, on or before the earlier of (A) the 60th calendar day following receipt of written notice from the management of the aggregate amount of those reasonable attorney's fees and costs or (B) the date the mobilehome is resold.

(b) A legal owner, if any, or junior lienholder, if any, may sell the mobilehome within the park to a third party and keep the mobilehome on the site within the mobilehome park until it is resold only if all of the following requirements are met:

(1) The legal owner, if any, or junior lienholder, if any, notifies management in writing of the intention to exercise either option described in paragraph (2) or (3) of subdivision (a) within 60 days following receipt of, or no later than 65 days after the mailing of, the notice of termination of tenancy and satisfies all of the responsibilities and liabilities of the homeowner owing to the management for the 90 days preceding the mailing of the notice of termination of tenancy and then continues to satisfy these responsibilities and liabilities as they accrue from the date of the mailing of that notice until the date the mobilehome is resold.

(2) Within 60 days following receipt of, or no later than 65 days after the mailing of, the notice of termination of tenancy, the legal owner or junior lienholder commences all repairs and necessary corrective actions so that the mobilehome complies with park rules and regulations in existence at the time the notice of termination of tenancy was given as well as the health and safety standards specified in Sections 18550, 18552, and 18605 of the Health and Safety Code, and completes these repairs and corrective actions within 90 calendar days of that notice, or before the date that the mobilehome is

sold, whichever is earlier.

(3) The legal owner, if any, or junior lienholder, if any, complies with the requirements of Article 7 (commencing with Section 798.70) as it relates to the transfer of the mobilehome to a third party.

(c) For purposes of subdivision (b), the "homeowner's responsibilities and liabilities" means all rents, utilities, reasonable maintenance charges of the mobilehome and its premises, and reasonable maintenance of the mobilehome and its premises pursuant to existing park rules and regulations.

(d) If the homeowner files for bankruptcy, the periods set forth in this section are tolled until the mobilehome is released from bankruptcy.

(e) Notwithstanding any other provision of law, including, but not limited to, Section 18099.5 of the Health and Safety Code, if neither the legal owner nor a junior lienholder notifies the management of its decision pursuant to subdivision (a) within the period allowed, or performs as agreed within 30 days, or if a registered owner of a mobilehome, that is not encumbered by a lien held by a legal owner or a junior lienholder, fails to comply with a notice of termination and is either legally evicted or vacates the premises, the management may either remove the mobilehome from the premises and place it in storage or store it on its site. In this case, notwithstanding any other provision of law, the management shall have a warehouseman's lien in accordance with Section 7209 of the Commercial Code against the mobilehome for the costs of dismantling and moving, if appropriate, as well as storage, that shall be superior to all other liens, except the lien provided for in Section 18116.1 of the Health and Safety Code, and may enforce the lien pursuant to Section 7210 of the Commercial Code either after the date of judgment in an unlawful detainer action or after the date the mobilehome is physically vacated by the resident, whichever occurs earlier. Upon completion of any sale to enforce the warehouseman's lien in accordance with Section 7210 of the Commercial Code, the management shall provide the purchaser at the sale with evidence of the sale, as shall be specified by the Department of Housing and Community Development, that shall, upon proper request by the purchaser of the mobilehome, register title to the mobilehome to this purchaser, whether or not there existed a legal owner or junior lienholder on this title to the mobilehome.

(f) All written notices required by this section shall be sent to the other party by certified or registered mail with return receipt requested.

(g) Satisfaction, pursuant to this section, of the homeowner's accrued or accruing responsibilities and liabilities shall not cure the default of the homeowner.

798.57. The management shall set forth in a notice of termination, the reason relied upon for the termination with specific facts to permit determination of the date, place, witnesses, and circumstances concerning that reason. Neither reference to the section number or a subdivision thereof, nor a recital of the language of this article will constitute compliance with this section.

798.58. Tenancy may only be terminated for reasons contained in Section 798.56, and a tenancy may not be terminated for the purpose of making a homeowner's site available for a person who purchased or proposes to purchase, or rents or proposes to rent, a mobilehome from the owner of the park or the owner's agent.

798.59. A homeowner shall give written notice to the management of not less than 60 days before vacating his or her tenancy.

798.60. The provisions of this article shall not affect any rights or proceedings set forth in Chapter 4 (commencing with Section 1159) of Title 3 of Part 3 of the Code of Civil Procedure except as otherwise provided herein.

798.61. (a) (1) As used in this section, "abandoned mobilehome" means a mobilehome about which all of the following

are true:

(A) It is located in a mobilehome park on a site for which no rent has been paid to the management for the preceding 60 days.

(B) It is unoccupied.

(C) A reasonable person would believe it to be abandoned.

(2) For purposes of this section:

(A) "Mobilehome" shall include a trailer coach, as defined in Section 635 of the Vehicle Code, or a recreational vehicle, as defined in Section 18010 of the Health and Safety Code, if the trailer coach or recreational vehicle also satisfies the requirements of paragraph (1), including being located on any site within a mobilehome park, even if the site is in a separate designated section pursuant to Section 18215 of the Health and Safety Code.

(B) "Abandoned mobilehome" shall include a mobilehome that is uninhabitable because of its total or partial destruction that cannot be rehabilitated, if the mobilehome also satisfies the requirements of paragraph (1).

(b) After determining a mobilehome in a mobilehome park to be an abandoned mobilehome, the management shall post a notice of belief of abandonment on the mobilehome for not less than 30 days, and shall deposit copies of the notice in the United States mail, postage prepaid, addressed to the homeowner at the last known address and to any known registered owner, if different from the homeowner, and to any known holder of a security interest in the abandoned mobilehome. This notice shall be mailed by registered or certified mail with a return receipt requested.

(c) Thirty or more days following posting pursuant to subdivision (b), the management may file a petition in the municipal court for the judicial district in which the mobilehome park is located, or in the superior court in a county in which there is no municipal court, for a judicial declaration of abandonment of the mobilehome. A proceeding under this subdivision is a limited civil case. Copies of the petition shall be served upon the homeowner, any known registered owner, and any known person having a lien or security interest of record in the mobilehome by posting a copy on the mobilehome and mailing copies to those persons at their last known addresses by registered or certified mail with a return receipt requested in the United States mail, postage prepaid.

(d) (1) Hearing on the petition shall be given precedence over other matters on the court's calendar.

(2) If, at the hearing, the petitioner shows by a preponderance of the evidence that the criteria for an abandoned mobilehome has been satisfied and no party establishes an interest therein at the hearing, the court shall enter a judgment of abandonment, determine the amount of charges to which the petitioner is entitled, and award attorney's fees and costs to the petitioner. For purposes of this subdivision an interest in the mobilehome shall be established by evidence of a right to possession of the mobilehome or a security or ownership interest in the mobilehome.

(3) A default may be entered by the court clerk upon request of the petitioner, and a default judgment shall be thereupon entered, if no responsive pleading is filed within 15 days after service of the petition by mail.

(e) (1) Within 10 days following a judgment of abandonment, the management shall enter the abandoned mobilehome and complete an inventory of the contents and submit the inventory to the court.

(2) During this period the management shall post and mail notice of intent to sell the abandoned mobilehome and its contents under this section, and announcing the date of sale, in the same manner as provided for the notice of determination of abandonment under subdivision (b).

(3) At any time prior to the sale of a mobilehome under this section, any person having a right to possession of the mobilehome

may recover and remove it from the premises upon payment to the management of all rent or other charges due, including reasonable costs of storage and other costs awarded by the court. Upon receipt of this payment and removal of the mobilehome from the premises pursuant to this paragraph, the management shall immediately file an acknowledgment of satisfaction of judgment pursuant to Section 724.030 of the Code of Civil Procedure.

(f) Following the judgment of abandonment, but not less than 10 days following the notice of sale specified in subdivision (e), the management may conduct a public sale of the abandoned mobilehome and its contents. The management may bid at the sale and shall have the right to offset its bids to the extent of the total amount due it under this section. The proceeds of the sale shall be retained by the management, but any unclaimed amount thus retained over and above the amount to which the management is entitled under this section shall be deemed abandoned property and shall be paid into the treasury of the county in which the sale took place within 30 days of the date of the sale. The former homeowner or any other owner may claim any or all of that unclaimed amount within one year from the date of payment to the county by making application to the county treasurer or other official designated by the county. If the county pays any or all of that unclaimed amount to a claimant, neither the county nor any officer or employee of the county is liable to any other claimant as to the amount paid.

(g) Within 30 days of the date of the sale, the management shall submit to the court an accounting of the moneys received from the sale and the disposition of the money and the items contained in the inventory submitted to the court pursuant to subdivision (e).

(h) The management shall provide the purchaser at the sale with a copy of the judgment of abandonment and evidence of the sale, as shall be specified by the State Department of Housing and Community Development or the Department of Motor Vehicles, which shall register title in the abandoned mobilehome to the purchaser upon presentation thereof. The sale shall pass title to the purchaser free of any prior interest, including any security interest or lien, except the lien provided for in Section 18116.1 of the Health and Safety Code, in the abandoned mobilehome.

Article 7. Transfer of Mobilehome or Mobilehome Park

798.70. A homeowner, an heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death, or the agent of any such person, may advertise the sale or exchange of his or her mobilehome, or, if not prohibited by the terms of an agreement with the management, may advertise the rental of his or her mobilehome, by displaying a sign in the window of the mobilehome, or by a sign posted on the side of the mobilehome facing the street, or by a sign in front of the mobilehome facing the street, stating that the mobilehome is for sale or exchange or, if not prohibited, for rent by the owner of the mobilehome or his or her agent. Any such person also may display a sign conforming to these requirements indicating that the mobilehome is on display for an "open house," unless the park rules prohibit the display of an open house sign. The sign shall state the name, address, and telephone number of the owner of the mobilehome or his or her agent and the sign face shall not exceed 24 inches in width and 36 inches in height. Signs posted in front of a mobilehome pursuant to this section may be of an H-frame or A-frame design with the sign face perpendicular to, but not extending into, the street. Homeowners may attach to the sign or their mobilehome tubes or holders for leaflets which provide information on the mobilehome for sale, exchange, or rent.

798.71. (a) The management shall not show or list for sale a manufactured home or mobilehome without first obtaining the owner's

written authorization. The authorization shall specify the terms and conditions regarding the showing or listing.

(b) The management shall prohibit neither the listing nor the sale of a manufactured home or mobilehome within the park by the homeowner, an heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death, or the agent of any such person other than the management, nor require the selling homeowner, or an heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death, to authorize the management to act as the agent in the sale of a manufactured home or mobilehome as a condition of management's approval of the buyer or prospective homeowner for residency in the park.

Nothing in this section shall be construed as affecting the provisions of the Health and Safety Code governing the licensing of manufactured home or mobilehome salespersons or dealers.

798.72. (a) The management shall not charge a homeowner, an heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death, or the agent of any such person a transfer or selling fee as a condition of a sale of his mobilehome within a park unless the management performs a service in the sale. The management shall not perform any such service in connection with the sale unless so requested, in writing, by the homeowner, an heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death, or the agent of any such person.

(b) The management shall not charge a prospective homeowner or his or her agent, upon purchase of a mobilehome, a fee as a condition of approval for residency in a park unless the management performs a specific service in the sale. The management shall not impose a fee, other than for a credit check in accordance with subdivision (b) of Section 798.74, for an interview of a prospective homeowner.

798.73. The management shall not require the removal of a mobilehome from the park in the event of its sale to a third party during the term of the homeowner's rental agreement. However, in the event of a sale to a third party, in order to upgrade the quality of the park, the management may require that a mobilehome be removed from the park where:

(a) It is not a "mobilehome" within the meaning of Section 798.3.

(b) It is more than 20 years old, or more than 25 years old if manufactured after September 15, 1971, and is 20 feet wide or more, and the mobilehome does not comply with the health and safety standards provided in Sections 18550, 18552, and 18605 of the Health and Safety Code and the regulations established thereunder, as determined following an inspection by the appropriate enforcement agency, as defined in Section 18207 of the Health and Safety Code.

(c) The mobilehome is more than 17 years old, or more than 25 years old if manufactured after September 15, 1971, and is less than 20 feet wide, and the mobilehome does not comply with the construction and safety standards under Sections 18550, 18552, and 18605 of the Health and Safety Code and the regulations established thereunder, as determined following an inspection by the appropriate enforcement agency, as defined in Section 18207 of the Health and Safety Code.

(d) It is in a significantly rundown condition or in disrepair, as determined by the general condition of the mobilehome and its ac-

ceptability to the health and safety of the occupants and to the public, exclusive of its age. The management shall use reasonable discretion in determining the general condition of the mobilehome and its accessory structures. The management shall bear the burden of demonstrating that the mobilehome is in a significantly rundown condition or in disrepair. The management of the park shall not require repairs or improvements to the park space or property owned by the management, except for damage caused by the actions or negligence of the homeowner or an agent of the homeowner.

798.73.5 (a) In the case of a sale or transfer of a mobilehome that will remain in the park, the management may only require repairs or improvements to the mobilehome, its appurtenances, or an accessory structure that meet all of the following conditions:

(1) Except as provided by Section 798.83, the repair or improvement is to the mobilehome, its appurtenances, or an accessory structure that is not owned and installed by the management.

(2) The repair or improvement is based upon or is required by a local ordinance or state statute or regulation relating to mobilehomes, or a rule or regulation of the mobilehome park that implements or enforces a local ordinance or a state statute or regulation relating to mobilehomes.

(3) The repair or improvement relates to the exterior of the mobilehome, its appurtenances, or an accessory structure that is not owned and installed by the management.

(b) The management, in the case of sale or transfer of a mobilehome that will remain in the park, shall provide a homeowner with a written summary of repairs or improvements that management requires to the mobilehome, its appurtenances, or an accessory structure that is not owned and installed by the management no later than 10 business days following the receipt of a request for this information, as part of the notice required by Section 798.59. This summary shall include specific references to park rules and regulations, local ordinances, and state statutes and regulations relating to mobilehomes upon which the request for repair or improvement is based.

(c) The provisions of this section enacted at the 1999-2000 Regular Session of the Legislature are declarative of existing law as they pertain to allowing park management to enforce park rules and regulations; these provisions specifically limit repairs and improvements that can be required of a homeowner by park management at the time of sale or transfer to the same repairs and improvements that can be required during any other time of a residency.

798.74. (a) The management may require the right of prior approval of a purchaser of a mobilehome that will remain in the park and that the selling homeowner or his or her agent give notice of the sale to the management before the close of the sale. Approval cannot be withheld if the purchaser has the financial ability to pay the rent and charges of the park unless the management reasonably determines that, based on the purchaser's prior tenancies, he or she will not comply with the rules and regulations of the park. In determining whether the purchaser has the financial ability to pay the rent and charges of the park, the management shall not require the purchaser to submit copies of any personal income tax returns in order to obtain approval for residency in the park. However, management may require the purchaser to document the amount and source of his or her gross monthly income or means of financial support.

Upon request of any prospective homeowner who proposes to purchase a mobilehome that will remain in the park, management shall inform that person of the information management will require in order to determine if the person will be acceptable as a homeowner in the park.

Within 15 business days of receiving all of the information requested from the prospective homeowner, the management shall notify the seller and the prospective homeowner, in writing, of either acceptance or rejection of the application, and the reason if rejected.

During this 15-day period the prospective homeowner shall comply with the management's request, if any, for a personal interview. If the approval of a prospective homeowner is withheld for any reason other than those stated in this article, the management or owner may be held liable for all damages proximately resulting therefrom.

(b) If the management collects a fee or charge from a prospective purchaser of a mobilehome in order to obtain a financial report or credit rating, the full amount of the fee or charge shall be credited toward payment of the first month's rent for that mobilehome purchaser. If, for whatever reason, the prospective purchaser is rejected by the management, the management shall refund to the prospective purchaser the full amount of that fee or charge within 30 days from the date of rejection. If the prospective purchaser is approved by the management, but, for whatever reason, the prospective purchaser elects not to purchase the mobilehome, the management may retain the fee, or a portion thereof, to defray its administrative costs under this section.

798.75. (a) An escrow, sale, or transfer agreement involving a mobilehome located in a park at the time of the sale, where the mobilehome is to remain in the park, shall contain a copy of either a fully executed rental agreement or a statement signed by the park's management and the prospective homeowner that the parties have agreed to the terms and conditions of a rental agreement.

(b) In the event the purchaser fails to execute the rental agreement, the purchaser shall not have any rights of tenancy.

(c) In the event that an occupant of a mobilehome has no rights of tenancy and is not otherwise entitled to occupy the mobilehome pursuant to this chapter, the occupant is considered an unlawful occupant if, after a demand is made for the surrender of the mobilehome park site, for a period of five days, the occupant refuses to surrender the site to the mobilehome park management. In the event the unlawful occupant fails to comply with the demand, the unlawful occupant shall be subject to the proceedings set forth in Chapter 4 (commencing with Section 1159) of Title 3 of Part 3 of the Code of Civil Procedure.

(d) The occupant of the mobilehome shall not be considered an unlawful occupant and shall not be subject to the provisions of subdivision (c) if all of the following conditions are present:

(1) The occupant is the registered owner of the mobilehome.

(2) The management has determined that the occupant has the financial ability to pay the rent and charges of the park; will comply with the rules and regulations of the park, based on the occupant's prior tenancies; and will comply with this article.

(3) The management failed or refused to offer the occupant a rental agreement.

798.75.5. (a) The management shall provide a prospective homeowner with a completed written disclosure form concerning the park described in subdivision (b) at least three days prior to execution of a rental agreement or statement signed by the park management and the prospective homeowner that the parties have agreed to the terms and conditions of the rental agreement. The management shall update the information on the disclosure form annually, or, in the event of a material change in the condition of the mobilehome park, at the time of the material change in that condition.

(b) The written disclosure form shall read as follows:

THIS ENCLOSURE STATEMENT CONCERNS THE MOBILEHOME PARK ENDS AS LOCATED AT ... THE CITY OF ... STATE OF ... THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE PARK AND PARK COMMON AREAS AS OF ...

Table with 12 columns and 10 rows. Columns include: 1. Park name and location, 2. Does the park have a management organization?, 3. Does the park have a resident organization?, 4. Does the park have a park manager?, 5. Are there any liens or encumbrances on the park?, 6. Are there any liens or encumbrances on the common areas?, 7. Are there any liens or encumbrances on the mobilehome units?, 8. Are there any liens or encumbrances on the individual mobilehome units?, 9. Are there any liens or encumbrances on the individual mobilehome units?, 10. Are there any liens or encumbrances on the individual mobilehome units?, 11. Are there any liens or encumbrances on the individual mobilehome units?, 12. Are there any liens or encumbrances on the individual mobilehome units.

THE GENERAL RECEIPT OF A COMPLETED COPY OF THE PARK OWNER-MANAGER STATEMENT ... Park Owner/Manager ... Park Owner/Manager ...

798.76. The management may require that a prospective purchaser comply with any rule or regulation limiting residency based on age requirements for housing for older persons, provided that the rule or regulation complies with the federal Fair Housing Act, as amended by Public Law 104-76, and implementing regulations.

798.77. No rental or sale agreement shall contain a provision by which the purchaser or homeowner waives his or her rights under this chapter. Any such waiver shall be deemed contrary to public policy and shall be void and unenforceable.

798.78. (a) An heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death shall have the right to sell the mobilehome to a third party in accordance with the provisions of this article, but only if all the homeowner's responsibilities and liabilities to the management regarding rent, utilities, and reasonable maintenance of the mobilehome and its premises which have arisen since the death of the homeowner have been satisfied as they have accrued pursuant to the rental agreement in effect at the time of the death of the homeowner up until the date the mobilehome is resold.

(b) In the event that the heir, joint tenant, or personal representative of the estate does not satisfy the requirements of subdivision (a) with respect to the satisfaction of the homeowner's and liabilities to the management which accrue pursuant to the rental agreement in effect at the time of the death of the homeowner, the management shall have the right to require the removal of the mobilehome from the park.

(c) Prior to the sale of a mobilehome by an heir, joint tenant, or personal representative of the estate, that individual may replace the existing mobilehome with another mobilehome, either new or used, or repair the existing mobilehome so that the mobilehome to be sold complies with health and safety standards provided in Sections 18550, 18552, and 18605 of the Health and Safety Code, and the regulations established thereunder. In the event the mobilehome is to be replaced, the replacement mobilehome shall also meet current standards of the park as contained in the park's most recent written requirements issued to prospective homeowners.

(d) In the event the heir, joint tenant, or personal representative of the estate desires to establish a tenancy in the park, that individual shall comply with those provisions of this article which identify the requirements for a prospective purchaser of a mobilehome that remains in the park.

798.79. (a) Any legal owner or junior lienholder who forecloses on his or her security interest in a mobilehome located in a mobilehome park shall have the right to sell the mobilehome within the park to a third party in accordance with this article, but only if all of the homeowner's responsibilities and liabilities to the management regarding rent, utilities, and reasonable maintenance of a mobilehome and its premises are satisfied by the foreclosing creditor as they accrue through the date the mobilehome is resold.

(b) In the event the legal owner or junior lienholder has received from the management a copy of the notice of termination of tenancy for nonpayment of rent or other charges, the foreclosing creditor's right to sell the mobilehome within the park to a third party shall also be governed by Section 798.56a.

798.80. (a) Not less than 30 days nor more than one year prior to an owner of a mobilehome park entering into a written listing agreement with a licensed real estate broker, as defined in Article 1 (commencing with Section 10130) of Chapter 3 of Part 1 of Division 4 of the Business and Professions Code, for the sale of the park, or offering to sell the park to any party, the owner shall provide written notice of his or her intention to sell the mobilehome park by first-class mail or by personal delivery to the president, secretary, and treasurer of any resident organization formed by homeowners in the mobilehome park as a nonprofit corporation, pursuant to Section 23701v of the Revenue and Taxation Code, stock cooperative corporation, or other entity for purposes of converting the mobilehome park to condominium or stock cooperative ownership interests and for purchasing the mobilehome park from the management of the mobilehome park. An offer to sell a park shall not be construed as an offer under this subdivision unless it is initiated by the park owner or agent.

(b) An owner of a mobilehome park shall not be required to comply with subdivision (a) unless the following conditions are met:

(1) The resident organization has first furnished the park owner or park manager a written notice of the name and address of the president, secretary, and treasurer of the resident organization to whom the notice of sale shall be given.

(2) The resident organization has first notified the park owner or manager in writing that the park residents are interested in purchasing the park. The initial notice by the resident organization shall be made prior to a written listing or offer to sell the park by the park owner, and the resident organization shall give subsequent notice once each year thereafter that the park residents are interested in purchasing the park.

(3) The resident organization has furnished the park owner or park manager a written notice, within five days, of any change in the name or address of the officers of the resident organization to whom the notice of sale shall be given.

(c) Nothing in this section affects the validity of title to real property transferred in violation of this section, although a violation shall subject the seller to civil action pursuant to Article 8 (commencing with Section 798.84) by homeowner residents of the park or the resident organization.

(d) Nothing in this section affects the ability of a licensed real estate broker, as defined in Article 1 (commencing with Section 10130) of Chapter 3 of Part 1 of Division 4 of the Business and Professions Code, to collect a commission pursuant to an executed contract between the broker and the mobilehome park owner.

(e) Subdivision (a) does not apply to any of the following:

(1) Any sale or other transfer by a park owner who is a natural person to any relation specified in Section 6401 or 6402 of the Probate Code.

(2) Any transfer by gift, devise, or operation of law.

(3) Any transfer by a corporation to an affiliate. As used in this paragraph, "affiliate" means any shareholder of the transferring corpo-

ration, any corporation or entity owned or controlled, directly or indirectly, by the transferring corporation, or any other corporation or entity controlled, directly or indirectly, by any shareholder of the transferring corporation.

(4) Any transfer by a partnership to any of its partners.

(5) Any conveyance resulting from the judicial or nonjudicial foreclosure of a mortgage or deed of trust encumbering a mobilehome park or any deed given in lieu of such a foreclosure.

(6) Any sale or transfer between or among joint tenants or tenants in common owning a mobilehome park.

(7) The purchase of a mobilehome park by a governmental entity under its powers of eminent domain.

798.81. The management (1) shall not prohibit the listing or sale of a used mobilehome within the park by the homeowner, an heir, joint tenant, or personal representative of the estate who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who was a homeowner at the time of his or her death, or the agent in the sale of a mobilehome as a condition of approval of the buyer or prospective homeowner for residency in the park.

798.82. The management, at the time of an application for residency, shall disclose in writing to any person who proposes to purchase or install a manufactured home or mobilehome on a space, on which the construction of the pad or foundation system commenced after September 1, 1986, and no other manufactured home or mobilehome was previously located, installed, or occupied, that the manufactured home or mobilehome may be subject to a school facilities fee under Sections 53080 and 53080.4 of, and Chapter 4.9 (commencing with Section 65995) of Division 1 of Title 7 of, the Government Code.

798.83. In the case of a sale or transfer of a mobilehome that will remain in the park, the management of the park shall not require repairs or improvements to the park space or property owned by the management, except for damage caused by the actions or negligence of the homeowner or an agent of the homeowner.

Article 8. Actions, Proceedings, and Penalties

798.84. (a) No action based upon the management's alleged failure to maintain the physical improvements in the common facilities in good working order or condition or alleged reduction of service may be commenced by a homeowner unless the management has been given at least 30 days' prior notice of the intention to commence the action.

(b) The notice shall be in writing, signed by the homeowner or homeowners making the allegations, and shall notify the management of the basis of the claim, the specific allegations, and the remedies requested. A notice by one homeowner shall be deemed to be sufficient notice of the specific allegation to the management of the park by all of the homeowners in the park.

(c) The notice may be served in the manner prescribed in Chapter 5 (commencing with Section 1010) of Title 14 of Part 2 of the Code of Civil Procedure.

(d) For purposes of this section, management shall be deemed to be notified of an alleged failure to maintain the physical improvements in the common facilities in good working order or condition or of an alleged reduction of services upon substantial compliance by the homeowner or homeowners with the provisions of subdivisions (b) and (c), or when management has been notified of the alleged failure to maintain or the alleged reduction of services by a state or local agency.

(e) If the notice is served within 30 days of the expiration of the applicable statute of limitations, the time for the commencement of the action shall be extended 30 days from the service of the notice.

(f) This section does not apply to actions for personal injury or

wrongful death.

798.85. In any action arising out of the provisions of this chapter the prevailing party shall be entitled to reasonable attorney's fees and costs. A party shall be deemed a prevailing party for the purposes of this section if the judgment is rendered in his or her favor or where the litigation is dismissed in his or her favor prior to or during the trial, unless the parties otherwise agree in the settlement or compromise.

798.86. In the event a homeowner or former homeowner of a park is the prevailing party in a civil action, including a small claims court action, against the management to enforce his or her rights under this chapter, the homeowner, in addition to damages afforded by law, may, in the discretion of the court, be awarded an amount not to exceed two thousand dollars (\$2,000) for each willful violation of this chapter by the management.

798.87. (a) The substantial failure of the management to provide and maintain physical improvements in the common facilities in good working order and condition shall be deemed a public nuisance. Notwithstanding Section 3491, this nuisance may only be remedied by a civil action or abatement.

(b) The substantial violation of a mobilehome park rule shall be deemed a public nuisance. Notwithstanding Section 3491, this nuisance may only be remedied by a civil action or abatement.

(c) A civil action pursuant to this section may be brought by a park resident, the park management, or in the name of the people of the State of California, by any of the following:

(1) The district attorney or the county counsel of the jurisdiction in which the park, or the greater portion of the park, is located.

(2) The city attorney or city prosecutor if the park is located within the jurisdiction of the city.

(3) The Attorney General.

798.88. (a) In addition to any right under Article 6 (commencing with Section 798.55) to terminate the tenancy of a homeowner, any person in violation of a reasonable rule or regulation of a mobilehome park may be enjoined from the violation as provided in this section.

(b) A petition for an order enjoining a continuing or recurring violation of any reasonable rule or regulation of a mobilehome park may be filed by the management thereof with the superior court for the county in which the mobilehome park is located. At the time of filing the petition, the petitioner may obtain a temporary restraining order in accordance with subdivision (a) of Section 527 of the Code of Civil Procedure. A temporary order restraining the violation may be granted, with notice, upon the petitioner's affidavit showing to the satisfaction of the court reasonable proof of a continuing or recurring violation of a rule or regulation of the mobilehome park by the named homeowner or resident and that great or irreparable harm would result to the management or other homeowners or residents of the park from continuance or recurrence of the violation.

(c) A temporary restraining order granted pursuant to this subdivision shall be personally served upon the respondent homeowner or resident with the petition for injunction and notice of hearing thereon. The restraining order shall remain in effect for a period not to exceed 15 days, except as modified or sooner terminated by the court.

(d) Within 15 days of filing the petition for an injunction, a hearing shall be held thereon. If the court, by clear and convincing evidence, finds the existence of a continuing or recurring violation of a reasonable rule or regulation of the mobilehome park, the court shall issue an injunction prohibiting the violation. The duration of the injunction shall not exceed three years.

(e) However, not more than three months prior to the expiration of an injunction issued pursuant to this section, the management of the mobilehome park may petition under this section for a new in-

junction where there has been recurring or continuous violation of the injunction or there is a threat of future violation of the mobilehome park's rules upon termination of the injunction.

(f) Nothing shall preclude a party to an action under this section from appearing through legal counsel or in propria persona.

(g) The remedy provided by this section is nonexclusive and nothing in this section shall be construed to preclude or limit any rights the management of a mobilehome park may have to terminate a tenancy.

Article 9. Subdivisions, Cooperatives, and Condominiums

799. As used in this article:

(a) "Ownership or management" means the ownership or management of a subdivision, cooperative, or condominium for mobilehomes, or of a resident-owned mobilehome park.

(b) "Resident" means a person who maintains a residence in a subdivision, cooperative, or condominium for mobilehomes, or a resident-owned mobilehome park.

(c) "Resident-owned mobilehome park" means any entity other than a subdivision, cooperative, or condominium for mobilehomes, through which the residents have an ownership interest in the mobilehome park.

799.1. This article shall govern the rights of a resident who has an ownership interest in the subdivision, cooperative, or condominium for mobilehomes, or a resident-owned mobilehome park in which his or her mobilehome is located or installed. In a subdivision, cooperative, or condominium for mobilehomes, or a resident-owned mobilehome park, Articles 1 (commencing with Section 798) to 8 (commencing with Section 798.84), inclusive, shall apply only to a resident who does not have an ownership interest in the subdivision, cooperative, or condominium for mobilehomes, or the resident-owned mobilehome park, in which his or her mobilehome is located or installed.

799.1.5. A resident may advertise the sale or exchange of his or her mobilehome or, if not prohibited by the terms of an agreement with the management or ownership, may advertise the rental of his or her mobilehome by displaying a sign in the window of his or her mobilehome stating that the mobilehome is for sale or exchange or, if not prohibited, for rent by the owner of the mobilehome or his or her agent. The sign shall state the name, address, and telephone number of the owner of the mobilehome or his or her agent, and may be at least 12 inches in width and 12 inches in length.

799.2. The ownership or management shall not show or list for sale a mobilehome owned by a resident without first obtaining the resident's written authorization. The authorization shall specify the terms and conditions regarding the showing or listing.

Nothing contained in this section shall be construed to affect the provisions of the Health and Safety Code governing the licensing of mobilehome salesmen.

799.3. The ownership or management shall not require the removal of a mobilehome from a subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park in the event of its sale to a third party.

799.4. The ownership or management may require the right to prior approval of the purchaser of a mobilehome that will remain in the subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park and that the selling resident, or his or her agent give notice of the sale to the ownership or management before the close of the sale. Approval cannot be withheld if the purchaser has the financial ability to pay the fees and charges of the subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park unless the ownership or management reasonably determines that, based on the purchaser's prior residences, he or she will not comply with the rules and regulations of the sub-

division, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park.

799.5. The ownership or management may require that a purchaser of a mobilehome that will remain in the subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park comply with any rule or regulation limiting residency based on age requirements for housing for older persons, provided that the rule or regulation complies with the provisions of the federal Fair Housing Act, as amended by Public Law 104-76, and implementing regulations.

799.6. No agreement shall contain any provision by which the purchaser waives his or her rights under the provisions of this article. Any such waiver shall be deemed contrary to public policy and void and unenforceable.

799.7. The ownership or management shall provide, by posting notice on the mobilehomes of all affected homeowners and residents, at least 72 hours' written advance notice of an interruption in utility service of more than two hours for the maintenance, repair, or replacement of facilities of utility systems over which the management has control within the subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park, if the interruption is not due to an emergency. The ownership or management shall be liable only for actual damages sustained by a homeowner or resident for violation of this section.

"Emergency," for purposes of this section, means the interruption of utility service resulting from an accident or act of nature, or cessation of service caused by other than the management's regular or planned maintenance, repair, or replacement of utility facilities.

799.8. The management, at the time of an application for residency, shall disclose in writing to any person who proposes to purchase or install a manufactured home or mobilehome on a space or lot, on which the construction of the pad or foundation system commenced after September 1, 1986, and no other manufactured home or mobilehome was previously located, installed, or occupied, that the manufactured home or mobilehome may be subject to a school facilities fee under Sections 53080 and 53080.4 of, and Chapter 4.9 (commencing with Section 65995) of Division 1 of Title 7 of, the Government Code.

799.9. (a) A senior homeowner may share his or her mobilehome with any person 18 years of age or older if that person is providing live-in health care, live-in supportive care, or supervision to the homeowner pursuant to a written treatment plan prepared by a physician and surgeon. A fee shall not be charged by management for that person. That person shall have no rights of tenancy in, and shall comply with the rules and regulations of, the subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park. As used in this subdivision, "senior homeowner" means a homeowner or resident who is 55 years of age or older.

(b) A senior homeowner who resides in a subdivision, cooperative, or condominium for mobilehomes, or a resident-owned mobilehome park, that has implemented rules and regulations limiting residency based on age requirements for housing for older persons, pursuant to Section 799.5, may share his or her mobilehome with any person 18 years of age or older if this person is a parent, sibling, child, or grandchild of the senior homeowner and requires live-in health care, live-in supportive care, or supervision pursuant to a written treatment plan prepared by a physician and surgeon. A fee shall not be charged by management for that person. Unless otherwise agreed upon, the management shall not be required to manage, supervise, or provide for this person's care during his or her stay in the subdivision, cooperative or condominium for mobilehomes, or resident-owned mobilehome park. That person shall have no rights of tenancy in, and shall comply with the rules and regulations of, the subdivision, cooperative, or condominium for mobilehomes, or resident-owned mobilehome park. As used in this subdivision, "senior homeowner" means a homeowner or resident who is 55 years of age or older.

EL GRANADA MANUFACTURED HOME COMMUNITY
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EL GRANADA MANUFACTURED HOME COMMUNITY
RULES AND REGULATIONS

THE RULES AND REGULATIONS hereinafter set forth are placed in force and effect to provide each resident as well as the El Granada Manufactured Home Community with a set of minimum standards of common responsibility, conduct and respect for each other and for other residents of the Community. Said Rules and Regulations are an integral part of the Rental Agreement between the parties, but are valid whether or not a Rental Agreement is executed.

These rules are consistent with the provisions of the California Mobilehome Residency Law as of the date set forth below (Calif. Civ. Code §§. 798, et seq.) and are part of any Rental Agreement between the Community Management of the El Granada Manufactured Home Community and Resident(s). These rules may be changed from time to time, upon proper notice, with or without the consent of Resident(s). Violation of these rules may be cause for termination for your residency in the Community pursuant to the applicable provisions of the Mobilehome Residency Law.

Community Management will make a reasonable effort and try to have residents, guests, and other occupants comply with these Rules and Regulations. However, we may not always be successful, given a specific situation or other practical and legal considerations and constraints. In many ways, El Granada is just like any other typical single-family residential neighborhood of similar quality and population make-up. Just like any other typical residential area, you and the other residents should expect to put up with a reasonable amount of disturbances and other activity by your neighbors and others that may not be to your liking. If one of your neighbors or another resident is doing something they should not, so you are reasonably being disturbed, we also expect you and the others who are affected to make reasonable efforts to talk to the person who is creating the problem and try to resolve it in a lawful and peaceful manner. If you can't resolve the problem, and you are being unreasonably affected, we'll attempt to take reasonable steps to try to resolve the problem. Because of these and other considerations, you are agreeing that by continuing to live in our Community, we will not be liable to you or others for normal, routine disturbances or other kinds of things which one should commonly expect when they live in our society, nor will we be liable to you for our inconsistent or lack of enforcement of these Rules and Regulations.

I.

A. Community. Community shall mean THE EL GRANADA MANUFACTURED HOME COMMUNITY.

B. Community Management. Community Management shall mean, the owners of the Community or their agents or representative authorized to act on behalf of the Community in the enforcement of these Rules and Regulations, including the Community Manager.

C. Homeowner. Homeowner shall mean a person who has a tenancy in the Community under a Rental Agreement.

D. Resident or Tenant. Resident or Tenant shall mean a Homeowner who lawfully occupies a manufactured home in the Community.

E. Premises. Premises shall include the manufactured home community space, identified in Section III of the Rental Agreement, rented by Resident or Tenant.

II.

At least one Resident occupying the home which is subject to the lease and/or rental agreement must be the "registered owner" of the home, unless this requirement is specifically waived pursuant to federal law, state law, or other regulations. Prospective Residents must complete a Resident Application form, be approved for residency in the Community by Community Management, and sign a Rental Agreement and a copy of these Rules and Regulations before they can be accepted as a Resident of this Community. A prospective Resident is not a legal Resident unless and until Community Management has accepted that person as a Resident and a Rental Agreement has been signed by both Resident and Community Management. Every family member who will occupy the manufactured home on the Premises on a regular basis should be listed in the signature page section below. All long-term guests (more than 20 consecutive days or 30 days in a calendar year) and other occupants also should be listed in the signature page section below or registered with Community Management.

These Rules and Regulations are an integral part of the Community's Rental Agreement and are incorporated therein by reference. It shall be deemed a violation of the Rules and Regulations of this Community for Resident to be in violation of any of the requirements of California law with regard to Resident's manufactured home, including, but not limited to matters relating to registration, taxes and government fees. It shall be further deemed a violation of the Rules and Regulations of this Community for Resident to be in violation of any of the provisions of the Rental Agreement.

III. Description of Community.

A. Community Description. The Community is an "All-Age" manufactured home community located in Moss Beach, California.

B. Occupancy. Except as otherwise required by local, state, or federal law, the number of persons regularly residing in Residents' manufactured home shall be limited to two (2) persons per bedroom plus one (1) additional person. For purposes of this rule, a "bedroom" is a room intended by the manufacturer of the manufactured home to be regularly used as a bedroom and complies with the health and safety requirements of the State of California for bedrooms in a manufactured home. In the event of a resale of your home, Community Management reserves the right to determine the number of bedrooms in your home prior to approving an application for residency so that this occupancy limit can be observed.

IV. Use of Manufactured Home.

Resident's manufactured home shall be used solely and exclusively as a residence for Resident. Any other use, including, but not limited to use of said manufactured home for business or commercial purposes constitutes a violation of these Rules and Regulations. However, Resident's manufactured home may be used for certain in-home businesses such as Avon, Amway, Mary Kay Products, and other similar businesses only if such use is reasonable and if Resident has obtained all appropriate state and local licenses for the operation of such business. Auctions, estate sales, garage sales, moving sales, and yard sales are not permitted.

V. Maintenance of Manufactured Home, Premises, and Landscaping

A. General Maintenance. Resident is required to maintain his/her manufactured home, manufactured home space and landscaping in a clean, attractive and well-kept fashion. To that end, Resident is permitted to wash and make minor repairs to the manufactured home on the Premises, however any major repairs and/or outside painting may not be done without prior consent from Community Management. Resident must submit plans for such construction, repair, landscaping, exterior painting, or other work to Community Management. If a permit is required by state or local law, a copy of such permit must be submitted to Community Management with said plans, and, after completion of same, copy of the government approval notice must be given to Community Management.

B. Premises. Residents are required to trim, water, care, replace, when necessary, and control the growth of all plants and shrubs in or around their Premises. Resident agrees to eliminate weeds, cut and trim grass/lawn whenever the same is necessary to preserve its appearance and/or to avoid fire or other health or safety hazard. Oil dripping and damage to driveway or sidewalk pavement must be removed or repaired by Resident at Resident's cost. Resident shall not permit wood chips, bark, rocks or pebbles used as part of the landscaping to spread into the street, sidewalk or driveway.

C. Landscaping. Community Management encourages all residents to be original and imaginative as said Resident wishes with regard to lawn, flowers or shrubs. Installation of any trees or concrete, masonry or ground cover (including rock, large wood, bark, etc.) must have Community Management's prior approval. While small vegetable gardens are permissible in the rear of Resident's lot, these vegetables and plants may not infringe on neighbor's property. Furthermore, Community Management prohibits the use of any unsterilized manure.

D. Digging on Premises. Any digging on the Resident's space may only be done with prior written consent of the Community Management, since damage can occur to utility lines or pipes. Notwithstanding such approval, any damage caused shall be the responsibility of Resident. The costs of repair of any such damage are immediately due and payable upon billing from Community Management.

E. Utility Pedestals. Utility pedestals (meter and utility hook-ups, including water and sewer service locations) must be accessible at all times and must be clear of all shrubbery and debris. Resident must cure any impediment to the access to utility pedestals within a reasonable time period after notice from Community Management.

F. Hazardous Materials. Storage of any hazardous materials or waste, or materials, which are explosive or otherwise dangerous in, at or about the manufactured home, is forbidden. Resident is required to give Community Management written notice of the release of any hazardous substance, which includes, but is not limited to any substance or waste which is, or in sufficient quantities or concentrations may be, harmful to human health, or the environment due to flammability, toxicity, reactivity, or corrosiveness, within a reasonable time period after discovery of the release.

G. Storage on Premises. Storage of items, including, but not limited to appliances, non-patio furniture, and tools, outside of the manufactured home or any shed is forbidden. Clotheslines are not permitted on a Resident's manufactured home space and clothes, or other such items, may not be hung out to dry on the premises.

H. Codes. All wiring and plumbing must comply with the applicable provisions of the Federal Code, state and local law, Uniform Building Code, and ordinances of the local enforcement agency.

I. Manufactured Home and Accessories. Requirements regarding skirting, awnings, porches, steps, sheds, initial landscaping and fences are set forth in the Rental Agreement between the parties. Maintenance of it in a clean, well-painted and totally repaired state is required. In the event of the repair or replacement of currently existing skirting, awnings, porches, steps, sheds landscaping and fences, Resident shall obtain the approval of Community Management of all repair/replacement materials prior to installation. The specific requirements are set forth below:

1. Manufactured Home. Only new, previously unregistered manufactured homes, may be placed into Community. All manufactured homes on a site may be resold in accordance with the terms of the Rental Agreement, the Rules and Regulations of the Community and California law.

2. Skirting and Siding. Skirting and siding shall be standard manufacturer manufactured home siding and skirting, shall not be composed of fiberglass, corrugated metal, unfinished, or unsafe materials. Similarly, no fiberglass, unfinished, or unsafe materials may be used for patchwork or repair on the exterior of the manufactured home or other site improvements. Skirting color and material must be coordinated with the manufactured home color and siding surface. Skirting is required around the entire manufactured home, porch and steps.

3. Awnings.

a. General. composed of metal manufactured awning material. . If the premises will not accommodate the size requirements specified below, upon written request by Resident, Community Management will consider a smaller size awning that complies with all state and local requirements.

b. Carport Awnings: On all types of manufactured homes, a carport awning over the rear door of Resident's home is required of no less than 10 feet by 30 feet (10' x 30'), metal frame with aluminum top only. If the carport is freestanding, the awning shall be a minimum size of 20 feet by 20 feet (20' x 20').

c. Porch On side-entry manufactured homes, patio awnings are to be a minimum size of 4 feet by 8 feet (4' x 8') On front-entry manufactured homes, patio awnings are to be a minimum size of 4 feet by 4 feet (4' x 4') with the dimensions of any built-in door entry to be included in the minimum size requirements. If a entry or side door is inset to a depth of at least 16 inches, awnings will not be required over such door.

4. Porches. All porches must have railings of metal, naturally weatherproofed wood or pressure treated wood. All porches, other than those constructed of redwood or similar weatherproofed wood materials, shall have carpeting. All porches must have handrails and meet the requirements: Front: four feet by eight feet (4'x 8'), Rear: four feet by four feet (4' x 4')

5. Steps. All steps, other than those constructed of redwood or similar weatherproofed wood materials, shall have carpeting. All steps shall have metal or wood railings. All wood railings must be composed of redwood, cedar, naturally weatherproofed wood, or pressure treated wood.

6. Sheds. Sheds of such a material as are approved in advance by Community Management will be allowed. The maximum size will be 10 feet by 10 feet and no more than 10 feet in height. A maximum of two (2) sheds per space not to exceed 100 square feet of floor space will be permitted. Sheds may only be installed and used in compliance with state law.

7. Landscaping. Rock, shrubbery, and/or lawns are the standard landscaping required for each manufactured home space and must be completed within sixty (60) days after Residents move into manufactured home. All landscaping plans must be submitted to Community Management prior to execution by Resident of the Rental Agreement. Resident must maintain and replace, when necessary, the landscaping on the Premises. If at any time during this tenancy Resident fails to maintain the standard landscaping on his Premises, Community Management may require Resident to replace or plant additional landscaping to meet standard landscaping requirements. Resident must maintain all trees on the Premises in such that the trees will not become a health and safety hazard.

8. Fences. The Community Management may maintain a perimeter fence around the Community property and fences around common areas and facilities. All fences in, on, or between manufactured home spaces will meet the following requirements: only 48-inch chain link fence, with top rail, post caps, and messenger wire at bottom, installed three (3) inches above ground to allow for drainage underneath. The prior written approval of Community Management must be obtained before installation of any fence.

9. Garbage / Trash Disposal. Grease and coffee grounds shall not be placed in the sewer system. Garbage that cannot be put into the disposal shall be wrapped and placed in the garbage cans. Cartons should be flattened to conserve space. To help control flies and odors, all trash containing food particle, grease and coffee grounds must be placed in a sealed plastic bag. Trash and recycling containers must be placed either in a utility shed or other location concealed from public view. All trash and recycling containers may not be placed on the curbside for collection more than 24 hours before collection and must be removed from the curbside within a reasonable time after collection.

10. Applicable Codes. All improvements to the Resident's manufactured home and Premises shall comply with the appropriate provisions of the Uniform Building Code and any and all applicable ordinances and provisions of the local enforcement agency.

11. Antennae. No exterior radio or television antennas or dishes, or other items may be erected on the home or the space except in compliance with this rule.

a. Antennas one meter or less in diameter or diagonal measurement which are designed for over-the-air receptions of signals from satellite, wireless cable or television broadcasting facilities, together with the associated mounting hardware and mast, if applicable, may be installed subject to the following restrictions.

b. Every effort shall be made to limit the visibility of the antenna from any other manufactured home space, the common area or any street. If it is not possible without impairing the ability to receive signals, the installation must be screened by landscaping or other means approved by the Community Management to minimize visibility without impairing receipt of the signal. If it is necessary to receive an adequate signal that the installation be visible from another manufactured home space, the common area or a street, resident must make reasonable efforts to have all components in a uniform and neutral color that will blend into the background against which

the installation is mounted. Under no circumstances may a mast be higher than the height necessary to establish line of sight contact with the transmitter and in any event, it may be no higher than the minimum height required by applicable law or regulation.

c. All locations, manner of installation, screening and color must comply with these restrictions. Location of the antenna must be on the Resident's manufactured home or the Premises. It is recommended that all installations be reviewed with Community Management before actual work is commenced.

J. Community Management may charge a reasonable fee for service relating to the maintenance of the land and Premises on which the manufactured home is situated, in the event Resident fails to maintain such land or Premises in accordance with the Rules and Regulations of the Community after written notification to the Resident and failure of the Resident to comply within fourteen (14) days. The written Notice will state the specific condition to be corrected and an estimate of the charges to be imposed by Community Management if the services are to be performed by Community Management or its agent.

VI. Maintenance and Regulation of Use of Common Facilities.

A. Seasonal Swimming Pool. Use of the seasonal swimming pool is restricted as set forth herein and as designated by Rules posted at the seasonal swimming pool, which Rules are incorporated herein by this reference. Community Management may modify these rules on sixty (60) days notice to Resident.

1. The seasonal swimming pool will be open to Residents and their guests from Memorial Day weekend through Labor Day weekend. In addition, weather permitting and at the discretion of Community Management, the pool may remain open for Residents only from Labor Day through October 1. During the above stated periods, the pool may be closed each Monday for maintenance purposes.

2. For safety reasons, all persons under the age of fourteen (14) must be accompanied at all times by Residents over the age of eighteen (18).

3. For the safety of all residents and guests, use of the sauna by persons under fourteen (14) years of age should be supervised by a Resident over the age of eighteen (18).

4. A Resident must accompany guests at all times.

B. Clubhouse.

1. Usage. Use of the Clubhouse is limited solely to residents and their guests. Residents must accompany guests at all times during use of the Clubhouse. Clubhouse usage and hours of usage must be reasonable. Residents are required to provide advance notice to Community Management of usage of the facilities after Community Management's office has closed.

2. Hours. The general hours of the office are from 9:00 a.m. to 12:00 p.m. and from 1:30 p.m. to 4:00 p.m., Monday through Friday. The office is closed on Saturdays, Sundays, and all legal holidays. Certain areas / facilities of the Clubhouse are for the general access and use of all Residents during posted hours and cannot be reserved for the exclusive use of private parties. These areas include the seasonal swimming pool, sauna and exercise room.

3. Reservations. Only residents may reserve the assembly room, kitchen complex, and outdoor grill area of the Clubhouse for private parties. In every instance a Resident must sponsor and be responsible for the common facilities that they reserve, including, but not limited to the clubhouse and the gazebo/grill area. All reservations will be on a first come, first serve basis. The Resident sponsor must be present during the entire period of time reserved, including initial set up and post event clean up, and will be held responsible personally for his/her guests' conduct and for any damage to Community property arising from his/her reservation of the common facilities reserved by Resident.

4. Usage Agreement. The Clubhouse Usage Agreement, a copy of which is attached, shall govern the use of the Clubhouse by Resident. Prior to use of the Clubhouse, Resident shall provide Community Management with a fully executed copy of the Clubhouse Usage Agreement with the appropriate deposit.

5. No Alcohol. Consumption of alcohol in the Clubhouse is strictly prohibited.

6. No smoking. No smoking is permitted in the Clubhouse or laundry.

7. Revocation of Clubhouse Usage. Failure to comply with any of the above rules relating to usage of the Clubhouse(s) and/or the terms of the Clubhouse Usage Agreement may lead to the denial of the privilege to reserve those facilities for a one (1) year period.

C. Other Common Area Facilities.

1. Other common area facilities, such as the laundry, common lawn areas, basketball court, sauna, and exercise room are for use solely by residents or their guests.

2. Use of the exercise room shall be made on a scheduled basis only. Residents must obtain prior approval for use of the sauna. Entrance to the exercise room and sauna shall be by Community Management key only.

3. Use of the playground, north of the basketball court, generally is for use by persons under the age of ten (10).

4. Community Management may post reasonable rules at the Community's facilities, which rules are incorporated by this reference.

5. Consumption of alcohol is strictly prohibited in all common areas and facilities of the Community.

D. Vehicle and Road Control.

1. Permitted Parking. A Resident may park two vehicles per space. If the Resident's approved parking space accommodates three vehicles in accordance with these rules, then Resident may park a maximum of three vehicles. When three vehicles are parked on the approved parking space, no part of any vehicle may protrude beyond the interior of the curb between the manufactured home space and the street. All automobiles must be parked entirely on the Resident's paved parking area. No parking is allowed on vacant lots or on any lot where the home is unoccupied. All vehicles also must have a current California or out of state registration and must be in good working order and condition.

2. Guest Parking. Guests' vehicles may be parked in the guest area during the day. Guests may park overnight in the guest area only by permission of Community Management.

3. Street Parking. All the roadways within the Community are designated as fire lanes and, therefore, must be clear of any and all obstruction to permit access by the appropriate agencies. With the exception of short term loading and unloading by residents, their guests or vendors, no vehicles may be parked on the streets of the Community at any time during the day or night. Any vehicle parked in an area other than as set forth above, or which is abandoned, will be towed from the Community at the owners expense.

4. Repairs. Residents are prohibited from making any repairs of vehicles in the Community, except for minor emergency repairs of limited duration necessary to make the vehicle operable. Minor emergency repairs such as windshield wiper replacement, battery replacement, air filter replacement, flat tire repair, and window repair. Changing or replacement of brakes, oil, transmission fluid, brake fluid, or any other synthetic fluids in the vehicle is strictly prohibited.

5. Speed Limit. The speed limit for all streets in the Community is ten (10) miles per hour. Vehicles must be operated in a safe manner and comply with all posted traffic signs.

6. Noise. It is a violation of the Rules and Regulations to drive any vehicle causing such noise either because of the hour or because of the vehicle itself, so as to disturb residents in the Community.

7. Motorcycles. All motorcycles, motor scooters, minibikes and mopeds must have proper California or out of state registration and must be in good working order and condition. Residents, who register with Community Management, may ride their motorcycle, motor scooter, minibike, and/or moped directly to and from the Community entrance to Resident's Premises. Operation of motorcycles, motor scooters, minibikes and mopeds in the Community is prohibited.

8. Recreational Vehicles. No recreational vehicles, travel trailers, campers, boats, or utility trailers may be parked at or on the Resident's Premises. No commercial trucks with a gross vehicle weight in excess of 6500 pounds may be parked in the Community. Any such vehicles or trailers parked in the Community shall be towed away at the owner's expense. This rule does not prohibit reasonable loading and unloading of recreational vehicles, travel trailers, campers, boats, or utility trailers at the Resident's Premises.

9. Washing. Vehicles registered to and owned by Residents of the Community may be washed on Resident's Premises in accordance with state and local restrictions and regulations, in regards to water usage; cleaning material and solvents; and other related items. Residents are responsible for damage to driveways resultant from use of cleaning material, oil dropping, excessive load bearing, physical abuse, and other related items. Any such damage will be repaired and/or restored at the Resident's expense upon vacating the Premises or upon the request of Community Management.

E. Miscellaneous.

1. No Skateboarding or roller blading is permitted in the common areas or facilities of the Community, including the streets/fire lanes throughout the Community.

2. Dumping of trash, except in specific areas designated by Community Management, is prohibited. Management compactor is for clubhouse usage garbage and minor yard clippings, not resident household waste. Compactor use is limited to availability and capacity.

VII. Noise and other Disturbance of Residents.

A. Noise Disturbance. Actions by any person of any nature that may be dangerous, create a health or safety problem, create a substantial annoyance to other Residents, or disturb others are not permitted. These actions include, but are not limited to, any unusual, disturbing or excessive noise, intoxication, loud quarreling, threatening, fighting, immoral or illegal conduct, profanity, or rude, boisterous, objectionable or abusive language or conduct. Persons under the influence of alcohol or any other controlled substances or drug shall not be permitted in any area of the Community that is generally open to Residents, their families or their guests.

Radios, television sets, musical instruments, or similar equipment, or any conduct that may cause annoyance to other Residents must be kept at a minimum so as not to disturb other residents at any time.

B. Vandalism and Graffiti. Vandalism and graffiti will not be tolerated. Residents are responsible for the actions of their families and/or guests in this regard which will include, but is not limited to, responsibility for any costs incurred by Community Management or other Residents in restoring the property to its original condition. If a person is found to be responsible for graffiti anywhere within the Community, Community Management may pursue all other legal remedies against such person or persons in addition to those allowed by these Rules and the Mobilehome Residency Law.

C. Antenna Disturbance. Because of potential disturbance to television reception of other residents in the Community, any CB-type antenna may be installed only following written permission of the Community Management. Any antenna that disturbs reception of other residents in the Community must be removed, replaced or fixed within five (5) days of notice by Community Management of said disturbance.

D. Community Curfew. Community curfew is 10:00 p.m. All parties, social events, or other activities in the Clubhouse must conclude by 10:00 p.m. Loitering, loud activities or disturbances that disrupt any Resident's peaceful and quiet enjoyment of their home or premises and/or damages Community property will not be tolerated under any circumstances.

E. Solicitors. Solicitors, vendors, and peddlers are not permitted in the Community. The prohibition against solicitors, however, in no way restricts, and Community Management encourages, political canvassing and free speech activities as permitted by California Civil Code §§798.50 and 798.51.

VIII. Construction, Repair and Maintenance.

All construction, repair and maintenance, on or about the exterior of the manufactured home and/or premises shall be undertaken only after express written consent of Community Management. Regardless of such consent, residents shall be responsible for obtaining permits for said construction and for any damage or any injury to persons or property. Such construction, repair and maintenance shall not be undertaken in a manner that causes a disturbance to other residents of the Community.

IX. Pets.

A. In accordance with Mobilehome Residency Law, this Community will permit one domestic pet, as defined by Civil Code §798.33, per household in the Community. All Residents keeping one pet within the Community must execute a Pet Agreement. Community Management does not prohibit the keeping of a guide dog, signal dog, or service dog as permitted by federal or state law.

B. The keeping of a domestic pet is subject to the following rules:

1. All Residents keeping a pet must enter into a separate pet agreement with Community Management. All pets must be registered with Community Management, with Resident furnishing the name of the pet, its color, breed, sex, height, weight, and length. At the time of pet registration, Community Management may take a photograph of the pet for a charge of \$1.00 to the Resident. Resident shall immediately advise Community Management in writing of any change or substitution of a pet. A new separate pet agreement with Community Management shall be required before Resident's new or substitute pet will be allowed in the Community.

2. Small dog (equal to or less than 18" from front paws to front shoulder at maturity), small cat (less than 25 lbs at maturity), small domesticated bird, such as parakeets and canaries, and domesticated aquatic animal kept within an aquarium are allowed. The following dog breeds are not allowed in the Community: German Shepard, Doberman Pincher, Pit Bull, Chow, Rottweiler, or other breeds deemed dangerous, vicious, or aggressive in the sole discretion of Community Management.

3. Any dog or cat must be licensed and inoculated in accordance with local or state ordinance. No breeding, for commercial or non-profit purposes, of pets is allowed.

4. A pet is allowed only in the Resident's manufactured home or personally attended on a leash within the confines of the Resident's Premises. Dogs walked by a Resident on the Community roads must be on a leash. A pet will not be allowed in the clubhouse, laundry, or any recreational areas at any time.

5. Any pet found "at large" (running loose) in the Community will be impounded at the owner's expense. Having allowed a pet to be at large more than once in a 12 month period will constitute a material lease violation and may be grounds for requesting the pet to leave the Community or the Resident will be notified to vacate his/her Premises.

6. All bodily waste left by pet must be picked up by the Resident and disposed of properly.

7. A pet will not be allowed to cause any disturbance or annoyance to the neighbors, including but not limited to barking, growling or biting. If a pet, due to Resident's negligence, causes any such disturbance, annoyance, or harm, permission to keep the pet may be revoked. If any other violation of the pet rules are noted by Community Management, or a valid complaint is made by another Resident, the pet owner will receive notice to either dispose of the pet or vacate the Premises.

8. Guests may not bring a pet into the Community, nor is pet "babysitting" allowed.

X. XI

A. Prior Approval. Community Management requires the prior written approval of a prospective Homeowner (purchaser) of a manufactured home that is to remain in the Community. Selling Resident shall give sixty (60) days written notice to Community Management of said Resident's intent to transfer the manufactured home and to vacate same. If a manufactured home is to remain in the Community, then selling Resident's and/or selling Resident's agent shall give notice of the sale to Community Management prior to the close of escrow and sale. All escrow, sale, or transfer agreements involving the manufactured home which is to remain in the Community at the time of sale shall contain either a statement signed by Community Management and the prospective Homeowner (purchaser) stating that by said signature the parties have agreed to the terms of a Rental Agreement with the Community, or a copy of the fully executed Rental Agreement signed by the prospective Homeowner (purchaser) and Community Management. In the event prospective Homeowner (purchaser) fails to execute the Rental Agreement, purchaser shall have no rights of tenancy.

B. Signage. Resident may advertise the sale or exchange of Resident's manufactured home. Resident or Resident's agent may display a sign in the window of the manufactured home or on the manufactured home space of such size as Community Management may determine in accordance with California law. Said sign shall state the name, address and telephone number of the owner of the manufactured home or the owner's agent.

C. Removal. In order to upgrade the quality of the Community, Community Management may require the removal of a manufactured home in the event of sale to a third party, if (a) it is not a manufactured home; (b) it is more than twenty (20) years old, or more than twenty-five (25) years old if manufactured after September 15, 1971, and is twenty feet wide or more and the manufactured home does not comply with the health and safety standards provided in Sections 18550, 18552 and 18605 of the Health and Safety Code, and the Regulations established thereunder, or such other later standards as are enacted into law; (c) the manufactured home is more than seventeen (17) years old or more than twenty-five (25) years old if manufactured after September 15, 1971, and is less than twenty feet wide, and the manufactured home does not comply with the construction and safety standards of Sections 18550, 18552 and 18605 of the Health and Safety Code and the Regulations established thereunder, or such other later standards as are enacted into law; (d) it is in a significantly run-down condition or in disrepair as determined by the general condition of the manufactured home and its acceptability of the health and safety of the occupants and to the public exclusive of its age as determined by an inspection by the appropriate enforcement agency.

D. Rules Compliance. In addition, prior to sale and transfer of the manufactured home, Resident shall repair or replace items relating to the exterior of Resident's mobilehome, its appurtenances or an accessory structure not owned or installed by Community Management, as necessary and as required by Community Management under California law.

XI. Resident Meetings.

Homeowners-Residents of the Community are allowed the reasonable use of the clubhouse facilities for meetings relating to manufactured home living, or for social or educational purposes, during all reasonable hours and when the facility is not otherwise in use.

A. The previously stated Rules with regard to clubhouse usage as set forth above and in the Clubhouse Usage Agreement are hereby incorporated herein by this reference.

B. Smoking in the clubhouse and use of liquor in the clubhouse or common areas is strictly prohibited.

C. Community Management shall meet and consult with Homeowners-Residents upon request, within thirty (30) days of the request, individually, collectively, or with representative(s) of a group of Homeowners who have signed a request to be so represented, regarding the following matters:

1. Amendment to Community Rules and Regulations;
2. Standards for maintenance and physical improvements in the Community;
3. Additions, alterations, or deletions of service and physical improvements.

Any collective meeting shall be conducted only after notice thereof has been given to all the requesting Homeowners ten (10) days or more before the meeting.

XII. Breach of Rules and/or Rental Agreement; Termination of Residency.

A breach of the Rules and/or Regulations set forth herein, as well as any breach of the Rental Agreement between the parties, shall be grounds for termination of Residency. Residency in the Community may be terminated upon such notice and in such manner as is required under California law. The grounds upon which residency may be terminated shall be those allowed under California law, including the following:

A. Failure of the Homeowner or Resident to comply with a local ordinance or state law or regulation relating to manufactured homes within a reasonable time after the Homeowner receives a notice of non-compliance from the appropriate governmental agency.

B. Conduct by the Homeowner or Resident upon the Community Premises that constitutes a substantial annoyance to another Homeowner's residence.

C. Failure of the Homeowner or Resident to comply with a reasonable Rule or Regulation of the Community set forth in the Rental Agreement or any amendment thereto or in the Community Rules and Regulations.

D. Conviction of the Homeowner or Resident for a misdemeanor or a felony controlled substance offense if the act resulting in the conviction was committed on the premises of the Community, including, but not limited to within the Homeowner's or Resident's manufactured home.

- E. Non-payment of rent, utility charges or reasonable incidental service charges.
- F. Condemnation of the Community.
- G. Change of use of the Community or any portion thereof.

XIII. Miscellaneous Rules and Regulations.

A. Any complaint a Resident has either against another Resident or against the Community Management shall be set forth in writing, with a copy delivered to the Community Management.

B. Resident hereby releases and holds harmless Community Management from any claims, loss, damage, injury or breach of contract of whatsoever kind or nature resulting from the actions or failure to act by Resident or Resident's agents, employees, family members or guests including reasonable attorney's fees necessary to defend any action brought by any party or entity against Community Management as a result of the actions or failure to act on the part of the Resident.

C. The waiver by Community Management of, or failure of Community Management to take action in any respect because of any breach of a term, covenant or condition contained herein or in the Rental Agreement shall not in any way sanction any subsequent breach or violation. The subsequent acceptance of rent by Community Management shall not be a waiver of any proceeding, breach of Rules and Regulations or Rental Agreement by Resident.

D. In any legal action arising out of these Rules and Regulations, the prevailing party shall be entitled to reasonable attorney's fees and court costs.

E. Time is of the essence in these Rules and Regulations.

F. Each provision of the Rules and Regulations is separate, distinct and individually enforceable. In the event any provision is declared to be unlawful or unenforceable, the validity of all other provisions shall not be affected.

G. The Rules and Regulations of the Community, taken together with the Rental Agreement constitute the entire Agreement between the parties regarding the rental of the Premises in the Community.

H. Legal notices given pursuant to California law, including, but not limited to rent increase notices, rules amendment notices, violation notices, space maintenance notices, termination notices, notices to pay rent or quit, and other notices provided by the California Mobilehome Residency Law (Civil Code §§798 et. seq), shall be served in accordance with the governing law. All other notices required to be given to either party under these Rules and the related Rental Agreement shall be deemed conclusive at the time of personal service or three (3) days after mailing of said notice by certified or registered mail, postage prepaid, when addressed to Community Management at Kingsley Community Management Corporation, P.O. Box 1848, Provo, Utah, 84603 and to resident at Resident's Premises.

I. The requirements of the Rental Agreement are understood and agreed to be an integral part of these Rules and Regulations and are incorporated herein by this reference.

XIV. Amendment of Rules and Regulations.

Community Management may amend these Rules and Regulations upon such notice and in such manner as is required by California law at the time of such amendment.

RESIDENT HEREBY ACKNOWLEDGES RECEIPT OF THESE RULES AND REGULATIONS AS WELL AS THE CALIFORNIA MOBILEHOME RESIDENCY LAW. THESE RULES AND REGULATIONS SHALL BE BINDING UPON AND SHALL INURE TO THE BENEFIT OF THE PARTIES HERETO, THEIR HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST.

COMMUNITY MANAGEMENT IS AN EQUAL OPPORTUNITY HOUSING PROVIDER AND DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, RELIGION, SEX, FAMILIAL STATUS, OR DISABILITY.

Dated: _____

Dated: _____

RESIDENT:

COMMUNITY OWNER

EL GRANADA
A LIMITED LIABILITY COMPANY

Resident

BY: _____
Community Resident Manager

Resident

Resident

This Agreement is between Community Owner and Resident/Homeowner only as indicated directly above. The additional parties identified below are either guests or additional occupants who do not have any rights of residency in the Community. Their names appear below for informational purposes only.

SIGNATURES REQUIRED - PLEASE SIGN BELOW TO INDICATE YOUR ACKNOWLEDGMENT AND RECEIPT THE COMMUNITY RULES. YOUR SIGNATURE DOES NOT CREATE ANY RIGHTS OF RESIDENCY

ADDITIONAL OCCUPANTS/ GUESTS

RELATIONSHIP TO RESIDENT/HOMEOWNER

**EL GRANADA MANUFACTURED HOME COMMUNITY
RENTAL AGREEMENT**

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EL GRANADA MANUFACTURED HOME COMMUNITY
RENTAL AGREEMENT

THIS RENTAL AGREEMENT is entered into this ____ day of _____, _____, by and between KMC El Granada, L.P., ("Community Management"), and _____ ("Resident"). (Each resident must be a party to the Rental Agreement) upon the terms and conditions hereinafter set forth:

RECITALS

WHEREAS, Resident has inspected carefully the space to be rented and all of the Community's facilities and has found them to be in good working order and condition and in every respect as represented, whether orally or in writing, by Community Management to Resident;

WHEREAS, this Agreement is between Community Management and Resident(s) only and no other parties, including non-resident parties who may occupy Resident's manufactured home;

WHEREAS, Resident has been offered by Community Management a Rental Agreement for a term of 12 months and a month-to-month term and has decided to accept the rental period set forth in this Rental Agreement;

WHEREAS, Resident acknowledges that he or she is the registered owner of his or her manufactured or mobile home as set forth on the current registration and title card on file with the Housing and Community Development Department of the State of California;

WHEREAS, Resident acknowledges that his or her manufactured or mobile home has ____ bedrooms within the home, therefore, the occupancy of his or her manufactured or mobile home is limited to ___ persons;

WHEREAS, Resident has received this Rental Agreement, the Rules and Regulations, Clubhouse Usage Agreement, Pet Agreement, and a copy of the current Mobilehome Residency Law;

NOW, THEREFORE, Community Management and Resident agree as follows:

I. Definitions.

A. Community.

Community shall mean the EL GRANADA MANUFACTURED HOME COMMUNITY.

B. Community Management.

Community Management shall mean the owners of Community or their agents or representatives authorized to act on behalf of the Community Owner to enter into this Rental Agreement, which includes the Community resident manager.

C. Homeowner.

Homeowner shall mean a person who has a tenancy of a manufactured home space in Community under a Rental Agreement.

D. Resident or Tenant.

Resident or Tenant shall mean a homeowner who lawfully occupies a manufactured home within the Community.

E. Premises.

Premises shall include the manufactured home community space, identified in Section III below, rented by Resident or Tenant.

II. Description of the Parties.

This Rental Agreement is entered into by and between Community Management and Resident only. Except as otherwise set forth, Resident represents that Resident is the sole registered owner(s) of the manufactured home, and further represents that except during times of vacation, will reside in the Community at all times during the term of this Rental Agreement. Resident also represents that he/she will notify Community Management if guests, relatives and/or servants will occupy Resident's manufactured home with Resident's permission.

III. Description of the Leased Premises.

The Community is designated as an "All Age" community located in Moss Beach, California. Community Management leases to Resident and Resident rents from Community Management, the Premises located at: _____, which is manufactured home space number ____ in Community, solely for Resident's manufactured home which is described as follows:

Mfg. Name: _____

Mfg. Trade Name: _____

Registered owner(s): _____

Legal Owner(s) / Lender(s): _____

Serial Nos.: _____

HCD Insignia/HUD Label: _____

A. Except as otherwise required by California law, the number of persons residing in Residents' manufactured home, including Resident, guests, and occupants, shall be no more than two (2) persons per bedroom in the manufactured home, plus one (1) additional person, or as governed by appropriate local, county, or state ordinances. A bedroom is sleeping quarters for manufactured housing as defined by the original manufacturer of the manufactured home and state law.

B. For manufactured home units that are to occupied for residency in the Community, all such manufactured home unit(s) must be owner occupied, with at least one registered owner of a manufactured home as set forth in the current registration card on file with the Housing and Community Development Department of the State of California. Under no circumstance will subletting of the Premises, any portion of the Premises, Resident's manufactured home, or any portion of the home, be permitted in the Community. Unoccupied manufactured home unit(s) that remain(s) in the Community shall be subject to a storage agreement between Community Management and the registered and/or legal owner of the manufactured home unit. Any such manufactured home unit(s) subject to a storage agreement shall remain unoccupied during the term of the storage agreement. Community Management specifically reserves the right, but is not obligated, to exercise all legal remedies available to it to remove any manufactured home units in the Community that are not subject to a rental or storage agreement.

IV. Term of Tenancy.

A. Designate one or the other:

● The term hereof is "month-to-month" which commences on _____, _____. Any notice of rent increase authorized under California law may be made on ninety (90) days written notice. Termination of this agreement will be made in accordance with California law.

● The term hereof is _____ months, not to exceed twelve (12) months, which commences on _____, and terminates twelve (12) months from this date. Any notice of rent increase authorized under California law may be made on ninety (90) days written notice. Termination of this agreement will be made in accordance with California law.

B. Regardless of the length of residency, Resident understands that a rent adjustment may be given during the term of this Agreement with at least ninety (90) days prior to the effective date of said increase. The charges for rent, utilities or incidental reasonable service shall be the same as those offered for a month-to-month residency on a comparable manufactured home space within the Community.

V. Rent.

A. The amount of monthly rent initially charged for the Premises is the sum of \$ _____. The same may be increased upon such notice and in such manner as is authorized by California law.

B. For renewal of agreements with current residents, no additional security deposit is required. For all new residents, in addition to rent payable for the first month upon taking residency in the Community, the Resident shall place a security deposit with Community Management in a sum equal to the twice the sum of the first month's rent. One half of the security deposit shall be maintained to ensure all necessary work on the exterior of Resident's mobilehome or accessory structures and landscaping to the Premises, as required by Community Management, to be completed within 60 days of entering into this Agreement. This portion of the security deposit shall be returned to Resident upon completion of such work and the written request of Resident within 120 days of entering into this Agreement. The entire amount of or the balance of the security deposit may be used and/or shall be returned to Resident as is authorized and required by California law. Community Management may use Resident's security deposit for any legal purpose, including, but not limited to, any of the following:

1. The compensation of Community Management for Resident's default in the payment of rent;
2. The repair of damages to the Premises, exclusive of ordinary wear and tear, caused by Resident or by a guest or licensee of Resident;
3. The cost of maintenance of the Premises in the event Resident fails to maintain such Premises in accordance with Community Rules and Regulations; and
4. The cleaning of the Premises on termination of the tenancy.

C. All rent is payable at the Community Management office on or before the first of each month. Rent is payable by check, cashiers check, or by money order only. All checks are to be made payable to El Granada Manufactured Home Community. Community Management reserves the right to refuse, in its sole discretion, any and all late rent payments and partial payments of rent. If Community Management receives any rent between the seventh and tenth there shall be added an administrative charge of \$25.00. Any rent received by Community Management after the tenth of each month shall have an additional administrative charge of \$25.00 for a total of \$50.00.

D. There shall be no charge for the guest of a Resident who does not stay for more than a total of twenty (20) consecutive days or a total of thirty (30) days in any calendar year. Except as limited by California law, a guest staying beyond the above time limits or such other limits as may be imposed by California law, shall be charged rent of \$3.00 per day per person, which charge shall be the obligation of the Resident in whose manufactured home the guest resides.

E. Community Management provides both master-meter and sub-meter service of gas and a well water system, master-meter, and sub-meter service of water, to each Resident for each billing period, separately stating the cost of the charges for the period along with the opening and closing readings for the meter. All charges for utilities shall be due and payable when billed.

F. The Community does not have an RV Storage facility.

G. There shall be a return or NSF check charge of \$25.00 per check.

H. All charges for utilities, late payment charges, guest charges, vehicle storage charges, maintenance fees, legal fees, and/or return check charges shall be deemed additional rent due and payable with all monthly rent, with such payments made by cashier's check or money order made payable to El Granada Manufactured Community.

I. If Resident lives alone in his/her home, and wishes to share the manufactured home with one person, Resident may do so and no guest charge shall be assessed in accordance with California law. Although this person will be treated as a guest and will not have any rights of residency in the Community, he/she will be required to register with Community Management and go through the same approval process applicable to other guests and/or buyers of manufactured homes concerning their ability to comply with Community Rules and Regulations based on their prior tenancies. This person will be required by Community Management to sign the Rules and Regulations and other documents reasonably necessary to protect the interests of Community.

J. Homeowner may be charged any cost imposed by a local government ordinance or requirement directly related to the occupancy of the Premises upon which the manufactured home is located.

VI. Physical Improvements and Services.

A. Services.

Facilities to be provided by Community for Resident during the term of this Agreement: seasonal swimming pool, sauna, clubhouse, laundry facilities, the electrical, gas, water, and sewer systems from their point of origin at the Community property boundary lines to the individual home's pedestal for electrical and gas connections, to the individual home's water stand pipe for its water connection, and to the individual home's sewer lateral for its sewer connection. Services to be provided by Community for Resident at the time this Agreement is executed and to continue during the term of this Agreement, unless amended or modified pursuant to statutory notice:

<u>Other Charges</u>	<u>Included in Rent</u>	<u>Paid by Resident Directly to Utility</u>	<u>Community Management Will Bill Resident Monthly</u>
Water	No	No	Yes
Sewer	Yes	No	No
Natural Gas	No	No	Yes
Electricity	No	Yes	No
Trash - (2) 33 gal containers	No	No	Yes

B. Community Responsibilities. Pursuant to Section 798.15(d) of the California Civil Code, be advised of the following: It is the responsibility of Community ownership to provide and maintain the physical improvements in the common facilities in good working order and condition. With respect to a sudden or unforeseeable breakdown or deterioration of these improvements, the Community Management shall have a reasonable period of time to repair the sudden or unforeseeable breakdown or deterioration and bring the improvements into good working order and condition after Community Management knows or should have known of the breakdown or deterioration. These improvements and services consist of the following: seasonal swimming pool, sauna, clubhouse, laundry facilities, the electrical, gas, water, and sewer systems from their point of origin at the Community property boundary lines to the individual home's pedestal for electrical and gas connections, to the individual home's water stand pipe for its water connection, and to the individual home's sewer lateral for its sewer connection. Maintenance and/or repair of the above stated common facilities of the Community may require those facilities to be closed from time to time within the discretion of Community Management. The seasonal swimming pool will be open from Memorial Day weekend through Labor Day weekend, unless its use is ordered discontinued by appropriate governmental or Public Utility agencies, and the seasonal swimming pool will be closed one day per week at the discretion of Community Management for maintenance. Community Management may make any change to the basic seasonal swimming pool hours on sixty (60) days' notice.

C. Resident Responsibilities. It is the responsibility of Resident to provide and maintain the improvements on the Premises which include, but are not limited to the following: Gas and electrical from the point of connection at the space pedestal to Resident's home, water from the point of connection at the water stand pipe to Resident's home, and sewer from the point of connection of the Resident's sewer lateral which connects to the Resident's home. Resident also is responsible to maintain the area around the above utility connections so as to permit Community Management to

inspect and/or maintain the utility connections set forth in Section A above. Furthermore, Resident shall maintain and replace, when necessary, the landscaping on the Premises. Resident must maintain all trees on the Premises such that they will not become a threat to anyone's health and safety. Resident is responsible for damage to all community owned property caused by the actions of conduct of Resident, occupants, or guests, including, but not limited to, damage to lines and utility pedestals and damage to or tampering with utility meters on the Premises.

Resident is responsible for all items introduced into the sewer line from his manufactured home and must use all reasonable efforts not to introduce foreign items that may block, clog, or disrupt the sewer system within the Community. Resident is responsible for the disposal of the all personal garbage, recycle, and waste. Resident is required to give Community Management written notice of the release of any hazardous substance, which includes, but is not limited to any substance or waste which is, or in sufficient quantities or concentration may be, harmful to human health, or the environment due to flammability, toxicity, reactivity, or corrosiveness, within a reasonable time period after discovery of the release. Resident is required to give written notice to management concerning the presence of any toxic mold in, on, or about their manufactured home or the Premises. Resident will be responsible for all general and consequential damages flowing from a release of any hazardous substance.

VII. Requirements of Manufactured Home Site.

A. Requirements regarding skirting, siding, awnings, porches, steps, sheds, initial landscaping and fences are set forth in the Rental Agreement between the parties. Maintenance of same in a clean, well-painted and totally repaired state is required. In the event of the repair or replacement of currently existing skirting, awnings, porches, sheds landscaping and fences, Resident shall obtain the approval of Community Management of all repair/replacement materials prior to installation. The specific requirements are set forth below:

1. Manufactured home. Only new, previously unregistered manufactured homes, may be placed into Community. All manufactured homes on a site may be resold in accordance with the terms of this Rental Agreement, the Rules and Regulations of the Community and California law. All manufactured homes within the Community must conform to the Community's unitized architectural standard for exterior color schemes. The current color scheme is based on earthtones. Resident may obtain a more specific definition of the earthtone color scheme from Community Management. Any painting to the exterior of Resident's manufactured home and any additional exterior structures or accessories must conform to this color scheme. Resident must receive Management's approval of the color scheme prior to making any improvements to the manufactured home or any additional exterior structures or accessories.

2. Skirting and Siding. Skirting and siding shall be standard manufacturer manufactured home siding and skirting, shall not be composed of fiberglass, corrugated metal, or unsafe materials. Similarly, no fiberglass, unfinished, or unsafe materials may be used for patchwork or repair on the exterior of the manufactured home or other site improvements. Skirting color and material must be coordinated with the manufactured home color and siding surface. Skirting is required around the entire manufactured home, porch and steps.

3. Awnings.

a. General Requirements: All awning material must be composed of metal manufactured awning material. If the premises will not accommodate the size requirements specified below, upon written request by Resident, Community Management will consider a smaller size awning that complies with all state and local requirements.

b. Carport Awnings: On all types of manufactured homes, a carport awning over the rear door of Resident's home is required of no less than 10 feet by 30 feet (10' x 30'), metal frame with aluminum top only. If the carport is freestanding, the awning shall be a minimum size of 20 feet by 20 feet (20' x 20').

c. Porch Awnings: On side-entry manufactured homes, patio awnings are to be a minimum size of 4 feet by 8 feet (4' x 8'). On front-entry manufactured homes, patio awnings are to be a minimum size of 4 feet by 4 feet (4' x 4') with the dimensions of any built-in door entry to be included in the minimum size requirements. If an entry or side door is inset to a depth of at least 16 inches, awnings will not be required over such door.

4. Porches. All porches must have railings of metal, naturally weatherproofed wood or pressure treated wood. All porches, other than those constructed of redwood or similar weatherproofed wood materials, shall have carpeting. All porches must have handrails and meet the following minimum size requirements: Front porches: four feet by eight feet (4' x 8'), Rear porches: four feet by four feet (4' x 4').

5. Steps. All steps, other than those constructed of redwood or similar weatherproofed wood materials, shall have carpeting. All steps shall have metal or wood railings. All wood railings must be composed of redwood, cedar, naturally weatherproofed wood or pressure treated wood.

6. Sheds. Sheds of such a material as are approved in advance by Community Management will be allowed. The maximum size will be 10 feet by 10 feet and no more than 10 feet in height. A maximum of two (2) sheds per space not to exceed 100 square feet of floor space will be permitted. Sheds may be installed and used in compliance with state law.

7. Landscaping. Rock, shrubbery, and/or lawns are the standard landscaping required for each manufactured home space and must be completed within sixty (60) days after Residents move into manufactured home. Where landscaping maintenance is required to comply with Community Rules and Regulations for currently existing manufactured homes, all such landscaping plans must be submitted to Community Management prior to execution by Community Management of the Rental Agreement. Resident must maintain and replace, when necessary, the landscaping on the Premises. Resident must maintain all trees on the Premises in such that the trees will not become a health and safety hazard. If at any time during this tenancy Resident fails to maintain the standard landscaping the Premises, Community Management may require Resident to replace or plant additional landscaping to meet standard landscaping requirements.

8. Fences. The Community Management may maintain a perimeter fence around the Community property and fences around common areas and facilities. All fences in, on, or between manufactured home spaces will meet the following requirements: only 42 -inch or 48-inch chain link fence, with top rail, post caps, and messenger wire at bottom, installed three (3) inches above ground to allow for trimming underneath. The prior written approval of Community Management must be obtained before installation of any fence.

9. Garbage and Trash Disposal. Residents are responsible for the disposal of their personal garbage, recycling, and waste. Garbage charges for two (2) standard 33-gallon garbage containers are separately billed to Resident. Charges for any additional garbage, recycling, or waste disposal are the responsibility of Resident. Grease and coffee grounds shall not be placed in the sewer system. To help control flies and odors, all trash containing food particle, grease and coffee grounds must be placed in a sealed plastic bag. Trash and recycling material containers must be placed either in a utility shed or other location concealed from public view.

10. Applicable Codes. All improvements to the Premises and the Resident's manufactured home shall comply with the appropriate provisions of the Uniform Building Code and any and all applicable ordinances and provisions of the local enforcement agency.

11. Maintenance Fee. As more particularly set forth in the Community Rules and Regulations, Community Management will charge a reasonable fee for services relating to maintenance of the Premises upon which the manufactured home is situated in the event Resident fails to maintain such Premises in accordance with the Community Rules and Regulations after written notification to Resident and the failure of Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charge to be imposed by Community Management if Community Management or its agent performs the services.

VIII. Improvements.

Except as otherwise set forth in this Rental Agreement, no improvements may be made upon the manufactured home or the Premises without the express written consent of the Community having previously been obtained. Notwithstanding such approval, Resident indemnifies and holds harmless Community Owner and Management from any liability or obligation of whatsoever kind or nature to any third person or entity resulting from said improvement or from injury incurred on or about said improvement. Furthermore, all improvements must meet the approval of any and all governmental authorities.

IX. Termination of Tenancy.

Residency in the Community may be terminated upon such notice and in such manner as is required under California law. The grounds upon which Tenancy may be terminated shall be those allowed under California law, including the following:

A. Failure of the Homeowner or Resident to comply with a local ordinance or state law or regulation relating to the manufactured home within a reasonable time after the Homeowner or Resident receives a notice of non-compliance from the appropriate governmental agency.

B. Conduct by the Homeowner or Resident within the Community that constitutes a substantial annoyance or hazard to another Homeowner or Resident.

C. Failure of the Homeowner or Resident to comply with a reasonable Rule or Regulation of the Community set forth in the Rental Agreement or any amendment thereto or in the Community's Rules and Regulations.

D. Conviction of the Homeowner or Resident for prostitution or a felony controlled substance offense if the act resulting in the conviction was committed anywhere within the Community, including, but not limited to, within the manufactured home of the Homeowner or Resident.

E. Non-payment of rent, utility charges or reasonable incidental service charges.

F. Condemnation of the Community.

G. Change of use of the Community or any portion thereof.

X. Resale of Manufactured Homes.

A. Community Management requires the prior written approval of a prospective homeowner (purchaser) of a manufactured home that is to remain in the Community. Selling resident shall give sixty (60) days written notice to Management of said resident's intent to transfer the manufactured home and to vacate same. If a manufactured home is to remain in the Community selling resident and/or selling resident's agent shall give notice of the sale to Community Management prior to the close of escrow and sale. All escrow, sale or transfer agreements involving the manufactured home that is to remain in the Community at the time of sale shall contain either:

1. A statement signed by the Community Management and the prospective homeowner (purchaser) stating that said prospective homeowner (purchaser) and Community Management have agreed to the terms of a Rental Agreement with the Community, or

2. A copy of the fully executed Rental Agreement signed by the prospective homeowner (purchaser) and Community Management. In the event the prospective homeowner (purchaser) fails to execute the Rental Agreement, the prospective homeowner (purchaser) shall have no rights of tenancy.

B. Resident may advertise the sale or exchange of Resident's manufactured home. Resident or Resident's agent may display a sign in the window of the manufactured home of such size as Community Management may limit, in accordance with California law. Said sign shall state the name, address and telephone number of the owner of the manufactured home or the owner's agent.

C. In order to upgrade the quality of Community, Community Management may require the removal of a manufactured home in the event of sale to a third party, if (a) it is not a mobile home; (b) it is more than twenty (20) years old, or more than twenty-five (25) years old if manufactured after September 15, 1971, and is twenty feet wide or more and the mobile home does not comply with the health and safety standards provided in Sections 18550, 18552 and 18605 of the Health and Safety Code, and the Regulations established there under, or such other later standards as are enacted into law; (c) the mobile home is more than seventeen (17) years old or more than twenty-five (25) years old if manufactured after September 15, 1971, and is less than twenty feet wide, and the mobile home does not comply with the construction and safety standards of Sections 18550, 18552 and 18605 of the Health and Safety Code and the Regulations established there under, or such other later standards as are enacted into law; (d) it is in a significantly run-down condition or in disrepair as determined by the general condition of the mobile home and its acceptability of the health and safety of the occupants and to the public exclusive of its age as determined by an inspection by the appropriate enforcement agency.

D. In addition, prior to sale and transfer of the manufactured home, Resident shall repair or replace items relating to the exterior of Resident's manufactured home, its appurtenances or an accessory structure not owned or installed by Community Management, as necessary and as required by Community Management under California law.

Resident also shall provide Community Management with a general floor plan of Resident's manufactured home that depicts the number and size of bedrooms found within the home.

XI. Entry Onto Premises and/or Into Manufactured Home.

Community Management shall have the right of entry upon the Premises for maintenance of utilities, for maintenance of the Premises in accordance with the Community Rules and Regulations when Resident fails to maintain the Premises in accordance with the Community Rules and Regulations, and for the protection of Community at any reasonable time so long as the same does not interfere with the Resident's quiet enjoyment of the Premises. Resident does further agree that Community Management may enter said Premises to read utility meters, service same or to post any notice required under this Rental Agreement. Community Management may enter the Premises or the manufactured home in the event of an emergency or in the event Resident has abandoned the manufactured home.

XII. Zoning.

The zoning in which Community operates is MH. The renewal or expiration date of the conditional use permit is December 31, annually.

XIII. Permissible Use.

Resident's manufactured home shall be used solely and exclusively as a residence for Resident. Any other use, including but not limited to use of said manufactured home or Premises for business or commercial purposes constitutes a violation of this Rental Agreement and Rules and Regulations. However, Resident's manufactured home may be used for certain in-home businesses such as Avon, Amway, Mary Kay Products, and other such businesses, only if such use is reasonable and if Resident has obtained all appropriate state and local licenses for the operation of such business.

XIV. Indemnity and Hold Harmless.

Resident hereby indemnifies and holds harmless the Community Owner and Management from any claims, loss, damages, injury or breach of contract, of whatsoever kind or nature resulting from the actions or failure to act by Resident or Resident's agents, employees, family members or guests including reasonable attorney's fees necessary to defend any action brought by any party or entity against Community Owner and Management as a result of the actions or failure to act on the part of Resident.

Resident understands and agrees that the variables inherent in a manufactured home investment include risk of obsolescence, changes in demand, location, manufactured home maintenance, wear and tear, age, technological advances, interest rates and terms, economic climate and development, neighborhood changes, and many other factors beyond the control of the Community Owner and Management. The value of Resident's manufactured home may decline in the future. Resident further understands that the law allows Resident to terminate this Rental Agreement at any time and move the manufactured home out of the Community to another location or single-family lot on a sixty (60) day notice. In consideration of our continued use of the existing land and improvements as a manufactured home community and this Rental Agreement, Resident agrees to indemnify, discharge, release, and to hold harmless the Community Owner and Management against and in the event of economic loss, diminution in market value, or depreciation of Resident's manufactured home, accessory structures, equipment, or other improvements, including lack of demand therefore, which may result in the future. This indemnification and release does not relieve the Community Owner and Management of any legally imposed duty of care as to injury or property damage.

Community Management is not agreeing to provide a community that provides other than housing opportunities for Homeowners. Community Management also is not warranting, nor representing that Resident's manufactured home will appreciate in value.

XV. Holding Over.

Should Resident remain in possession of the Premises after expiration of the term of this Rental Agreement and has not executed a new Rental Agreement said possession of Resident shall be deemed a month-to-month tenancy terminable in accordance with the provisions of California law.

XVI. Community to Meet and Consult.

Community Management shall meet and consult with Residents upon written request, either individually, collectively or with representatives of a group of tenants who have signed a request to be so represented on the following matters:

- A. Amendments to Community Rules and Regulations;
- B. Standards for the maintenance of physical improvement in the Community;
- C. Addition, alteration or deletion of services, equipment, or physical improvements within the Community. Any such collective meeting shall be conducted only after at least ten (10) days' written notice has been given to all requesting residents of the Community of the time and place of the meeting. Community Management shall, after receipt of a written request, set a date, time and place for such meeting.

XVII. Arbitration.

Any controversy or claim arising out of or related to this Rental Agreement or the breach thereof shall be settled by arbitration in accordance with the rules of the American Arbitration association in the City of Redwood City, California, except that when the initiating party is seeking the following: 1) injunctive relief, 2) unlawful detainer, 3) forcible detainer, 4) payment of a maintenance fee (Civ. Code Sec. 798.36), and/or 5) condemnation or a change of the use of the community (Civ. Code Sec. 798.56), the initiating party may, but is not required to use, arbitration and such choice shall be binding on the other party. In the event a dispute is submitted to arbitration, the arbitrator will award costs and reasonable attorneys' fees to the prevailing party. The award of the arbitrator shall be of the same force and effect as a final enforceable judgment of a court of competent jurisdiction.

Initials: Resident _____ Community Resident Manager _____

The parties hereby agree that any lawsuit or proceeding which arises out of or relates to this Rental Agreement which is not arbitrated shall be brought in Redwood City, California (and for the purpose of any such suit irrevocably submit and consent to the personal and subject matter jurisdiction and venue of any court located there); and that service of process may be effected in the same manner notice is given pursuant to this Rental Agreement.

XVIII. Insurance.

Resident shall carry and maintain at his/her sole cost and expense comprehensive general liability insurance protecting against any and all claims for personal injury, death, property damage, or other liabilities related to the condition, use or occupancy of the Premises. The insurance shall provide minimum coverage of at least \$100,000 per occurrence and \$300,000 cumulative total for comprehensive general liability claims. Such insurance shall also contain a cross-liability clause and specifically insure Resident's performance of the indemnity agreement set forth in Section XII above. Resident shall, prior to occupying the Premises, deliver to Community Management certificates of insurance evidencing the policies required under this Rental Agreement.

XIX. Miscellaneous.

- A. The waiver by Community Management of, or failure of Community Management to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of any Community Rule or Regulation shall not in any way sanction any subsequent breach or violation. The subsequent acceptance of rent by Community Management shall not be a waiver of any proceeding, breach of the Rental Agreement or Rules and Regulations by Resident.
- B. In any legal action arising out of the tenancy, this Rental Agreement or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorney's fees and court costs.
- C. Time is of the essence in this Rental Agreement.
- D. Each provision of this Rental Agreement is separate, distinct and individually enforceable. In the event any provision is declared to be unlawful or unenforceable, the validity of all other provisions shall not be affected.

E. The parties may alter this Rental Agreement only by written agreement, signed by all of the parties. Resident acknowledges that this Rental Agreement, taken together with the Community Rules and Regulations, constitutes the entire Rental Agreement between the parties regarding the rental of the Premises in Community. All prior negotiations or stipulations that preceded or accompanied the execution of this Rental Agreement are conclusively deemed to have been superseded by this Rental Agreement and Community Rules and Regulations.

F. Legal notices given pursuant to California law, including, but not limited to rent increase notices, rules amendment notices, violation notices, space maintenance notices, termination notices, notices to pay rent or quit, and other notices provided by the California Mobilehome Residency Law (Civil Code §§798 et. seq) shall be served in accordance with the governing law. All other notices required to be given to either party to this Rental Agreement shall be deemed conclusive at the time of personal service or three (3) days after mailing of said notice by certified or registered mail, postage prepaid, when addressed to Community Management at Kinglsey Management Corporation, P.O. Box 1848, Provo, Utah, 84603 and to resident at Resident's Premises.

G. Neither this Rental Agreement, nor the Premises, nor the tenancy in Community may be assigned. Resident may not sublet the Premises, any portion of the Premises, Resident's manufactured home, or any portion of Resident's home. Any assignment or subletting by Resident in violation of this paragraph will be null and void and shall be considered a material breach of this Rental Agreement for which Community Management may elect to terminate the Rental Agreement. Except as otherwise so limited, this Rental Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, assigns and successors in interest.

H. It is hereby understood and agreed that the Rules and Regulations of Community are an integral part of this Rental Agreement and are incorporated herein by this reference.

I. It is agreed that if Resident moves from the Community that any and all improvements to the Premises such as, but not limited to, driveways, walkways, and landscaping, shall remain on the Premises and become the property of the next resident to occupy the Premises.

J. Resident agrees by signing this Rental Agreement that Resident has carefully inspected the Premises being rented, and all site, services and facilities and has found them to be safe, in good repair and working order and as represented by Community Owner and Management either orally or in writing, and Resident accepts said site, services, and facilities as they currently exist.

* * *

Notice: The California Department of Justice, sheriffs' departments, police departments serving jurisdictions of 200,000 or more and many other local law enforcement authorities maintain for public access a data base of the locations of persons required to register pursuant to paragraph (1) of subdivision (1) of Section 290.4 of the Penal Code. The database is updated on a quarterly basis and is a source of information about the presence of these individuals in any neighborhood. The Department of Justice also maintains a Sex Offender Identification Line through which inquiries about individuals may be made. This is a "900" telephone service. Callers must have specific information about individuals they are checking. Information regarding neighborhoods is not available through the "900" telephone service.

MANAGEMENT IS AN EQUAL OPPORTUNITY HOUSING PROVIDER AND DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, RELIGION, SEX, FAMILIAL STATUS, OR DISABILITY.

Date: _____

RESIDENT / HOMEOWNER:

COMMUNITY OWNER:

_____ KMC EL GRANADA, L.P.

_____ BY: _____

Community Resident Manager

This Agreement is between Community Owner and Resident/Homeowner only as indicated directly above. The additional parties identified below are either guests or additional occupants who do not have any rights of residency in the Community. Their names appear below for informational purposes only.

PLEASE LIST NAMES ONLY - NO SIGNATURES NEEDED OR REQUIRED.

ADDITIONAL OCCUPANTS/ GUESTS

RELATIONSHIP TO RESIDENT/HOMEOWNER

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

8. This LEASE ADDENDUM is incorporated into the lease, executed or renewed on the date as set for below.

Resident Signature

Date: _____

Resident Signature

Date: _____

Resident Signature

Date: _____

Property Manager's Signature

Date: _____

Property

CRIME FREE LEASE ADDENDUM

In consideration of the execution or renewal of a lease of the dwelling unit identified in the lease, Owner/Agent for Owner and Resident agree as follows:

1. Resident, any members of the Resident's household, a guest or other person affiliated in any way with the Resident shall not engage in any drug-related criminal activity (as defined in Title 18, C.R.S.), including drug-related criminal activity, on or near the dwelling unit, the surrounding area or the area of the complex (hereinafter collectively referred to as the "premises"). "Drug-related criminal activity" means the illegal manufacture, sale distribution, use or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Article 18 of Title 18, C.R.S.).

2. Resident, any member of the resident's household, a guest, or other person affiliated in any way with the Resident shall not engage in any drug-related criminal activity, including drug-related criminal activity, on or near said premises.

3. Resident or members of the household will not permit the use of the premises for drug-related criminal activity, including drug-related criminal activity, regardless of whether the individual engaging in such activity is a member of the household.

4. Resident, any member of the Resident's household, a guest, or another person affiliated in any way in the household shall not engage in the unlawful manufacturing, selling, using, storing, keeping, or giving of a controlled substance (as defined in Article 18 of Title 18, C.R.S.) at any location, whether on or near the premises or otherwise.

5. Resident, any member of the Resident's household, a guest or another person affiliated in any way with the Resident shall not engage in any illegal activity, including prostitution (as defined in Article 7 of Title 18, C.R.S.), criminal street gang activity (as set forth in Title 16 or 18, C.R.S.), threats or intimidation (as defined in Article 18, C.R.S.), assault (as defined in Article 18, C.R.S.), or discharge of firearms or illegal weapons (as prohibited in Article 12 of Title 18, C.R.S.) on or near the premises, or any other violation of the Criminal Code of the State of Colorado that constitutes a breach of the lease agreement that otherwise jeopardizes the health, safety and welfare of the landlord, their agent, other tenant, or guest or that which involves imminent or actual serious property damage.

6. VIOLATION OF THE ABOVE PROVISIONS SHALL BE CONSIDERED A MATERIAL AND IRREPARABLE VIOLATION OF THE LEASE AND SUFFICIENT CAUSE FOR IMMEDIATE TERMINATION OF TENANCY. A single violation of any of the provisions of this addendum shall be deemed a serious violation and a material and irreparable non-compliance. It is understood that a single violation, as outlined above, shall be considered sufficient cause for immediate termination of the lease and notice of such termination shall be given in accordance with Article 40-107.5 of Title 13, C.R.S. Unless otherwise provided by law, proof of violation/breach of this agreement resulting in a termination shall not require criminal conviction, but shall require only a showing by a preponderance of the evidence.

7. In case of conflict between the provisions of this addendum and any other provisions of the lease, the provisions of the lease shall govern. Should any provision of this Lease Addendum be declared invalid by any Court of competent jurisdiction, the remaining provisions hereof shall remain in full force and effect regardless of such declaration.

EXHIBIT B



STANFORD COMMUNITY LAW CLINIC

2117 University Avenue, Suite A
East Palo Alto, CA 94303
Website: www.law.stanford.edu/clinics/sclc

Tel: 650.475.0560
Fax: 650.326.4162
E-mail: sclc@law.stanford.edu

Peter Reid
Clinic Director
Attorney at Law

Yvonne R. Meré
Clinical Supervising Attorney

Margaret Stevenson
Clinical Supervising Attorney

June 5, 2003

Re: application of KMC El Granada, L.P. Lupe Buenrostro
Legal Assistant

License Board
Treasurer-Tax Collector's Office
County of San Mateo
555 County Center
Redwood City, CA 94063

Dear Members of the License Board:

I am writing on behalf of the Homeowners Association of the El Granada Manufactured Home Community (HOA) concerning the license application of KMC El Granada, LP (KMC). The HOA is made up of the residents of the Manufactured Home Community. The HOA has reviewed the application together with the Ordinance, and based on that review requests that the license be denied at this time.

Section 1 (c) of the ordinance provides that

the License Board shall consider, issues concerning the operation of the mobile home park including, but not limited to, the adequacy of the park management's program for maintenance and repair..... In assessing the adequacy of management's program for maintenance and repair, the License Board may consider the amount of rent and charges collected by the management, and in particular the portion of amounts collected which are used to develop and institute the management's program for maintenance and repair...."

Testimony from park residents, which will be provided at the hearing, will demonstrate that management's program of maintenance and repair is, and has been, for many years woefully inadequate. In their application KMC has provided no information on the "amount of rent and other charges... which are used" to support the program of

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LEGAL AID SOCIETY
of San Mateo County

maintenance and repair. Without such information the Board is unable to “[assess] the adequacy of the management’s program for maintenance and repair,” and therefore should deny the license at this time. At a minimum the Board should delay issuance of a license until such time as KMC provides the necessary information.

In its response to Application Question Number 2, KMC has failed to specify the amount of other charges imposed on residents. Instead they have simply set out how the charges are imposed. The information supplied is inadequate to support granting a license at this time.

The response to Application Question Number 2 contains a paragraph, apparently not intended to be included, referring to the anniversary date for next year’s rent increase. The reference presumably refers to the normal anniversary date of April 2004. Such a planned rent increase would mean the application fails to meet the requirement to set forth “the amount of any increase in rent or other charges proposed to be imposed during the one year term of the license.” If such an increase were imposed in April 2004 it would mean two increases during the twelve month period, but only one is described in the application. Failure to describe all rent increases should lead to denial of the license.

In its response to Application Question Number 3, KMC states that the purpose of the rent increase is “to protect the highest and best use of the property.” Such a statement is unresponsive to the Ordinance requirement to consider how the rents are used to support the maintenance and repair program. Failure to provide adequate information on this issue should lead to the denial of the license.

In the response to Application Question Number 4, KMC has described only the most superficial and least costly aspects of a proper maintenance and repair program.

Nowhere is there a discussion of the items in dispute for many years between management and the residents such as water supply, electrical system, street lamps, emergency facilities, lot lines, awning requirements, physical improvements to various common areas such as pool, clubhouse, laundry, etc. These items entail a substantial commitment of funds and the failure of KMC to address them and their relation to rents collected should lead to a denial of the license.

In its response to application Question Number 5, KMC supplies a self-serving statement about its effort to meet in good faith a mediation with residents. Testimony will be provided by residents which demonstrates exactly the opposite situation. Management has long treated resident complaints and requests for information with disdain, and there is little or nothing to suggest that this course of action will change at this time. In particular, testimony will be provided concerning the most recent effort at mediation in which management essentially refused to agree to any of the primary requests by the residents. The response to Question Number 5 also fails to meet the Ordinance requirement that there be "a third party community based mediator," since J.A.M.S is not a community based mediator, but is in fact a state-wide service made up primarily of retired judges. In addition there is no indication of whom will bear the cost of the mediation. On these grounds the license application should be denied.


Section 1(d) of the Ordinance provides as follows:

The License Board may deny the permit or approve the permit with conditions designed to address deficiencies in the mobilehome park management's program for maintenance and repair of common areas and other areas within the responsibility of the management."

The residents' testimony will demonstrate the high level of deficiencies in KMC's application and in its program for maintenance and repair. Based on this testimony

together with the comments contained in this letter, and utilizing the standard set forth above, the Homeowners Association respectfully requests that the application of KMC for a license be denied.

Very Truly Yours



Peter Reid
Clinic Director
Attorney at Law

EXHIBIT C



June 12, 2003

REGISTERED MAIL

Mr. Nate Nelson
5314 North 250 West, Suite 210
Provo, UT 84604

Dear Mr. Nelson:

**ENVIRONMENTAL
SERVICES
AGENCY**

SUBJECT: NOTICE OF DECISION

Application for Annual License to Operate a Mobile Home Park
El Granada Manufactured Home Community
164 Culebra Street, Unincorporated Moss Beach

Agricultural
Commissioner/ Sealer of
Weights & Measures

On June 9, 2003, the San Mateo County License Board (License Board) considered your application for an annual license for El Granada Manufactured Home Community, 164 Culebra Street, in the unincorporated Moss Beach area of San Mateo County.

Animal Control

After considering the evidence presented at the public hearing, the San Mateo County License Board approved your application, made the following finding, and adopted conditions of approval as indicated below.

Cooperative Extension

FINDING

Fire Protection

The License Board found that the application and supporting documents were considered complete, a public hearing was conducted on June 9, 2003, to consider all public testimony, and a decision was rendered, all in accordance with Section 5.92.055 of the San Mateo County Ordinance Code.

LAFCo

Therefore, the San Mateo County License Board hereby grants an annual license to operate the El Granada Manufactured Home Community, subject to the following conditions of approval:

Library

CONDITIONS OF APPROVAL

Parks & Recreation

1. Management for the El Granada Manufactured Home Community is required to implement their maintenance and repair program as outlined and submitted as part of their license application.

Planning & Building

PLANNING AND BUILDING

455 County Center, 2nd Floor • Redwood City, CA 94063 • Phone (650) 363-4161 • FAX (650) 363-4849

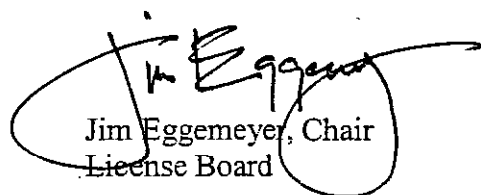
2. Management for the El Granada Manufactured Home Community is required to a dispute resolution procedure addressing issues raised by park homeowners. The procedure shall be as follows:
 - a. Any requests for mediation be made in writing directed to the owner, c/o Kingsley Management, 5314 North 250 West, Suite #210, Provo, Utah, 84604.
 - b. Kingsley Management shall send written acknowledgment of receipt of request for mediation within ten (10) days of receipt.
 - c. A mediator be selected within (30) days of acknowledgment of receipt of the written request for mediation.
 - d. If all parties cannot agree upon a mediator, then a neutral mediator supplied by Peninsula Conflict Resolution Center (650/373-3490), located in San Mateo County, California, shall mediate the matter.
 - e. All parties shall use their best efforts to complete the mediation within forty-five (45) days of selection of a mediator.
3. Management for the El Granada Manufactured Home Community is required to keep and maintain a tenant request for repair/maintenance log at the subject facility. The repair/maintenance request log shall contain at a minimum the date of the requested repair, the requested repair, whom the request is from, and the date the request is responded to by management.
4. Management for the El Granada Manufactured Home Community is required to keep, maintain, and provide weekly, monthly, quarterly, and yearly maintenance schedules (copies of typical schedules submitted to the License Board at the public hearing on June 9, 2003) for the program required above in condition of approval number one and the repair/maintenance request log for the program required above in condition of approval number three for tenant and public review during normal business hours at the mobile home park.
5. Management for the El Granada Manufactured Home Community shall revise their Rental Agreement and Rules and Regulations documents to reflect the requirements identified above in conditions of approval numbers one, two, three, and four.

This decision is appealable to the San Mateo County Board of Supervisors. Any person may appeal the granting of a license by filing a notice of appeal with the Clerk of the Board for the Board of Supervisors at 400 County Center, Redwood City, California, within fifteen (15) days

Mr. Nate Nelson
June 12, 2003
Page 3

after the granting of the license. Please contact the Clerk of the Board at the conclusion of this time period to verify if any appeal has been filed. If no appeal has been filed, please contact the Treasurer-Tax Collector's Office at 555 County Center, Redwood City, CA 94063, to obtain your annual license.

Sincerely,



Jim Eggemeyer, Chair
License Board

JE:fc - JKEN0842_WFN.DOC

cc: Dean Peterson, Director, Environmental Health Services Division
Lieutenant Victoria O'Brien, Sheriff's Office
Michael Murphy, Chief Deputy County Counsel
Edward C. McDonald, Jr., Esq.
Jaquelynn Pope
Jody Quinteros
Kevin Cooke
Lisa Ketcham
Peter Reid
William C. Lulay
Jimmie Karseard
Robert Brown
Juliet Haataja
Linda Clara Schilling
Giulie Peterson
Sandra Ehlert
Dorothy Norris
William West
Roberta McNair

EXHIBIT D

Homeowners Association
of El Granada Manufactured Home Community
P.O. Box 782, Moss Beach, CA 94038

June 25, 2003

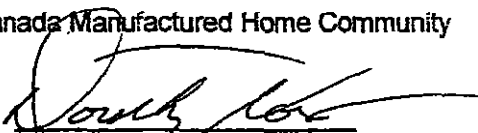
San Mateo County Board of Supervisors
400 County Center
Redwood City, CA 94063

Subject: **NOTICE OF APPEAL**
Annual License to Operate a Mobilehome Park
El Granada Manufactured Home Community

The Homeowners Association of El Granada Manufactured Home Community, and the following individuals hereby appeal the decision of the License Board as set forth in the Notice of Decision dated June 12, 2003, granting an Annual License to Operate a Mobilehome Park to El Granada Manufactured Home Community.

The Homeowners Association of El Granada Manufactured Home Community

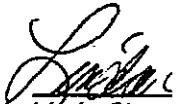
By



Dorothy Nerris, President

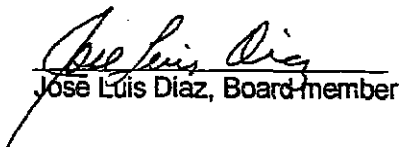

Gabriel Aguilar, Vice President


Lisa Ketcham, Board member


Robert Brown, Board member


Linda Clara


Schelling
Board member


Jose Luis Diaz, Board member

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IN THE OFFICE OF
JUN 26 2003
CLERK OF THE
BOARD OF SUPERVISORS

EXHIBIT E

Appeal to Reconsider the Business License Granted to El Granada Manufactured Home Community

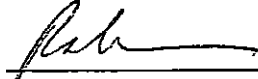
I am Roberta McNair, and I am President of the Bayshore Villa/Trailer Rancho Homeowners Association (BV/TRHOA). I am appealing the decision to grant the owners and operators of El Granada Manufactured Home Community a business license to operate based on the reasons stated below:

1. The Ordinance passed by the San Mateo County Board of Supervisors allows for far greater latitude in interpretation than Deputy County Counsel Michael Murphy advised the License Board. Mr. Murphy's narrow interpretation of the Ordinance did not allow for a full examination of not only the program of maintenance and repair at a mobilehome park but other issues that are factors in the operation of what is not only a business but also the homes and greatest investments for the residents of mobilehome parks. The Ordinance, as written, provides for an examination of the costs for maintenance and repair at the parks to determine if the actual expenditures for running the park provide a fair rate of return to the owners. Nowhere did the License Board require the owners to show where the rent monies they collect go to decide if the profit they derive from the park is a fair rate of return or a disproportionate income as it relates to the actual costs for maintaining and operating the plant that serves as a living community for those required to pay those high rents.
2. Mr. Murphy allowed the application from the owners of El Granada Manufactured Home Community to stand as one discrete document what in actuality was a cover sheet with one date and explanations and answers to the questions on the business license application submitted at a later date, having been amended by the applicants. Whereas Mr. Murphy was not troubled by this discrepancy, believing that the differences between the first application and the amended version were not significant enough even to require mention of it to the License Board, the Homeowners and legal representation for the Homeowners did not have access to the amended document, which they saw as significantly changed from the original. The amended document revised certain dollar amounts, which impacted the refutation prepared by the Homeowners and their counsel. That Mr. Murphy did not see this as significant calls into question the care with which he approached the entire licensing process. I regard as suspect and misleading any legal document that does not reflect alterations in a manner that shows accurately that changes were made and when these changes were submitted. To have allowed the application to stand with its earlier-dated cover page—implying that the entire document was submitted on that date—demonstrates at the very least a careless attitude toward this very serious licensing process. Mr. Murphy should have advised the License Board, once this discrepancy was revealed, to postpone the hearing and allow the Homeowners and counsel adequate time to revise their refuting evidence. He also should have insisted that the first iteration of the application be included with the application package and made note that revisions were made and on what date they were submitted.

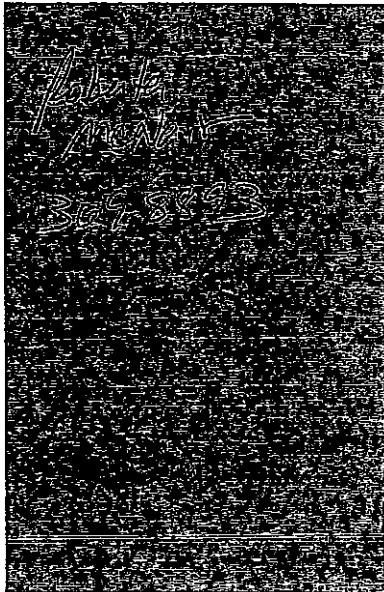
Appeal to Reconsider the Business License Granted to El Granada Manufactured Home Community

I do not call into question the integrity of the members of the License Board. I believe their decision was made honestly and in good faith. However, they made their decision based on an improperly presented license application and with an incomplete interpretation of the Ordinance they were to follow in making their decision. I believe that if the Board had a full understanding of the purpose of the Ordinance and its breadth of interpretation—for which they must look to County Counsel, since they are not attorneys—they would not have granted El Granada Manufactured Home Community's owners a license to operate the park.

Roberta McNair



President, Bayshore Villa/Trailer Rancho Homeowners Association
June 27, 2003



RECEIVED
JUN 27 2003
COUNTY MANAGER