

Exhibit B to the Purchase and
Sales Agreement

ALIMUR PARK HOMEOWNERS ASSOCIATION
A California Nonprofit Mutual Benefit Corporation

MEMBER LEASE AND RENTAL AGREEMENT

THIS 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.

NOTICE: THIS RENTAL AGREEMENT CONTAINS A SUBORDINATION CLAUSE WHICH MAY RESULT IN YOUR OCCUPANCY OF THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Rental Agreement (the "**Agreement**") is dated _____, 20____, and is between ALIMUR PARK HOMEOWNERS ASSOCIATION (the "**Corporation**"), a California nonprofit mutual benefit corporation and

[NAMES OF ALL RECORD OWNERS OF THE MOBILEHOME ON THE SPACE]

(who are referred to, jointly and severally, as "**Member**").

Recitals

The following statements are true and shall be conclusively deemed to be true for all purposes concerning this Agreement.

WHEREAS, ALIMUR PARK MOBILE HOME PARK (the "Park") is a mobilehome park at 4300 Soquel Drive, Soquel, County of Santa Cruz, California, owned and managed by the Corporation, which is owned only by residents of the Park who are Members of the Corporation, and which is organized for the purpose, among other things, of providing a mobilehome space for Members of the Corporation who are in good standing and rental space for other residents;

WHEREAS, the Park is owned, operated, and managed under and pursuant to the Corporation's Articles of Incorporation filed with the California Secretary of State on February 20, 2014 (the "Articles"), and Bylaws adopted M/D/Y_____, (the "Bylaws")

(the Articles and Bylaws are collectively referred to as the "Corporate Documents"), the Nonprofit Mutual Benefit Corporations Law, California Corporations Code section 7110 and following)(the "Association Law"), the California Mobilehome Residency Law, Civil Code section 798 and following, the California Fair Employment and Housing Act, California Government Code section 12900 and following, and all other applicable federal and state Fair Housing Laws, and Title 25, California Code of Regulations;

WHEREAS, Member has been a resident of the Park pursuant to a written, month-to-month rental agreement; Member is familiar with the physical improvements and services provided; Member has had more than 30 days to review this Agreement and decide whether to accept or reject this Agreement and decide whether or not to become a Member of the Corporation; and Member has freely and voluntarily decided to stop being a month-to-month tenant and become a Member of the Corporation and occupy a Space(defined in section 1) at the Park for a term of 17 years; and

WHEREAS, Member is in good standing with the Corporation and occupies the mobilehome as Member's primary residence and therefore is entitled to occupy a mobilehome space within the Park as a Member; and

WHEREAS, the Corporation purchased the Park by obtaining a loan (the "Purchase Money Loan") from Paul Joel Goldstone, Trustee of Paul's Trust established pursuant to, and in accordance with, an Order of the San Mateo Superior Court, Case No. 66015, dated April 2, 2001 (the "Mortgage Lender"), which is secured by a Deed of Trust and Assignment of Rents on the Park and the Corporation's rents and income (the "First Deed of Trust"); and

WHEREAS, as a condition of making the Purchase Money Loan, the Mortgage Lender required that in the event of any conveyance of the Park by foreclosure of the First Deed of Trust, exercise of a power of sale under the First Deed of Trust or conveyance in lieu of foreclosure, ("Foreclosure Conveyance"), the Member will recognize the Mortgage Lender and its successors and assigns as the owner with the rights to collect all sums due hereunder as rent, enforce this Agreement, and enforce the Rules and Regulations; and

WHEREAS, the Member accepts and agrees to be bound by the Mortgage Lender's condition.

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

AGREEMENT

1. Occupancy of a Space. The Corporation will provide and make available a space located at 4300 Soquel Drive, #____, Soquel, California (the "Space"), to Member on which Member shall own and occupy a mobilehome as Member's primary residence.

2. Term. The term of this Agreement shall be for twenty (20) years, unless earlier terminated in accordance with this Agreement or by law, commencing December 1, 2015, and ending November 30, 2035.

3. Rent. The initial monthly rent shall be \$555.00, payable in advance on the first day of each calendar month, which amount may be modified as provided below.

4. Performance of Obligations. For as long as Member is a resident of the Park, Member shall maintain Member's status as a member in good standing with the Corporation, will occupy the mobilehome on the Space as Member's primary residence, and will diligently and promptly perform all of Member's obligations under the Corporate Documents, this Agreement, and the Rules and Regulations (as defined in Section 13).

5. Subordination. This Agreement is subordinate to the lien of the First Deed of Trust in favor of Mortgage Lender. Member will execute a separate subordination agreement if required by Mortgage Lender or any of its successors or assigns. Further, if required by Mortgage Lender or any of its successors or assigns who becomes the new owner of the Park by any Foreclosure Conveyance, Member will execute a separate agreement stating that Member recognizes such new owner as Member's landlord with the right to manage the Park and enforce this Agreement and the Rules and Regulations. However, no separate subordination agreement is required for this Agreement to be subordinate to the First Deed of Trust; and no separate agreement is required for Member to be obligated to honor this Agreement and to recognize Mortgage Lender or its successors or assigns who becomes the new owner of the Park as a result of a Foreclosure Conveyance, as Member's landlord with the right to collect rent, manage the Park and enforce this Agreement and the Rules and Regulations.

6. Change of Ownership. Upon any change in ownership of the

Park resulting from a Foreclosure Conveyance, the Mortgage Lender, and its successors and assigns, may require that the rental agreement which existed immediately before the foreclosure remain in force. In the event of such a change of ownership, Member hereby affirms this Agreement, recognizes the new owner, including the Mortgage Lender, its successors, agents and assigns, as landlord and manager of the Park, and agrees to pay all amounts due pursuant to this Agreement and the Bylaws as rent to the new owner, comply with the Rules and Regulations, and perform all other obligations of Member under this Agreement.

7. Rent; Monthly Fee for Maintenance/Operating Expenses. During the occupancy of the Space, Member shall pay as rent a monthly fee, in advance, due on the first day of each calendar month, equal to the amount of all dues, assessments, fees and other charges levied by the Corporation or its membership to Member, including all maintenance and operating expenses for the Park, as established from time to time by the Board of Directors and/or the Members of the Corporation, pursuant to the Bylaws. For the purposes of this paragraph the term "maintenance and operating expenses" shall mean all maintenance and operation expenses incurred by the Corporation for the ownership, operation, maintenance, and management of the Park, including the performance of Member's obligations under the Rules if Member fails to perform all of those obligations, and any additional funds needed to pay debt service for any debt of the Corporation as may be validly incurred by the Corporation under the Corporate Documents, including the Purchase Money Loan secured by the First Deed of Trust. The initial rent shall be \$555.00 or such other greater amount as is established from time to time by the Board of Directors of the Corporation pursuant to the Bylaws.

8. Rent In the Event of Foreclosure. In the event that Mortgage Lender or its successors and assigns acquires title to the Park and becomes the new owner by a Foreclosure Conveyance or as otherwise provided in section 6, Member shall become the tenant of the new owner. In that event, the initial monthly Base Rent due the new owner shall be either (i) \$655.00 or (ii) such other amount as most recently established by the Board of Directors of the Corporation, whichever is greater.

The initial monthly Base Rent shall be increased annually on the anniversary date of the Foreclosure Conveyance by two and one-half percent (2.5%).

Lender may from time to time increase the rent to recover the cost of improvements made to the Park, including but not limited to the clubhouse, pool, drainage, sewers, roads, and other common areas; and Lender may also from time to time increase the rent to recover the cost of improvements made to the Park's utilities' infrastructure where allowed by law. Lender may also increase the rent to recover the cost of repairs made to the Park common areas and infrastructure, as described above, but only to the extent that the aggregate cost of repairs made in any one calendar year exceeds \$50,000. The costs of all such repairs and improvements shall be recovered on a monthly basis over their useful life in accordance with schedules published by the Internal Revenue Service, if any. If no schedule of the useful life is published by the Internal Revenue Service, the useful life of the repair or improvement will be deemed to be seven (7) years, and the costs of the repair or improvement will be recovered over eighty-four (84) months.

All rent due hereunder shall be due, in advance, on the first day of each calendar month.

9. Late Charge. The rent, including the rent due pursuant to Sections 3 and 7 and the Rent in the Event of Foreclosure due pursuant to Section 8, shall be received no later than the first day of each calendar month. If full payment is not received on or before five (5) days after the date payment is due, Member shall pay a late charge equal to six percent (6%) of the amount due.

Member recognizes that late payment of any amount due will result in damages, losses, and additional costs and expenses to the Corporation and/or Lender, as the case may be, the extent of which is extremely difficult and economically impractical to ascertain. Tenant agrees that the Late Charge is a reasonable estimate of the damage, loss and expense to be suffered by the Corporation and/or Lender as a result of such late payment and constitutes a reasonable liquidated damage and is not a penalty. This late charge shall constitute additional rent due under this Agreement. The Late Charge shall be reassessed on the amount remaining delinquent and added to Member/Tenant's obligation on each successive monthly period occurring after the date on which the late charge is initially imposed. The provisions of this paragraph in no way relieve Member/Tenant of the obligation to pay all amounts due on or before the date on which they are due, nor do the terms of this paragraph in any

way affect the Corporation or Lender's remedies pursuant to this Agreement in the event any amount due under this Agreement is unpaid after the due date.

10. Bad Checks. If Member makes any payment with a check that is dishonored for any reason, Member shall pay the Corporation and/or Lender, as the case may be, a service charge in the amount of \$25.00 for the first such check and \$35.00 for each subsequent check written against insufficient funds. Nothing contained herein shall limit the Corporation or Lender's rights pursuant to Civil Code section 1719. If a Member writes two or more checks against insufficient funds, the Corporation or Lender, as the case may be, may require that the Member make all future payments in cash, money order or certified funds.

11. Permitted Use. The Space shall be used for the placement and occupancy by Member of a mobilehome owned by Member and occupied by Member as Member's principal residence, and for no other purpose. Other installations and/or improvements may be permitted in the Space only as otherwise permitted in this Agreement, the Rules (as defined in Section 13), and/or the Corporate Documents.

Member shall abide by the present Rules (as defined in Section 13) and all future Rules hereafter lawfully adopted by the Corporation as provided in Section 13 of this Agreement. Member shall also abide by and be subject to the provisions of the Corporate Documents and any applicable state and local laws, codes, ordinances and regulations, including but not limited to Title 25 of the California Code of Regulations.

12. Utilities. The Corporation shall cause the Space to be serviced with water, gas, and electricity, except for certain Spaces identified below. The Corporation shall also provide the Space with a sewer line. The Member shall be billed for water, water ready-to-serve charge, gas and electricity on a monthly basis, and the Member may also be billed from time to time for sewer line and infrastructure maintenance, repair, replacement and improvement. The Member shall pay for all such charges as utility fees within thirty (30) days of billing. Payment to the Corporation for water, water ready-to-serve charge, sewer line and infrastructure fees, gas and electricity is in addition to the rent due under Sections 3 and 7 and Rent in the Event of Foreclosure under Section 8. The foregoing notwithstanding, however, Spaces 101A and 200 receive

electric service directly from PG&E; the Corporation is not required to provide electric service to Space 101A or 200; and the Members occupying Space 101A and 200 shall pay PG&E, not the Corporation, for electric service.

13. Rules and Regulations. Standards for maintaining mobilehomes and accessory buildings or structures and other improvements, and for the use and maintenance of permanent buildings and facilities, and for conduct throughout the Park for purposes of preserving the finest quality of operation and atmosphere for the convenience and enjoyment of Park Residents will be promulgated through the Rules and Regulations, a copy of which is attached as Exhibit "A" and incorporated into this Agreement by this reference. The Rules and Regulations attached to this Agreement may be amended from time to time by the Corporation or any person, including Mortgage Lender, its successors or assigns, who becomes the owner of the Park as a result of a Foreclosure Conveyance; provided, however, that the Corporation cannot change the Rules and Regulations without the prior written consent of the Mortgage Lender, its successors or assigns, so long as any money remains due on the Purchase Money Loan. The Rules and Regulations and any valid amendments thereto are referred to in this Agreement as the "Rules." By initialing below, Member acknowledges that Member has received a copy of the Rules (Exhibit A) and read the Rules, and Member agrees to perform and be bound by the Rules, and each of them, and all valid amendments thereto.

The Corporation shall provide Member with a copy of any future amendment to the Rules. Member shall comply with all Rules and shall be responsible for compliance with those Rules by all persons residing in or visiting Member's mobilehome from time to time, as allowed by the Rules. Any violation of the Rules shall constitute a violation of this Agreement, subjecting the Member and any other occupant to eviction.

14. Assignment and Subletting. Except as required by law, member shall not rent, assign or sublet to anyone, including but not limited to permanent guests, roomers, live-in servants, all or any portion of the Space, Member's mobilehome located thereon, or Member's interest in the Space and/or this Agreement. The transfer of Member's interest in the Corporation is governed by the Corporate Documents. Member shall not transfer, rent, assign or sublet any membership interest or

other interest in the Corporation except as provided in the Corporate Documents.

15. Termination of Agreement; Eviction. This Agreement may be terminated pursuant to Civil Code Section 798.56 if Member is not in good standing as a Member of the Corporation, if Member fails to pay all of the rent, utility payments and other amounts when due under this Agreement, particularly including without limitation Sections 3, 7, 8, 9, 10, 12 and 21, fails to fully comply with any of the Rules, and/or fails to fully comply with and perform all other obligations of Member pursuant to this Agreement. This Agreement is subject to the provisions of the Mobilehome Residency Law, Civil Code sections 798 and following, a copy of which is attached hereto as Exhibit "B" and is incorporated herein by this reference.

This Agreement may be terminated and Member may be evicted in accordance with the Mobilehome Residency Law, Civil Code sections 798.55 and following, for the reasons specified in Section 798.56 of the Mobilehome Residency Law, including but not limited to nonpayment of the amounts due hereunder and a violation of the Rules. This Agreement shall also terminate upon suspension or termination of Member's status as a Member of the Corporation pursuant to the Corporate Documents; provided, however, that in the event Mortgage Lender or any other lender or any of their successors or assigns acquires title to the Park as provided in Section 6, this Agreement shall continue as a Lease with Member as the Tenant and Mortgage Lender, other lender, or their successors or assigns as the Landlord, even if the Member's status as a Member of the Corporation is or has been suspended or terminated pursuant to the Corporate Documents.

By initialing below, Member acknowledges receipt of a copy of the Mobilehome Residency Law, and that it is incorporated into this Agreement.

Upon any termination of this Agreement, the Corporation, Mortgage Lender, other lender, or their successors or assigns, as the case may be, may exercise any and all rights and remedies under this Agreement, the Corporate Documents, and applicable law (including without limitation, the Mobilehome Residency Law and any law for unlawful detainer proceedings).

16. Obligation to Pay Rent and Surrender Space. Member shall pay the rent, utilities and other amounts specified in this Agreement, including, but not limited to, Sections 3, 7, 8, 9, 10, 12 and 21 so long as this Agreement is in effect, together with any fees, assessments and/or charges that may be required under the Corporate Documents, and use the premises only for the manner contemplated under this Agreement, the Corporate Documents and the Rules. Member shall surrender the Space on termination of this Agreement in the same condition as received, except for improvements made by Member, such as walls or landscaping, acceptable to Park Management and the new purchasing Member.

17. Holdover. If at the expiration of the term of this Agreement no new rental agreement is made and member fails to surrender possession of the Space, this Agreement shall continue in full force and effect on the same terms and conditions on a month-to-month basis, provided however, that the rent during the holdover period shall be not less than the rent due at the expiration of the term and the rent may be adjusted periodically without the limitations set forth in Section 8.

18. Indemnity. Member agrees to indemnify, defend and hold harmless the Corporation, Mortgage Lender and their successors and assigns from liability for any occurrence on the Space, however caused, and for all personal injury and property damage to Member, any occupant of Member's mobilehome, Member's guest, and all other persons, without regard to their status at the Park.

19. Responsibilities of Management. It is the responsibility of the Corporation, its management, and their successors and assigns ("Management"), to provide and maintain physical improvements in the common facilities in good working order and condition. In the event of any breakdown or deterioration of these improvements, or any of them, Management shall have a reasonable period of time to repair, replace or upgrade the improvement, in Management's personal discretion, and bring the improvements into good working order and condition.

20. Physical Improvements and Services. Notwithstanding anything to the contrary in Section 12, the physical improvements, services and utilities to be provided to Member are the physical improvements which now exist in the Park for the Space, and the services and utilities to be provided to

Member and which will continue to be provided to Member are the services which are currently being provided to the Member.

21. Maintenance Fees. The Corporation, Mortgage Lender and their successors and assigns may charge a reasonable fee for services relating to the maintenance of the Space and the mobilehome and other improvements on the Space in the event the Member fails to maintain them in accordance with the Rules after written notification to Member and the failure of Member 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. Member may request that the Corporation allow the Member additional time beyond 14 days to comply, but nothing contained herein shall obligate the Corporation to grant any additional time.

22. Recitals. Member acknowledges that all of the statements contained in the Recitals set forth at the commencement of this Agreement are true, shall conclusively be deemed to be true for all purposes related to this Agreement, and are contractual in nature and are not merely recitals.

23. Conflicts. In the event of a conflict between the Rules and the Corporate Documents, the Rules will control to the extent permitted by applicable law. The Mobilehome Residency Law applies only to the extent required by law. Therefore, in the event of a conflict between the Mobilehome Residency Law and this Agreement, this Agreement will control to the extent permitted by applicable law. In the event of a conflict between the provisions of the Corporations Code as it applies to the Association (the "Associate Law") and the Mobilehome Residency Law, the Mobilehome Residency Law will control to the extent permitted by applicable law; except that the Association Law will control to the extent that it requires a Member to sell the mobilehome on the Space to individuals who will occupy it as their primary residence and become Members of the Corporation.

In the event of a conflict between this Agreement and the Corporate Documents or between this Agreement and the Association Law, this Agreement will control to the extent permitted by applicable law.

NOTICE: PARAGRAPH 5 OF THIS AGREEMENT CONTAINS A SUBORDINATION PROVISION WHICH ALLOWS THE CORPORATION TO OBTAIN A LOAN OR

LOANS A PORTION OF WHICH MAY BE EXPENDED FOR PURPOSES OTHER THAN THE IMPROVEMENT OF THE LAND AND WHICH PROVIDES THAT THIS AGREEMENT WILL BE SUBORDINATE TO THE RIGHTS OF THE LENDER.

**IMPORTANT NOTICE TO ALL MANUFACTURED HOME/MOBILEHOME OWNERS:
CALIFORNIA LAW REQUIRES THAT YOU BE MADE AWARE OF THE
FOLLOWING:**

The Mobilehome Residency Law (MRL), found in [Section 798 et seq. of the Civil Code](#), establishes the rights and responsibilities of homeowners and park management. The MRL is deemed a part of the terms of any park rental agreement or lease. This notice is intended to provide you with a general awareness of selected parts of the MRL. It does not serve as a legal explanation or interpretation. For authoritative information, you must read and understand the laws. These laws change from time to time. In any year in which the law has changed, you may obtain one copy of the full text of the law from management at no charge. This notice is required by [Civil Code Section 798.15\(i\)](#) and the information provided may not be current.

Homeowners and park management have certain rights and responsibilities under the MRL. These include, but are not limited to:

1. Management must give a homeowner written notice of any increase in his or her rent at least 90 days before the date of the increase. ([Civil Code Section 798.30](#))
2. No rental or sales agreement may contain a provision by which a purchaser or a homeowner waives any of his or her rights under the MRL. ([Civil Code Sections 798.19](#), [798.77](#))
3. Management may not terminate or refuse to renew a homeowner's tenancy except for one or more of the authorized reasons set forth in the MRL. ([Civil Code Sections 798.55](#), [798.56](#))
4. A homeowner must give written notice to the management of not less than 60 days before vacating his or her tenancy. ([Civil Code Section 798.59](#))
5. Homeowners, residents, and their guests must comply with the rental agreement or lease, including the reasonable rules and regulations of the park and all applicable local

ordinances and state laws and regulations relating to mobilehomes. Failure to comply could be grounds for eviction from the park. ([Civil Code Section 798.56](#))

6. Homeowners must pay rent, utility charges, and reasonable incidental service charges in a timely manner. Failure to comply could be grounds for eviction from the park. ([Civil Code Section 798.56](#))

7. Homeowners have a right to peacefully assemble and freely communicate with respect to mobilehome living and for social or educational purposes. Homeowners have a right to meet in the park, at reasonable hours and in a reasonable manner, for any lawful purpose. Homeowners may not be charged a cleaning deposit in order to use the park clubhouse for meetings of resident organizations or for other lawful purposes, such as to hear from political candidates, so long as a homeowner of the park is hosting the meeting and all park residents are allowed to attend. Homeowners may not be required to obtain liability insurance in order to use common facilities unless alcohol is served. ([Civil Code Sections 798.50, 798.51](#))

8. If a home complies with certain standards, the homeowner is entitled to sell it in place in the park. Management may require certain upgrades. Management may not require a homeowner to sell his or her home to the park, may not charge a transfer or selling fee, and may not require a homeowner to use a broker or dealer approved by the park. A homeowner has a right to advertise his or her home for sale. Management may deny approval of a buyer, but only for certain reasons listed in the law. ([Civil Code Sections 798.70-798.74](#))

9. Management has the right to enter the space upon which a mobilehome is situated for maintenance of utilities, trees, and driveways; for inspection and maintenance of the space in accordance with the rules and regulations of the park when the homeowner or resident fails to maintain the space; and for protection and maintenance of the mobilehome park at any reasonable time, but not in a manner or at a time that would interfere with the resident's quiet enjoyment of his or her home. ([Civil Code Section 798.26](#))

10. A homeowner may not make any improvements or alterations to his or her space or home without following the rules and regulations of the park and all applicable local ordinances and state laws and regulations, which may include obtaining a permit to construct, and, if required by park rules or the

rental agreement, without prior written approval of management. Failure to comply could be grounds for eviction from the park. ([Civil Code Section 798.56](#))

EACH MEMBER HAS READ AND INITIALED EACH OF THE 12 PAGES ABOVE THE SIGNATURE PAGE OF THIS AGREEMENT AND AGREES TO BE LEGALLY BOUND BY ALL OF ITS TERMS.

This Agreement is executed on this the ___ day of _____, 20__.

Member:

_____ (Print Name) _____

_____ (Print Name) _____

_____ (Print Name) _____

Corporation:

ALIMUR PARK HOMEOWNERS ASSOCIATION
A California Nonprofit Mutual Benefit Corporation

By: _____
Clay Butler, President