

LAGUNA LAKE MOBILE ESTATES

1801 Prefumo Canyon Road, San Luis Obispo, CA 93405

RULES AND REGULATIONS

We are pleased that you have chosen Laguna Lake as your home. The Management of Laguna Lake Mobile Estates would like every Resident to live in harmony and comfort, and seeks to provide a safe environment. These rules are to help maintain our high standard of living, and to ensure that all Residents are treated fairly and equally. The Park facilities are for the use and enjoyment of all Tenants and Residents, subject to reasonable rules and restrictions. By following the rules, Residents can be assured a more comfortable community and an enhanced value of their homes.

DEFINITIONS

The terms "Tenant" and "Resident" include the tenant and those living in their mobile home.

The term "Guest" means someone who is not a Tenant or Resident of the Park and who enters the Park at the invitation of a Tenant or Resident.

The term "Park" means Laguna Lake Mobile Estates.

The term "Management" and "Manager" includes the owner of the Park, its employees and managers.

SECTION I

COMPLIANCE WITH APPLICABLE LAWS

1. This mobile home Park is a "family park". There are no age restrictions for living in the Park. The Park complies with the Fair Housing Act and all applicable federal, state, and local laws. If you believe any practice is not in the conformity with the law, please contact the Park Manager.
2. The Park makes reasonable accommodations for persons with disabilities. If you have special needs, please contact the Manager.
3. The Management of the Park is through Manufactured Home Communities, Inc. or their successors. Corporate address: Two North Riverside Plaza Suite 800, Chicago, IL 60606
(312) 279-1400

SECTION II

GENERAL

1. All new Tenants and all Residents must complete a Lease or Rental Agreement prior to residing in the Park.
 - a) Tenants are asked to sign and acknowledge that they have received a copy of the Rules and Regulations and, having read them, understand and agree to abide by them. Note that the Rules may be changed in accordance with California law.
 - b) All Tenants are required to fill out a general information form to be used in the event of an emergency and/or to conform with HUD requirements.
 - c) As a convenience to Tenants, if they will be away for an extended period of time, they may leave with the Manager the names and addresses of people to notify in case of an

emergency. During a planned absence, arrangements may be made for care of absentee homeowner's yard. Patio, carport and surrounding area must appear neat and clean.

- d) The Park office will be open according to the schedule posted on or near the office door.
 - e) The telephone number for the Park is (805) 543-5500. In case of emergency when the Park is unattended by the Manager, please call the Park's telephone number and follow the instructions for emergency contacts.
 - f) Rent is due on the first day of the month. Rent is late if paid after the 6th day of the month. A fee of \$25 will be charged for late rent on the 7th and a \$1.00 thereafter until the rent is paid in full. This is subject to change upon written notice. A returned check will also incur a charge of \$25.
2. **SIGNS:** All signs, notices, and directives posted in the Park by Management are made a part of these Rules and Regulations. Except for the sale of a home (see Section VII), resident signage must be displayed in a window and not outside the home.
 3. **COMMERCIAL ACTIVITY:** Solicitors, vendors, peddlers, etc., are not permitted in the Park. Residents may have home-based businesses only if those businesses are licensed and operate under the terms and conditions of the San Luis Obispo city ordinance in effect at the time. An application form with the terms and conditions for home-based businesses is available from the Park office.
 4. **PUBLIC SALES:** No auctions, moving, carport, garage, patio, or any other public sales are permitted if they involve advertising or other announcements, or involve inviting the general public to come into the Park. The sale of a Tenant's mobilehome, the annual park-wide yard sale and holiday craft/white elephant sales are the only exceptions.
 5. **QUIET HOURS/NOISE/DISTURBANCES:** Quiet hours are from 10:00pm to 8:00am. Loud parties, disturbing noises of any nature, drunkenness, or unseemly conduct are not permitted at any time. Tenants are to conduct themselves in a civil manner and are not to annoy, harass, threaten or otherwise conduct themselves in a manner that disturbs other Tenants, Residents or their guests. Violation of this rule may be a cause for termination of tenancy.
 6. **COMPLAINTS:** Except in the event of an emergency, all complaints made to the Management must be in writing and signed by the person making the complaint.
 7. **UNAUTHORIZED ACCESS:** Fence and wall-hopping by any person (resident, guest or trespasser) to gain access to or exit from the park or any park facility will be treated as a trespasser.
 8. **SOLICITATION:** Door-to-door commercial solicitation is not permitted in the park without written permission from management. Commercial businesses and individuals that refuse to comply with these Rules and Regulations will be considered as trespassers on private property.
 9. **PARK PERSONNEL:** Park personnel, who reside in the park, have the right to enjoy the park facilities on their off-hours. They are entitled to time with their families in their own homes. Please allow them private time without burdening them with the business matters, unless a valid emergency arises. Office hours are posted, at the office, and the 24 hour emergency phone number (805) 543-5500.

SECTION III TENANTS AND GUESTS

1. Tenants are responsible for the conduct of their pets, Residents living in their home and for guests visiting the Tenant's home. Tenants are responsible for making sure that guests understand and follow the Park Rules. Park Management and Park Residents have the right to use civil procedures and authorities to cause the removal of any person from the Park whose conduct becomes objectionable, creates a disturbance for causes a nuisance.
2. All guests using the recreational facilities must be accompanied by an adult Resident (over 18 years of age). When a facility had reached its maximum occupancy, the guest will be asked to leave to make room for a resident. Residents have priority when using any facility.
3. Guests of Tenants intending to remain in the Park for more than 20 consecutive days, or 30 days in a period of 12 months, will be charged a guest fee of \$10.00 per person per month except as provided by Civil Code Section 798.34 and 798.35, or local ordinance.
 - a) A Tenant over 55 years of age may share his/her mobilehome with a person over 18 without charge if that person is providing live-in health or support care pursuant to a physician's written treatment plan. That person shall have no rights on tenancy in the Park.
 - b) A Tenant living alone may share his/her mobilehome with one person without charge. That person will be considered a guest of the homeowner but with no rights of tenancy.
 - c) All persons described above must comply with the Rules and Regulations of the Park.
 - d) Residents shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Residents shall not assign or encumber his or her interest in the premises.
 - e) The Tenant must be living in the home with any guest(s). a guest is not allowed to live in the home for more than 15 days out of a 12-month period unless the Tenant is present. No house-sitting is permitted.
4. The use of firearms or other weapons, or dangerous instruments is prohibited in the Park. Fireworks are also prohibited.
5. The facilities of the Park are for reasonable use by Residents, Tenants, and guests for such purpose as the facility is designated. The cost of any damage, replacement or repair, beyond reasonable wear and tear, is the responsibility of the Tenant if the damage is cause by the Tenant, a Resident living in the Tenant's home, or a guest visiting the Tenant.
6. Guests may park in the designated guest parking areas, but are not allowed to park on the streets. Guests may park their recreational vehicles outside the park or, upon assignment of Management, in the designated parking area for guest RVs while visiting Tenants.
7. Residents, Tenants. And their guests are to use designated walkways and not trespass on other Tenants' lots. Some Tenants may have landscaping that encroaches onto an adjacent Tenant's lot. In such a case. The Tenant with the encroaching landscaping may enter the adjoining lot for

purposes of maintaining the landscaping. Any such entry must be at reasonable times and in a reasonable manner, after notice to the adjoining Tenant.

SECTION IV

A. PARK STANDARDS

1. Only mobilehomes approved by the Management or Park Owner shall be admitted into the Park. Management reserves the right to refuse admission to any mobilehome which does not meet Park standards, the condition and/or appearance of which is misrepresented, or which is not compatible with the homes in the Park, determined in terms of their size, dimensions, material, quality, and condition.
 - a) Upon arrival, Management will instruct the driver and homeowner as to the proper position for parking the mobilehome.
 - b) The homeowner is responsible for any damage caused during the installation or removal of a mobilehome and shall reimburse the Park or any other Tenants for any expense incurred by them as a result of damage caused to the lot, streets, any portion of the Park, or other Tenants' lots or homes.
 - c) All towing hitches must be removed immediately after the home is placed in the lot. Remember, hitches and wheels are the only items allowed to be stored under the home.
 - d) Management approved skirting, awnings, porches, lot numbers, rain gutters, and landscaping are to be installed and completed within sixty (60) days of the installation of the mobilehome. All Structures must meet local building and zoning requirements. All subsequent installation of improvements or other attachments must have written approval from the manager prior to installation.
2. Exteriors of mobilehomes, their windows and all structures and property of the Tenant must be maintained, painted and kept in good repair.
 - a) All awnings must be of metal construction.
 - b) Skirting must extend completely around the coach and must be constructed of matching materials, unless another material is approved by Park Management; i.e., brick, slump stone, or similar masonry.
 - c) All porches must be fully carpeted with indoor-outdoor carpeting.
 - d) Exterior paint colors are to be approved by Park Management. The color must be consistent with the overall aesthetics of the Park.
3. All exterior improvements and alterations to mobilehomes must have written approvals of the manager on the Park's authorization forms, and all required permits and licenses on file, prior to starting the improvements. Certain improvements may be required to be performed by licensed contractors. This provision does not apply to interior improvements.
4. Ham radio and "CB" exterior antennas are prohibited. Small TV dish antennas only are allowed to the extent of applicable FCC ruling and with the approval of management.
5. Storage cabinets or sheds must be approved by the Park and placed in accordance with Management direction. The storage cabinets or sheds may be a maximum of 100 square

feet. No fuel or other combustible or explosive material, except a reasonable amount of fuel for power equipment, is to be stored in the home or shed. The sheds or storage buildings must be painted to coordinate with the mobilehome.

6. Except for appropriate patio furniture and barbeque equipment, all personal property must be stored inside a shed or garage. Clotheslines may not be installed or used on the lot, and no laundry may be hung to dry outside the home.
7. Tenants must protect pipes from freezing with adequate insulation, and maintain their plumbing in good working order.
8. No bamboo, reed, matchstick, canvas, corrugated metal or plastic may be used as a cover or type of hanging on porches or elsewhere on the home exterior, or where it is visible from the outside of the home. Foil, sheets, blankets, towels, etc. are not permitted in the windows of homes. Torn or broken window shades, screens, windows, mini-blinds and curtains must be replaced.

B. UTILITIES:

Unless the rental agreement provides otherwise, the following rules regarding utilities shall apply:

1. Utility services, such as electricity, gas sewer and water, are delivered to the Tenant's utility pad/post and are serviced by the Park or the utility company. The Tenants' responsibility for distribution of these services on the Tenants' leased lot and throughout the home begins at the appropriate utility pad, post, valve or circuit breaker. All connections must be made by the utility company or a licensed contractor using Park-approved materials. Except in exceptional circumstances, a two-foot clearance area must be maintained around the utility meters.
2. Management recommends that Tenants install pressure regulators on the water distribution system and make sure their water heaters have working pressure valves.
3. Management will make every effort to assure that safe and adequate utilities are supplied to the Tenants' pad. Management reserves the right, after proper notice to Residents, to disconnect utilities so that repairs, alterations, or additions may be made. The Park is not responsible for any damage or loss due to such disconnection unless proper notice had not been given to Residents. The park is also not responsible for any damage if the utility disconnection is caused by a condition out of control of the Management which requires immediate disconnection (see California Civil Code Article 3, Section 798.29.5). The failure of the Park to supply adequate utilities to the Tenant's utility pad will not be the reason for non-payment of rent or related utility change except when a government agency renders the Tenant's mobilehome uninhabitable because of such failure.

C. LANDSCAPING AND GROUNDS:

1. The Tenant's lot must be neatly maintained and landscaped in an attractive fashion, compatible with the overall aesthetic standards of the Park. No existing trees may be removed except with the approval of Management. All portions of lots not covered with

impervious material must be improved with lawns, ground covers, shrubbery, bark, rocks, or other natural materials. To avoid damage to underground utilities, residents must check with Management prior to digging.

2. Tenants are responsible for all maintenance of their lot, trees and shrubs, including weeding, mowing, trimming and watering. Tenants planning to be absent from the home for an extended period of time must provide for all necessary maintenance, including watering mowing, trimming, weeding. Arrangements must also be made for mail and newspaper pickup. Trees and large shrubs may only be removed with Management approval.
3. If lots are not neatly maintained and landscaped in a fashion compatible with the overall aesthetics of the Park, Management, after giving 14 days written notice and an estimate of cost, may without liability enter the lot and perform necessary maintenance. The cost of such maintenance shall be paid by the Tenant with the next monthly rental payment.
4. No new fences may be constructed without prior written Management approval.
5. All concrete, asphalt and other surfaces must be kept clean and free of oil, sticky or oily substances and maintained in good condition and repair.
6. Contractors and residents are responsible for disposal of ALL debris from any project performed within the community. If left for the park to pick-up or clean-up, there will be a charge of \$25.00 per house per man for the time to remove the debris. The charges will be as additional rent on the next month's rent.

SECTION V VEHICLES

1. Vehicles are expected to be driven slowly and carefully in the Park. Please observe the posted speed limits (and if not posted, 10 MPH). Residents and their guests must obey all traffic signs.
2. Fire ordinances prohibit on-street parking.
 - a) Tenants and their guests may temporarily park their vehicles near the curb on Park streets while loading or unloading when there is a driver immediately available. Commercial vehicles may be parked near the curb on Park streets for the purpose of making deliveries, loading, unloading or making service calls.
 - b) Residents' vehicles must be parked in the parking spaces on their lots, and not in their yards, on the streets, in guest parking or vacant lots. Parking spaces on the lots are to be constructed of concrete or brick. Guests may park in Tenants' parking spaces or designated guest parking areas. When the Tenants' lot does not permit parking of two vehicles, Park Management may provide additional spaces for an additional monthly charge.
 - c) No campers, motorhomes, recreational vehicles, boats, etc., may be stored or maintained on lots, driveways or carports. Tenants must arrange for vehicle storage outside of the park unless space is available in the Park provided storage area. Recreational vehicles may be parked in the driveway for loading or unloading before or after a trip, but may not be parked

- at or in the driveway overnight. No recreational vehicle or any motor vehicle, whether parking in the Park storage area or parked in a space, may be used for sleeping.
- d) Inoperative and/or unregistered vehicles may not be parked or stored in the Park.
 - e) Vehicles of the Park Residents and/or their guests parked or stored in violation of the Park Rules and Regulations will be given notice of violation. Subsequent violations will be cause for towing at the vehicle owner's expense.
 - f) Tenants may park in the guest parking areas while attending special events in the clubhouse.
 - g) Park-owned vehicles and Park employees' vehicles, while on duty, may be parked in any guest parking space.
3. Motorcycles are not to be driven in the Park. All vehicles must be quietly muffled.
 4. No motor vehicle repairs are permitted anywhere in the Park.
 5. Bicycles must obey the same traffic regulations as motor vehicles.
 6. No skateboarding, rollerblading or scooters (electric or manual) is allowed in the park
 7. Parking in the storage area requires a separate storage agreement.
 8. Unlicensed drivers are not permitted to operate any motor vehicle on park property.

SECTION VI REFUSE

All garbage and rubbish is to be placed in dumpsters. Please use trash bags and flatten boxes. Garbage will be collected as scheduled. We encourage conservation and recycling when possible. Please consult with Management before disposing of any furniture or large items in the trash areas.

SECTION VII SALE OF A MOBILEHOME

1. Tenants selling their mobilehome must notify the Management a minimum of sixty (60) days prior to the date of the intended sales. If the mobilehome is to remain in the Park after it is sold, the prospective purchaser must apply for tenancy and be approved by the Park prior to commitment to buy. Management may grant or refuse tenancy to the potential purchaser in accordance with the current screening requirements. Management will notify both the seller and buyer of approval or rejection of tenancy within fifteen (15) days of the receipt of the buyer's completed application for tenancy.
2. The Park may require the removal of the mobilehome from the Park when the unit is sold if any of the provisions of California Civil Code 798.73 apply. (This statute refers to the age and condition of the mobilehome).
3. Tenants removing their mobilehome from the Park are required to give no less than 60 days written notice.

4. Tenant may display one "For Sale" sign on their lot in accordance with the California Civil Code. In addition the "For Sale" sign, the park will furnish an 8X10 sign to be attached or displayed with the "For Sale" sign. The additional sign will state that anyone wanting to buy this home needs to contact the management before they commit to buy the home.

SECTION VIII FACILITY USE

1. The facilities, clubhouse, and other amenities are for the use of Tenants, Residents and their guests only, and shall be used at their own risk. Each facility has posted rules governing its use. Tenants not following the posted rules may have their privilege to use the facilities revoked. Tenants are to be considerate of others and not interfere with other Tenants use.
2. Special reservations of clubhouse facilities may be arranged for group functions and events, subject to a first-come first-served basis, and when the facilities are not otherwise in use. Management may require a damage deposit and insurance certificate for this privilege as allowed by the California Civil Code. Reservations must be made at least 14 days in advance. Certain restrictions may apply to use of the facilities by reservation, including prohibitions on the consumption of alcoholic beverages.
3. Any irregularity, safety, defect, maintenance problems or problems with the facilities or equipment should be reported to Management immediately.
4. Smoking is prohibited in any of the Park's common areas, facilities, or other buildings.
5. Alcoholic beverages are not allowed in any of the Park's common areas, facilities or buildings.
6. Pool, Spa, and Patio rules are posted in the pool area and may be modified from time to time. They shall be considered part of these Rules and Regulations.
7. Laundry room hours are posted. The laundry facilities will be closed from time to time for cleaning and maintenance. Please observe the posted rules regarding use of the laundry machines and facilities.
8. All persons must be fully dressed, including the wearing of shirts and shoes, while in the clubhouses.

SECTION IX CHILDREN

1. Your children are your responsibility. As such, the parents or legal guardian is held responsible for their behavior.
2. The community curfew is 10:00pm. All children must be off the streets unless accompanied by a parent or legal guardian.

3. The following activities will not be tolerated:
 - a. Abusing the property of others (cars, landscaping, etc.)
 - b. Playing on/about the privacy walls, mailboxes, flagpole, common area landscaping, dumpsters, transformer boxes, clubhouse restrooms, entry/exit gates, around clubhouse building, or the roof of any building.
 - c. The operation of non-motorized vehicles with wheels in an unsafe, careless or destructive manner will not be tolerated.
 - d. Vandalism will be prosecuted to the full extent of the law.

SECTION X

PETS

1. Residents must obtain written permission from management to keep domestic pets in the park. The resident must execute a Pet Agreement. Resident understands and agrees that no pet of any guest of a resident is allowed in the park. Further, pet breed must be approved in writing by the management of the park. Management retains the right to deny pet ownership with justifiable reason.
2. No exotic pets are allowed.
3. Resident agrees to comply with any state or local government law, regulation or ordinance governing the proper inoculation and licensing of any pet allowed to live in the park. Written verification will be presented to the management.
4. Pets are not allowed in any of the facilities including the swimming pool area, clubhouse and annex.
5. Guests, visitors will not be permitted to bring pets into the community under any condition. No pet sitting will be allowed unless approved beforehand by management.
6. Pets are not to be chained or tied outside the mobilehome. No outside dog houses or other pet abodes are permitted. The pet must live in the resident's home.
7. Disturbances such as barking, snarling, growling, etc. which annoy your neighbors can result in revocation of your permission to keep a pet.
8. Loose pets will be trapped and removed from the park. Feeding stray animals is prohibited. Unrestrained animals may be turned over to the local animal control agency without notice. Any charges pertaining thereto shall be the responsibility of the pet owner. The management assumes no liability as agents for Laguna Lake for any pet disposition action taken by the animal control agency. Damage or injury occasioned by a loose pet shall be the responsibility of the pet owner.
9. Aggressive pet behavior will require immediate and permanent removal of the pet from the park property.
10. All pets must wear a collar with tags that identifies the owner by address and phone number. Pets not so identified will be considered strays.
11. The park encourages pets be spayed or neutered. However, in the event of offspring(s), the management must be notified and written permission must be obtained for the offspring to stay for an interim period of time.
12. Resident understands that he or she is responsible for any damage to park property of the property of other residents or guests or bodily harm or injury caused by the pet, including waste and any disturbances or annoyances caused within the park.

SECTION XI
LEGAL AND MISCELLANEOUS MATTERS

1. This Park operates under the federal, state, and local laws governing the operation of mobilehome communities. Any provision of these Rules and Regulations which is found to be in conflict with governing laws shall be null and void, but the remaining rules shall remain in effect.
2. Management reserves the right to enter upon the mobilehome space (but not the mobilehome) to perform such acts as necessary for the safety or maintenance of said property. The Park Manager will notify Tenants in advance whenever such notice is reasonable and practical.
3. Tenants are responsible for all damages to Park property caused by their willful acts or negligence, that of Residents in their homes, and that of their guests. Damage to Park common area facilities or property, or injury to persons caused by the Tenant, Residents in the Tenant's home or the Tenant's guests may result in a demand for payment or repair, replacement, medical costs, and may result in a loss of tenancy.
4. Violation of these Rules and Regulations shall be cause for notice to Tenants comply and may be cause for loss of tenancy. The Park will use the procedures contained in the California Civil Code to enforce these Rules and Regulations.
5. A failure of Management, in one or more instances to insist that Tenants comply with any of the terms, conditions, or provisions of these Rules and Regulations, shall not be construed by Tenants that Park Management will in the future waive or relinquish any right Management may have based on these Rules and Regulations. A waiver by Management of any failure of a Tenant to comply with any term, condition or provision of these Rules and Regulations shall not constitute a waiver of any future requirement to comply.
6. Resident understands and agrees that private work performed by park personnel on their off time are performed at the resident's risk. Park personnel are not covered by park insurance performing private work for park residents. The park or management will not be held responsible for any private work completed pr not completed by park personnel.
7. The Park reserves the right to amend, revise, and/or add additional rules and regulations. Notice of any changes shall be distributed to all Tenants in writing, and a meeting with homeowners shall take place not less than 10 days after delivery of the notice to the homeowners. The rule change shall become effective upon consent of the homeowner does not consent, six months after the notice is delivered. Changes in Rules and Regulations applicable to recreational facilities shall become effective without homeowner's consent not more than 60 days after written notice to Tenants.
8. Notice of Zoning: the Park property is zoned for mobilehome parks.

I HAVE READ THE FOREGOING RULES AND REGULATIONS, AND ALL ATTACHMENTS, AND AGREE TO ABIDE BY THEM.

Tenant _____ Date _____

Tenant _____ Date _____

Tenant _____ Date _____

Management _____ Date _____

Park Management has reviewed the rules and regulations with the Resident.