

Ranch Mobile Home Park

Administrative Record

**Rent Adjustment Application
RA-2010-02**

Part D

**Ranch Mobile Home Park
Administrative Record
Rent Adjustment Application
RA-2010-02**

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**Ranch Mobile Home Park
Administrative Record
Rent Adjustment Application
RA-2010-02**

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**Ranch Mobile Home Park
Administrative Record
Rent Adjustment Application
RA-2010-02**

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Notice of Continuance of
Public Hearing to
January 24, 2011

Rent Adjustment Commission
NOTICE OF CONTINUANCE - PUBLIC HEARING:

Application:

Ranch Mobile Home Park Rent Adjustment

Location:

2193 Los Feliz Drive

Applicant:

A.V.M.G.H. Five, Limited

Public Hearing Continued to:

January 24, 2011

Notice is hereby given that the Rent Adjustment Commission of the City of Thousand Oaks, at their Special Meeting of December 6, 2010, continued said Public Hearing to **January 24, 2011**. Said continuance was passed by the following vote:

Ayes: Chairman Wertheimer, Commissioners Ferruzza, Mohr Feldman, Sheldon,
and Silacci

Noes: None

Absent: None

Posted: Lilia Vaudreuil, Recording Secretary
December 7, 2010



City of Thousand Oaks

Community Development Department

Rent Adjustment Commission

NOTICE OF CONTINUANCE - PUBLIC HEARING:

Rent Adjustment Application for Ranch Mobile Home Park (RA 2010-02); Location: 2193 Los Feliz Drive; Applicant: A.V.M.G.H. Five, Limited.

Notice is hereby given that the Rent Adjustment Commission of the City of Thousand Oaks, at their Special Meeting of December 6, 2010, continued said Public Hearing to **January 24, 2011**. Said continuance was passed by the following vote:

Ayes: Chairman Wertheimer, Commissioners Ferruzza, Mohr Feldman, Sheldon, and Silacci

Noes: None

Absent: None

A handwritten signature in cursive script that reads "Lilia Vaudreuil".

Lilia Vaudreuil, Recording Secretary

December 7, 2010

I, Lilia Vaudreuil, declare as follows:

That I am the Recording Secretary for the Rent Adjustment Commission of the City of Thousand Oaks. The public hearing scheduled at the Special Meeting of the Rent Adjustment Commission of the City of Thousand Oaks was held, but not completed on December 6, 2010. Since said public hearing was not completed, it was continued to January 24, 2011. I further declare that on December 7, 2010 at the hour of 4:00 p.m. a copy of said notice was posted at a conspicuous place near the door at which said meeting was held.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 7, 2010, at Thousand Oaks, California.

A handwritten signature in cursive script that reads "Lilia Vaudreuil".

Lilia Vaudreuil, Recording Secretary

Post: Council Chambers Door, CAP Entry

File: Packet File

CDD:430-45/rw/h:/Common/Housing & Redevelopment/Rent Control/RAC/RAC 2010 Meetings/Continued RAC PH Ranch 12-6-10

2100 Thousand Oaks Boulevard • Thousand Oaks, California 91362-2903 • (805) 449-2151 • FAX (805) 449-2150



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City of Thousand Oaks

Community Development Department

Rent Adjustment Commission

NOTICE OF CONTINUANCE - PUBLIC HEARING:

Rent Adjustment Application for Ranch Mobile Home Park (RA 2010-02); Location: 2193 Los Feliz Drive; Applicant: A.V.M.G.H. Five, Limited.

Notice is hereby given that the Rent Adjustment Commission of the City of Thousand Oaks, at their Special Meeting of December 6, 2010, continued said Public Hearing to **January 24, 2011**. Said continuance was passed by the following vote:

Ayes: Chairman Wertheimer, Commissioners Ferruzza, Mohr Feldman, Sheldon, and Silacci
Noes: None
Absent: None



Lilia Vaudreuil, Recording Secretary

December 7, 2010

I, Lilia Vaudreuil, declare as follows:

That I am the Recording Secretary for the Rent Adjustment Commission of the City of Thousand Oaks. The public hearing scheduled at the Special Meeting of the Rent Adjustment Commission of the City of Thousand Oaks was held, but not completed on December 6, 2010. Since said public hearing was not completed, it was continued to January 24, 2011. I further declare that on December 7, 2010 at the hour of 4:00 p.m. a copy of said notice was posted at a conspicuous place near the door at which said meeting was held.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 7, 2010, at Thousand Oaks, California.



Lilia Vaudreuil, Recording Secretary

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City of Thousand Oaks

COMMUNITY DEVELOPMENT DEPARTMENT
JOHN C. PRESCOTT, DIRECTOR

BUILDING DIVISION (805) 449-2500
PLANNING DIVISION (805) 449-2323
HOUSING/REDEVELOPMENT DIV. (805) 449-2393

December 23, 2010

Subject: NOTICE THAT THE CONTINUED HEARING ON THE RANCH MOBILE HOME PARK (2193 LOS FELIZ DRIVE) RENT ADJUSTMENT APPLICATION WILL BEGIN AT 4:00 PM ON JANUARY 24, 2011.

To Applicant and Counsel for Applicant and Tenants, respectively:

The Rent Adjustment Commission (RAC) for the City of Thousand Oaks will start the continued public hearing on the Ranch Mobile Home Park Rent Adjustment Application at **4:00 PM on Monday, January 24, 2011**. The continued hearing will be conducted in the CITY COUNCIL CHAMBERS (Scherr Forum located on the 2nd floor), Civic Arts Plaza, City Hall, 2100 Thousand Oaks Boulevard.

Should you have any questions, please contact Russ Watson, Housing Manger at 805-449-2322, or e-mail at rwatson@toaks.org

Sincerely,

John Prescott
Community Development Director

cc: City Council
City Manager

In compliance with Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Building Div. 805-449-2500. Notification 48 hours prior to the meeting will enable City to make reasonable arrangements to ensure accessibility to this meeting.

CDD:430-45 h:\common\housing & redevelopment\rent control\rent adj applications\2010 ranch mh\hearing notices\1-24-11 mtg\ranch - notice hearing time 1-24-11 (12 21 10).docx

Rent Adjustment
Commission Meeting
January 24, 2011

Agenda

Meeting January 24, 2011

AGENDA

RENT ADJUSTMENT COMMISSION CITY OF THOUSAND OAKS, CALIFORNIA

Council Chambers

2100 Thousand Oaks Boulevard, Thousand Oaks, California 91362
(805) 449-2323
<http://www.toaks.org>

SPECIAL MEETING

January 24, 2011

4:00 P.M.

COMMISSIONERS:

Lloyd Wertheimer, Chair
Maxwell Sheldon, Vice-Chair
Brenda Mohr Feldman
Beatrice Ferruzza
Mike Silacci

ALTERNATE COMMISSIONERS:

Alyce Klussman
Cathy Schutz

John C. Prescott, AICP, Community Development Director
Patrick Hehir, Assistant City Attorney
Russ Watson, Housing and Redevelopment Manager

RENT ADJUSTMENT COMMISSION MEETINGS ARE SCHEDULED AS NEEDED TO CONSIDER A SPECIFIC MATTER RELATED TO RENT ADJUSTMENT APPLICATION PURSUANT TO TOMC (TITLE 5, CHAPTER 25 MOBILE HOME RENT STABILIZATION)

Americans with Disabilities Act (ADA): In compliance with the ADA, if you need special assistance to participate in this meeting or other services in conjunction with this meeting, please contact the Building Division, (805) 449-2500. Assisted listening devices are available at this meeting. Ask the Recording Secretary if you desire to use this device. Upon request, the agenda and documents in this agenda packet can be made available in appropriate alternative formats to persons with a disability. Notification at least 48 hours prior to the meeting or time when services are needed will assist City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Agenda Availability: The Rent Adjustment Commission Agenda is posted at the entry to the Civic Arts Plaza/City Hall, 2100 E. Thousand Oaks Boulevard, Thousand Oaks [main posting location pursuant to the Brown Act, G.C. 54954.2(a)]. Rent Adjustment Commission Agenda Packets are available for review at the City Clerk Department (2nd level), and Community Development Department, public counter (1st level), 2100 E. Thousand Oaks Boulevard, Thousand Oaks and available on City Web Page.

CITY OF THOUSAND OAKS
RENT ADJUSTMENT COMMISSION AGENDA
JANUARY 24, 2011

Supplemental Information: Any agenda related information received and distributed to the Rent Adjustment Commission after the Agenda Packet is printed is included in Supplemental Packets. Supplemental Packets are produced as needed, and typically would be distributed on the Friday preceding the Rent Adjustment Commission meeting and/or on Monday at the meeting. The Friday Supplemental Packet is available for public review in the City Clerk Department, and Community Development Department, 2100 E. Thousand Oaks Boulevard, during normal business hours (main posting location pursuant to the Brown Act, G.C. 54957.5(2)). Both the Friday and Monday Supplemental Packets (if required) are available for public review at the City Rent Adjustment Commission Meeting and will be posted on the City Web Page.

Public Input: Any person who wishes to speak regarding an item on the regular agenda or on a subject within the Rent Adjustment Commission's jurisdiction during "Public Comments" is requested to file a "Public Speaker" card with RAC staff secretary before that portion of the Agenda is called. Any person who wishes to speak on a specific agenda item is requested to file a "Public Speaker" card before the specific item is called. Any person who wishes to speak on a Public Hearing is requested to file a "Public Speaker" card before the Hearing is called. Persons addressing the Rent Adjustment Commission are requested to state their name and city of residence for the record. Any supporting materials should be submitted to the Recording Secretary before addressing the Commission. The time each person will be allowed to speak on a public hearing item will depend on the number of speaker cards received. The time allotted to each person will be announced by the Chairperson before comments are received by the Commission.

Special Meeting Public Input: Only issues listed on a special meeting agenda may be addressed pursuant to the Brown Act.

Judicial Review: Any legal action by an applicant seeking to obtain a judicial review of the Rent Adjustment Commission decision on a Hearing or issue listed on this Agenda may be subject to the 90-day filing period, of and governed by, Code of Civil Procedure Section 1094.6. Also refer to TOMC Section 1-4.05.

CITY OF THOUSAND OAKS
RENT ADJUSTMENT COMMISSION AGENDA
JANUARY 24, 2011

1. **CALL TO ORDER:** 4:00 P.M.
2. **PLEDGE OF ALLEGIANCE:**
3. **ROLL CALL:** Commissioners **Feldman, Ferruzza, Silacci**, Vice-Chair **Sheldon**, and Chair **Wertheimer**. Alternate Commissioners **Klussman, Schutz**.
4. **WRITTEN COMMENTS / ANNOUNCEMENTS / CONTINUANCES:**
5. **APPROVAL OF MINUTES:** January 18, 2011 – Special Meeting - Thunderbird Oaks Mobile Home Park Rent Adjustment Application Hearing (RAA-2010-01)
6. **DEPARTMENT REPORTS:** NONE
7. **PUBLIC HEARING (Continued from December 6, 2010):**
 - A. **(Continued Public Hearing)**

CASE:	Ranch Mobile Home Park Rent Adjustment Application (RAA-2010-02)
LOCATION:	2193 Los Feliz Drive
APPLICANT:	A.V.M.G.H. Five, Limited
REQUEST:	Rent Increase in amount of \$587.45 per month, per space, to achieve a Just and Reasonable Return.
RECOMMENDATIONS:	That the Commission adopt a resolution granting a general rent increase for Ranch Mobile Home Park in an amount not to exceed \$191.95 per space per month, and that the increase be phased over a five-year period in an amount not to exceed \$38.39 per month, per space, each year, with the date of the initial increase to be 90 days from the date formal notice of such increase is provided to the tenants, and the date of each subsequent increase shall be not sooner than 365 days from the date of the prior increase.
8. **PUBLIC COMMENTS:**
9. **COMMISSION COMMENTS:**
10. **ADJOURNMENT:**

Supplemental Packet

Meeting January 24, 2011

Rent Adjustment Commission

SUPPLEMENTAL PACKET

**Meeting of
January 24, 2011**

Rent Monthly Cost 2010 Ventura County Limits Rental

RENT MONTHLY COST 2010
VENTURA COUNTY LIMITS RENTAL

Rent Monthly Cost 2010 Ventura County Limits Rental

Extremely Low Income 2010

Affordable Rent for Very Low Income Households is the product of 30% times 30% of Ventura County area median income adjusted for family size appropriate to the unit. Health and safety Code Section 50053(b)(1).

Bedroom	Monthly Payment Can't Exceed
0	\$ 455.25
1	\$ 520.13
2	\$ 585.38
3	\$ 650.25
4	\$ 702.38
5	\$ 754.13

Very Low Income 2010

Affordable Rent for Very Low Income Households is the product of 30% times 50% of Ventura County area median income adjusted for family size appropriate to the unit. Health and safety Code Section 50053(b)(2).

Bedroom	Monthly Payment Can't Exceed
0	\$ 758.75
1	\$ 866.88
2	\$ 975.63
3	\$ 1,083.75
4	\$ 1,170.63
5	\$ 1,256.88

Lower Income 2010

Affordable Rent for Lower Income Households is the product of 30% times 60% of Ventura County area median income adjusted for family size appropriate to the unit. Health and Safety Code 50053 (b)(3).

Bedroom	Monthly Payment Can't Exceed	Household *	Min	Max
0	\$ 910.50	1	\$ 36,420	\$ 48,300
1	\$ 1,040.25	2	\$ 41,610	\$ 55,200
2	\$ 1,170.75	3	\$ 46,830	\$ 62,100
3	\$ 1,300.50	4	\$ 52,020	\$ 68,950
4	\$ 1,404.75	5	\$ 56,190	\$ 74,500
5	\$ 1,508.25	6	\$ 60,330	\$ 80,000
		7	\$ 64,500	\$ 85,500
		8	\$ 68,670	\$ 91,050

* In addition, for those lower income households with gross incomes that exceed 60% of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30% of gross income of the household. Health and Safety Code 50053(b)(3)

Moderate Income 2010

Affordable Rent for Moderate Income Household is the product of 30% times 110% of Ventura County area median income adjusted for family size appropriate to the unit. Health and Safety Code Section 50053(b)(4).

Bedroom	Monthly Payment Can't Exceed	Household **	Min	Max
0	\$ 1,669.25	1	\$ 66,770	\$ 72,850
1	\$ 1,907.13	2	\$ 76,285	\$ 83,250
2	\$ 2,146.38	3	\$ 85,855	\$ 93,650
3	\$ 2,384.25	4	\$ 95,370	\$ 104,050
4	\$ 2,575.38	5	\$ 103,015	\$ 112,350
5	\$ 2,765.13	6	\$ 110,605	\$ 120,700
		7	\$ 118,250	\$ 129,000
		8	\$ 125,895	\$ 137,350

** In addition, for those moderate income households whose gross incomes exceed 110% of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30% of gross income of the household. Health and Safety Code 50053(b)(4).

Declarations of Tenants,
Brief of Tenants
Association, &
Correspondence in
objection to rent increase
application

DECLARATIONS
OF TENANTS

1 **CHANDRA GEHRI SPENCER,**
2 **A PROFESSIONAL LAW CORPORATION**
3 CHANDRA GEHRI SPENCER (Bar No. 184010)
4 445 South Figueroa St., Suite 2700
5 Los Angeles, California 90071-1601
6 (213) 489-6826 • FAX (818) 597-3288

7 **HORVITZ & LEVY LLP**
8 DAVID S. ETTINGER (Bar No. 93800)
9 JOHN A. TAYLOR, JR. (Bar No. 129333)
10 15760 Ventura Boulevard, 18th Floor
11 Encino, California 91436-3000
12 (818) 995-0800 • FAX (818) 995-3157

13 **CALIFORNIA RURAL LEGAL ASSISTANCE, INC.**
14 EILEEN MCCARTHY (Bar No. 99937)
15 RONALD K. PERRY (Bar No. 140932)
16 338 S. A Street
17 Oxnard, California 93030-5805
18 (805) 483-8083 • FAX (805) 483-0535

19 ILENE J. JACOBS (Bar No. 126812)
20 511 D Street, P.O. Box 2600
21 Marysville, California 95901-5525
22 (530) 742-7235 • FAX (530) 741-0854

23 Attorneys for
24 **ASSOCIATION OF RANCH TENANTS**

25 **CITY OF THOUSAND OAKS**

26 **RENT ADJUSTMENT COMMISSION**

27 **IN RE: RANCH MOBILE HOME PARK,**

28 **DECLARATIONS OF TENANTS IN**
SUPPORT OF TENANTS' ASSOCIATION
OBJECTIONS TO RENT INCREASE
APPLICATION

Date: January 24, 2011
Time: 4:00 p.m.

1 The Association of Ranch Tenants hereby submits the attached declarations of residents of the
2 Ranch Mobile Home Park in opposition to the Rent Increase Application set for hearing on January
3 24, 2011.

4 January 24, 2011

HORVITZ & LEVY LLP
DAVID S. ETTINGER
JOHN A. TAYLOR, JR.

CHANDRA GEHRI SPENCER

CALIFORNIA RURAL LEGAL ASSISTANCE, INC.
EILEEN MCCARTHY
RONALD K. PERRY
ILENE J. JACOBS

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By: 
Chandra Gehri Spencer

Attorneys for ASSOCIATION OF RANCH TENANTS

DECLARATION OF ALFREDA SQROW

I, ALFREDA SQROW, declare as follows:

1. I am over the age of 18. The facts herein stated are within my personal knowledge, and I affirmatively state that, if sworn as a witness, I would competently testify thereto.

2. I reside at Ranch Mobile Home Park, 2150 Rodeo Court, Space #29, Thousand Oaks, California, and have resided there since 1990. I live with my husband, Frank Sqrow.

3. My home was manufactured in 1970. We purchased our home in 1990. The home was onsite at the Ranch Mobile Home Park when we purchased it.

4. Since the purchase of our home, we have invested an additional approximately fifty to sixty thousand dollars in renovations.

5. Our space rent is \$139. We pay an additional \$80 per month for utilities.

6. The reason we decided to purchase our home at Ranch Mobile Home Park was because of it's affordability and in order to be near to our family. We expected to live out our few remaining years with dignity at Ranch Mobile Home Park, which is why we made our home as comfortable as possible.

7. I am 93 years old and my husband is 96 years old. Our combined income is \$2000. Our sole source of income is Social Security Retirement Insurance benefits and a pension. We have very little savings.

8. If the space rent is raised to the level which is being proposed by the owner of the park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, we will not be able to afford to live there and pay for my other basic needs such as food, insurance and medical care. It would be a severe hardship for us.

9. We would be physically unable to move because of our poor health. I struggle with numerous medical conditions, severe arthritis, seizures, high blood pressure, poor vision, hearing loss, heart disease and have had a heart bypass.

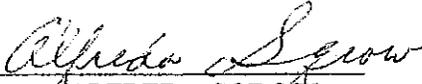
10. Because of the age of my mobile home, and the renovations that have been made, it is impossible to dismantle it and move to another park.

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11. The threat of the proposed rent increase has caused me a great deal of anxiety. Many nights we are unable to sleep just worrying about what will happen.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: January 17, 2011


ALFREDA SQROW

1 **DECLARATION OF DONALD HENRICKS**

2 I, DONALD HENRICKS, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2104 Skinner Court, Space #73, Thousand Oaks,
6 California, and have resided there since January 2003. I live alone.

7 3. My home was manufactured in 1973. I purchased my home in 2003 for forty-five
8 thousand dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Additionally, since the purchase of my home, I have invested approximately twenty
10 thousand dollars in renovations.

11 5. My space rent is \$127. I pay an additional \$100 per month for utilities.

12 6. I invested so much of my life savings in my mobile home because I was assured that
13 the rent would remain affordable. I relied on that information and made my home as comfortable as
14 possible because I expected to live out the rest of my life at Ranch Mobile Home Park.

15 7. Prior to moving to Ranch Mobile Home Park, I lived in Las Vegas, Nevada. I returned
16 to California specifically to move into that park because I knew that I would have to live on a fixed
17 income.

18 8. I am 74 years old. My income is \$1,615. My source of income is Social Security
19 Retirement Insurance benefits.

20 9. If the space rent is raised to the level which is being proposed by the owner of the
21 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
22 will have difficulty being able to afford to live there and pay for my other basic needs such as food,
23 insurance and medical care.

24 10. I would be physically unable to move because of chronic back problems.

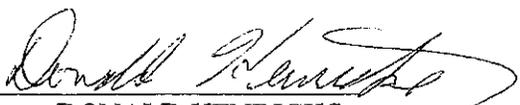
25 11. Because of the age of my mobile home, and the renovations that have been made, it is
26 impossible to dismantle it and move to another park.

27 12. The threat of the proposed rent increase has caused me a great deal of stress.
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I declare under penalty of perjury under the laws of the State of California that the foregoing
is true and correct.

Dated: January ____, 2011


DONALD HENRICKS

1 **DECLARATION OF DORIS CHAISON**

2 I, DORIS CHAISON, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2127 Pavo Court, Space #22, Thousand Oaks,
6 California, and have resided there since August 26, 2010. I live alone.

7 3. My home was manufactured in 1978. I purchased my home in July 20, 2010 for sixty-
8 three thousand dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Since the purchase of my home, I have invested an additional approximately five
10 thousand dollars in renovations.

11 5. I spoke with Barry Blechman, manager of the Ranch Mobile Home Park, when I was
12 considering purchasing a home there. My realtor was with me during our conversation. He informed
13 me that it was a senior low-income park and had to financially qualify for acceptance in the park. He
14 also told me that, as far as he knew, there were no plans to raise the rents. It was not disclosed to me
15 by anyone at the time of purchase that the owner had filed an application with the City to obtain an
16 increase \$587 per month. I would not have purchased, as over \$700 or more a month for space rent,
17 plus utilities, is not "low income."

18 6. My space rent is \$133.12. I pay an additional \$79.51 per month for utilities.

19 7. I decided to purchase the home because I was advised that the park was for low-
20 income seniors and rents were not expected to go up. I relied on that information and have made
21 renovations to my home to make it comfortable since I had planned on living out the rest of my years
22 at Ranch Mobile Home Park.

23 8. Prior to moving to Ranch Mobile Home Park, I lived in a mobile home park in Santa
24 Paula, California. The rent was much higher there, and my home was more spacious. But because of
25 my fixed income it had become financially difficult for me to continue to meet my living expenses
26 with such high rent. I decided to sell my home, and used the proceeds to buy my home at Ranch
27 Mobile Home Park.

28

1 9. I am 75 years old. My income is \$2,200. My sole source of income is Social Security
2 Retirement Insurance benefits and a pension. I have very little savings.

3 10. If the space rent is raised to the level which is being proposed by the owner of the
4 park, I will not be able to afford to live there and pay for my other basic needs such as food,
5 insurance and medical care.

6 11. Given my age another move would take a toll on my health, I still have not
7 recuperated from the recent move to Ranch Mobile Home Park.

8 12. Because of the age of my mobile home, and the renovations that have been made, it is
9 not possible to dismantle it and move to another park.

10 13. The threat of the proposed rent increase has caused me to worry a great deal. I
11 constantly think what will happen to me and my home. I am very stressed over this.

12 I declare under penalty of perjury under the laws of the State of California that the foregoing
13 is true and correct.

14
15 Dated: January 22, 2011



Doris Chaison

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1 11. My wife and I worry every day about our future here. The threat of the proposed rent
2 increase has been very upsetting, causing many sleepless nights.

3 12. I declare under penalty of perjury under the laws of the State of California that the
4 foregoing is true and correct.

5 Dated: January 17, 2011


FRANK MORTON

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1 **DECLARATION OF GAYLE HENINGER**

2 I, GAYLE HENINGER, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2158 Rodeo Court, Space #30, Thousand Oaks,
6 California, and have resided there since April 2010. I live alone.

7 3. My home was manufactured in 1968. I purchased my home in April 2010 for fifty-five
8 thousand dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Since the purchase of my home, I have invested an additional five thousand dollars in
10 renovations.

11 5. Prior to moving to Ranch Mobile Home Park, I lived in Texas, with my daughter. As
12 her work involves substantial traveling, I was alone a lot. The location was isolated. I was very
13 unhappy living in that situation and wanted to find a way to come back to California.

14 6. Recognizing that I was on a fixed income, I knew that I had limited options if I was
15 going to move back to the state. I had lived in Thousand Oaks for almost twenty years and I already
16 knew someone that lived in Ranch Mobile Home Park. I did a lot of research online when
17 considering my options.

18 7. I believed that Ranch Mobile Home Park was my only option, if I was really going to
19 move. I relied on the information available online, and from the realtor that sold me my home and
20 reinforced by people familiar with the park, to make my decision.

21 8. After visiting the park and my future home, I completed most of the park qualification
22 process, via e-mail. My main contact was Barry Blechman. He sent me a list of the documents that I
23 would need to provide, including those that would prove that I had a low enough income to live in
24 that park.

25 9. Another reason I believed that the park would remain affordable has to do with the
26 lease I signed when I moved into the park. The lease is marked "N/A" next to the statement regarding
27 future rent increases.

28 10. My space rent is \$135. I pay an additional \$100, approximately, per month for utilities.

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11. I am 75 years old. My monthly income is \$883. My sources of income are Social Security Retirement Insurance benefits and mutual fund dividends. I have very little savings.

12. If the space rent is raised to the level which is being proposed by the owner of the park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I will not be able to afford to live there and pay for my other basic needs such as food, insurance and medical care.

13. Because of the age of my mobile home, it is impossible to dismantle it and move to another park.

14. The threat of the proposed rent increase has caused me a great deal of anxiety. I would be physically and emotionally unable to move.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: January 17, 2011


GAYLE HENINGER

1 11. Our combined income is \$1,464. Our sole source of income is Social Security
2 Retirement Insurance benefits. We have very limited savings.

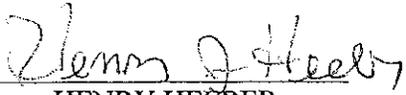
3 12. If the space rent is raised to the level which is being proposed by the owner of the
4 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, it
5 will be extremely difficult to afford to live there and pay for our other basic needs such as food,
6 medications, insurance and medical care.

7 13. Because of the age of our mobile home, and the renovations that have been made, it is
8 impossible to dismantle it and move to another park.

9 14. The threat of the proposed rent increase has caused me a great deal of anxiety. We are
10 very careful about spending any money because we don't know where we will be financially, if the
11 increase is approved.

12 I declare under penalty of perjury under the laws of the State of California that the foregoing
13 is true and correct.

14
15 Dated: January 17, 2011


HENRY HEEBER

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DECLARATION OF JUDY HIRAI

I, JUDY HIRAI, declare as follows:

1. I am over the age of 18. The facts herein stated are within my personal knowledge, and I affirmatively state that, if sworn as a witness, I would competently testify thereto.

2. I reside at Ranch Mobile Home Park, 2169 Rodeo Court, Space #34, Thousand Oaks, California, and have resided there since July 2008. I live alone.

3. My home was manufactured in 1978. I purchased my home in July 2008 for sixty-six thousand nine hundred ninety-one dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

4. Since the purchase of my home, I have invested an additional approximately seven thousand one hundred dollars in renovations.

5. I spoke with Pat Hostmeyer, who was managing both Thunderbird Oaks Park and Ranch Mobile Home Park, when I was considering purchasing a home at Ranch Mobile Home Park. She informed me that the space rents at Ranch Mobile Home Park were “for low-income seniors”. I asked her if the rents would go up, and Pat said that she did not think they would go up because Mr. Hohn wanted a park for low-income seniors and rents had not gone up at the park.

6. My space rent is \$139.36. I pay an additional \$55.57 per month for utilities.

7. I decided to purchase my home at Ranch Mobile Park because I was assured that the rent would remain affordable. I relied on that information and made my home as comfortable as possible because I expected to live out the rest of my life at Ranch Mobile Home Park.

8. Prior to moving to Ranch Mobile Home Park, I lived at Thunderbird Oaks Mobile Home Park in Thousand Oaks. The rent was much higher there, and my home was more spacious and comfortable. But because of no substantial increases in my Social Security and Retirement benefits I was forced to sell my home there and used the proceeds to buy my home at Ranch Mobile Home Park.

9. I am 75 years old. My income is \$695.34. My sole source of income is Social Security Retirement Insurance benefits and my retirement benefits from the union.

1.

DECLARATION OF JUDY HIRAI

1 10. If the space rent is raised to the level which is being proposed by the owner of the
2 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
3 will not be able to afford to live there and pay for my other basic needs such as food, insurance and
4 medical care.

5 11. I would be physically unable to move because of severe pulmonary fibrosis.

6 12. Because of the age of my mobile home, and the renovations that have been made, it is
7 impossible to dismantle it and move to another park.

8 13. The threat of the proposed rent increase has caused me a great deal of anxiety and
9 depression. I worry about myself and my neighbors and what will happen to us.

10 I declare under penalty of perjury under the laws of the State of California that the foregoing
11 is true and correct.

12 Dated: January 22, 2011


Judy Hirai

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10. I am on a fixed income and I expected to live out the rest of my life at the Ranch Mobile Home Park.

11. I have health problems that include my cholesterol, diabetes and high blood pressure. Not only have I suffered from more stress and anxiety since learning of the proposed rent increase, I am having more issues with my blood pressure and that is causing great concern. My sleep has been significantly affected. Also, I get headaches and stomach pains.

12. It would be impossible to dismantle and move my mobile home to another park because of its age and the renovations that have been made.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: January 22, 2011

Kathleen Scott
KATHLEEN SCOTT

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DECLARATION OF LENORE ROSTROW

I, LENORE ROSTROW, declare as follows:

1. I am over the age of 18. The facts herein stated are within my personal knowledge, and I affirmatively state that, if sworn as a witness, I would competently testify thereto.

2. I reside at Ranch Mobile Home Park, 2110 Rodeo Court, Space #24, Thousand Oaks, California, and have resided there since December 21, 2009. I live alone.

3. My home was manufactured in 1977. I purchased my home in 2009 for forty-five thousand dollars. I was able to purchase my home because the owner agreed to carry a loan for 7 years; the loan payment is \$350 a month. The home was onsite at the Ranch Mobile Home Park when I purchased it.

4. Since the purchase of my home, I have invested an additional approximately two thousand dollars in renovations.

5. My space rent is \$133. I pay an additional \$70 per month for utilities, and \$350 per month for the loan secured by my mobile home.

6. I was able to purchase to purchase my mobile home because I knew that it was a seniors-only park for people with low incomes, and the rent was affordable. I relied on that and made my home as comfortable as possible because I expected to live for the rest of my life at Ranch Mobile Home Park.

7. Prior to moving to Ranch Mobile Home Park, I lived in a condominium in Thousand Oaks. The rent was much higher there, and my home was more spacious and comfortable. But because I could no longer afford to live there, I sold my home there, and used the proceeds to buy my home at Ranch Mobile Home Park.

8. I am 80 years old. My income is \$1503. My sole source of income is Social Security Retirement Insurance benefits. I have very little savings.

9. If the space rent is raised to the level which is being proposed by the owner of the park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I will not be able to afford to live there and pay for my other basic needs such as food, insurance and medical care.

1 10. I would be physically unable to move because of severe osteoarthritis.

2 11. Because of the age of my mobile home, and the renovations that have been made,
3 it is impossible to dismantle it and move to another park.

4 12. I have been worried sick about this proposed rent increase. If the rent is raised
5 substantially, I cannot afford it and have nowhere to go.

6 I declare under penalty of perjury under the laws of the State of California that the foregoing
7 is true and correct.

8
9 Dated: January 17, 2011


LENORE ROSTROW

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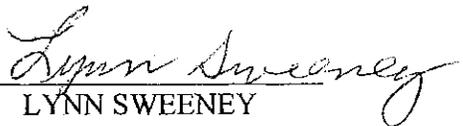
1 10. I would be physically unable to move because of my poor health. I have chronic back
2 pain. I have had two strokes that have impaired my memory, concentration, and cause severe fatigue.
3 I suffer from respiratory problems and heart disease.

4 11. Because of the age of my mobile home, and the addition and renovations that have
5 been made, it is impossible to dismantle it and move to another park.

6 12. I am very anxious about the proposed rent increase. I worry about the future because I
7 don't know how I would afford to make ends meet.

8 13. I declare under penalty of perjury under the laws of the State of California that the
9 foregoing is true and correct.

10 Dated: January 17, 2011


LYNN SWEENEY

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1 10. My duties as onsite manager were minimal. I "worked" 3 hours per day, Monday
2 through Friday 9 a.m. to noon. I accepted rent in the first few days of the month, and sent the checks
3 to Pat Hostmeyer at Thunderbird Oaks Park.

4 11. Because I had so much time on my hands, I planted roses near the office. But most of
5 the time, I was just "available" and rarely called upon to do anything.

6 12. In about March 2009, Gretchen Carter of Suburban Management came in to manage
7 the Park, and to train Felice Hohn in property management. The Park was equipped with lots of
8 computers and other office equipment

9 13. I asked Felice and Gretchen if, as a result of these changes and expenditures, the rent
10 was going to go up. Both of them said that the park is, and would remain, a park for low-income
11 seniors, and that would continue.

12 14. At the end April 2009, the plan to train Felice was abandoned and Barry Blechman
13 was brought in as a full-time onsite manger. At the time, I was making improvements my mobile
14 home, so I was concerned. I asked again if the rents would be increased. Gretchen said that if it went
15 up, it would be only a few dollars. In reliance on this information, I spent approximately \$ 3000 on
16 making renovations to my mobile home.

17 15. From my observation, it appears the Barry's job duties are the same as those I had--
18 very few. On one occasion, I asked him if he was going to care for the rose bushes that I planted
19 during my time as onsite manager. His reply was "I don't do labor."

20 16. I am 68 years old. My monthly income is \$963. My sole source of income is Social
21 Security Retirement Insurance benefits. I have very little savings left.

22 17. If the space rent is raised to the level which is being proposed by the owner of the
23 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
24 will not be able to afford to live there and pay for my other basic needs such as food, insurance and
25 medical care.

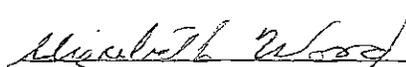
26 18. I would be physically unable to move because of chronic back problems.

27 19. Because of the age of my mobile home, and the renovations that have been made, it is
28 impossible to dismantle it and move to another park.

1 20. The threat of the proposed rent increase has caused me a great deal of anxiety. I have
2 worked so hard to plan for my retirement, and to maintain my independence and I fear that I will lose
3 everything.

4 I declare under penalty of perjury under the laws of the State of California that the foregoing
5 is true and correct.

6
7 Dated: January 22, 2011


ELIZABETH WOOD

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1 **DECLARATION OF BARBARA BARGINEAR**

2 I, BARBARA BARGINEAR, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2075 Seco Court, Space #43, Thousand Oaks,
6 California, and have resided there since 2001. I live alone.

7 3. My home was manufactured in 1978. I purchased my home in 2001 for thirty-five
8 thousand dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Since the purchase of my home, I have invested an additional approximately five
10 thousand dollars in renovations.

11 5. I spoke with Richard Faulkner, manager of the Ranch Mobile Home Park, when I was
12 considering purchasing a home there. He informed me that the space rents at Ranch Mobile Home
13 Park were for low-income seniors and was asked to provide proof of income.

14 6. My space rent is \$138. I pay an additional \$150 per month for utilities.

15 7. I decided to purchase my mobile home because the rent was low enough that I could
16 afford it. I relied on the information given to me by and made my home as suitable as possible
17 because I did expect to live the rest of my life at Ranch Mobile Home Park.

18 8. Prior to moving to Ranch Mobile Home Park, I lived in a mobile home park in Malibu.
19 The rent was much higher there. But because my husband became ill we had to be close to family,
20 and we were going to live on a fixed income. We sold our home there, and used the proceeds to buy a
21 home at Ranch Mobile Home Park.

22 9. I am 74 years old. My income is \$1060. My sole source of income is Social Security
23 Retirement Insurance benefits. I have very little savings.

24 10. If the space rent is raised to the level which is being proposed by the owner of the
25 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
26 will not be able to afford to live there and pay for my other basic needs such as food, insurance and
27 medical care.

28 11. I would be physically unable to move because of heart disease.

1 12. Because of the age of my mobile home, and the renovations that have been made, it is
2 impossible to dismantle it and move to another park.

3 13. The threat of the proposed rent increase has caused me a great deal of stress. I worry
4 constantly of what will happen to me, how will I eat, pay for my medications. This is not good for my
5 health.

6 I declare under penalty of perjury under the laws of the State of California that the foregoing
7 is true and correct.

8
9 Dated: January 22, 2011

Barbara Barginear
BARBARA BARGINEAR

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DECLARATION OF BARBARA BROWN

I, BARBARA BROWN, declare as follows:

1. I am over the age of 18. The facts herein stated are within my personal knowledge, and I affirmatively state that, if sworn as a witness, I would competently testify thereto.

2. I reside at Ranch Mobile Home Park, 2141 Skinner Court, Space #8, Thousand Oaks, California, and have resided there since 2008. I live alone.

3. My home was manufactured in 1960. I purchased my home in 2008 for \$52,000. The home was onsite at the Ranch Mobile Home Park when I purchased it.

4. I spoke with Pat Hostmeyer, who was managing both the Thunderbird Oaks Park and Ranch Park, when I was considering purchasing a mobile home for my retirement. I inquired why I was required to prove that my income was very low in order to live at the Ranch Park. I was informed that the City of Thousand Oaks required that Ranch be maintained exclusively as a place for low-income seniors and that the last small increase was five years earlier.

5. I decided to buy at Ranch Mobile Home Park, because I knew that I would have to live on a fixed income. I thought that I had planned well enough to live modestly, but with some security and dignity.

6. My space rent is \$ 133. I pay an additional \$60 per month for utilities.

7. I am 74 years old. My income is \$914 per month. My sole source of income is Social Security Retirement Insurance benefits. The small savings that I have helps pay the little emergencies that come up from time to time.

8. If the space rent is raised to the level which is being proposed by the owner of the park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I will not be able to afford to live there and pay for my other basic needs such as food, insurance and medications that are not covered by insurance.

1 9. The thing that worries me most about the proposed rent increase is the fear that I will be
2 forced to move, and that I will lose my independence. I worry not just for myself, but for others who
3 live here at Ranch who have even less resources than I do. We have a real community here; we look
4 out for each other. We take care of our property and look out for our neighbors. Anything more than
5 a small increase threatens to destroy that, and to throw many of us on the mercy of the social services
6 system.
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8 I declare under penalty of perjury under the laws of the State of California that the foregoing
9 is true and correct.

10 Dated: January 22, 2011

Barbara Brown

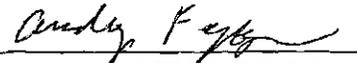
BARBARA BROWN

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1 11. The threat of the proposed rent increase has caused me a great deal of anxiety. I feel
2 very stressed out. I suffer from fibromyalgia, arthritis and MS. Moving would be a severe hardship
3 for me.

4 I declare under penalty of perjury under the laws of the State of California that the foregoing
5 is true and correct.

6 Dated: January 22, 2011


AUDREY FAYLOGA

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1 DECLARATION OF MARGARET RIGGS

2 I, MARGARET RIGGS, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2184 Pavo Court, Space #12, Thousand Oaks,
6 California, and have resided there since 2005. I live alone.

7 3. My home was manufactured in 1978. I purchased my home for eighty thousand
8 dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Additionally, since the purchase of my home, I have invested approximately twenty
10 thousand dollars in renovations.

11 5. When I was in the process of purchasing my home, I inquired of a woman who worked
12 for the Park about it. She reviewed my income with me and told me what documents I needed to
13 provide in order to qualify to live in that park. I asked her how the rent was set. She said that the rents
14 at Ranch Mobilehome Park were fixed by the City of Thousand Oaks--that the property was for low-
15 income seniors and that it would remain that way.

16 6. I decided to move into that park because I have a limited income and I needed to find a
17 place that I could afford, for the rest of my life. I do not want to be a burden to my children.

18 7. Also, I wanted to move into an environment that would potentially provide me with
19 companionship from other seniors. I recently stopped driving and have been fortunate to have
20 neighbors to rely on.

21 8. My monthly space rent is \$137. In addition, I pay about \$88 per month for utilities.

22 9. I am 79 years old. My monthly income is approximately \$1,400 per month. My sole
23 source of income is Social Security Retirement Insurance benefits.

24 10. If the space rent is raised to the level which is being proposed by the owner of the
25 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
26 will not be able to afford to live there and pay for my other basic needs such as food, medications,
27 insurance and medical care.

1 11. Because of the age of my mobile home, and the renovations that have been made, it is
2 impossible to dismantle it and move to another park.

3 12. The threat of the proposed rent increase has greatly impacted my health. I am often
4 anxious, worried and losing sleep. My overall mood has been affected in that I am more short-
5 tempered.

6 I declare under penalty of perjury under the laws of the State of California that the foregoing
7 is true and correct.

8
9 Dated: January 22, 2011


MARGARET RIGGS

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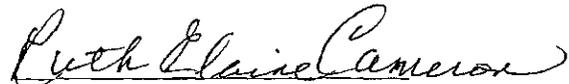
11. I would be physically unable to move because of stage four kidney disease, diabetes, high blood pressure and I need to use a cane due to bad knees and legs.

12. Because of the age of my mobile home, and the renovations that have been made, it is impossible to dismantle it and move to another park. I don't believe that I could sell either.

13. The threat of the proposed rent increase has caused me a great deal of stress and this has caused my irritable bowel syndrome to act up. I worry about where I will go and if I could afford to live anywhere else.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: January 22, 2011


RUTH ELAINE CAMERON

DECLARATION OF JANE GARDEN

I, JANE GARDEN, declare as follows:

1. I am over the age of 18. The facts herein stated are within my personal knowledge, and I affirmatively state that, if sworn as a witness, I would competently testify thereto.

2. I reside at Ranch Mobile Home Park, 2100 James Court, Space #65, Thousand Oaks, California, and have resided there since April 2007. I live alone.

3. My home was manufactured in 1977. I purchased my home in March 9, 2007 for fifty-five dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

4. Since the purchase of my home, I have invested an additional approximately twelve thousand dollars in renovations.

5. When I was considering purchasing the mobile home at Ranch, the first person I spoke with regarding residency in the Ranch Mobile Home was Virginia Marks, then an assistant manager at Ranch. I was accompanied by my Realtor. Virginia told us that the eligibility requirement for residency was that you must be over 62 years old and your annual income could not be greater than a specified income limit.

6. My space rent is \$127.92 per month. I pay an additional \$76.61 per month for utilities. I am also paying \$387.71 per month on a loan for the purchase of my home.

7. I decided to purchase my mobile home because I relied on the fact that Ranch Mobile Home Park was for low-income seniors and I was certain I could afford to live there. I expected to live out the rest of my years at Ranch Mobile Home Park.

8. Prior to moving to Ranch Mobile Home Park, I lived in a Somerset, Kentucky. I owned the land and home there, and my home was more spacious and comfortable. But because I became disabled, and I was living on a fixed income, I sold my home there, and used the proceeds to buy my home at Ranch Mobile Home Park.

9. I am 75 years old. My income is \$1755.90 a month. My source of income is Social Security Retirement Insurance benefits, a small annuity, and the small quarterly assistance from the City of Thousand Oaks' Housing Assistance for Seniors. I have very little savings.

1 10. If the space rent is raised to the level which is being proposed by the owner of the
2 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
3 will not be able to afford to live there and pay for my other basic needs such as food, insurance and
4 medical care.

5 11. I would be physically unable to move because of severe pulmonary fibrosis and
6 complications from lupus.

7 12. Because of the age of my mobile home, and the renovations that have been made, it
8 would be impossible to dismantle it and move to another park.

9 13. The threat of the proposed rent increase has caused me a great deal of stress. I am very
10 worried about what will happen to me, my pet, and my home.

11 I declare under penalty of perjury under the laws of the State of California that the foregoing
12 is true and correct.

13
14 Dated: January 21, 2011


JANE GARDEN

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1 **DECLARATION OF ANNETTE COLLINS**

2 I, ANNETTE COLLINS, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2160 Pavo Court, Space #17, Thousand Oaks,
6 California, and have resided there since 2006. I live alone.

7 3. My home was manufactured in 1977. I purchased my current home in 2009 for forty
8 five thousand dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Additionally, since the purchase of my home, I have invested approximately six
10 thousand dollars in renovations.

11 5. When I was considering purchasing a home there, I mostly dealt with my realtor,
12 Shirley Hertel. She told me that the rent at that park would not be increased.

13 6. In order to qualify to live at the park, the manager Elizabeth Wood, told me to take in
14 my proof of income. When I did so, she informed me that the park was low income. She said that the
15 rent had not been increased in years and that it probably wouldn't go up because it is privately
16 owned.

17 7. My space rent, including utilities, averages \$257.00 per month.

18 8. I expected to live out the rest of my life at Ranch Mobile Home Park. I initially
19 purchased and lived in a one-bedroom mobile home on Skinner Court. That was in 2007.

20 Recognizing that I may need a caretaker in the future, if my health were to decline, I purchased the
21 home I live in now because it is larger.

22 9. I decided to invest so much money in my mobile home because I was assured that the
23 rent would remain affordable. I relied on that information and made my home as comfortable as
24 possible. It is very important to me that I preserve my independence.

25 10. I am 70 years old. My income is \$1283. My sole source of income is Social Security
26 Retirement Insurance benefits. I have very little savings.

27 11. If the space rent is raised to the level which is being proposed by the owner of the
28 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I do

1 not think I will be able to afford to live there and pay for my other basic needs such as food,
2 insurance and medical care.

3 12. I have knee problems and walk with a cane so I would be physically unable to re-
4 locate, without assistance. Not to mention the fact that I have previously suffered a heart attack and
5 am in remission, after two bouts of cancer.

6 13. It would be impossible to dismantle and move my mobile home to another park
7 because of its age and the renovations that have been made.

8 14. Since learning of the threat of the proposed rent increase, I am fearful of having a
9 nervous breakdown. I am very concerned about the possibility of being rendered homeless.

10 I declare under penalty of perjury under the laws of the State of California that the foregoing
11 is true and correct.

12 Dated: January 22, 2011

Annette Collins
ANNETTE COLLINS

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DECLARATION OF LEO RAMPERSD

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2 I, LEO RAMPERSD, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 238 Dinsmore Avenue, Space #38, Thousand
6 Oaks, California, and have resided there for ten years. I live alone.

7 3. My home was manufactured in 1977. I purchased my home for twenty two thousand,
8 five hundred dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. I decided to move into that park because I have a very limited income that restricted
10 my options when deciding to move back to California from Mexico. I was told that this mobilehome
11 park was only for seniors with low incomes. I have no family nearby and I rely heavily on the
12 community at Ranch Mobile Home Park. We carpool often and always look out for each other.

13 5. My space rent is \$127.92, plus utilities.

14 6. I am 77 years old. I suffer from COPD and prostate cancer.

15 7. My income is \$835. My only source of income is Social Security Retirement Insurance
16 benefits.

17 8. If the space rent is raised to the level which is being proposed by the owner of the
18 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
19 will not be able to afford to live there and pay for my other basic needs such as food, medications,
20 insurance and medical care. I will have nowhere to go and may be rendered homeless.

21 9. Because of the age of my mobile home, and the renovations that have been made, it is
22 impossible to dismantle it and move to another park.

23 10. The threat of the proposed rent increase has caused me a great deal of anxiety. I find
24 that I have lost my appetite significantly and I spend a lot of time worrying.

25 I declare under penalty of perjury under the laws of the State of California that the foregoing
26 is true and correct.

27 Dated: January 22, 2011


LEO RAMPERSD

1.

1 **DECLARATION OF RICHARD HILGENBERG**

2 I, RICHARD HILGENBERG, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2105 Skinner Court, Space #70, Thousand Oaks,
6 California, and have resided there since June 10, 2001. I live with my wife, Wanda Hilgenberg.

7 3. Our home was manufactured in 1976. We purchased our home in June 2001 for
8 twenty-five thousand dollars. The home was onsite at the Ranch Mobile Home Park when we
9 purchased it.

10 4. Since the purchase of our home, we have invested an additional approximately five
11 thousand dollars in renovations.

12 5. We spoke with Virginia Marks, manager of the Ranch Mobile Home Park, when we
13 were considering purchasing a home there, our realtor was present. She informed us that we needed
14 to qualify in order to live at Ranch Mobile Home Park; we had to be age 62 or over and our income
15 could not go over the income limits. We were also told by our ReMax realtor that rents had been
16 raised once before but that rents would not go up unless it was taken to the "State Legislature."

17 6. My space rent is \$134. I pay an additional \$71 per month for utilities.

18 7. We decided to purchase our mobile home because it was a low-income senior park
19 where we could afford to live in our retirement. We relied on that information and had the
20 expectation of living out the remainder of our years at Ranch Mobile Home Park.

21 8. Prior to moving to Ranch Mobile Home Park, I lived in a mobile home park in La
22 Habra, California. The rent was much higher there, and my home was more spacious and
23 comfortable. But because the park was going through another rent increase, we could no longer
24 afford to live there. So we sold our home, and used the proceeds to buy our home at Ranch Mobile
25 Home Park.

26 9. I am 85 years old. My wife is 80 years old. Our combined income is \$1690. Our sole
27 source of income is Social Security Retirement Insurance benefits and a small amount from the City
28 of Thousand Oaks' Housing Assistance for Seniors. We have very little savings.

1 10. If the space rent is raised to the level which is being proposed by the owner of the
2 park, we will not be able to afford to live there and pay for my other basic needs such as food,
3 insurance and medical care.

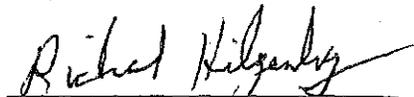
4 11. I would be physically unable to move because Atrial fibrillation and arthritis.

5 12. Because of the age of my mobile home, and the renovations that have been made, it is
6 impossible to dismantle it and move to another park.

7 13. The threat of the proposed rent increase has caused us a lot of stress. Moving would
8 take a toll on us physically and financially. I worry about what will happen to us and our home.

9 I declare under penalty of perjury under the laws of the State of California that the foregoing
10 is true and correct.

11
12 Dated: January 22, 2011



RICHARD HILGENBERG

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DECLARATION OF EVELYN MARTIN

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2 I, EVELYN MARTIN, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2085 Pavo Court, Space #57, Thousand Oaks,
6 California, and have resided there since April 2004. I live alone.

7 3. My home was manufactured in 1961. I purchased my home in 2003 for thirty thousand
8 dollars. The home was onsite at the Ranch Mobile Home Park when I purchased it.

9 4. Since the purchase of my home, I have invested an additional approximately twenty
10 thousand dollars in renovations.

11 5. My space rent is \$127.92. I pay an additional \$250 per month for utilities.

12 6. Prior to moving to Ranch Mobile Home Park, I lived in a mobile home park in
13 Nevada. The rent was much higher there, and my home was more spacious and comfortable. But
14 because I was retired, my fixed income, and my husbands passing, I sold my home there, and used
15 the proceeds to buy my home at Ranch Mobile Home Park.

16 7. I choose to purchase my home at Ranch Mobile Home Park because the rents were
17 affordable. I relied on that fact and made my home as comfortable as possible because I expected to
18 live out the rest of my life at Ranch Mobile Home Park.

19 8. I am 94 years old. My monthly income is \$1059. My sole source of income is Social
20 Security Retirement Insurance benefits. I have very little savings.

21 9. If the space rent is raised to the level which is being proposed by the owner of the
22 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I
23 will not be able to afford to live there and pay for my other basic needs such as food, insurance and
24 medical care.

25 10. I would be physically unable to move because of my age. Moving would take a terrible
26 toll on me.

27 11. Because of the age of my mobile home, and the renovations that have been made, it is
28 impossible to dismantle it and move to another park.

1.

DECLARATION OF EVELYN MARTIN

1 12. I worry every day about this proposed rent increase. I am trying to remain as
2 independent as possible, and I am so afraid about what will happen to me and my neighbors.

3 I declare under penalty of perjury under the laws of the State of California that the foregoing
4 is true and correct.

5
6 Dated: January 22 2011

Evelyn Martin
Evelyn Martin

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DECLARATION OF MARY JANE CARLSON

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2 I, MARY JANE CARLSON, declare as follows:

3 1. I am over the age of 18. The facts herein stated are within my personal knowledge, and
4 I affirmatively state that, if sworn as a witness, I would competently testify thereto.

5 2. I reside at Ranch Mobile Home Park, 2069 Rodeo Court, Space #48, Thousand Oaks,
6 California, and have resided there for nineteen years. My husband, John Herman Carlson, passed
7 away over two years ago. Now, I live alone.

8 3. My home was manufactured in 1978. We purchased our home for forty five thousand
9 dollars. I have made substantial renovations and upgrades to my home since my husband and I moved
10 in.

11 4. The mobile home was onsite at the Ranch Mobile Home Park when we purchased it.
12 Because of the age of my mobile home and the renovations that have been made, it is impossible to
13 dismantle it and move to another park.

14 5. We decided to move into that park because my father-in-law, Carl Carlson, had lived
15 there and we knew, from him, that it was for low-income seniors.

16 6. Prior to buying a home at the Ranch Mobile Home Park, we lived at the Oak View
17 apartments. The rent was increased and we could no longer afford to live there. We had to find a
18 place that was inexpensive and that would stay that way because I was about to retire and our income
19 had been drastically reduced.

20 7. I enjoy living at Ranch Mobile Home Park. I know my neighbors and we look out for
21 each other. My husband died here and I planned on living out the rest of my life here.

22 8. My space rent is \$139.36 per month. In addition, I pay \$135 per month for utilities.

23 9. I am 78 years old.

24 10. My income is \$865 per month from Social Security Retirement Insurance benefits. I
25 also receive \$87 quarterly assistance from the Thousand Oaks Housing Assistance Program for
26 Seniors.

27 11. If the space rent is raised to the level which is being proposed by the owner of the
28 park, or by the amount proposed in the City of Thousand Oaks staff report of December 6, 2010, I

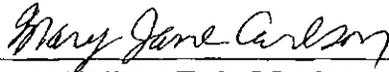
1 will not be able to afford to live there and pay for my other basic needs such as food, medications,
2 insurance and medical care. Since I do still drive, I have to maintain my vehicle, including paying for
3 gas, insurance, registration and any repairs.

4 12. I will have no where to go and may be rendered homeless. I am concerned about
5 losing my independence.

6 13. I am fortunate enough to be in fairly good health, at the moment. However, dealing
7 with the threat of the proposed rent increase has caused a substantial burden on my neighbors and me.

8 I declare under penalty of perjury under the laws of the State of California that the foregoing
9 is true and correct.

10 Dated: January 22, 2011


11 MARY JANE CARLSON

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BRIEF OF
TENANTS ASSOCIATION

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23 Attorneys for
24 **ASSOCIATION OF RANCH TENANTS**

25 **CITY OF THOUSAND OAKS**

26 **RENT ADJUSTMENT COMMISSION**

27 **IN RE: RANCH MOBILE HOME PARK,**

28 **BRIEF OF TENANTS' ASSOCIATION IN
SUPPORT OF JURISDICTIONAL
OBJECTIONS TO DETERMINATION OF
RENT INCREASE APPLICATION BY
RENT ADJUSTMENT COMMISSION**

Date: January 24, 2011
Time: 4:00 p.m.

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Thousand Oaks Municipal Code
§ 5-25.03, subd. (c) 1
§ 5-25.12, subd. (c) 4

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The City of Thousand Oaks Supports Mobile Home Park Residents
(June 2008) [http://www.toaks.org/civica/filebank/blobdload.asp?](http://www.toaks.org/civica/filebank/blobdload.asp?BlobID=12829)
[BlobID=12829](http://www.toaks.org/civica/filebank/blobdload.asp?BlobID=12829) (as of Jan. 19, 2011) 3

1 INTRODUCTION

2 The Rent Adjustment Commission has limited jurisdiction. It has the power to carry out the
3 provisions of the Mobile Home Rent Stabilization Ordinance or of any ordinance regulating rents in
4 apartment complexes. (Thousand Oaks Mun. Code, § 5-25.03, subd. (c).)

5 As we explain below, however, Ranch Mobile Home Park is not governed by the Rent
6 Stabilization Ordinance. Rather, it is governed by Resolution No. 267-74-PC (for Trailer Park
7 Development Application TPD-74-5) and Resolution No. 84-037, which impose age and income
8 restrictions and, as is pertinent to this proceeding, also limit the maximum annual rent increase for
9 tenants at Ranch Mobile Home Park to four percent.

10 In its December 6, 2010 memorandum analysis in this matter, staff in part acknowledges the
11 Commission’s limited jurisdiction regarding Ranch Mobile Home Park. It concedes that the
12 Commission “does not have jurisdiction to consider” “the validity of age and income restrictions,
13 *under which the park was entitled and has been operating.*” (12/6/10 Memorandum from Community
14 Development Department to Rent Adjustment Commission (Staff memo), 8, emphasis added.)

15 Although noting the Commission’s lack of jurisdiction to consider the age and income
16 restrictions imposed by the Resolutions, the staff’s memorandum nonetheless states that the
17 Commission does have the power to contravene the four-percent rent increase limit in one of the
18 Resolutions. It gives two reasons for this conclusion: (1) the Rent Stabilization Ordinance was
19 intended to supersede or “trump” Resolution 84-037; and (2) continuing application of the rent-
20 increase limitation in Resolution 84-037 would violate due process as a “taking” of private property.
21 (Staff memo, 8.) Neither reason is correct.

22 Because Resolution 84-037 governs rent increases at Ranch Mobile Home Park, the
23 Commission has no jurisdiction to consider the current rent increase application. Rather, only the City
24 Council can determine the propriety of the proposed rent increase under the Resolution, which has
25 never been revoked and has been continuously applied to Ranch Mobile Home Park since the City
26 Council passed it in 1984.

1 so that in the future “Ranch Mobile Home Park will be included in the City Rent Stabilization
2 Program.”¹ (8/30/00 Letter, 1.) It is difficult to imagine any clearer statement that, absent actual
3 *repeal* of Resolution 84-037 by the City Council—which the owners of Ranch Mobile Home Park
4 have never sought, and which has never occurred—the Ordinance does not and cannot apply to Ranch
5 Mobile Home Park.

6 Indeed, in February 2001, apparently after considering these options, the park’s owners
7 requested a four percent increase *under Resolution 84-037*, reflecting the continuing understanding of
8 both the parties and the City that Ranch Mobile Home Park is governed by Resolution 84-037 rather
9 than by the Ordinance. As the staff memorandum states, “After evaluation by City’s financial
10 consultant and City staff the 4% rent increase [was] granted, effective April 1, 2001, *based on the*
11 *formula provided in Resolution 84-037.*” (Staff memo, 6, emphasis added.)

12 The Ordinance’s legislative history further confirms the City did *not* intend the Ordinance to
13 apply to Ranch Mobile Home Park. In 1986, for example, just before Ordinance 933-NS was enacted
14 to establish a separate Rent Stabilization Program for mobile home parks,² a memorandum from the
15 Rent Committee to the City Council stated: “The proposed mobilehome park rent ordinance would
16 apply to all parks within the City *with the exception of Ranch Mobilehome Park which is under a*
17 *separate affordable housing agreement.*” (9/9/86 Memorandum from Rent Committee to City
18 Council, 4, emphasis added (see Attachment C).)

19 Similarly, a 2008 document posted on the City’s website continues to state specifically that,
20 unlike other mobile home parks, Ranch Mobile Home Park is governed by Resolution No. 84-037.
21 (The City of Thousand Oaks Supports Mobile Home Park Residents (June 2008)

22 _____
23 ¹ The City’s notes of a contemporaneous August 30, 2000 meeting with Ranch Mobile Home Park
24 reflect similar information—that “Resolution 8[4]-037 was created specifically for the 74 units at
25 Ranch MHP . . . giving a formula to calculate rent increase[s],” and that the park could be “brought
into the Rent Stabilization Program” only by repealing the Resolution. (8/30/00 Ranch MHP Meeting
Notes (see Attachment B).)

26 ² The Mobile Home Rent Stabilization Program was extended in July 1994 by Ordinance 1216-NS,
27 and readopted and codified as Chapter 25 (Mobile Home Rent Stabilization Ordinance) of Title 5 of
the Thousand Oaks Municipal Code in 1996 by Ordinance 1254-NS. (Staff memo, 4.)
28

1 <<http://www.toaks.org/civica/filebank/blobload.asp?BlobID=12829>> (as of Jan. 19, 2011) (see
2 Attachment D).) In recounting the history of City actions “to protect mobile home park residents,” the
3 document states, “In 1975, City Council approved the Ranch Mobile Home Park (located at 2193 Los
4 Feliz) as an income and age restricted park. *Resolution No. 84-037 established specific criteria for*
5 *adjusting rent and income limits for this mobile home park.*” (Ibid., *emphasis added.*) It then says,
6 “In 1980, City Council adopted the Mobile Home Rent Stabilization Ordinance (Municipal Code 5-
7 25) to restrict and limit annual rent increases on mobile home park tenants who reside inside the City’s
8 *other eight* mobile home parks.” (Ibid., *emphasis added.*)

9 That the City did not intend the Ordinance to apply to Ranch Mobile Home Park is further
10 confirmed by the fact that the City has never required the park to register under the Ordinance, nor has
11 the park been required to pay any registration fees under the Ordinance at any time during the three
12 decades the park has been in operation.³ These facts were conceded by witnesses at the December 6,
13 2010 hearing in this matter, and are confirmed by the park’s list of operating expenses, which do not
14 include any registration fees paid under the Ordinance. In addition, the rent increase application
15 contains a list of those parks that *are* registered under the Ordinance, and Ranch Mobile Home Park is
16 not included in the list.⁴

17 _____
18 ³ Section 5-25.12 of the Ordinance imposes a registration requirement on mobile home parks that
19 are governed by it. Subdivision (a) of that section provides that “[t]he purpose of the registration
20 requirement is to enable the City to monitor rents under this chapter and to provide for the assessment
21 of fees to assist in the financing of the reasonable and necessary expenses of the implementation and
22 administration of the mobile home rent stabilization program within the City of Thousand Oaks.”
23 Subdivision (b) requires that “[o]n or before January 1 of each year, a landlord shall furnish to the City
24 Manager, upon a form approved by the City Manager, information indicating the maximum base rent
25 and maximum adjusted rent for each rental space in the complex as of October 1 of that year.”
26 Subsection (c) requires the landlord to submit a “registration fee in the amount of Ten and no/100ths
27 (\$10.00) Dollars for each controlled space in the City of Thousand Oaks.” If the required fee is not
28 paid, the City is required to assess “a late charge of Two and no/100ths (\$2.00) Dollars per month per
space for which the registration fee is not paid.” (A landlord can obtain a waiver of this fee “by
indicating ‘no increase’ in the ‘Comments’ section of the Registration Form” for “any space which
will not receive an increase in rent . . . in any year for which the fee is due.” (Thousand Oaks Mun.
Code, § 5-25.12, subd. (c).))

⁴ Notes taken by City personnel during an August 30, 2000 meeting with Ranch Mobile Home Park
state that “Ranch MHP has never been registered under the Rent Stabilization Program.” (8/30/00
(continued...))

1 Thus, it is clear that the Ordinance was never intended to apply, and has never been applied, to
2 Ranch Mobile Home Park. Because Resolution 84-037 has governed Ranch Mobile Home Park for
3 more than a quarter of a century, staff's conclusion that it has somehow suddenly been "trumped" by
4 the Ordinance is completely unsupported and incorrect.

5 **B. Resolution 84-037 cannot be deemed a "taking" of private property under the U.S.**
6 **Constitution in light of a recent court decision, and at any rate cannot be disregarded**
7 **until there is a *judicial* determination that it is unconstitutional.**

8 The staff memorandum also concludes that Resolution 84-037 does not govern the rent
9 increase application because "the 4% cap in the formula provided in Resolution 84-037 does not
10 provide a mechanism for adjustments above this cap, which would likely violate the clearly
11 established constitutional principles discussed in the Legal Background section." (Staff memo, 8.)
12 But the only reference to such "clearly established constitutional principles" in the referenced section
13 is a general statement that "the 5th and 14th Amendments of the U.S. Constitution [have been
14 interpreted] as giving business owners and landlords some protection from governmental regulations
15 that interfere with investment-backed expectations" and that "[r]egulations that go too far may be
16 deemed a 'taking' of private property, and violate due process." (*Ibid.*)

17 As a preliminary matter, the owner of Ranch Mobile Home Park would be estopped to assert
18 any constitutional challenge to Resolution 84-037. The owner accepted the benefits of the original
19 land use approvals, under which the zoning for the park was changed, the owner received over
20 \$100,000 in development fee waivers, and the City permitted the park to be built with fewer planning
21 restrictions than would otherwise have been required—all in exchange for agreeing to provide housing
22 for low-income seniors, and with restrictions on rent increases. (See generally Staff memo, 4-5.) As
23 the California Supreme Court stated in *County of Imperial v. McDougal* (1977) 19 Cal.3d 505, 510-
24 511, "a landowner or his successor in title is barred from challenging a condition imposed upon the
25 granting of a special permit if he has acquiesced therein by either specifically agreeing to the

26 _____
27 (...continued)
28 Ranch MHP Meeting Notes (see Attachment B.)

1 condition or failing to challenge its validity, and accepted the benefits afforded by the permit.” (See
2 also *Edmonds v. Los Angeles County* (1953) 40 Cal.2d 642, 650 [plaintiffs barred from challenging
3 restriction on property use where “[t]hey accepted all benefits bestowed on them, securing their state
4 and local permits on the basis of the [restriction]” and therefore “should not now be allowed to
5 challenge the effectiveness of the [restriction] under which they have obtained definite benefits to
6 which they were not otherwise entitled”]; 66A Cal.Jur.3d (2010) Zoning And Other Land Controls, §
7 437 [“The use authorized by a conditional-use permit is subject to the conditions under which it is
8 granted and when the permittee accepts the benefits and privileges authorized by the permit, the
9 permittee cannot avoid the application and enforcement of those conditions”].)

10 Moreover, since the staff memorandum was written, the federal Ninth Circuit Court of Appeals
11 (whose decisions are controlling in the California federal courts) issued its en banc decision in
12 *Guggenheim v. City of Goleta* (9th Cir. Dec. 22, 2010, No. 06-56306) __ F.3d __ [2010 WL 5174984]
13 (*Guggenheim*) (see Attachment E). *Guggenheim* makes clear that Resolution 84-037 would *not* be
14 subject to a constitutional challenge on the ground that it interferes with investment-backed
15 expectations.

16 *Guggenheim* involved a 1979 rent control ordinance for mobile homes that was adopted for
17 the purpose of “relieving ‘exorbitant rents exploiting’ a shortage of housing and the high cost of
18 moving mobile homes.” (*Guggenheim, supra*, __ F.3d __ [2010 WL 5174984 at *1].) In 1997, the
19 plaintiffs bought a mobile home park (coincidentally named “Ranch Mobile Estates”) that was
20 governed by the ordinance. (*Ibid.*) In 2002, they sued the City of Goleta, claiming the rent control
21 ordinance was a taking of their property without compensation because it “lock[ed] in a rent below
22 market rents, and allow[ed] tenants to sell their mobile homes to buyers who will still enjoy the
23 benefits of the controlled rent (albeit subject to upward adjustment [footnote omitted]),” thereby
24 shifting “much of the value of ownership of the land from the landlord to the tenant.” (*Ibid.*)

25 In analyzing that claim, the Ninth Circuit held that the primary factor in determining whether
26 there was a taking of plaintiffs’ property was “the economic impact of the regulation on the claimant
27 and, particularly, the extent to which the regulation has interfered with distinct investment-backed
28 expectations.” (*Guggenheim, supra*, __ F.3d __ [2010 WL 5174984 at *5].) The court held that this

1 factor was “fatal” to plaintiffs’ claim because the rent control ordinance was already in effect “before
2 the Guggenheims bought the mobile home park.” (*Ibid.*) Accordingly, “[t]he Guggenheims bought a
3 trailer park burdened by rent control, and had no concrete reason to believe they would get something
4 much more valuable, because of hoped-for legal changes, than what they had.” (*Ibid.*) By contrast,
5 the court observed,

6 [t]he people who really do have investment-backed expectations that might be upset by
7 changes in the rent control system are tenants who bought their mobile homes after
8 rent control went into effect. . . . The tenants who purchased during the rent control
9 regime have invested an average of over \$100,000 each in reliance on the stability of
10 government policy. [Footnote omitted.] Leaving the ordinance in place impairs no
11 investment-backed expectations of the Guggenheims, but nullifying it would destroy
12 the value these tenants thought they were buying.

13 (*Id.* at *6.)⁵

14 Similarly here, the “investment-based expectations” factor is fatal to any claim by the owners
15 of Ranch Mobile Home Park that Resolution 84-037 effects a taking of private property. The zoning
16 for the property and the park development were approved on the basis that it would provide housing
17 for low-income residents aged 62 years and older. The rents for the park are limited by the
18 developmental approvals, as set forth in Resolution No. 267-74 PC (for Trailer Park Application TPD-
19 74-6) and any addenda thereto. In 1984, in accordance with those approvals, Resolution 84-037
20 provided for an annual allowable rent increase of four percent.

22 ⁵ Addressing plaintiffs’ due process claim, the Ninth Circuit held that “[w]hether the City of
23 Goleta’s economic theory for rent control is sound or not, and whether rent control will serve the
24 purposes stated in the ordinance of protecting tenants from housing shortages and abusively high rents
25 or will undermine those purposes, is not for us to decide. We are a court, not a tenure committee, and
26 are bound by precedent establishing that such laws do have a rational basis.” (*Guggenheim, supra*, ___
27 F.3d ___ [2010 WL 5174984 at *7].) Finally, the Ninth Circuit held that plaintiffs’ equal protection
28 claim was also “foreclosed by precedent,” and that even if it were not it would have “no
force . . . because only a rational basis is needed for this ordinance, and mobile parks differ from most
other property in the separation of ownership of the land from the improvements affixed to the land.”
(*Ibid.*)

1 Thus, there can be no argument that Resolution 84-037 has interfered with any reasonable
2 investment-based expectations of the owners of Ranch Mobile Home Park. From its inception, the
3 park has been continuously burdened by restrictions on rent increases, restrictions imposed first by the
4 original development approvals for the park, and then subsequently by Resolution 84-037. Just as in
5 *Guggenheim*, then, Ranch Mobile Home Park has been subject to limitations on rent increases from
6 the time it was purchased by the current owners, and therefore they could not have had any “concrete
7 reason to believe they would get something much more valuable, because of hoped-for legal changes,
8 than what they had.” (*Guggenheim, supra*, __ F.3d __ [2010 WL 5174984 at *5].) And likewise as in
9 *Guggenheim*, the only people whose reasonable investment-based expectations would be affected by
10 not continuing to apply Resolution 84-037 would be the tenants of the park, who invested in their
11 mobile homes in reliance on the limitations it imposed on rent increases, and who would see the value
12 of what they purchased destroyed by such increases.

13 Finally, even if Resolution 84-037 might be subject to a constitutional attack, the Rent
14 Adjustment Commission cannot create its own jurisdiction in this matter by assuming the Resolution’s
15 unconstitutionality. The California Supreme Court determined in *Lockyer v. City and County of San*
16 *Francisco* (2004) 33 Cal.4th 1055 (*Lockyer*), that city officials could not ignore a state statute
17 prohibiting the granting of marriage licenses to same-sex couples, even though the officials believed
18 the statute to be unconstitutional. The court explained that “a local public official, charged with the
19 ministerial duty of enforcing a statute, generally does not have the authority, in the absence of a
20 *judicial determination* of unconstitutionality, to refuse to enforce the statute on the basis of the
21 official’s view that it is unconstitutional.” (*Id.* at p. 1082, emphasis added.) Directly on point here,
22 the court observed, “the same legal issue would be presented if the statute were one of the
23 environmental measures that impose restrictions upon a property owner’s ability to obtain a building
24 permit for a development that interferes with the public’s access to the California coastline, and a local
25 official, charged with the ministerial duty of issuing building permits, refused to apply the statutory
26 limitations because of his or her belief that they effect an uncompensated ‘taking’ of property in
27 violation of the just compensation clause of the state or federal Constitution.” (*Id.* at p. 1067.)

28 Thus, unless Resolution 84-037 has been *judicially* declared to effect an unconstitutional

1 taking, the Rent Control Commission may not “refuse to enforce the [Resolution] on the basis of the
2 [Commission’s] view that it is unconstitutional.” (*Lockyer, supra*, 33 Cal.4th at p. 1082.)

3 **CONCLUSION**

4 For all the foregoing reasons, any rent increase at Ranch Mobile Home Park must be
5 determined by the City Council under Resolution 84-037, which governs the park. The Rent
6 Adjustment Commission has no jurisdiction in this matter, and should either reject the pending rent
7 adjustment application altogether, or refer it to the City Council for consideration.

8 January 24, 2011

9 **HORVITZ & LEVY LLP**
10 DAVID S. ETTINGER
11 JOHN A. TAYLOR, JR.

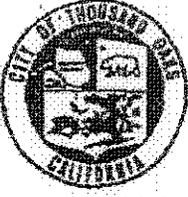
12 **CHANDRA GEHRI SPENCER**

13 **CALIFORNIA RURAL LEGAL ASSISTANCE, INC.**
14 EILEEN MCCARTHY
15 RONALD K. PERRY
16 ILENE J. JACOBS

17
18 By: 
19 John A. Taylor, Jr.

20 Attorneys for ASSOCIATION OF RANCH TENANTS

A



City of Thousand Oaks

COMMUNITY DEVELOPMENT
DEPARTMENT
PHILIP E. GATCH, DIRECTOR

BUILDING DIVISION (805) 449-2500
PLANNING DIVISION (805) 449-2323

August 30, 2000

Richard D. Faulkner
Community Manager
Ranch Manufactured Housing Community &
Thunderbird Oaks Manufactured Housing Community
2501 Thunderbird Dr.
Thousand Oaks, CA 91362

Re: Ranch Mobile Home Park

Dear Mr. Faulkner:

The City of Thousand Oaks has reviewed your request for a 4% Rent Increase for Ranch Mobile Home Park based on Resolution No. 87-037.

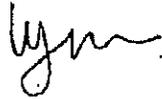
On our meeting of August 30, 2000, with Tim Giles and myself, we discussed our determination that under the current status, Resolution No. 87-037 would govern substantive questions about increases but that the Rent Stabilization Ordinance would supply the procedure for obtaining an increase. The City of Thousand Oaks discussed two possible options available to Ranch Mobile Home Park:

1. Proceed with the request and submit the Rent Application, waving the Advisory Committee, and going ahead with the Hearing process requesting a 4% maximum increase base upon Resolution No. 87-037; or
2. Request the City to repeal Resolution No. 87-037 with an understanding that Ranch Mobile Home Park will be included in the City Rent Stabilization Program and will have available an annual increase according to City Ordinance 1254-NS, (TOMC 5-25), which would control both the procedural and substantive issues regarding increase requests.

Page 2 of 2

The City will hold your request until we hear further from Ranch Mobile Home Park's decision of which option they would like the City to proceed with. Please contact Tim Giles at 805-449-2181 or myself at 805-449-2391 with your decision.

Sincerely,



Lynn Oshita
Housing and Redevelopment Division

C: Tim Giles

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CTO 01595

B

Notes for 8-30-00 meeting with Ranch MHP

Meeting with Ranch Mobile Home Park scheduled for August 30, 2000 Conference Room B at 10:00am. Tim Giles and Lynn Oshita are representing the City of Thousand Oaks on Ranch MHP request for rent increase.

History:

Resolution 87-037 was created specifically for the 74 units at Ranch MHP regulating space to be for very low-income seniors, giving a formula to calculate rent increase and criteria for new tenants.

Ranch MHP has never been registered under the Rent Stabilization Program. Last rent increase was for 7% in April 1984 per City Council meeting held on January 24, 1984.

Ranch MHP submitted request for 4% increase base on Resolution 87-037. They submitted information and documentation for increase on 7-21-00 to the City.

Keyser Marston, City's Consultant, reviewed Ranch MHP request and analysis shows Ranch MHP does qualify under resolution 87-037 to have a 4% increase, analysis report date 8-21-00.

After researching the history of Ranch MHP and reviewing request, Tim Giles propose two options for Ranch MHP:

1. Go through with a hearing requesting 4% max increase base upon resolution 87-037, waving the Advisor Committee and going through with a Hearing Officer; or
2. Repeal Resolution 87-037 with an agreement to be included in the City Rent Stabilization Program and automatically give the annual increase City Ordinance 1254-NS, (TOMC 5-25). Base year would be current year.

If option 2 is chosen, there is a question as to whether or not the ordinance needs to be amended to include Ranch MHP at base year date of current year. Or can option 2 be taken care of through resolution only. Base year date of current year is preferred over the base 7-1-86 being that we don't have history of rents for the past years and 2000 is the year that Ranch MHP is being brought into the Rent Stabilization Program.

C

430-40 Rent Control
Ord. Rental Comm.
Staff Report

Presented..... 9/19/86.....

CITY OF THOUSAND OAKS Action Taken.....
MEMORANDUM Attachment #1.....

all recommendations #1, 2 & 3 not adopted
File. Ordinance #1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50
Office of Record
3rd Div. not adopted

TO: CITY COUNCIL
FROM: RENT COMMITTEE
DATE: September 9, 1986
SUBJECT: Rent Committee's Recommendation on the Future of the
City's Rent Stabilization Program

On July 1, 1986, the City Council conducted a public hearing and received testimony concerning the future of the City's rent stabilization program. After several hours of testimony and Council deliberation, Council directed the Rent Committee to return a recommendation to the full Council on the future of the City's rent program. This memorandum outlines the background of the program, discusses alternative approaches to the future of the rent stabilization program in the City and finally, provides the Council with the Committee's recommendation.

ATTACHMENTS TO REPORT

Attached to this report are three proposed ordinances. Proposed Ordinance No. 1 is a new ordinance that regulates rents within the mobilehome parks and Proposed Ordinance No. 2 is also new and regulates rents within apartments. Proposal No. 3 would extend the existing ordinance, as is, for a period of one calendar year. Also attached to this report is the Rent Committee's June 23, 1986 report to the City Council on the results of its meetings with landlords and tenants and the Committee's August 9, 1983 extensive report and discussion of amendments when the ordinance was set to expire that year.

BACKGROUND OF THE PROGRAM

On April 22, 1980, approximately two weeks after the voters of Thousand Oaks enacted Measure A, the City Council adopted an urgency rent freeze and rollback ordinance which rolled rents in the City's apartment complexes and mobilehome parks back two and one-half (2½) months. The purpose of the ordinance was to allow the City to study, what was alleged to be, exorbitant rent increases within the City's apartment and mobilehome park complexes.

As a result of Council's study, an ordinance was adopted and became effective August 1, 1980, that provided for a once-per-year automatic rent adjustment of up to eight percent (8%). The ordinance also included an administrative mechanism to review requests for capital improvement increases and increases required to enable a landlord to achieve a just and reasonable return on his property. The ordinance was enacted for a period of three (3) years and was to sunset on July 31, 1983. At the time of enactment, the inflation rate was 16.7%.

In 1983, the Council enacted a three month extension to the ordinance to allow further studies on the expiration/extension of the ordinance to be conducted, and ultimately did extend the ordinance for a period of three years with some substantive changes. The most significant change was to adjust the automatic increase downward to seven percent (7%) on a fixed base, the base being set as of July 1, 1983. The significance of this change was that the yearly increases were no longer eight percent (8%) and they no longer were compounded one upon the other.

The Council also adopted registration procedures to provide the City with annual information on the effect of the rent stabilization program and to enable staff to monitor the decontrolling of units. A registration fee of \$10.00 per controlled unit was also imposed. The landlords paid this fee with no pass-through to the tenants.

The rent stabilization program in Thousand Oaks worked remarkably well in achieving its aim, namely, providing for the orderly regulation of rents while still enabling landlords to achieve a proper return on their investments. It also worked well considering that many cities have had to expend a substantial amount of time, energy and money in implementing rent stabilization programs, including hiring additional staff to provide for that implementation. Although the original ordinance has been amended nine times since its adoption in 1980, most of those amendments represent fine tunings and updates or extensions of the ordinance. For further background, those amendments were as follows:

- August 1980 - First three year ordinance
- June 1981 - Provided for vacancy decontrol and appeal of Rent Adjustment Commission decisions to the City Council
- August 1981 - Defined vacancies in mobilehome parks
- March 1982 - Provided that capital improvement increases do not become part of the maximum adjusted rent for purposes of calculating yearly rent increases
- April 1982 - Provided that capital improvement increases should be amortized over their useful life (5 years, 10 years, 15 years) rather than amortizing them over 60 months
- March 1983 - Provided that three alternate rent commissioners could be appointed by the City Council
- April 1983 - \$2.00 smoke detector surcharge adopted
- July 1983 - Three month extension of the ordinance for Council to study the program
- September 1983 - Three year extension of the ordinance, including 17 changes to the program
- December 1983 - Exempted from the registration fee those units that were not going to be increased in that calendar year

RENTAL MARKET STATISTICS

As noted above, the owners of apartments and mobilehome parks are required to file registration information on each of their units. This information is provided as of October 1 of each year and staff recently conducted a vacancy and decontrol survey as of June 1, 1986.

A. Apartments.

As of October 1, 1985, 990 or 27.2% of apartments were controlled and 2,651 or 72.8% were decontrolled. The June survey revealed that the number of controlled apartments decreased to 25% and the vacancy rate in apartments as of June was approximately 1.4% (2 out of 27 complexes reporting were excessively high and were excluded from the average; one of the complexes experienced the vacancies for maintenance reasons). The variance in rent for controlled versus decontrolled like units averages approximately 30%-31%, ranging from a low of 14% to a high of 53%. In all complexes, controlled units rent for less than decontrolled units.

B. Mobilehome Parks.

Unlike apartments, mobilehome spaces are seldom vacated and therefore approximately 97% of the 678 total spaces remain subject to rent control (Vallecito has long term leases and therefore is not counted).

DISCUSSION

The first threshold issue is whether the law should be allowed to sunset. If the law sunsets, the effect on mobilehome parks may not present any peculiar problems insofar as rents within individual parks are very uniform. Although several owners have indicated that should controls be lifted, they would not increase rents above the current amounts allowed under our present program, that result cannot be guaranteed. Mobilehome park residents have expressed fear that aggressive rent increase practices will occur if controls are lifted and given the extent of the individual residents' investment and the zero vacancy rates in the parks, extension of controls is probably warranted.

The apartment situation is quite different. In the past two years, four or five complexes have been sold and the new owners were faced with increased debt service and taxes, plus the cost of doing some refurbishing. The owners of the Villas de Los Robles (new), Charter Oaks (new), Wilbur Oaks (new) and St. Charles Apartments have been very aggressive in rent increases of decontrolled units which has greatly widened the disparities in rents between their controlled and decontrolled units. If controls were lifted in the apartments and some landlords sought to "equalize" rents between formerly controlled and decontrolled units, the City would probably need to consider recontrol of all apartments within the City as any radical upswing in the price of formerly controlled units would likely create the same health, safety and welfare impacts that gave rise to rent control in the first place. In the past, several apartment owners have indicated they would equalize rents if controls were lifted.

The simplest approach to the issue may be to merely extend the present rent program for a given period. The phase out of apartment units would likely continue although would probably not dip below 15% in the near future, as long term residents would remain in those units. Upon examination of what the tenants have asked for in terms of an automatic adjustment, and the effect of merely extending the ordinance, it is obvious that they are very close to one another. The apartment tenants requested a CPI adjustment or 4% with a 7% ceiling. Our current automatic adjustment calls for a 7% increase on a fixed base, and since we are now three years into that ordinance, the increases over a period of six years actually effect increases as follows: 7%; 6.5%; 6.1%; 5.8%; 5.5%; and 5.2%.

If the upside of extending the present ordinance was the continued protection of mobilehome park residents and the continued phase out of the apartment rent stabilization program, the downside is that we are still in the throes of a housing crisis with a critically low vacancy rate and have experienced incidences of exorbitant rent increases among decontrolled apartment units. We cannot predict that the vacancy rate will increase dramatically in the near future although the advent of lower home mortgage rates may provide an opportunity for some apartment residents to become homeowners. If the vacancy rate does not increase to an acceptable level in the near future, and given that disparities between controlled and decontrolled units cannot be addressed under our present ordinance and are likely to increase, a suitable alternative may be to place all units back under controls and provide a new ordinance with a decontrol-recontrol feature. This feature would provide that a landlord could increase rents on a vacated unit to whatever the market would bear and once re-rented, the unit would thereafter be subject to controls until the next vacancy, when again it would be decontrolled and recontrolled.

ALTERNATIVES

After consulting with staff and reviewing and analyzing the registration data submitted earlier this year, the committee conducted a series of meetings with landlords and tenants from both mobilehome parks and apartment buildings. The July 1, 1986 hearing before the City Council provided further data and information that enabled the committee to formulate its recommendation to the City Council by breaking down the possibilities into a series of alternatives. Those alternatives are as follows:

1. Allow the present ordinance that regulates both mobilehome parks and apartments to expire on October 31, 1986.
2. Extend the present ordinance as is for one or more years.
3. Extend the present ordinance, in its present form, for one or more years, but replace the 7% annual automatic adjustment with an automatic adjustment based on a CPI driver, namely 75% of the CPI with a floor increase of 3% and a ceiling of 7%; or replace it with a flat 4% increase.
4. Provide for separate ordinances for mobilehome parks and apartments using a CPI driver formula (as described above) in place of the 7% automatic adjustment with or without a vacancy decontrol feature.

Also considered were two proposals advanced by a local landlord, both aimed at directing the benefits of controls to low income tenants. The first proposal would exempt complexes from rent control if the landlord committed ten percent (10%) of his rental units to HUD Section 8 contracts. The second proposal would exempt from controls all complexes where the landlord agreed to pay five percent (5%) of their gross rental income into a City trust fund to be used to subsidize certain qualifying tenants. Both proposals recognize the need for an underlying rent control ordinance.

Each of these proposals may have some merit and would be voluntary on the part of the landlord. The second approach may be unworkable and certainly would require a great deal more administrative cost than the first. Since both proposals assume the adoption of an underlying ordinance, further attention and consideration can be given these approaches, should the Council so direct, and a follow-up committee report and possible ordinance amendment could be brought back to the Council.

ALTERNATIVE SELECTED BY THE COMMITTEE

The committee selected alternative four which requires the adoption of two separate ordinances, one regulating mobilehome parks and one regulating apartments. The recommendation includes the incorporation into those ordinances of an annual automatic adjustment determined by a percentage formula of the CPI with a floor increase of 3% and a ceiling of 7%. The floor is not a required minimum increase (i.e., a landlord could decide not to increase rents in a particular year), but rather enables the landlord to increase at least 3% per year should 75% of the CPI not yield a 3% figure. The 7% ceiling, however, is an express limitation and increases determined by the CPI formula could not exceed 7%. Note: The current "Index", as defined by the ordinance, would be three percent (3%) as the CPI for the year ending April 1986 was 3.5%.

The committee selection also recommends a decontrol-recontrol feature be employed in the ordinance that would again place under the rent stabilization program, all units which were previously decontrolled but would not control any units that were never subject to the Rent Stabilization Ordinance, namely those units which received certificates of occupancy after June 30, 1980 and, of course, would not regulate new construction or future construction. The main features of the proposed ordinances can be outlined as follows:

A. Mobilehome Parks

The proposed mobilehome park rent ordinance would apply to all parks within the City with the exception of Ranch Mobilehome Park which is under a separate affordable housing agreement. The ordinance would include the Vallecito Park when the Vallecito leases expire. The main components of this approach would be:

1. New Base Year - A new base year of July 1, 1986 for calculating the annual adjustment is proposed. When a unit decontrols upon vacancy, the rent in effect upon the initial reletting then becomes the base year.

2. Automatic Adjustment Formula - Seventy-five percent (75%) of the CPI Index as defined in the ordinance with a floor of 3% and a ceiling of 7%.
3. Decontrol/Recontrol - Rents could not be raised on coaches that are sold and remain in the park but could be raised on coach spaces when a coach is removed from a park but when the new tenant moves in, the space is again controlled.
4. Term - A five year expiration is set on this ordinance.
5. Registration Fee - An annual fee of \$10 to be paid by the park owner.

With minor variations, the proposed mobilehome rent ordinance is very similar to our existing program. The suggested five year expiration date is aimed at providing both tenants and management with an ability to plan the future free from the uncertainty created when a rent ordinance is set to expire after only three years. The CPI adjustment is reflective of current economic conditions and the past 7% increase, in retrospect, appears generous when compared to the economic climate over the past three years. The new base year seeks to provide a more realistic base upon which to calculate rents, particularly with the potential for lower rents under the new automatic adjustment formula. The change in the vacancy decontrol program to decontrol-recontrol is insignificant insofar as less than 3% of the mobilehome spaces currently under rent regulation are decontrolled.

B. Apartments

The proposed apartment rent ordinance is also very similar to the existing Rent Stabilization Ordinance with the following changes:

1. New Base Year - July 1, 1986 is recommended as a new base year for computing the automatic adjustments. When a unit decontrols upon vacancy, the rent in effect upon the initial reletting becomes the base year.
2. Automatic Adjustment Formula - Calculated by multiplying 75% of the CPI as defined in the ordinance with a floor of 3% and a ceiling of 7%.
3. Decontrol/Recontrol - All units previously subject to the ordinance would be recontrolled and upon each vacancy created voluntarily or by eviction for nonpayment of rent, the rent can be raised to whatever level the market will bear and upon the reletting of the premises, the unit is again subject to rent control. Recontrol does not apply to new construction (June 30, 1980) or future construction.
4. Term - No sunset date, however, yearly review by the City Council's Rent Committee with a report to the City Council.
5. Registration Fee - An annual fee of \$10.00 to be paid by the owner.

C. Changes to Both Proposed Ordinances

The only notable change that represents a departure from the existing system is the delegation of the approval authority for capital improvement and rehabilitative rent increase requests to the City Manager. These requests were formerly reviewed by the Rent Adjustment Commission but because these requests are very quantifiable and almost ministerial in nature, the committee recommends that the City Manager be given the authority to approve such requests. The landlord or tenants would have the right to appeal the City Manager's decision to the Rent Adjustment Commission and ultimately the City Council.

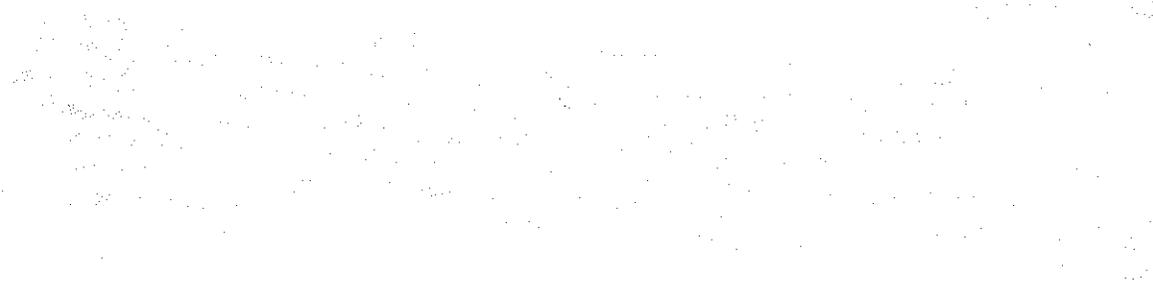
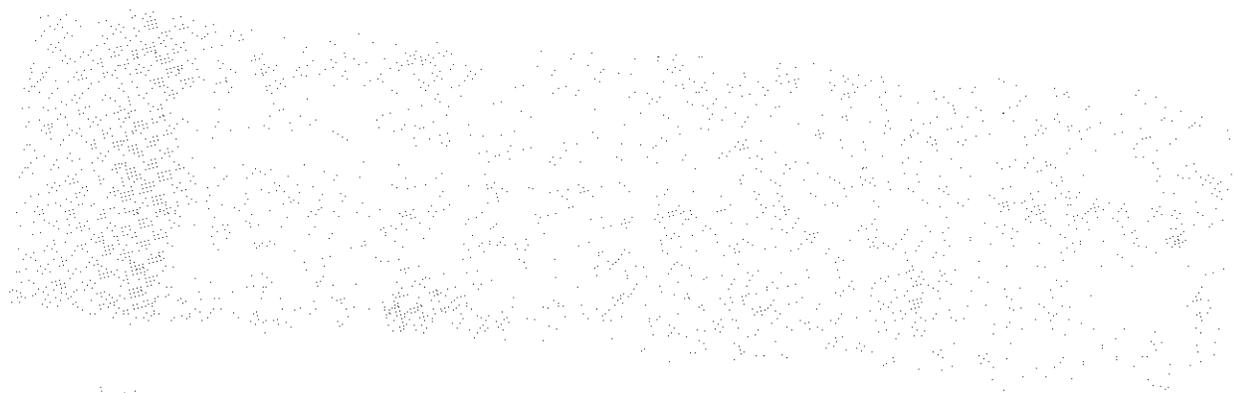
One final point. The Committee recognizes that a possibility exists that landlords could effect increases in rents in decontrolled units prior to the effective date of this ordinance that might be considered excessive. Adopting the proposed ordinances on an urgency basis or incorporating retroactive provisions would negate that possibility, however, this would be based somewhat on speculation. The City Attorney's Office has advised the Committee that should excessive rent increases be effected prior to the effective date of an adopted ordinance, the Council could act to "roll-back" some rents and thereby negate those increases.

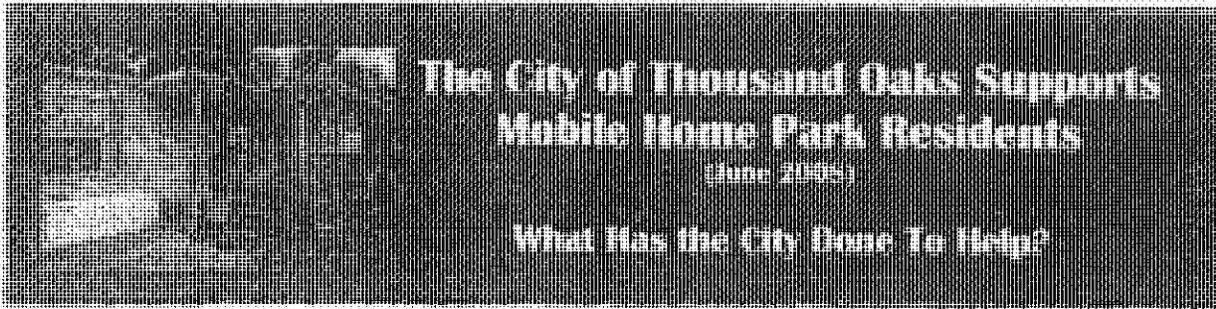
RECOMMENDATION

The Rent Committee recommends that the City Council adopt two separate ordinances to regulate rent within mobilehome parks and apartments. The ordinances recommended for adoption are numbered No.1 and No. 2 in your packet.

ALEX FIORE, Chair
LAWRENCE E. HORNER, Member

26/3





Security of every family's residence is a top priority for the City of Thousand Oaks. City Council is fully aware of the vital importance residents place on knowing their homes, apartments, condos, or mobile home units are safe and secure. In 2006, a mobile home park owner submitted a proposal to the City to close an established mobile home park and change its existing residential land use to a commercial land use. This proposal, and its impacts on the City's overall mobile home park community, has come under discussion by City Council. This has also resulted in residents asking questions about the future and long-term security of mobile home parks. This fact sheet has been prepared in response to such questions.

HOW IS THE CITY ASSISTING MOBILE HOME PARK RESIDENTS?

- **FACT: By supporting affordable senior and workforce mobile home housing.**

The social well-being of the community is of prime concern to the City. Over the past few decades, City Council has demonstrated considerable compassion and support for tenants in all nine mobile home parks through the enactment of a variety of measures and actions, including a very restrictive and pro-tenant Mobile Home Rent Stabilization (Rent Control) Ordinance. City Council is committed to supporting this ordinance as a means to improving the quality of mobile home park tenant lives, and making every effort to retain this type of housing for the community.

- **FACT: By implementing several measures to protect mobile home park residents.**
 - ✓ In 1975, City Council approved the Ranch Mobile Home Park (located at 2193 Los Feliz) as an income and age restricted park. Resolution No. 84-037 established specific criteria for adjusting rent and income limits for this mobile home park.
 - ✓ In 1980, City Council adopted the Mobile Home Rent Stabilization Ordinance (Municipal Code 5-25) to restrict and limit annual rent increases on mobile home park tenants who reside inside the City's other eight mobile home parks. This ordinance is one of the most restrictive of all ten Ventura County cities...if not one of the most restrictive in all of California.
 - ✓ Since 1987, City/Redevelopment Agency has provided loans or grants through its Housing Rehabilitation Program to income eligible households for rehabilitation of mobile home residences. Since 1999, the City/Redevelopment Agency has funded over \$1,460,000 assisting 250 mobile home owners.

HOW IS THE CITY ASSISTING MOBILE HOME PARK RESIDENTS? (continued)

- ✓ Over the years, the City has provided infrastructure assistance to at least one mobile home park. With the multiple failings of their mobile home park's internal ground water, the City provided temporary connections to the City's water system.
- ✓ In January 2006, responding to a new mobile home park owner's proposal to close Conejo Mobile Home Park (1200 Newbury Road), City Council adopted a Citywide temporary moratorium on mobile home park conversions and closures. As required by State law, this moratorium expired after two years.
- ✓ In March 2006, City Council made changes to the City's regulations for mobile home park closure/conversions and mobile home park sub-divisions to further protect impacted mobile home park tenants. This tough Mobile Home Park Closure and Conversion Ordinance provided significant protection and relocation assistance enhancements to mobile home park tenants. This ordinance provided the City with the ability to require far more compensation to displaced mobile home park tenants. Prior to enacting this ordinance, displaced mobile home park tenants would have received only \$1,500, plus utility connections fees of \$100. The new ordinance also requires a 24 month (two year) notice of termination by a mobile home park owner, considerably more helpful than the State's six month minimum notice requirement.

- **FACT: By ensuring mobile home park land is appropriately designated and zoned.**

A high priority for City Council is to ensure housing stays on mobile home park sites that might close or have closed. Successfully changing the General Plan designation at the Conejo Mobile Home Park and Elms Plaza Mobile Home Park (1262 Newbury Road) in January 2008 from "Commercial" to "High Density Residential" offered the best insurance for retaining housing at these locations for the long run, even if the mobile home park owner is legally able to close the park. This action provided the existing Conejo Mobile Home Park tenants with the greatest chance to remain on site and have access to brand new, high quality, affordable housing units with the protection of restrictive rent covenants. **PLEASE BE ASSURED THAT THE CITY IS UNAWARE OF ANY PLANS BY THE CURRENT ELMS PLAZA MOBILE HOME PARK OWNER TO CLOSE THIS PARK.**

- **FACT: By being supportive of housing alternatives for low-income residents displaced by a proposed mobile home park closure.**

There are a number of housing developments, programs, and opportunities available within the community to assist low-income households, including high quality new affordable housing projects that are in the planning stages. For more information, please contact:

City of Thousand Oaks Housing/Redevelopment Division (805) 440-2393

Many Mansions (805) 497-0344

Area Housing Authority (805) 480-9991
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HOW IS THE CITY ASSISTING MOBILE HOME PARK RESIDENTS? (continued)

- **FACT: By being aware of mobile home park sales and investigating rumors of closures.**

A sale does not mean that the new mobile home park owner intends to close the park or make any other changes. A mobile home park owner may sell the park to any willing buyer, including another mobile home park operator, developer, or the mobile home park tenants themselves.

- **FACT: By being aware and involved in any mobile home park closure.**

Under California law, the City cannot force a mobile home park owner to keep a park open. Any mobile home park owner who plans to close/convert a mobile home park must file an Impact Report with the City. The City does have to review and approve the "Impact Report" concerning the proposed mobile home park closure or conversion to another use. The Impact Report must include a Relocation Assistance and Mitigation Plan containing a proposal for payment of relocation assistance to mobile home owners.

The City's Planning Commission must conduct a public hearing to review the Impact Report. At least 30 days prior to the Planning Commission public hearing on an Impact Report, the mobile home park owner must provide copies of the Impact Report to all applicable mobile home park tenants and notify them of the date of the Planning Commission public hearing. The City will also mail public hearing notices to all applicable residents, tenants, and non-resident mobile home owners at least 14 days before the public hearing.

- **FACT: By ensuring payments to residents displaced by a mobile home park closure.**

City Council fully understands the distressing affect displacement has on mobile home park residents. Under California law, the City can require mobile home park owners to compensate residents for some of the relocation impacts. However, the steps required to be taken to mitigate the impacts shall not exceed reasonable costs of relocation, according to State law. The term "reasonable" has not yet been defined either by the State Legislature or the Courts.

The City decides the type and degree of assistance to be given residents when it approves the Impact Report, based on the facts in each particular case. Assistance may include, but is not limited to, payment of any combination of the following:

- ✓ Cost of moving the impacted mobile home unit to another mobile home park.
- ✓ In-place market value of each mobile home unit that cannot be relocated.
- ✓ Cost of moving residents to alternative housing.
- ✓ First and last month's rent and security deposit in alternative rental housing.
- ✓ The difference between rental rates in the mobile home park and alternative rental housing for the first 12 months (one year) of tenancy.

As noted above, State law prohibits the total of the various payments from exceeding the reasonable costs of relocation.

HOW IS THE CITY ASSISTING MOBILE HOME PARK RESIDENTS? (continued)

- **FACT:** By providing impacted mobile home park tenants ample time to relocate after a mobile home park closure Impact Report is approved.

The City's Mobile Home Park Closure and Conversion Ordinance requires the mobile home park owner to provide residents 24 months (two years) notice of termination of tenancy, after an Impact Report is reviewed and approved by the City.

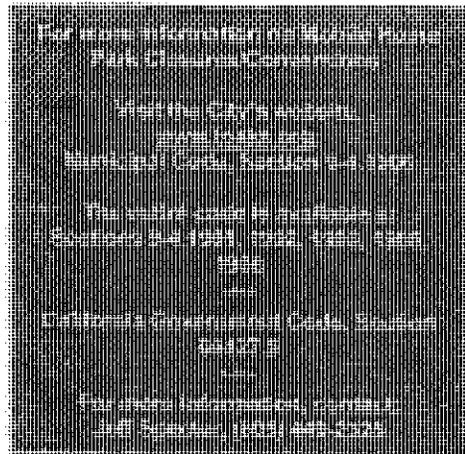
- **FACT:** By regulating the sub-division of mobile home parks.

City Council diligently works to protect mobile home park residents. California law (Government Code, Section 86427.5) requires a sub-divider of a mobile home park to submit to the City a tentative map showing how they plan to sub-divide the mobile home park property.

The City is required to review the proposed sub-division plan, including having the Planning Commission conduct a public hearing to consider approval. The City is able to require the sub-divider to:

- Offer each existing mobile home park tenant the option to buy or rent his/her lot.
- File a report on the impact of the conversion on residents and making that report available to residents of the mobile home park.
- Survey mobile home park residents about their support for the conversion.
- Limit the amount of rent increases of non-purchasing low-income residents according to State law.
- Limit rent increases of non-purchasing residents who are not low-income to market-rate levels through equal annual increases over a four-year period.

The resident survey of support for the conversion from a rental park to a mobile home park sub-division helps the City fulfill its obligation and to determine if the proposed mobile home park conversion is bona fide (done in good faith) and not just an attempt to avoid compliance with the City's local rent control ordinance.



FACT: By becoming one of the first legislative bodies in California to adopt a resolution opposing Proposition 98 on April 8, 2008.

Proposition 98 would have negatively impacted mobile home parks. The Thousand Oaks City Council also demonstrated their collective support of mobile home park residents by adopting a resolution in support of Prop 99, the "Homeowner Protection Act."

Prepared on June 24, 2008

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2010 WL 5174984
United States Court of Appeals,
Ninth Circuit.

Daniel GUGGENHEIM; Susan Guggenheim;
Maureen H. Pierce, Plaintiffs-Appellants,

v.

CITY OF GOLETA, a municipal
corporation, Defendant-Appellee.

No. 06-56306. Argued and Submitted
June 22, 2010. Filed Dec. 22, 2010.

Synopsis

Background: Mobile home park owners brought action raising a facial takings challenge to city's mobile home rent control ordinance. The United States District Court for the Central District of California, Florence Marie Cooper, J., found that no taking had occurred, and owners appealed.

Holdings: The Court of Appeals, Kleinfeld, Circuit Judge, held that:

- 1 owners had standing to bring facial takings challenge;
- 2 Court would assume without deciding that owners' challenge was ripe;
- 3 ordinance did not effect facial taking; and
- 4 ordinance furthered legitimate government purpose, as required by due process.

Affirmed.

Bea, Circuit Judge, filed dissenting opinion in which, Kozinski, Chief Judge, and Ikuta, Circuit Judge, joined.

Opinion, 582 F.3d 996, vacated on rehearing en banc.

West Headnotes (11)

1 **Eminent Domain** ⇔ Persons Entitled to Sue
Mobile home park owners had standing to bring facial takings challenge to city's mobile home rent control ordinance; owners claimed that the ordinance deprived them of much of the value of their land, and they owned the land when city adopted the ordinance. U.S.C.A. Const.Amend. 5.

2 **Eminent Domain** ⇔ Conditions Precedent to Action; Ripeness
A regulatory takings claim is not ripe until the appropriate administrative agency has made a final decision on how the regulation will be applied to the property at issue.

3 **Eminent Domain** ⇔ Conditions Precedent to Action; Ripeness
Facial challenges are exempt from prong of the ripeness analysis requiring administrative agency to make a final decision on how the regulation will be applied to the property at issue because a facial challenge by its nature does not involve a decision applying the statute or regulation.

4 **Eminent Domain** ⇔ Conditions Precedent to Action; Ripeness
A property owner who sues for inverse condemnation, claiming that his property was taken without just compensation, generally must seek that compensation through the procedures provided by the state before bringing a federal suit.

5 **Eminent Domain** ⇔ Conditions Precedent to Action; Ripeness
Court of Appeals would assume without deciding that mobile home park owners' facial takings challenge to city's mobile home rent control ordinance was ripe, and exercise its discretion not to impose prudential requirement of exhaustion in state court, where Court rejected the challenge on the merits, and owners had already litigated in state court and reached a settlement with city. U.S.C.A. Const.Amend. 5.

6 **Eminent Domain** ⇔ Rent Control; Housing
City mobile home rent control ordinance, which was adopted from county's rent control ordinance upon city's incorporation and readopted 120 days after incorporation, did not effect facial taking on owners of mobile home park who purchased the

park when the county ordinance was in effect; even assuming that the ordinance transferred about \$10,000 a year in rent for the average mobile home owner from the landlord to the tenant, and raised the price of the average mobile home from \$14,000 to \$120,000, that had happened before the owners purchased the park, and the price they paid for the park reflected the burden of rent control they would have to suffer. U.S.C.A. Const.Amend. 5.

7 **Eminent Domain** ⇌ What Constitutes a Taking; Police and Other Powers Distinguished

In the takings context, the basis of a facial challenge is that the very enactment of the statute has reduced the value of the property or has effected a transfer of a property interest; this is a single harm, measurable and compensable when the statute is passed. U.S.C.A. Const.Amend. 5.

8 **Constitutional Law** ⇌ Rent Control
Landlord and Tenant ⇌ Validity of Regulations

Due process claims can succeed when a rent control ordinance fails to substantially further a legitimate government interest. U.S.C.A. Const.Amend. 14.

9 **Constitutional Law** ⇌ Rent Control
Landlord and Tenant ⇌ Rent Control

City's mobile home rent control ordinance furthered legitimate government purpose, as required by due process, even if ordinance failed to protect price of sublets; ordinance protected owners of mobile homes from the leverage owners of the pads had, to collect a premium reflecting the cost of moving the mobile home on top of the market value of use of the land. U.S.C.A. Const.Amend. 14.

10 **Constitutional Law** ⇌ Economic Rights and Regulation

The Due Process Clause does not empower courts to impose sound economic principles on political bodies. U.S.C.A. Const.Amend. 14.

11 **Constitutional Law** ⇌ Rent Control

City's mobile home rent control ordinance was only required to be supported by rational basis to satisfy equal protection. U.S.C.A. Const.Amend. 14.

Attorneys and Law Firms

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Meliah Schultzman (briefed), National Housing Law Project, Oakland, CA, Ilene Jacobs, California Rural Legal Assistance, Inc., Marysville, CA, and Kirk Ah Tye, California Rural Legal Assistance, Inc., Santa Barbara, CA, for amici curiae AARP, California Coalition for Rural Housing, Housing California, Legal Services of Northern California, Non-Profit Housing, Association of Northern California, R. Keith Traphagen, and Tenants Together.

Appeal from the United States District Court for the Central District of California, Florence-Marie Cooper, District Judge, Presiding. D.C. No. CV-02-02478-FMC.

Before ALEX KOZINSKI, Chief Judge, ALFRED T. GOODWIN, STEPHEN REINHARDT, PAMELA ANN RYMER, ANDREW J. KLEINFELD, RONALD M. GOULD, RICHARD R. CLIFTON, CONSUELO M. CALLAHAN, CARLOS T. BEA, SANDRA S. IKUTA, and N. RANDY SMITH, Circuit Judges.

Opinion

OPINION

KLEINFELD, Circuit Judge:

**1* We address the viability of a takings claim arising out of a rent control ordinance affecting mobile home parks.

I. Facts

In 1979, Santa Barbara County, California adopted a rent control ordinance for mobile homes.¹ Mobile homes have the

peculiar characteristic of separating ownership of homes that are, as a practical matter, affixed to the land, from the land itself.² Because the owner of the mobile home cannot readily move it to get a lower rent, the owner of the land has the owner of the mobile home over a barrel. The Santa Barbara County rent control ordinance for mobile homes had as its stated purpose relieving “exorbitant rents exploiting” a shortage of housing and the high cost of moving mobile homes.³ The rent control ordinance was amended in 1987.⁴ The ordinance has a complex scheme for setting rents, limiting how fast they rise, and affording landlords a mechanism for disputing the limits.⁵

Eighteen years after the original rent control ordinance went into effect, and ten years after the amendment, the plaintiffs Daniel and Susan Guggenheim and Maureen H. Pierce (the Guggenheims) bought a mobile home park, “Ranch Mobile Estates,” burdened by the ordinance.

The park, when the Guggenheims bought it in 1997, was in what California calls “unincorporated territory” in Santa Barbara County. Five years later, in 2002, the City of Goleta incorporated in territory including the Guggenheims' land. California law requires a newly incorporated city comprising previously unincorporated territory to adopt, as its first official act, an ordinance keeping all the county ordinances in effect for 120 days or until the new municipality changes them, whichever happens first.⁶ Goleta did what was required on its first day of existence, February 1, 2002, so the county rent control ordinance for mobile home parks became the city rent control ordinance on the first day of the City's existence, as the City's very first official act. And on April 22, 2002, within the 120-day sunset period, the City of Goleta adopted the county code including the ordinance, this time without the statutory 120-day sunset period.⁷ The parties have stipulated that there was a legal gap when the ordinance was not in effect, apparently referring to the hours between the City's coming into legal existence and the performance of the City's first official act on its first day. Those hours on the first day of Goleta's existence are the only time between 1979 and the present day, and the only time during the Guggenheims' ownership, when no rent control ordinance has burdened the Guggenheims' mobile home park.⁸

That year, 2002, the Guggenheims sued the City claiming that the rent control ordinance was a taking of their property without compensation, and asserting numerous other

claims.⁹ They have limited their takings claim to a facial challenge, not an “as applied” challenge. They claim that it is the rent control ordinance itself, not its particularized application to their mobile home park or the regulatory process applied to their park, that has denied them their constitutional rights. The theory of the takings claim is that by locking in a rent below market rents, and allowing tenants to sell their mobile homes to buyers who will still enjoy the benefits of the controlled rent (albeit subject to upward adjustment¹⁰), the ordinance shifts much of the value of ownership of the land from the landlord to the tenant. The Guggenheims submitted an expert's report with the summary judgment papers explaining that rents for sites in their mobile home park would average about \$13,000 a year without rent control, but average less than \$3,300 with rent control, and that the tenants could sell their mobile homes for around an average of \$14,000 without rent control, but because of rent control, the average mobile home in the park sells for roughly \$120,000. Since the Guggenheims lost on summary judgment, we assume for purposes of decision that this is correct.

*2 The case went through a complex procedural course, but the complexities are of no importance here. First the case in federal court was stayed pursuant to *Pullman*¹¹ abstention while the Guggenheims pursued claims in state court. They and the City settled the state case. Returning to federal court, the Guggenheims won summary judgment, and the City appealed. While the appeal was pending, the Supreme Court decided *Lingle v. Chevron U.S.A. Inc.*,¹² and the Guggenheims and the City agreed that *Lingle* so undermined the district court judgment that they stipulated to dismiss the appeal and they reopened the litigation in district court. This time the City won summary judgment, and the Guggenheims appeal. The district court observed that the Guggenheims “got exactly what they bargained for when they purchased the Park—a mobile-home park subject to a detailed rent-control ordinance.” We reversed,¹³ but decided to rehear the case en banc,¹⁴ and now vacate our earlier decision and affirm.

II. Analysis

We review a grant of summary judgment de novo.¹⁵ The Guggenheims' challenge is to the 2002 City of Goleta ordinance adopting the county rent control ordinance, and its readoption within the 120-day period.

A. Jurisdiction

1 The City does not dispute jurisdiction, but we raised the issues of standing and ripeness sua sponte in our panel decision.¹⁶ The Guggenheims have claimed an injury in fact to themselves (deprivation of much of the value of their land), which is fairly traceable to Goleta's rent control ordinance, and is redressable by a decision in their favor, so they do indeed have standing to maintain their challenge to the 2002 ordinances.¹⁷ They owned the land in 2002 when the City of Goleta promulgated the 2002 ordinances.

2 3 4 Ripeness is more complicated, because of *Williamson County Regional Planning Commission v. Hamilton Bank of Johnson City*.¹⁸ In *Williamson*, the Supreme Court imposed two ripeness requirements on federal takings claims. First, a regulatory takings claim is not ripe until the appropriate administrative agency has made a final decision on how the regulation will be applied to the property at issue.¹⁹ That requirement has no application to this facial challenge. “Facial challenges are exempt from the first prong of the *Williamson* ripeness analysis because a facial challenge by its nature does not involve a decision applying the statute or regulation.”²⁰ Second, a property owner who sues for inverse condemnation, claiming that his property was taken without just compensation, generally must seek that compensation through the procedures provided by the state before bringing a federal suit.²¹

In *Yee v. City of Escondido*, another California mobile home rent control case, the Court held that although an “as applied” challenge would have been unripe because the park owner had not sought permission to increase rents from the administrative body established by the ordinance, the facial challenge by the park owners was indeed ripe, because it did not depend on the extent to which they were deprived of the economic use of their property or the extent to which they were compensated.²² Subsequently in *Suitum v. Tahoe Regional Planning Agency*, the Court described the *Williamson* ripeness requirements as “prudential” rather than jurisdictional in the context of regulatory takings case.²³ In *Adam Brothers Farming, Inc. v. County of Santa Barbara*, we held that we had discretion to waive the *Williamson* exhaustion requirement where the case raised only prudential ripeness concerns, and did so, assuming without deciding that the takings claim was ripe.²⁴ In so doing, we applied *McClung v. City of Sumner*.²⁵ In *McClung* we had also interpreted *Suitum* as describing *Williamson* ripeness as prudential rather than jurisdictional, and concluded that “we

need not determine the exact contours of when takings claim ripeness is merely prudential and not jurisdictional.”²⁶

*3 That is not to suggest that *Williamson* is dead. In *Ventura Mobilehome Communities Owners Association v. City of San Buenaventura*, we held that the only cognizable claim raised was an as applied challenge, so held that it was properly dismissed as unripe.²⁷ And in *Sinclair Oil Corp. v. County of Santa Barbara*, we held that while as applied challenges required *Williamson* exhaustion, facial challenges sometimes did and sometimes did not.²⁸ A complication that makes it especially difficult to determine the continuing viability of our ripeness precedents is that many involve “substantially advances legitimate state interests” claims under *Agins v. City of Tiburon*,²⁹ and *Agins* was overruled by *Lingle*.³⁰ Indeed, in the case before us, *Agins* was the law during state proceedings, and *Lingle* did not come down until the first appeal was pending in federal court. It may be that a claim (even a facial claim), alleging a regulatory taking based on the theory that an ordinance takes property without just compensation, is unripe until that property owner has sought compensation through such state proceedings as may be available. But under *Suitum* this ripeness requirement now appears to be prudential rather than jurisdictional.

5 In this case, we assume without deciding that the claim is ripe, and exercise our discretion not to impose the prudential requirement of exhaustion in state court. Two factors persuade us to follow this course. First, we reject the Guggenheims' claim on the merits, so it would be a waste of the parties' and the courts' resources to bounce the case through more rounds of litigation. Second, the Guggenheims did indeed litigate in state court, and they and the City of Goleta settled in state court. Unfortunately the law changed after their trip to state court, so they might well have proceeded differently there had they been there after *Lingle* came down, but it is hard to see any value in forcing a second trip on them.

B. Penn Central and Palazzolo

6 The Guggenheims challenge only the 2002 City of Goleta ordinance, not the 1979 or 1987 County of Santa Barbara ordinances. The fundamental weakness of the dissent is its blending of the economic effects of all three ordinances, even though challenges to the first two have long been barred and are not asserted. There is a big problem with challenging as a taking the government's failure to repeal a long existing law. The County ordinances were both promulgated long before

the Guggenheims bought their land, and the rent control regime created by the county ordinances limited the value of the land when the Guggenheims bought it. The Guggenheims assert no claim against the County of Santa Barbara, just the City of Goleta. They frame their challenge narrowly, solely as a facial challenge to the City of Goleta ordinance promulgated in 2002. And they argue that their facial challenge should be evaluated under *Penn Central Transportation Co. v. New York City*.³¹ We assume, without deciding, that a facial challenge can be made under *Penn Central*.³²

*4 *Palazzolo v. Rhode Island*³³ is of no help to the Guggenheims. They do not have the problem that *Palazzolo* solved. In *Palazzolo* the taking was from the first owner and the “as applied” lawsuit was by the second. The transfer was by operation of law, during the period when the owner was ripening the claim by exhausting state remedies.³⁴ One reason why these distinctions matter is that even though in *Palazzolo* title passed to the plaintiff after the land use restriction was enacted, he acquired his economic interest as a 100% shareholder in the corporation owning the land before the land use restriction was enacted, and title shifted to him because his corporation was dissolved, not because he bought the property for a low price reflecting the economic effect of the regulation.

Palazzolo holds that an owner who acquires title to property during the period required for an as applied regulatory taking to ripen (in that case during proceedings on applications to build on wetlands) is not necessarily barred from bringing the action when it ripens even though he did not own the property when the regulation first started to be applied to the property.³⁵ This difference matters because an as applied challenge necessarily addresses the period during which the administrative or judicial proceedings for relief occur, so justice may require that title transfers during the ripening period not bar the action. By contrast, there is no such extended period applicable to a facial challenge, because the only time that matters is the time the ordinance was adopted.

The Guggenheims, unlike the owner in *Palazzolo*, have owned the mobile home park at all relevant times. The Guggenheims owned during, before, and after adoption of the two City of Goleta ordinances they challenge, both upon incorporation and within the 120-day period. *Palazzolo* does not revive a challenge to the 1979 and 1987 county ordinances,³⁶ and the Guggenheims do not make one. Thus whatever wrongs the 1979 and 1987 county ordinances may

have done to whoever owned the mobile home park then, those wrongs are not before us.

And the Guggenheims carefully limit their challenge to a facial one, not an as applied challenge. By so doing, they reserve the possibility of an as applied challenge if at some subsequent time the City of Goleta's arbitrator denies them a fair rent increase.³⁷ If the rent control scheme effects an unconstitutional taking when applied, the challenge will be to that application, not to the ordinance on its face, and the time for the challenge will run from when the administrative action became final as opposed to when the ordinance was enacted. It is not as though an unconstitutional law becomes immunized from all challenges once limitations bar facial challenges to its enactment.

7 As we held in *Levald, Inc. v. City of Palm Desert*, “[i]n the takings context, the basis of a facial challenge is that the very enactment of the statute has reduced the value of the property or has effected a transfer of a property interest. This is a single harm, measurable and compensable when the statute is passed.”³⁸ Nor does it matter that a challenge might not have been worth making in 1979 or 1987 when property values were lower, but became worth making when the housing bubble inflated many prices. As *Levald* stated, “while the rising property values may be relevant to an as-applied challenge, they are not relevant to a claim that the very enactment of the statute effected a taking.”³⁹

*5 But this is not to say that passage of the county ordinances in 1979 and 1987 can be ignored. It is central. *Yee v. City of Escondido*⁴⁰ holds that a takings challenge to mobile home rent control ordinance materially similar to Goleta's should be analyzed as a regulatory taking under *Penn Central*, not a physical occupation amounting to a per se taking as in *Loretto v. Teleprompter Manhattan CATV Corp.*⁴¹ *Lingle* explains *Penn Central* as identifying several factors, not a set formula, to determine whether a regulatory action is “functionally equivalent to the classic taking.”⁴² “Primary among those factors are the economic impact of the regulation on the claimant and, particularly, the extent to which the regulation has interfered with distinct investment-backed expectations.”⁴³ *Lingle* points out that the character of the government action may also be relevant,⁴⁴ but this cuts against the Guggenheims because the government action here is a continuation of an old ordinance. The case before us turns on the “primary” factor.

That “primary factor,” “the extent to which the regulation has interfered with distinct investment-backed expectations,” is fatal to the Guggenheims' claim. We assume for purposes of discussion (since the Guggenheims' summary judgment evidence would so establish) that the rent control ordinance, unchanged since 1987, did indeed transfer about \$10,000 a year in rent for the average mobile home owner from the landlord to the tenant, and that this has had the effect of raising the price of the average mobile home from \$14,000 to \$120,000. That had happened before the Guggenheims bought the mobile home park. Since the ordinance was a matter of public record, the price they paid for the mobile home park doubtless reflected the burden of rent control they would have to suffer.

They could have no “distinct investment-backed expectations” that they would obtain illegal amounts of rent. To “expect” can mean to anticipate or look forward to, but it can also mean “to consider probable or certain,” and “distinct” means capable of being easily perceived, or characterized by individualizing qualities.⁴⁵ “Distinct investment-backed expectations” implies reasonable probability, like expecting rent to be paid, not starry eyed hope of winning the jackpot if the law changes. A landlord buys land burdened by leaseholds in order to acquire a stream of income from rents and the possibility of increased rents or resale value in the future. The stream already suffered a reduced flow when the Guggenheims bought it, so what they paid would reflect the flow that the law allowed. The Guggenheims might conceivably have paid a slight speculative premium over the value that the legal stream of rent income would yield, on the theory that rent control might someday end, either because of a change of mind by the municipality or court action. But that premium could be no more than a speculative possibility, not an “expectation.” Speculative possibilities of windfalls do not amount to “distinct investment-backed expectations,” unless they are shown to be probable enough materially to affect the price.⁴⁶ The idea, after all, of the constitutional protection we enjoy in the security of our property against confiscation is to protect the property we have, not the property we dream of getting. The Guggenheims bought a trailer park burdened by rent control, and had no concrete reason to believe they would get something much more valuable, because of hoped-for legal changes, than what they had.

*6 The Guggenheims and the City of Goleta stipulated that there was a period of time when their mobile home park was free of rent control. That was the period of hours after “organization” of the City of Goleta and, “prior to performing

any other official act.”⁴⁷ This period could not have given rise to a reasonable investment-backed expectation, because the Guggenheims had already made their investment years before, and even if they had bought the mobile home park during those few hours, they would have known that Goleta’s first official act would, under controlling law, have to be adoption of the county’s rent control ordinance.

The Guggenheims also argue that the 120-day period when the rent control ordinance would be terminated unless readopted gave them a reasonable expectation that it would not be readopted. This argument too fails to account for the fact that their investment had already been made, years before. And even if it had been made during the 120 days, it is not as though the ordinance was in limbo during that period. The rent control ordinance was the law. Though the city might choose to let the ordinance lapse instead of readopting it, that possibility was as speculative as the possibility that the city might end rent control after the 120-day period. This speculation is less than an expectation.

Lingle holds that *Penn Central*, though not establishing a set formula, identifies significant factors, “the economic effect on the claimant and, particularly, the extent to which the regulation has interfered with distinct investment-backed expectations. In addition, the character of the governmental action—for instance whether it amounts to a physical invasion or instead merely affects property interests through some public program adjusting the benefits and burdens of economic life to promote the common good—may be relevant in discerning whether a taking has occurred.”⁴⁸ The character of the government action does not help the Guggenheims. The City of Goleta did not adjust the benefits and burdens of economic life, it left them as they had been for many years.

Whatever unfairness to the mobile home park owner might have been imposed by rent control, it was imposed long ago, on someone earlier in the Guggenheims’ chain of title. The Guggenheims doubtless paid a lot less for the stream of income mostly blocked by the rent control law than they would have for an unblocked stream. The 2002 City of Goleta adoption by reference of the Santa Barbara County ordinance did not transfer wealth from them to their tenants. That transfer occurred in 1979 and 1987, from other landlords, and probably benefitting other tenants.

The people who really do have investment-backed expectations that might be upset by changes in the rent control system are tenants who bought their mobile homes after

rent control went into effect. Ending rent control would be a windfall to the Guggenheims, and a disaster for tenants who bought their mobile homes after rent control was imposed in the 70’s and 80’s. Tenants come and go, and even though rent control transfers wealth to “the tenants,” after a while, it is likely to affect different tenants from those who benefitted from the transfer. The present tenants lost nothing on account of the City’s reinstatement of the County ordinance. But they would lose, on average, over \$100,000 each if the rent control ordinance were repealed. The tenants who purchased during the rent control regime have invested an average of over \$100,000 each in reliance on the stability of government policy.⁴⁹ Leaving the ordinance in place impairs no investment-backed expectations of the Guggenheims, but nullifying it would destroy the value these tenants thought they were buying.

C. Equal Protection and Due Process Claims

*7 The Guggenheims make two other arguments, that the ordinance denies them substantive due process because it does not assure them a fair return on their investment, and that it denies them equal protection of the law because it treats mobile home park owners differently from other landlords.

8 9 Due process claims can succeed when a rent control ordinance fails to substantially further a legitimate government interest.⁵⁰ The dissent argues that this ordinance did not achieve its purpose because it fails to control the price of sublets. It is true that the rent control ordinance at issue here does not control the rental price of a mobile home for occupants such as subletters. It controls the rental price of the land on which the mobile home is situated. This is in keeping with the purpose of the ordinance, which is not just to lower rents, but to “alleviate the hardship” to mobile home owners caused by “the high cost of moving mobilehomes, the potential for damage resulting therefrom, requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation, the lack of alternative homesites for mobilehome residents and the substantial investment of mobilehome owners in such homes.”⁵¹ The ordinance protects mobile home owners, not all renters. Such a purpose does not protect mobile home renters from all market increases in the value of occupancy. It protects owners of mobile homes from the leverage owners of the pads have, to collect a premium reflecting the cost of moving the mobile home on top of the market value of use of the land. This is a legitimate government purpose, related to but distinct from lowering housing prices for all renters.

10 Whether the City of Goleta's economic theory for rent control is sound or not, and whether rent control will serve the purposes stated in the ordinance of protecting tenants from housing shortages and abusively high rents or will undermine those purposes, is not for us to decide. We are a court, not a tenure committee, and are bound by precedent establishing that such laws do have a rational basis.⁵² Students in Economics 101 have for many decades learned that rent control causes the higher rents and scarcity it is meant to alleviate,⁵³ but the Due Process Clause does not empower courts to impose sound economic principles on political bodies.⁵⁴

11 The Guggenheims' equal protection theory is also foreclosed by precedent,⁵⁵ and would have no force even if it were not, because only a rational basis is needed for this ordinance, and mobile parks differ from most other property in the separation of ownership of the land from the improvements affixed to the land. It is possible that application of the ordinance by the arbitrator will violate substantive or procedural due process requirements, but that remains to be seen, if at all, in an as applied challenge to its application.

AFFIRMED.

BEA, Circuit Judge, dissenting, joined by KOZINSKI, Chief Judge, and IKUTA, Circuit Judge:

*8 I must respectfully dissent for two reasons.

First, because the majority misapplies the Supreme Court's analysis of regulatory takings claims. It ignores two essential elements of that analysis, and fails to follow the Court's instructions on the one element it uses to disqualify the claim. The majority impermissibly picks out only one of the three factors the Court has told us to consider in determining whether a regulation effects a taking under the *Penn Central* test—whether the claimant had “distinct investment-backed expectations”—and inexplicably disdains the other two. This converts a three-factor balancing test into a “one-strike-you're-out” checklist. Not content to rewrite one binding precedent, the majority ignores the Court's recent holding in *Palazzolo* that an investor can validly expect that a land control measure, in place when he invests, is not necessarily eternal and therefore does not disqualify his claim of regulatory taking. *Palazzolo v. Rhode Island*, 533 U.S. 606, 627, 121 S.Ct. 2448, 150 L.Ed.2d 592 (2001).

Second, because it decides the substantive due process and equal protection claims by citing rent control cases. But, the Goleta ordinance is not a rent control law for the simple reason that it is not designed to—nor does it—control rents. It does not just miss the mark because of unintended consequences or inefficient administration. Its very structure was designed and intended not to provide housing rent control, but to transfer wealth from mobile home park owners to one group of lucky tenants. The measure we deal with here is a wealth transfer, pure and simple, with none of the features of rent control thought legitimate governmental interests. As such, its enforcement violates due process and equal protection.

I. Background

Appellants Daniel Guggenheim, Susan Guggenheim, and Maureen H. Pierce (collectively, the “Guggenheims”), appeal the district court's grant of summary judgment in favor of the City of Goleta. The Guggenheims own the land on which mobile homes sit. In 2002, the City of Goleta adopted a mobile home rent control ordinance. The Ordinance capped the rate of annual rent the Guggenheims could charge for the mobile home lots, and provided for a maximum of 10% rent increases upon the sale of the mobile home to a new tenant. Importantly, the Ordinance provided no cap on the amount mobile home owners could charge when leasing or selling the actual mobile home.

The Guggenheims brought suit alleging the Ordinance constituted a regulatory taking, thus entitling them to just compensation under the Fifth and Fourteenth Amendments. The Guggenheims also alleged due process and equal protection claims. Although the Guggenheims presented evidence that the Ordinance effects a wealth transfer from the mobile home land owners to the lucky, “windfall tenants” who held tenancies at the time of the enactment of the Ordinance, and that the Ordinance is not written in such a way as to effect a legitimate state interest—such as providing affordable housing to low income people—the district court granted summary judgment against them.¹

II. Takings Clause

*9 Claiming to apply the three-factor test from *Penn Central*, the en banc majority opinion holds as a matter of law that the Guggenheims cannot establish the mobile home rent control ordinance effects a regulatory taking of its property for public use within the meaning of the Fifth Amendment, as applied to Goleta through the Fourteenth Amendment. The

majority's principal error is its finding, as a matter of law, that the Ordinance could not interfere with the Guggenheims' "distinct investment-backed expectations" of freeing their land from "rent control." Maj. Op. at 20434. The majority reaches this conclusion only by adopting a view of the law and of the economic effects of the Goleta ordinance that is static and provides no opportunity for change or innovation. While attractive for its simplicity, such stasis does not reflect the world in which we live, nor the teachings of the Court.

In *Penn Central Transportation Company v. New York City*, 438 U.S. 104, 98 S.Ct. 2646, 57 L.Ed.2d 631 (1978), the Court set forth the three factors that must be considered in determining whether a regulation effects a taking: (1) the economic impact of the regulation on the claimant; (2) the character of the government's action; and (3) the extent to which the regulation interferes with the claimant's investment-backed expectations. *Id.* at 124. The majority opinion deals only with the last factor, as if *Penn Central* established a "one-strike-you're-out" checklist for knocking property owners out of court, rather than a three-factor balancing test in which each factor *must* be considered. No one factor is "talismanic," Justice O'Connor said in *Palazzolo* when she criticized the state supreme court for "elevating what it believed to be [petitioner's] lack of reasonable investment-backed expectations' to 'dispositive status.'" *Palazzolo*, 533 U.S. at 634 (O'Connor, J., concurring). The extent of interference with investment-backed expectations instead "is *one* factor that points toward the answer to the question whether the application of a particular regulation to particular property 'goes too far.'" *Id.* (quoting *Penn. Coal Co. v. Mahon*, 260 U.S. 393, 415, 43 S.Ct. 158, 67 L.Ed. 322 (1922)). Since *Penn Central* requires all factors be considered, that is what I shall do. Each of these factors militates in favor of finding that Goleta's so-called rent control ordinance (the "Ordinance") effected a regulatory taking.

A. The Economic Impact of the Ordinance

Primary among [the *Penn Central*] factors are the economic impact of the regulation on the claimant and, particularly, the extent to which the regulation has interfered with distinct investment-backed expectations.

Lingle v. Chevron, 544 U.S. 528, 538-39, 125 S.Ct. 2074, 161 L.Ed.2d 876 (2005) (internal quotation marks omitted).²

The majority opinion settles on the factor of "distinct investment-backed expectations," but fails to provide any analysis of the general economic impact of the Goleta Ordinance on the claimant.³ Let's provide that analysis.

*10 The Guggenheims presented evidence that the Ordinance deprives them of approximately 80% of the market value of their mobile home park land—nearly all of which value is effectively transferred to the original tenants by enactment of the Ordinance. The Ordinance limits the amount by which rents on the mobile home pads may be increased to 75% of the Consumer Price Index, plus an additional amount to pass through increased operating costs, capital expenses, and capital improvements. Ordinance §§ 11A-5, 11A-6. The Ordinance also contains a vacancy control provision, which limits to 10% the permissible rent increase on the mobile home pad when a mobile home unit changes ownership. *Id.* § 11A-14. The parties and the district court did not dispute that the Ordinance seriously impacted the value of the Guggenheims' property:

During the time that [the Guggenheims] have owned the Park, housing costs in the City have increased approximately 225%. Because of the rent-control ordinance, the rents charged by [the park owners] have not kept pace with this increase ... existence of lower-than-market value rents has resulted in the ability of mobilehome owners to sell their homes at a significant premium [the "transfer premium"]. According to the analysis of [the Guggenheims'] expert, based on the sale of 64 mobile homes from January 15, 1999 through July 21, 2004, the premium amounted to, on average, 88% of the sale price. In other words, an average mobile home worth \$12,000 would sell for approximately \$100,000.

As outlined in the report by the Guggenheims' expert, Dr. Quigley⁴, and accepted by the district court, the Ordinance required the Guggenheims to rent all Park mobile home pad spaces at approximately 20% of their market value.⁵ The market price of a mobile home increases when the rent the homeowner pays for space in a mobile home park decreases. Dr. Quigley estimated that, on average, almost 90% of a mobile home's sale price represented the value of the lower rents set by the Ordinance, and this premium went into the pockets of the tenants incumbent at the time of the Ordinance's enactment, hereafter the "windfall tenants."

There is no authority for the proposition relied on by the district court that a taking has not occurred when the complaining party continues to receive some return on investment. See *Cienega Gardens v. United States*, 331 F.3d

1319, 1343 (Fed.Cir.2003) (finding that an exaction of 96% of the property's return on equity was severe enough to constitute a taking under *Penn Central*). The *Penn Central* test looks at the severity of the economic burden, and a finder of fact could easily determine that a loss of 80% of the market value of property is just such a severe economic burden, even though the property owner receives *some* return on investment. In *Penn Central*, the Court held that enforcement of a landmark preservation ordinance to bar construction of a fifty-story office building was not a regulatory taking because the restricted airspace rights could be transferred to other parcels owned by the litigant; the option of constructing an office building at those other locations reduced the economic impact of the regulation. *Penn Central*, 438 U.S. at 137. But the Guggenheims are not so positioned: (1) they have no other lots, and (2) if they had, there is no benefit under the Ordinance which they could transfer to such lots. Moreover, the *Penn Central* landmark ordinance was generally-applicable to all types of property owners and barred only expansions of existing uses.

*11 Further, California imposes considerable obstacles to alternate uses of the mobile home park. To convert the park to any other use, the Guggenheims must obtain approval of their plan from the city council. Cal. Gov.Code § 66427.5(e). As part of the approval process, they must file a plan outlining the new use to which the property will be put and detailing the impact of the conversion on existing residents, and also conduct a "survey of support of residents pursuant to a written ballot," the results of which must be submitted along with the application and may be taken into account by the city council when it votes on the conversion plan. *Id.* § 66427.5(b), (d); see *Colony Cove Props., LLC v. City of Carson*, 187 Cal.App.4th 1487, 114 Cal.Rptr.3d 822, 835 (Cal.Ct.App.2010). Additionally, because the cost of the Ordinance is borne solely by mobile home park owners—and not lessors of other housing—its economic impact on those park owners is more severe than a broad-based housing regulation. This factor favors finding a "taking" has occurred.

B. Investment-Backed Expectations of All the Park Owners

The majority opinion holds that the determinative *Penn Central* factor must be the extent to which the regulation has interfered with the claimant's distinct investment-backed expectations; and that factor "is fatal to the Guggenheims' claim." Maj. Op. at 20434. In addition to avoiding the question of how a single factor in a three-factor test could

be "fatal" without consideration or balancing of the other factors,⁶ this holding is incorrect for three reasons.

First, the majority opinion holds, as a matter of law, that the Guggenheims cannot have investment-backed expectations of freeing their land from the rent control ordinance because they knew the regulation was in effect when they purchased the mobile home park. This could be a logical conclusion to reach—but only were one to ignore (1) the instructions of the Supreme Court, (2) decades of political, legal, and economic developments, and (3) the actions of the Guggenheims.

First, the Supreme Court has specifically held that the fact claimants knew of a land-use regulation at the time they took title to their land does *not* bar them from challenging that reg nor from contending that the ordinance lessened the value of their land by interference with their investment-backed expectations.

Were we to accept the State's rule [that appellants had no investment-backed expectations because the ordinance was enacted before they purchased the land], the postenactment transfer of title would absolve the State of its obligation to defend any action restricting land use, no matter how extreme or unreasonable. *A State would be allowed, in effect, to put an expiration date on the Takings Clause.* This ought not to be the rule. Future generations, too, have a right to challenge unreasonable limitations on the use and value of land.

Palazzolo, 533 U.S. at 627 (emphasis added). In his concurrence, Justice Scalia was even more explicit in criticizing the methodology employed by the majority here:

*12 In my view, the fact that a restriction existed at the time the purchaser took title ... should have no bearing upon the determination of whether the restriction is so substantial as to constitute a taking. The 'investment-backed expectations' that the law will take into account *do not include the assumed validity of a restriction* that in fact deprives property of so much of its value as to be unconstitutional.

Id. at 637 (Scalia, J., concurring) (emphasis added) (internal citation omitted). The majority's dismissal of the Guggenheim's investment-backed expectations, on the

basis that they knew what they were getting into, directly contravenes Supreme Court precedent and assumes the eternal validity, without reform, of the so-called rent control ordinance.⁷ It does not come as a surprise the majority's stance on this subject comes without legal authority.

The majority opinion asserts that *Palazzolo* "is of no help to the Guggenheims," Maj. Op. at 20431, but one is puzzled by its attempts to distinguish *Palazzolo*. The majority notes that the claimant in *Palazzolo* challenged the land-use regulation as it was applied to him, whereas here, the Gnggenheims bring a facial challenge to the Ordinance. *Id.* at 20431. So? *Penn Central* involved an as-applied challenge; but it gave us rules of general application as to what constitutes a regulatory taking.⁸ Next, the majority points out the transfer in *Palazzolo* was by operation of law (the claimant, as controlling shareholder of the corporation which owned the land, acquired the property when the corporation dissolved), whereas the Guggenheims purchased the mobile home park on the open market. So? The plaintiff in *Palazzolo* acquired title after the challenged land-use restriction was enacted and nonetheless prevailed without claiming that he should be considered to have become the owner when his corporation bought the land before the restriction's enactment, on some theory of advantageous piercing of the corporate veil *cum* relation back. These "distinctions" are mere differences, no more significant than that the *Palazzolo* land was in Rhode Island⁹ and the Guggenheim land was in California.

Tellingly, the majority opinion provides no justification or legal support for why these proposed distinctions matter. Why should the investment-backed expectations of a land owner bringing a facial challenge be analyzed differently from those of an as-applied claimant? If the *expectations* are valid and are expropriated, what does it matter as to their existence that they will be injured in all cases (facial challenge) or just in some (as-applied challenge)? Either they are valid expectations, or they aren't. Likewise, the majority opinion provides no justification, legal or otherwise, for limiting the broad language of *Palazzolo* to the type of transaction that vests title.

But this misprism of Supreme Court precedent is made worse by the majority opinion's failure to recognize specific evidence of the Guggenheims' investment-backed (after all, the Guggenheims invested money to buy the property) expectations. As the Court noted in *Palazzolo*, a court should analyze the claimant's investment-backed expectations as if the regulation at issue could be repealed at any time.

Id. at 637. Here, the Guggenheims purchased the mobile home park with the apparent belief they could free the land from the Ordinance, either through administrative action, political lobbying, or court action. After buying the property in 1997, they applied for a variance from the zoning commission, which variance could exempt their land from the Ordinance.¹⁰ The application was denied. They subsequently instituted this court action to have the Ordinance declared facially unconstitutional under the Fifth Amendment.¹¹

*13 The majority opinion even acknowledges the possibility of rent control repeal or reform by conceding that "[t]he Guggenheims might conceivably have paid a speculative premium over the value that the legal stream of rent income would yield, on the theory that rent control might someday end, either because of a change of mind by the municipality or court action." Maj. Op. at 20435. But, the majority dismisses this contention as a "speculative possibility, not an 'expectation,'" *id.* at 20435, without any citation of authority as to why a "speculative possibility" is not an expectation, nor why a judge, not a jury, should determine whether there was such an "expectation." The majority opinion flatly states (without a citation to any case, statute, or even a law review article) that "speculative possibilities of windfalls do not amount to 'distinct investment-backed expectations,' unless they are shown to be probable enough materially to affect the price." *Id.* at 20435. However, this self-supporting, self-defining language ignores the actual dictionary definition of "speculate."

As defined by Webster's New 20th Century Unabridged Dictionary (1979), one meaning of "speculate" is precisely "to buy or sell *land* hoping to take advantage of an *expected* rise or fall in price." (emphasis added). Having determined that they might be able to free their mobile home park from the Ordinance, the Guggenheims bought the land based on these investment-backed expectations—expectations which influenced the price they were willing to pay for the property as well as their expected rate of return on the investment.

The Guggenheims' beliefs regarding the possibility of freeing their land from the Ordinance were not self-indulgent delusions, or "starry eyed hope of winning the jackpot if the law changes," as the majority terms it. Maj. Op. at 20435. Their beliefs were at least plausible in light of contemporary legal, political, and academic thought. In the modern economic marketplace, the spectre of legal uncertainty haunts every commercial transaction and influences each party's valuation of the assets involved. For example, the

validity of a pharmaceutical company's patent will affect that company's value as a potential acquisition target. Legal uncertainty over rent control has been particularly marked in California. In 1989 the state amended its Mobilehome Residency Law to exempt all *new* construction from local control. Cal. Civ.Code § 798.45. Less than two years before the Guggenheims purchased their property, California had abolished vacancy control for rental apartments statewide. Costa-Hawkins Rental Housing Act, § 1, 1995 Cal. Legis. Serv. 331 (A.B.1164) (West) (codified at Cal. Civ.Code § 1954.50-.53). In January 1999, Santa Monica reformed its strict rent control ordinance, repealing its operation as to any *new* tenants. Tierra Properties, *Santa Monica: A Case Study in Growth and Rent Control* (1999).

*14 The Guggenheims and the prior owners of their mobile home park may have reasonably thought that the state would abolish rent control-or at least vacancy control-for mobile home parks. And the Guggenheims could reasonably retain those expectations today, as recent efforts to repeal rent control in California have garnered significant support. For example, a 2008 ballot proposition to phase out rent control won almost 40% of the votes cast. Patrick McGreevy, *Prop. 98 Backers Seek Eminent Domain Limits*, L.A. Times, June 5, 2008, at 1.

Moreover, mobile home rent control ordinances have been heavily criticized in academia as an inefficient method for providing affordable housing to low and middle-income households. See, e.g., Mason & Quigley, 16 J. Housing Econ. at 192, 205 (concluding that "housing is no more "affordable" [to subsequent tenants] afterwards than it was before the ordinance was adopted," and that "virtually all of the economic benefits from lower regulated rents are paid out annually to finance the higher sales prices commanded by those dwellings").

Given the instances of actual or attempted repeal and reform of rent control ordinances across the country, the particular scrutiny paid to the issue in California, and the criticism of mobile home rent control in the academic literature, the Guggenheims had a reasonable expectation-or at least, a trier of fact could reasonably find they had such an expectation-that they could free their land from the Ordinance either through the grant of a zoning variance, political action targeted toward repealing the regulation in its entirety, or court action to invalidate the law. This inference is supported by evidence presented to the district court that the Guggenheims pursued relief from the Ordinance through at least two of these avenues in the years following their

purchase of the mobile home park. The majority readily *admits* that this investment-backed expectation could have materially affected the price the Guggenheims were willing to pay for the mobile home park. "The Guggenheims might conceivably have paid a slight speculative premium over the value that the legal stream of rent income would yield, on the theory that rent control might someday end, either because of a change of mind by the municipality or court action." Maj. Op. at 20435. At most, this concession establishes that the Guggenheims *did* in fact have investment-backed expectations of freeing the land from the Ordinance; at the very least, it raises a question of fact for the jury to decide.

Finally, the majority, perhaps sensing its vulnerability on the issue of investment-backed expectations, attempts to distract the reader by introducing an entirely irrelevant consideration into the analysis: the alleged investment-backed expectations of the mobile home *tenants*. Maj. Op. at 20437. The majority opinion paints a sympathetic portrait of subsequent tenants who purchased mobile homes at market rates, in reliance on the continued validity of the Ordinance. But, the *Penn Central* regulatory taking analysis does not apply to them for the simple reason that no government action took economic value from them or would take such value from them were the Goleta ordinance held invalid. The Takings Clause prohibits only takings, without compensation, by *government* action, not losses from the workings of the free market. See *Madera Irrigation Dist. v. Hancock*, 985 F.2d 1397, 1403 (9th Cir.1993) ("Reasonable expectations arising out of past policy but without a basis in cognizable property rights cannot give rise to a [takinging]."). Moreover, *Penn Central* does not contemplate any consideration of the expectations of other market players, or any balancing of the interests of various market players in determining whether the government has taken property. Its analysis is focused solely on the investment-backed expectations of the claimants, here, the Guggenheims.

*15 In sum, the majority opinion ignores Supreme Court precedent by holding that a claimant cannot have investment-backed expectations if he purchases property with notice of an existing regulation, by assuming the eternal regnancy of a land-use regulation, and by introducing irrelevant considerations which tend only to confuse the regulatory taking analysis. Furthermore, the majority adopts a static and somewhat simplistic view of law, politics, and economics by failing to recognize that the Guggenheims had a reasonable expectation of freeing their land from the Ordinance through political or legal means, and by failing to acknowledge that

this belief could influence the price they were willing to pay for the land.

The Guggenheims presented sufficient evidence to raise a triable issue of fact regarding their investment-backed expectations to survive a motion for summary judgment. The case should have gone to trial.

C. The Character of the Government's Action

The majority opinion also ignores the final *Penn Central* factor, the character of the governmental action, which likewise cuts in favor of the Guggenheims. In analyzing this factor, a court looks at the purpose of the regulation, the effect it has in practice, and the distribution and magnitude of the burdens and benefits it places on private citizens. *Penn Central*, 438 U.S. at 130-34.

The stated purpose of Goleta's mobile home rent control ordinance was to protect "owners and *occupiers* of mobile-homes from unreasonable rents" brought about by a shortage of housing and the high cost of moving mobile homes. Ordinance § 11A-1 (emphasis added). Rent control measures also have the claimed ancillary benefit of allowing stable communities to form. *See* Jay M. Zitter, *Validity, Construction, and Application of Inclusionary Zoning Ordinances and Programs*, 22 A.L.R.6th 295, § 13 (2007). However, as discussed below with regard to the substantive due process claim, this Ordinance does not serve its stated purposes because of the way it is structured and written. The Ordinance restricts only the amount the landowner can charge a tenant for rental of the mobile home parcel; it does not limit the amount which that tenant, in turn, can demand for sale or lease of the mobile home to other owners or tenants. The designed structure and working of the ordinance amounts to nothing more than a wealth transfer from the landowner to the original tenant, and indisputably does nothing to curb housing costs or provide a stable population once the original tenant has sold or leased the mobile home.

The Ordinance unquestionably places a high burden on a few private property owners instead of apportioning the burden more broadly among the tax base. *See Armstrong v. United States*, 364 U.S. 40, 49, 80 S.Ct. 1563, 4 L.Ed.2d 1554 (1960) ("[The Takings Clause] was designed to bar Government from forcing some people alone to bear public burdens which, in all fairness and justice, should be borne by the public as a whole."); *see also Lingle*, 544 U.S. at 542-43; *First English Evangelical Lutheran Church of Glendale v. County of Los Angeles*, 482 U.S. 304, 318-19, 107 S.Ct. 2378, 96 L.Ed.2d 250 (1987). Similar laws concentrating the cost of affordable

housing on a small group of property-owners have been found unconstitutional. In *Cienega Gardens*, developers of low-income apartments were able to secure low-interest, forty-year loans from private lenders because the Department of Housing and Urban Development provided the developers with mortgage insurance. *Cienega Gardens*, 331 F.3d at 1325. Two federal statutes eliminated the developers' contractual rights to prepay their forty-year mortgage loans after twenty-years. *Id.* at 1326-27. The purpose of the statutes was to prevent the developers from exiting the low-rent housing programs in which they were required to participate while carrying the loans, but not once they paid off the loans. *See id.* at 1323. But the statutes caused a 96% loss of return on equity for the developers. *Id.* at 1343. The developers brought suit against the government, claiming that the federal statutes restricting their right to prepay their mortgage loans effected a regulatory taking under the Fifth Amendment.

*16 The Federal Circuit, applying *Penn Central*, found that the character of the government action was to place the expense of low-income housing on a few private property owners (those who had previously participated in the federal loan program but now wanted to pay their way out), instead of distributing the expense among all taxpayers in the form of incentives for developers to construct more low-rent apartments. *Id.* at 1338-39.

Similarly, here it is undisputed that the Ordinance applies only to mobile home park owners. The district court found that the City did not impose such extreme costs for providing affordable housing on any other property owners in the City, except as a condition of new development. In contrast to the burden of renting all the low-rent housing property at an 80% discount, the burden on new developers was to make only 20% of their housing available at below-market rates. There is nothing in the record to suggest why the Federal Circuit's reasoning should not be applied to the facts of this case; substituting "Goleta" for "Congress":

Unquestionably, Congress acted for a public purpose (to benefit a certain group of people in need of low-cost housing), but just as clearly, the expense was placed disproportionately on a few private property owners. Congress' objective ...-preserving low-income housing-and method-forcing some owners to keep accepting below-market rents-is the kind of expense-shifting to a few persons that amounts to a taking. This is especially clear where, as

here, the alternative was for all taxpayers to shoulder the burden.

331 F.3d at 1338-39. This analysis, ignored by the majority opinion, weighs heavily in favor of finding a regulatory taking under *Penn Central*.

D. Weighing the Penn Central Factors Shows the Guggenheims Suffered a Regulatory Taking.

The majority opinion errs in considering only one element of a three-factor, balancing test—investment-backed expectations—and making that element dispositive. It treats the factors as a requirements checklist, rather than a list of considerations to weigh, one against or with another. Further, it flouts the Supreme Court's holding in *Palazzolo* that a “postenactment transfer of title [does not] absolve the [government] of its obligation to defend” the restrictions a regulation imposes on property-owners. *Palazzolo*, 533 U.S. at 627. At a *minimum*, the case should be remanded for trial on the severity of the economic impact on the claimants, the existence of investment-backed expectations, and the character of the governmental action because these are at least mixed questions of fact and law on which reasonable triers of fact could find that there was a taking. The Guggenheims produced evidence from which a finder of fact could find that a taking had occurred: the Guggenheims bought the mobile home park with the reasonable expectation that they could free the land from the Ordinance either through a variance, repeal of the regulation, or through court action. They were forced to rent mobile homes at 20% of the current market rate, and sit by as incumbent mobile home owners captured a transfer premium averaging approximately 90% of the sale price of their mobile homes. On summary judgment, drawing all reasonable inferences in favor of the non-moving party, the district court erred in holding, as a matter of law, that the Ordinance was not a taking. See *Ventura Packers, Inc.*, 305 F.3d at 916.

III. Substantive Due Process Claim

*17 The Supreme Court in *Lingle* clarified the difference between a challenge to a rent control ordinance as a regulatory takings claim and as a substantive due process claim, and affirmed the independent vitality of both theories.

[The Takings Clause] is designed not to limit the governmental interference with property rights *per se*, but rather to secure compensation in the event of otherwise proper interference.... Due process violations

cannot be remedied under the Takings Clause, because if a government action is found to be impermissible—for instance because it fails to meet the ‘public use’ requirement or is so arbitrary as to violate due process—that is the end of the inquiry. No amount of compensation can authorize such action.

Crown Point Develop., Inc. v. City of Sun Valley, 506 F.3d 851, 856 (9th Cir.2007) (quoting *Lingle*, 544 U.S. at 537).

The majority opinion summarily dismisses the Guggenheims' substantive due process claim by noting that while the Ordinance may not perfectly accomplish its stated purposes, this court is bound by precedent establishing that rent control ordinances are rationally related to a legitimate state interest. Maj. Op. at 20439. The majority opinion even cites Justice Holmes's iconic language from *Lochner*: “The Fourteenth Amendment does not enact Mr. Herbert Spencer's Social Statics.” *Id.* n. 54. And the majority might be correct if this case involved a true rent control ordinance. But, at the very least, a rent control ordinance must control rents, and Goleta's ordinance does no such thing.

The stated purpose of the Ordinance was to protect “owners and occupiers of mobilehomes from unreasonable rents,” with the hope that affordable housing would create a stable population. Ordinance § 11A-1. But, the Ordinance is so structured so that it cannot achieve its designated purpose. Instead of controlling the price of rental housing, the Ordinance restricts only the amount the landowner can charge for one component of the cost of rental housing: land rent. There are no limits on the amount the “windfall tenant” and his successors as tenants or owners can charge when he in turn sub-leases or sells the mobile home to future tenants; as the housing market improves (as it did between 1997 and 2002), he has every incentive to capture that transfer premium by leasing or selling the mobile home.¹² The district court found it undisputed that this transfer premium equaled approximately 90% of the current sale price of a mobile home in the Park. As soon as the “windfall tenant” leases or sells the mobile home at a premium, the stated purposes of the Ordinance are nullified: the lease or sale is at the market rate, and the turnover in tenants has already interrupted the stability of the population and the goal of “affordable” (non-market) housing.

Thus, the Ordinance does not effect rent control, but simply transfers wealth from a small group of land owners to a larger group of fortunate tenants. While the government has

authority to tax or encumber citizens for the common good, it cannot violate individual rights merely to enrich a small, private interest group. As the Court held in *Citizens' Sav. & Loan Ass'n v. City of Topeka*, 20 Wall. 655, 87 U.S. 655, 22 L.Ed. 455 (1874):

*18 To lay with one hand the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law....

Id. at 664. The burden of this wealth transfer is borne entirely by mobile park lot owners, whose property rights are taken from them based solely on the nature of their business. Owners of condominium complexes, houses, or apartment buildings are not regulated by the Ordinance, even though their rental rates will affect the overall housing market to a greater extent than mobile home owners. See Quigley, *supra*.

Our court has several times found a rent control ordinance that creates such windfalls for lucky tenants and does not lower prices to be unconstitutional under the theory that it failed "substantially [to] advance a legitimate state interest." See *Chevron USA, Inc. v. Bronster*, 363 F.3d 846, 855-57 (9th Cir.2004) (ordinance limiting the rent oil company could collect from gas station operators was unconstitutional because operators could sell their lease rights at a premium), *rev'd sub. nom. Lingle*, 544 U.S. at 545; *Richardson v. City & Cnty. of Honolulu*, 124 F.3d 1150, 1165-66 (9th Cir.1997) (ordinance regulating condominium assessments that allowed condo sellers to capture value of the regulation by selling at a premium was unconstitutional). One panel went so far as to hold that "a [mobile home] rent control ordinance that does not *on its face* provide for a mechanism to prevent the capture of a premium is unconstitutional, as a matter of law, absent sufficient evidence of externalities rendering a premium unavailable." *Cashman v. City of Cotati*, 374 F.3d 887, 897 (9th Cir.2004) (emphasis altered).

Of course, these were regulatory takings cases, and the Supreme Court in *Lingle* disapproved of the "substantially advances" theory as a means of bringing a *takings* claim. 544 U.S. at 540. But *Lingle* upheld the independent validity of substantive due process claims and held that ordinances creating a transfer premium might not advance a legitimate government interest. The Court indicated that the "substantially advances" test was a way to bring substantive due process claims:

The 'substantially advances' formula suggests a means-ends test: It asks, in essence, whether a regulation of private property is *effective* in achieving some legitimate public purpose. An inquiry of this nature has some logic in the context of a due process challenge, for a regulation that fails to serve any legitimate governmental objective may be so arbitrary or irrational that it runs afoul of the Due Process Clause

Id. at 542; see also *Crown Point Dev., Inc.*, 506 F.3d at 856.

Also puzzling is the majority's assertion the Ordinance meets the legitimate purpose of alleviating the hardship to owners in the "costs of moving" mobile homes from the Goleta pads. Maj. Op. at 20439. Surely, the costs of moving a mobile home, from forklift to flatbed to "wide load" flags fluttering down the road to a new site, are the same if the mobile home is moved from a rent controlled lot or from a market controlled lot.

*19 But perhaps what the majority means as the "costs of moving" is the increased land rent the mobile home owner may have to pay at the new location. What the majority overlooks, however, is that-unless the mobile home owner is one of the lucky original "windfall" tenants-the price he paid for his mobile home was jacked up by the present value of the difference between Goleta rent controlled land (lower) and market price rental land (higher). See discussion of Prof. Quigley's report, *supra* at p. 20445. If the present value of the difference between rent controlled and market land rentals is correctly reckoned in the market price of the mobile home, the only additional "costs of moving" to be incurred are indeed the costs of permits, trucking, possible damage to the unit, etc. But those costs would be incurred regardless whether the mobile home owners were moving from a rent controlled or a market rate lot. Thus, just as the Ordinance does not control rents-a point on which the majority agrees, Maj. Op. at 20438-39-it does not protect mobile home owners from the "costs of moving," properly reckoned.

The Guggenheims do not base their substantive due process claim on Economics 101 or Herbert Spencer. See Maj. Op. at 20439 & n.54. To the contrary: the Guggenheims presented *undisputed* evidence that the Ordinance-by design-creates transfer premiums which increase the sublet rental or sale price of mobile homes. Such transfer premiums raise the eventual price to a Goleta tenant or buyer so that notwithstanding the Goleta-mandated lower regulated land

rent he must pay, the combined cost of his land rent and mobile home sublease or purchase approximates the total housing price for similar mobile home use on unregulated land rentals outside of Goleta.

This evidence creates a genuine question as to whether the Ordinance is so ineffective at serving its stated public purpose of "providing affordable (low-cost) housing" that it is not rationally related to a legitimate state interest. Despite the great deference owed to legislative acts which do not implicate a fundamental right or suspect classification, Justice Holmes's quote from *Lochner* is not a talisman which protects all government regulations from examination and review, regardless of their structural integrity or effectiveness.

IV. Equal Protection Claim

The Guggenheims also argue that the Ordinance violates the Equal Protection Clause because it singles out mobile home park owners, as opposed to other sorts of housing providers, to bear the burden of an affordable housing program. This court has previously held that a mobile home rent control ordinance does not per se violate the Equal Protection Clause because it is rationally related to the legitimate public interest of promoting affordable housing. *Equity Lifestyle Props., Inc. v.*

Cnty. of San Luis Obispo, 548 F.3d 1184, 1195 (9th Cir.2008). *Equity Lifestyle* held that this is true even if the statute singles out mobile home owners such as the Guggenheims, does not increase the amount of available affordable housing, and "serve[s] the sole purpose of transferring the value of [the park owner's] property to a select private group of tenants." *Id.* at 1193. Such a naked transfer of wealth between two private actors, based solely on the manner in which individuals choose to use their land, violates the Equal Protection Clause. *Equity Lifestyle* should have been overruled by this en banc panel to bring our Equal Protection analysis into line with the Supreme Court's views as to takings and substantive due process.¹³ As we are an en banc court, we are not bound by the "law of the circuit" rule of *Miller v. Gammie*, 335 F.3d 889, 899-900 (9th Cir.2003) (en banc).

*20 We should reverse the district court's finding that there has been no compensable taking and no due process or equal protection violation, and remand for a trial on the merits.

Parallel Citations

10 Cal. Daily Op. Serv. 15,843, 2010 Daily Journal D.A.R. 19,204

Footnotes

1 Santa Barbara County, Cal., Ordinance 3, 122 (Oct. 22, 1979).

2 See *Yee v. City of Escondido*:

The term "mobile home" is somewhat misleading. Mobile homes are largely immobile as a practical matter, because the cost of moving one is often a significant fraction of the value of the mobile home itself. They are generally placed permanently in parks; once in place, only about 1 in every 100 mobile homes is ever moved. A mobile home owner typically rents a plot of land, called a "pad," from the owner of a mobile home park. The park owner provides private roads within the park, common facilities such as washing machines or a swimming pool, and often utilities. The mobile home owner often invests in site-specific improvements such as a driveway, steps, walkways, porches, or landscaping. When the mobile home owner wishes to move, the mobile home is usually sold in place, and the purchaser continues to rent the pad on which the mobile home is located.

503 U.S. 519, 523 (1992) (citation omitted).

3 The first section of the ordinance provides the "purpose" of enacting it:

A growing shortage of housing units resulting in a critically low vacancy rate and rapidly rising and exorbitant rents exploiting this shortage constitutes serious housing problems affecting a substantial portion of those Santa Barbara County residents who reside in rental housing. These conditions endanger the public health and welfare of the County of Santa Barbara. Especially acute is the problem of low vacancy rates and rapidly rising and exorbitant rents in mobile home parks in the County of Santa Barbara. Because of such factors and the high cost of moving mobilehomes, the potential for damage resulting therefrom, requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation, the lack of alternative homesites for mobilehome residents and the substantial investment of mobilehome owners in such homes, the Board of Supervisors finds and declares it necessary to protect the owners and occupiers of mobilehomes from unreasonable rents while at the same time recognizing the need for mobile home park owners to receive a fair return on their investment and rent increases sufficient to cover their increased costs. The purpose of this chapter is to alleviate the hardship caused by this problem by imposing rent controls in mobilehome parks within the unincorporated area of the County of Santa Barbara.

Goleta, Cal., Mun.Code § 08.14.010; see also Santa Barbara County, Cal., Ordinance 3,122 § 1 (Oct. 22, 1979), codified at Santa Barbara County, Cal., Code § 11A-1.

4 Santa Clara County, Cal., Ordinance 3,678 (Dec. 21, 1987).

5 The ordinance limits the ability of park owners to increase rent of existing tenants. Park owners may only do so once a year, or
at the termination of a lease term. Goleta, Cal., Mun.Code §§ 08.14.070-080. The amount of the increase is determined through
arbitration. Goleta, Cal., Mun.Code § 08.14.040. Park owners can automatically raise rent by 75% of the local consumer price index
(a measure of inflation), and may seek additional increases for various reasons provided in the ordinance. *Id.* § 08.14.050. When a
tenant sells the mobile home to a new tenant, the park owner may only increase the rent by 10%. *Id.* § 08.14.140.

6 Cal. Gov't Code § 57376(a) ("If the newly incorporated city comprises territory formerly unincorporated, the city council shall,
immediately following its organization and prior to performing any other official act, adopt an ordinance providing that all county
ordinances previously applicable shall remain in full force and effect as city ordinances for a period of 120 days after incorporation,
or until the city council has enacted ordinances superseding the county ordinances, whichever occurs first.")

7 Goleta, Cal., Ordinance 02-17 (Apr. 22, 2002).

8 We say there was a gap because the parties so stipulated, but we do not imply a construction of California law to that effect. The
California statute says that the newly incorporated city must "immediately" and "prior to performing any other official act" adopt
an ordinance maintaining the effectiveness of all county ordinances, so it may be that, were it not for the stipulation, there would
be an arguable question whether there was any gap.

9 These claims include a substantive due process claim, damages for the deprivation of constitutional rights, an equal protection claim,
violations of the California state constitution, and a variety of other claims not at issue here. The federal constitutional claims are
brought under 42 U.S.C. § 1983.

10 Park owners can automatically raise rent by 75% of the local consumer price index (a measure of inflation), and may seek additional
increases for various reasons provided in the ordinance. Goleta, Cal., Mun.Code § 08.14.050.

11 *See Railroad Comm. of Tex. v. Pailman Co.*, 312 U.S. 496, 501-02, 61 S.Ct. 643, 85 L.Ed. 971 (1941).

12 544 U.S. 528, 125 S.Ct. 2074, 161 L.Ed.2d 876 (2005).

13 *Guggenheim v. City of Goleta*, 582 F.3d 996 (9th Cir.2009).

14 *Guggenheim v. City of Goleta*, 598 F.3d 1061 (9th Cir.2010).

15 *Carmen v. San Francisco Unified Sch. Dist.*, 237 F.3d 1026, 1029 (9th Cir.2001).

16 *Guggenheim*, 582 F.3d at 1004 n. 4.

17 *See Lujan v. Defenders of Wildlife*, 504 U.S. 555, 560-61, 112 S.Ct. 2130, 119 L.Ed.2d 351 (1992); *Colwell v. Dep't of Health &*
Human Servs., 558 F.3d 1112, 1121-22 (9th Cir.2009) (quoting *Lujan*); *see also Equity Lifestyle Props., Inc. v. County of San Luis*
Obispo, 548 F.3d 1184, 1193 (9th Cir.2008) (holding that a property owner must own the affected property at the time the land use
regulation is enacted to have standing to bring a facial regulatory takings claim); *Carson Harbor Village Ltd. v. City of Carson*, 37
F.3d 468, 472 (9th Cir.1994), *overruled on other grounds by WMX Techs. Inc. v. Miller*, 104 F.3d 1133, 1136 (9th Cir.1997) (same).

18 473 U.S. 172, 105 S.Ct. 3108, 87 L.Ed.2d 126 (1985).

19 *Id.* at 192-93; *see also Equity Lifestyle*, 548 F.3d at 1190.

20 *Hacienda Valley Mobile Estates v. City of Morgan Hill*, 353 F.3d 651, 655 (9th Cir.2003).

21 *Williamson*, 473 U.S. at 195; *Equity Lifestyle*, 548 F.3d at 1190.

22 503 U.S. 519, 533-34, 112 S.Ct. 1522, 118 L.Ed.2d 153 (1992).

23 520 U.S. 725, 733-34, 117 S.Ct. 1659, 137 L.Ed.2d 980 (1997).

24 604 F.3d 1142, 1147-48 (9th Cir.2010).

25 548 F.3d 1219 (9th Cir.2008).

26 *Id.* at 1224.

27 371 F.3d 1046, 1052-54 (9th Cir.2004).

28 96 F.3d 401, 406-07 (9th Cir.1996).

29 447 U.S. 255, 260, 100 S.Ct. 2138, 65 L.Ed.2d 106 (1980).

30 *Lingle v. Chevron U.S.A. Inc.*, 544 U.S. 528, 545, 125 S.Ct. 2074, 161 L.Ed.2d 876 (2005).

31 438 U.S. 104, 98 S.Ct. 2646, 57 L.Ed.2d 631 (1977).

32 *See Tahoe-Sierra Preserv. Council, Inc. v. Tahoe Reg. Planning Agency*, 535 U.S. 302, 334, 122 S.Ct. 1465, 152 L.Ed.2d 517 (2002)
("If petitioners had challenged the application of the moratoria to their individual parcels, instead of making a facial challenge,
some of them might have prevailed under a *Penn Central* analysis.")

33 533 U.S. 606, 627-28, 121 S.Ct. 2448, 150 L.Ed.2d 592 (2001).

34 *Id.* at 614.

35 *Id.* at 628 ("A challenge to a land use regulation, by contrast, does not mature until ripeness requirements have been satisfied, under
principles we have discussed; until this point an inverse condemnation claim alleging a regulatory taking cannot be maintained. It

- would be illogical, and unfair, to bar a regulatory takings claim because of the post-enactment transfer of ownership where the steps necessary to make the claim ripe were not taken, or could not have been taken, by a previous owner.”).
- 36 *Daniel v. County of Santa Barbara*, 288 F.3d 375, 384 (9th Cir.2002). We have also rejected the argument that *Palazzolo* “eliminat
- [es] any statute of limitations requirement.” *Equity Lifestyle*, 548 F.3d at 1193 n. 15.
- 37 We do not address whether the limitation on the amount by which rents can increase and the provisions for arbitration of rent increases may work a taking, because that cannot be determined until these limitations are applied. That we reject the facial challenge has no bearing one way or the other on whether an as applied challenge might succeed.
- 38 998 F.2d 680, 688 (9th Cir.1993).
- 39 *Id.*
- 40 503 U.S. 519, 532, 112 S.Ct. 1522, 118 L.Ed.2d 153 (1992).
- 41 458 U.S. 419, 102 S.Ct. 3164, 73 L.Ed.2d 868 (1982).
- 42 *Lingle*, 544 U.S. at 539.
- 43 *Id.* at 538-39 (internal editorial and quotation marks omitted).
- 44 *Id.* at 539.
- 45 *Webster's Third New International Dictionary* 658, 799 (1981).
- 46 The dissent suggests that any speculative possibility, including the speculative possibility that a long existing law might change, should be enough to give rise to a takings claim if that speculative possibility is cut off. Thus, under the dissent's approach, if a statute prohibiting some land use were converted into a state constitutional amendment, the identical language in the constitutional amendment would amount to a taking, because it reduced the speculative possibility that the law might be repealed.
- It is one thing to speculate that the value of your land might change based on market demand; it is another to gamble that a stable law may be repealed or nullified. While there is always some possibility that the law may change, and the dissent suggests that possibility may be especially great in California, that possibility ought generally to be deemed too slight to give rise to a takings claim when the law is reenacted rather than repealed.
- 47 See Cal. Gov't Code § 57376(a).
- 48 *Lingle*, 544 U.S. at 538-39 (internal editorial and quotation marks omitted).
- 49 We do not imply that a change in government policy amounts to a taking from the beneficiaries. See *Madera Irrigation Dist. v. Hancock*, 985 F.2d 1397, 1403 (9th Cir.1993) (holding that “[r]easonable expectations arising out of past policy but without a basis in cognizable property rights may be honored by prudent politicians, because to do otherwise might be unfair, or because volatility in government policy will reduce its effectiveness in inducing long term changes in behavior. But violation of such expectations cannot give rise to a Fifth Amendment claim.”).
- 50 *Richardson v. City and County of Honolulu*, 124 F.3d 1150, 1165 (9th Cir.1997).
- 51 Goleta, Cal., Mun.Code § 08.14.010.
- 52 See *Pennell v. City of San Jose*, 485 U.S. 1, 13, 108 S.Ct. 849, 99 L.Ed.2d 1 (1988) (“we have long recognized that a legitimate and rational goal of price or rate regulation is the protection of consumer welfare”); *Equity Lifestyle Props., Inc. v. County of San Luis Obispo*, 548 F.3d 1184, 1194 (9th Cir.2008) (“The Supreme Court and this Circuit have upheld rent control laws as rationally related to a legitimate public purpose.”); *Carson Harbor Village Ltd. v. City of Carson*, 37 F.3d 468, 472 (9th Cir.1994), *overruled on other grounds by WMX Techs. Inc. v. Miller*, 104 F.3d 1133, 1136 (9th Cir.1997) (“A generally applicable rent-control ordinance will survive a substantive due process challenge if it is ‘designed to accomplish an objective within the government’s police power, and if a rational relationship existed between the provisions and the purpose of the ordinances.’”).
- 53 See, e.g., William J. Baumol & Alan S. Blinder, *ECONOMICS: PRINCIPLES AND POLICY* 64-67 (2d ed.1982).
- 54 See *Lochner v. New York*, 198 U.S. 45, 5 (1905) (Holmes, J., dissenting) (“The Fourteenth Amendment does not enact Mr. Herbert Spencer’s Social Statics.”).
- 55 *Equity Lifestyle*, 548 F.3d at 1195 (9th Cir.2008) (“This equal protection challenge must be considered under rational basis review because mobilehome park owners are not a suspect class.”).
- 1 We review the district court’s order granting summary judgment in favor of the City *de novo*. *Lovell v. Chandler*, 303 F.3d 1039, 1052 (9th Cir.2002). We “must determine, viewing the evidence in the light most favorable to the non-moving party, whether there are any genuine issues of material fact and whether the district court correctly applied the relevant law.” *Ventura Packers, Inc. v. F/V Jeanine Kathleen*, 305 F.3d 913, 916 (9th Cir.2002).
- 2 In *Lingle*, an oil company brought suit under the Fifth and Fourteenth Amendments challenging a Hawaii statute which limited the rent oil companies could charge dealers to lease company-owned service stations. Applying *Agins v. City of Tiburon*, 447 U.S. 255, 100 S.Ct. 2138, 65 L.Ed.2d 106 (1980)-in which the Supreme Court declared that government regulation of private property “effects a taking if [it] does not substantially advance legitimate state interests-the District Court held that the rent cap effected a

taking. The Ninth Circuit affirmed. The Supreme Court reversed and remanded, holding that *Agins*' "substantially advances" test is not a valid takings test. *Lingle*, 544 U.S. at 548.

3 I am puzzled, but grateful, to learn what the majority thinks is the fundamental weakness of this dissent: "[the] blending of the economic effects on the Guggenheims of all three ordinances." Maj. Op. at 20431.

Puzzled, because there are no economic effects on the Guggenheims from the two previously-enacted ordinances: the Santa Barbara 1979 and 1987 ordinances. Since Goleta incorporated itself into a city in 2002, only the 2002 Goleta ordinance imposes price control on the land the Guggenheims rent out. Indeed, the majority acknowledges it is only the 2002 ordinance which the Guggenheims challenge. Maj. Op. at 20431.

Grateful, to learn that I need not worry about the economic effects of the Santa Barbara ordinance; neither do the Guggenheims.

4 Dr. Quigley is a professor of economics, business, and policy at the University of California, Berkeley. See Carl Mason & John M. Quigley, *The Curious Institution of Mobile Home Rent Control*, 16 J. Housing Econ. 189, 189 (2007).

5 Of course, as the years go by, and if housing costs increase, this 80% disparity between market and regulated rents will increase and the magnitude of the Ordinance's economic impact will grow.

6 Justice O'Connor made this precise point in her concurrence in *Palazzolo*, *supra* at p. 20443.

7 Not only does *Palazzolo* recognize the Guggenheims' ability to bring a takings claim on the basis of their own reasonable investment-backed expectations, but it also acknowledges the ability of a land owner to bring a regulatory takings action for a loss in value that was suffered by a previous land owner. As *Palazzolo* points out, the government is not absolved of its obligation to defend actions restricting land use, merely on account of a postenactment transfer of title. 533 U.S. at 627. A rule barring land owners from challenging ordinances that were enacted during a previous landowner's tenure, the Court explained, "would work a critical alteration to the nature of property, as the newly regulated landowner is stripped of the ability to transfer the interest which was possessed prior to the regulation. The State may not by this means secure a windfall for itself." *Id.* Consequently, the panel majority's observation that any unfairness attributable to the rent control ordinance "was imposed long ago [] on someone earlier in the Guggenheims' chain of title," is unavailing. Maj. Op. at 20437. *Palazzolo* makes clear that to the extent a previous landowner had the right to bring a regulatory takings challenge against an ordinance enacted during its tenure, successive landowners enjoy the same right. 533 U.S. at 627. Thus, even though the ordinance at issue effected a wealth transfer from the previous land owner to tenants in 1979 and 1987, which wealth transfer is kept in place by the 2002 Goleta ordinance, the Guggenheims may challenge the ordinance and seek recovery on the basis of the previous land owner's loss. *Id.* That loss is passed on to the Guggenheims as an incident of property ownership. In accounting terms, it is a transferable contingent asset.

8 See *Lingle*, 544 U.S. at 539 (calling the *Penn Central* factors the "principal guidelines for resolving regulatory takings claims"); see also *Chevron USA, Inc. v. Cayetano*, 224 F.3d 1030, 1032-33 (9th Cir.2000) (describing the facial challenge addressed in *Lingle*). Where he was up against a more formidable and resourceful takings opponent: the State of Rhode Island and Providence Plantations. Here, the Guggenheims face the town of Goleta.

10 Although the Guggenheims did not need to seek a land-use variance to bring their facial challenge to the Ordinance, see *Sinclair Oil Corp. v. Cnty. of Santa Barbara*, 96 F.3d 401, 406 (9th Cir.1996), the fact that they applied for such a variance immediately after purchasing the mobile home park is objective evidence that they had at least some investment-backed expectations they could free the land from the Ordinance. Reference to such administrative action is made to strengthen that prong of the Guggenheims' regulatory taking claim, and should not suggest any uncertainty as to whether this is an as-applied or facial challenge; this is indisputably a facial challenge.

11 The Guggenheims' complaint contains further description of their efforts to contest the validity of the rent control ordinance and prevent its application to their mobile home park.

Prior to the incorporation of the City, Plaintiffs unsuccessfully attempted to meet with City officials-elect to discuss the City's adoption of the mobilehome rent control provisions of the Ordinance [sic]. In addition, Plaintiffs caused to be sent to the City Attorney-elect, a proposed ordinance that stayed the City's enforcement and the effectiveness of the newly adopted Ordinance relating to the vacancy control provision of mobilehome rent control and specifically the limitation of the adjustment of rents upon the sale of a mobilehome, i.e., vacancy control. Plaintiffs applied to the City for relief from the vacancy control restriction in the Ordinance.... Defendant's City Council considered adoption of the proposed moratorium and rejected it. Guggenheim Complaint at ¶¶ 6-7.

12 Nor can it be argued that the future effects of the Ordinance should not be considered in the due process analysis. By providing for a 10% rent increase each time a mobile home is sold, the drafters of the Ordinance clearly contemplated the future effect of the rent control ordinance on future tenants, and this fact broadens the temporal scope of this court's review.

13 *Pennell v. City of San Jose*, 485 U.S. 1, 13-14, 108 S.Ct. 849, 99 L.Ed.2d 1 (1988), which held the rent control ordinance at issue in that case was rationally related to a legitimate state interest is not contrary to our reasoning because *Pennell* involved a true rent control ordinance of rental apartments. The old tenants in that case had no power to charge the new tenants a premium over the rent

controlled amount. Thus, the rent control ordinance was effective in carrying out the goal of providing affordable housing. Again, if our case involved a true rent control ordinance that was designed to be effective in attaining its goals, I would not dissent from the majority's conclusion that the Ordinance does not violate substantive due process or equal protection.

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is 15760 Ventura Boulevard, 18th Floor, Encino, California 91436-3000.

On January 24, 2011, I served true copies of the following document(s) described as **BRIEF OF TENANTS' ASSOCIATION IN SUPPORT OF JURISDICTIONAL OBJECTIONS TO DETERMINATION OF RENT INCREASE APPLICATION BY RENT ADJUSTMENT COMMISSION** on the interested parties in this action as follows:

SEE ATTACHED SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address jtaylor@horvitzlevy.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

BY MAIL: I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Horvitz & Levy LLP's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 24, 2011, at Encino, California.



Millie Gandola

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CORRESPONDENCE FROM
PATRICK GEOGHEGAN

Jan 17, 2011

Mr Russ Watson,
Manager Housing and Development
City of Thousand Oaks
2100 Thousand Oaks Blvd.
Thousand Oaks, Ca 91362

In September, 2008, I was looking for a place near Trailheads so I could take hike in the mountains. At that time I was seventy six years old. I located Thousand Oaks on the internet. I didn't realize how expensive homes were here - but in the LA Times classified I saw an ad for a mobile home at Ranch Mobile Home Park, with a lot rental of \$234.00. When the ad stated that this was a little brown fact - now due to rent control established by the city when the park was conceived.

When I phoned Mary Williams, the broker, she ~~was~~ told me the home had been sold the day before - but she had another one for less money that required a lot of work - the lot rental was \$139.00 per month. I flew out to Thousand Oaks - (before coming here I called a Senior Service number & was informed

that the Ranch Park was indeed rent
controlled & not subject to change,
and decided to buy the home because it
is near trailheads, & had an affordable
lot rental. Pat Hostmayer was the
manager of Thunderbird & Ranch
Parks at that time - she approved
my application - her name is on my
rental lease agreement - she informed
me that there were only two mobile
home parks in the state of California
with a particular rent control
designation - (I have since learned
that there are other designations - as in
Gleta where the court overturned the
application of a park owner there who
sought an increase in lot rentals.

I moved all my possessions and
drove across the country in a rented
U-haul truck from Albany, N.Y. to
Thousand Oaks. -

I have been very happy here - doing a
lot of walking - I do not own a car.

I was depressed when I heard about

Mr. John's application for an increase in the LT rental. I collect \$600. per month from an Annuity, and \$512.00 per month from Social Security, after \$96.00 per month has been applied to Medicare, Part B. -

This increase, if approved, will limit my resources and ability to navigate through my remaining years, particularly in this depressed financial climate.

I hope you and those who will decide about this increase will consider the plight of all the residents at Park Mobile Home Park.

Thank you,

Patrick T Geoghagan
PATRICK T GEOGHEGAN
2152 SKINNER CT., Unit 1
THOUSAND OAKS, CA. 91362

805 497 2562

Supplemental Material
submitted at meeting
January 24, 2011

Applicant's Appraisal Report
dated May 29, 2010
John P. Neet

JOHN P. NEET, MAI

APPRAISAL & CONSULTING SERVICES FOR MANUFACTURED HOUSING COMMUNITIES AND RV PARKS

May 29, 2010

RECEIVED AT RENT ADJUSTMENT MTG
MEETING OF <u>Jan. 24, 2011</u>
FROM: <u>J. P. Neet</u>
ITEM #: <u>7A</u>

Mr. Boyd L. Hill, Esq.
Hart King & Coldren
200 Sandpointe, 4th Floor
Santa Ana, CA 92707

Re: Retrospective Market Rental Value (for "Vega" Analysis)
The Ranch Mobile Home Park
2193 Los Feliz Road
Thousand Oaks, CA

Mr. Hill:

As requested and authorized, I have appraised the captioned property for the purposes of expressing my opinion of its **market rental value** as defined herein. The interests appraised are those of the **Fee Simple** estate. Fee simple ownership is defined as "absolute ownership unencumbered by any other interest or estate, subject only to the limitation imposed by the governmental powers of taxation, eminent domain, police power, and escheat."¹

As a result of my investigation and analysis, it is my opinion that the market rental value of the individual sites in the subject property, as of **February 29, 1980**², and subject to the assumptions, certification, and limiting conditions stated herein, was

TWO HUNDRED DOLLARS PER MONTH
\$200.00/MONTH

This is a retrospective appraisal, in that the market rental value is estimated as of a date substantially removed from the time of analysis. The reader should be aware that the accuracy of this market rental value estimate is substantially dependent on the availability of rental data information from the time frame of the value date.

In this analysis, there was good availability of information from the approximate time period, and the time adjustments necessary to adjust rates to the base year period were relatively predictable due to the known adjustments to rent available under the Thousand Oaks rent control ordinance and other predecessor ordinances, which governed mobile home park rent increases for nearly all of the mobile home sites in the city from February 29, 1980 onward. The appraisal assumes that all of the parks increased at the maximum level permitted under the ordinance. There is a significant body of data that suggests that this

¹ The Appraisal of Real Estate, 12th Edition, (The Appraisal Institute, 2001), p. 69.

² Ordinance No. 747-NS of the City of Thousand Oaks established a rent increase moratorium that froze rents in mobile home parks at the level in existence on February 29, 1980.

41919 MORENO ROAD, SUITE C
TEMECULA, CA 92590
(909) 695-0313 FAX (909) 494-4019

P.O. Box 1379
LAKE ELSINORE, CA 92531
jpneet@inland.net

was not the case, and that actual increases were less than the maximum rate permitted, but the exact amount of the adjustments made cannot be accurately projected for the period from 1980 to 1983 (or in some cases 1986). As a result, it is likely that the conclusions of this retrospective appraisal are somewhat more conservative than was the case, and that the concluded market rental rate may be slightly higher than concluded in this appraisal.

The scope of the assignment is described in the Scope of Work agreement with the client, and complies with the Uniform Standards of Professional Appraisal Practice (USPAP). ³This letter is part of the attached **summary report**, which contains summary descriptions of the subject property, summary of factual data considered, and a summary of my analysis of that data upon which the value conclusion is predicated.

Respectfully submitted,



John P. Neet, MAI
California General Appraisal Certificate No. AG003494; Expires 3/14/2012

³ Uniform Standards of Professional Appraisal Practice, 2005 Edition (The Appraisal Foundation, 2005), n.p.

PROPERTY IDENTIFICATION

The property that is the subject of this report includes the individual sites within a mobile home park located at 2193 Los Feliz Road, City of Thousand Oaks, County of Ventura, and State of California. A precise legal description of the mobile home park was not available, but the property is sufficiently identified for appraisal purposes by the physical address.

The Ranch Mobile Home Park

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to provide an opinion of market rental value for the individual mobile home sites in the subject property. It is my understanding that the intended use of the appraisal is to determine market rent levels prior to the initiation of the Thousand Oaks rent control ordinance in 1980.

CLIENT AND INTENDED USERS

This report is intended for use only by the addressee and firm, and the owner of the property, who are identified as the client in this assignment. Use of the report by others not named above is not intended by the appraiser.

SCOPE OF THE APPRAISAL

The scope of this appraisal assignment involved the inspection of the subject property, interviews with the property owner and responsible parties, the collection and analysis of pertinent market data and other information, and the completion of the valuation analysis contained herein. John P. Neet, MAI inspected the property and collected factual data utilized herein. John P. Neet, MAI completed the appraisal analysis and the opinions stated herein are solely those of John P. Neet, MAI. The data collected and considered as well as the process of my reasoning is described throughout the report. This appraisal meets the requirements of the scope of work agreement between the appraiser and client, and the report complies with the requirements of USPAP Standard No. 2. The written appraisal is intended to be a **Summary Report** under Standard 2-2(a). Any limitations on the scope of work or reporting are found on Page 8.

DEFINITION OF VALUE TO BE ESTIMATED

Market Rental Value (Market Rent) - The rental income a property would probably command in the open market, indicated by the current rents that are either paid or asked for comparable space as of the date of the appraisal⁴.

EXPOSURE TIME ASSUMPTIONS

The market value estimated herein presumes an exposure time of 3 months or less, which appears to be a reasonable assumption based on market data reviewed for this appraisal.

PERSONAL PROPERTY

No personal property is included in the estimate of market rent.

⁴ The Appraisal of Real Estate, 12th Edition, (The Appraisal Institute, 2001), p. 480

APPRAISER COMPETENCY

The principal appraiser holds general appraiser certificates in this and other states, and is the holder of the MAI designation, indicating the base qualifications needed to appraise properties of this level of complexity. As pertaining to this property type, the principal appraiser has performed appraisal and counseling assignments involving over 3,000 mobile home parks and RV parks, and as a result of this experience is qualified to complete this valuation assignment.

ASSUMPTIONS & LIMITING CONDITIONS

The Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute requires the appraiser to “clearly and unequivocally set forth all facts, assumptions, and conditions upon which the appraisal is based.” In compliance with this requirement, and to assist the reader in interpreting this report, the general assumptions and limiting conditions are set forth as follows:

1. The date to which the conclusions and opinions expressed in the report apply is set forth in the body of this report. Further, the dollar amount of any opinion herein rendered is based upon the purchasing power of the American dollar as of that date.
2. The information furnished by others is believed to be reliable, however, no warranty is given for its accuracy. Any income and expense records relating to the subject property that has been provided is assumed to be accurate as presented.
3. I reserve the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
4. No opinion as to the validity of the title is rendered. Title is assumed to be marketable, free and clear of all liens and encumbrances, easements and restrictions, except those specifically discussed in the report.
5. The property is appraised assuming that is under responsible ownership and competent management.
6. All engineering is assumed to be correct. The illustrative material in this report is included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, the subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging the engineering studies that may be required to discover such conditions.
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.
9. It is assumed that all zoning and use regulations and restrictions have been complied with, unless non-conformity is stated, defined, and considered in the appraisal report.
10. It is assumed that all licenses, certificates of occupancy, consents or other legislative or administrative authority from any national, state, or local government or private entity or organization have been or can be obtained for any use upon which the value estimate contained in this report is based.
11. It is assumed that the utilization of land and improvements is within the boundaries or property lines of the land described and that there is no trespass or encroachment except as noted in the report.
12. No opinion is expressed as to the value of the subsurface oil, gas, or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as expressly stated.
13. No opinion is expressed for matters that require legal, engineering, or other specialized knowledge beyond that customarily employed by real estate appraisers.
14. No responsibility is assumed for determining the effect of possible natural disasters or other such occurrences upon the individual property.

15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
16. I am not required to give further consultation, testimony, or to be in attendance in court with reference to the property in question unless arrangements have been previously made. The client is notified that any such further consultation, testimony, or attendance in court will be at my discretion and will be predicated upon the payment of an additional fee.
17. No testing or inquiry was made regarding the existence of lead based paint, asbestos containing materials, or termite infestation or damage. These areas are beyond the appraiser's expertise. Consultation with appropriate experts is recommended.
18. No consideration has been given to the value of any personal property located upon the subject property, except as otherwise stated in the report.
19. The plans and specifications, upon which this valuation is predicated, are assumed to show the intent of the builder, but I assume no responsibility for the correctness, or for any undisclosed modifications.
20. The issue of compliance with the ADA (Americans with Disabilities Act) is beyond the scope of this appraisal. It is my recommendation that the client retain the services of a qualified expert in the field of ADA compliance to determine if the property conforms to the requirements of the ADA, and to determine the impact of noncompliance upon the use and utility of the subject improvements. The appraiser assumes the compliance of the subject property to the ADA, as such knowledge is beyond my knowledge and expertise.
21. **ENVIRONMENTAL HAZARDS DISCLAIMER**-The following disclaimer is made in accordance with Guide Note 8 adopted by the Governing Council of the American Institute of Real Estate Appraisers on May 3, 1989 and Advisory Opinion G-9 issued by the Appraisal Standards Board of the Appraisal Foundation on December 8, 1992; and is intended to provide notice to the client of my lack of knowledge and expertise in the area of environmental hazards.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl's, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did I become aware of such during the inspection. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. I am not qualified to test such substances or conditions. It is recommended that the client consult with an environmental hazard expert before making any decision regarding this property. The value estimated is predicated upon the assumption that there is no such condition on or in the property or in such proximity thereto that would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise of knowledge required to discover them.

The appraiser is not an expert in the field of hazardous materials. This appraisal does not constitute an expert inspection of the property for environmental or health hazards. The only way to be certain as to the condition of the property with respect to "environmental hazards" is to have an expert in the field inspect the property. **This appraisal should not be relied upon as to whether environmental hazards exist on or near the property. It is the appraiser's recommendation that a Phase 1 Environmental Assessment be obtained on this or any other property prior to making any monetary decision involving the property to determine the potential for environmental hazards.**

DEFINITIONS⁵

Market Value- The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they considers their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in cash in United States dollars or in terms of financial arrangements comparable thereto; and

The price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Market Value As-Is- Estimate of market value in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the appraisal date.

Fee Simple- An absolute fee; a fee without limitations to any particular class of heirs, or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation; an inheritable estate.

Leased Fee- An ownership interest, held by a landlord, with the right of use and occupancy conveyed by lease to others; usually consists of the right to receive rent and the right to possession of the property following the expiration of the lease.

Leasehold- A property held under the tenure of a lease. The right of use and occupancy of real property by virtue of a lease agreement; the right of a lessee to use and enjoy real estate for a stated term and upon certain conditions, such as payment of rent.

Transfer Rental Rate- Rental rate charged to new tenant purchasing existing manufactured home in park.

New Move-In Rate- Rental rate charged for space that is vacant or for new unit being moved in to park.

Manufactured Home- Factory built home, constructed since 1976 in compliance with regulations promulgated by the United States Department of Housing and Urban Development (HUD); also known as a HUD code home.

Mobile Home- Factory built home, constructed prior to the 1976 HUD code requirement.

RV (Recreational Vehicle)- One of several alternative units designed for vacation use; includes Class A RV's (bus chassis), Class C RV's (van chassis), trailers (designed to be pulled behind powered vehicle), and park model RV's (see below).

Park Model RV- RV unit designed for permanent or semi-permanent placement; resembles a HUD code home in appearance, but is less than 400 SF in size, and is not in compliance with HUD code.

Cathodic Protection Device- Electronic device to limit corrosion of in-ground pipelines.

⁵Definitions from the Appraisal of Real Estate, 11th Edition published by the Appraisal Institute and paraphrased and other sources.

CERTIFICATION

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of a client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, the Uniform Standards of Appraisal Practice (USPAP), and if applicable, the requirements of Title XI of FIRREA (Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989).
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification. As reported in the Scope of the Appraisal, Elizabeth Quirk assisted in the collection and verification of factual data, but did not participate in the analysis or the forming of the real property appraisal opinions stated herein.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report I, have completed continuing education program of the Appraisal Institute.
- The requirements of the competency provision of USPAP have been met for the purposes of this appraisal assignment.



John P. Neet, MAI
California General Appraisal Certificate No. AG003494; Expires 3/14/2012

MARKET RENT VALUATION PROCESS

In this appraisal, market rent is estimated using the survey method. This methodology requires the appraiser to obtain and confirm recent and relevant rental data from alternative properties, as noted in The Appraisal of Real Estate textbook:

“When a market rent estimate for the subject property is required, the appraiser gathers, compares, and adjusts comparable rental data.”⁶

One of the primary qualifications to determine whether or not the data is sufficiently reliable to be used for this purpose is stated in the above listed text:

“It is also important to ascertain that the lease represents a freely negotiated, arms-length transaction. A lease that does not meet these criteria, such as a lease to an owner-tenant or a sale-leaseback (financing lease), may not provide a reliable indication of market rent.”⁷

Specific instructions are provided for the consideration of rents that do not represent freely negotiated transactions:

“Rentals that do not reflect arm’s-length negotiations most likely will have to be eliminated as comparables.”⁸

In most appraisals of multifamily or commercial properties, there are many examples of negotiated rental transactions available for review and consideration. In applying this process to mobile home parks in California, the survey methodology will not always provide an indication of market rent due to the influence of rent controls in various communities. Even in communities without actual rent control ordinances, mobile home park operators must consider the probability of rent control being imposed when determining the price at which offers to rent will be made. Unless an ordinance allows full decontrol (negotiated rent) upon the transfer of ownership of a mobile home, rents that are determined pursuant to the terms specified in a rent control ordinance cannot be used as a basis for estimating market rent, as any rents so determined would not reflect “arms length negotiations”.

The State of California also allows exceptions to rent control statewide under the California Civil Code. These include:

- Spaces that are rented under the terms of a qualifying lease agreement (California Civil Code Sec. 798.17); and
- Spaces constructed after 1990 (California Civil Code Sec. 798.45).

The retrospective nature of this assignment requires the appraiser to rely on a broad spectrum of market data to determine rent levels in various competitive alternative properties as of the valuation date. Included in the review were datum from a variety of mobile home parks within various cities in Ventura County, including the City of Thousand Oaks. This data was obtained from a variety of city records,

⁶ The Appraisal of Real Estate, 12th Edition, (The Appraisal Institute, 2001), p. 500

⁷ The Appraisal of Real Estate, 12th Edition, (The Appraisal Institute, 2001), p. 500

⁸ The Appraisal of Real Estate, 12th Edition, (The Appraisal Institute, 2001), p. 501

mobile home park records, contemporaneous appraisal reports, and surveys. Most of the available data dated to the early to mid 1980's.

The most salient data found were certified annual rent rolls provided to the City of Thousand Oaks by various parks that indicated the rates for individual sites in the various mobile home parks in the City. The rent rolls indicated the level of rents for 1983 and 1986 (prior to the annual increase date). These rents were then adjusted downward to a base year level using the maximum increase allowed under the ordinance.⁹

Based on this research and analysis, the base year rents for the comparable properties in Thousand Oaks are shown in the following chart. The data is arrayed based generally on the overall quality and tenant appeal of the various parks, with the subject property included based on its relative competitive position relative to the other parks in the City of Thousand Oaks.

In this analysis, the highest rent reported in each of the parks is used as the basis for comparison. The highest rent is used, as this is more likely to represent the best indication of market rent under a rent controlled market. In such a market, the minimum levels of acceptable rent are set by the ordinance, while there is not an opportunity for negotiations that will allow the rent to rise to higher levels. In addition, the rent variance in the parks is likely to be a function of the time when the original negotiations for space rent occurred (prior to rent control). It was (and is) a common practice for park owners to raise rents more slowly to existing tenants than to incoming tenants. As a result, the higher rental rates reported in a park are more likely to have been more recently negotiated, and more representative of market rents.

Adjustments to Highest Contract Rental Rate Using Comparison Years 1983 and 1986 Data

Year	1986	1985	1984	1983	1982	1981	1980
Allowed Adjustment	3.00%	7.00%	7.00%	7.00%	8.00%	8.00%	8.00%
Crestview Trailer Park	\$171	\$166	\$155	\$145	\$136	\$125	\$116
Conejo MHP (1986)	\$210	\$204	\$191	\$178	\$166	\$154	\$143
Conejo MHP (1983)				\$157	\$146	\$136	\$125
Elms Plaza MHP (1986)	\$252	\$244	\$228	\$213	\$199	\$185	\$171
Elms Plaza MHP (1983)				\$208	\$194	\$180	\$167
Twin Palms MHP	\$230	\$223	\$209	\$195	\$182	\$169	\$156
Ventu Park Villas (1986)	\$283	\$275	\$257	\$240	\$224	\$207	\$192
Ventu Park Villas (1983)				\$234	\$219	\$202	\$187
Ventu Estates (1986)	\$318	\$309	\$289	\$270	\$252	\$233	\$216
Ventu Estates (1983)				\$263	\$246	\$227	\$211
Thunderbird Oaks (1986)	\$338	\$328	\$307	\$287	\$268	\$248	\$230
Thunderbird Oaks (1983)				\$301	\$281	\$260	\$241

⁹ For the purposes of the analysis, it was assumed that the parks increased rents by the maximum allowed under the ordinance (3% increase in 1986, 7% in 1983, 1984, and 1985; and 8% in 1980, 1981, and 1982). If the reporting parks did not increase rents by the maximum allowed, the base year rents could be higher than assumed for the analysis, and the base year estimate of market rents for the subject may be lower than would be indicated if confirmation of the increases or the actual rents in 1980 were able to be obtained.

The data provides contradictory indications when both 1986 and 1983 data are compared. Note that in each of the parks where both 1983 and 1986 data were available, the use of 1986 data provides a higher indication of market rent in 1980 than does the use of 1983 data. This is a clear indication that mobile home park operators did not increase rents at the maximum level permitted under the ordinance. This is a key finding, as there is no available data to indicate what rents were actually charged in the years from 1980 to 1983.

The subject occupies a market niche between the smaller, older trailer parks (Crestview, Conejo, Elms Plaza, and Twin Palms) and the higher quality properties (Ventu Estates, Thunderbird Oaks). Ventu Park Villas is on balance, fairly similar, combining similar features (mostly singlewide sites) with features inferior relative to the subject (age) and features that are slightly superior (location, pool amenity)

Clearly, the rents for the subject are well below indicated market levels, with rents in the \$123 per month range which are lower than Crestview Trailer Park, which is a high density trailer community with substantially lesser appeal. The subject is more modern than the older properties, and offers superior appeal. The appeal is somewhat less than the overall tenant appeal of Ventu Park Villas and Ventu Estates, and Thunderbird Oaks. These properties set the upper limit indicator for the subject. Market rent for the subject should fall into the range above \$171 (the highest estimated rent in per month in Elms Plaza, a significantly inferior park) and below \$216 per month (the highest rent per month in Ventu Estates, a superior property).

By comparison, the subject is relatively newer in age and similar in design and appeal to the superior properties, and less similar to the inferior properties. Locational differences are also considered, although these are not significant.

- The subject, Crestview Trailer Park, Twin Palms MHP, and Thunderbird Oaks are all located in the same neighborhood, while Conejo MHP, Elms Plaza MHP, Ventu Park Villas, And Ventu Estates are located in a different neighborhood to the west. There does not appear to be significant differences in the neighborhoods that are reflected in the reported rental rates.
- Conejo MHP, Elms Plaza MHP, Twin Palms MHP, and Crestview Trailer Park are located in areas where there is a more commercial orientation, and in addition, Conejo MHP and Elms Plaza MHP front to a freeway frontage road with US 101 located beyond. These are considered inferior locations to the subject.
- Thunderbird Oaks is also located proximate to the US 101 Freeway, but has superior buffering and is located in a more residential neighborhood, as are Ventu Estates and Ventu Park Villas. These locations are considered superior to the location of the subject, which is a neighborhood of somewhat higher density development.
- The subject was built in 1977, and was effectively a new park at the time of the appraisal. All of the other parks in the city are older. Thunderbird Oaks and Vallecitos¹⁰. Ventu Park Villa and Ventu Estates are significantly older (1958 and 1969, respectively), and Crestview, Conejo, Elms Plaza, and Twin Palms are much older, dating to the 1940's and 1950's.

¹⁰ Vallecitos is considered very much superior to the subject, and for this reason has not been considered in the analysis. In addition, the City of Thousand Oaks did not provide rental data for Vallecitos for either 1983 or 1986.

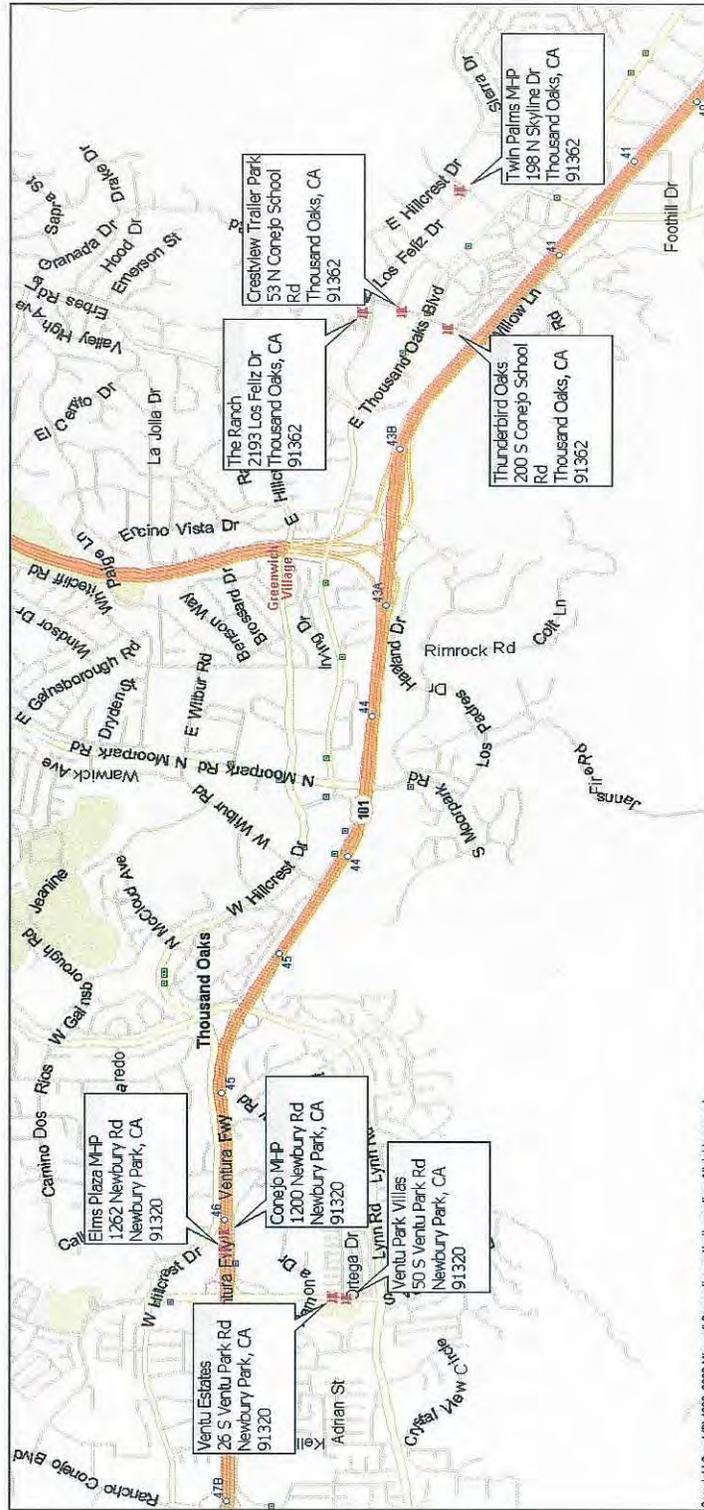
On balance, the subject is a newer, more attractive development than the properties considered inferior, and is somewhat less attractive than the superior properties, but not to the same degree due to its modern design (relative to the appraisal date) as compared to the older trailer park oriented properties. Ventu Park Villas combines inferior features (age) with superior features (pool amenity, location), that are generally balancing.

Based on this analysis, it is my opinion that the market rent for subject as of February 29, 1980 was

**TWO HUNDRED DOLLARS PER MONTH
\$200.00/MONTH**

Rent levels for the latter part of 1979, which is commonly used as the base year as it is the last year market rental transactions were allowed to occur in the City of Thousand Oaks, were not likely to have been substantially different than reported for the period beginning February 29, 1980. There is no indication in the documents available from the City of Thousand Oaks records, including the findings stated in Ordinance No. 747-NS, which indicated rents were being increased rapidly in the few months prior to the rent freeze date. As a result, it is very likely that the market rent levels in the latter part of 1979 were not substantially different than concluded above.

ADDENDA



PROFESSIONAL QUALIFICATIONS/CURRICULUM VITAE

**PROFESSIONAL QUALIFICATIONS
JOHN P. NEET, MAI**

LICENSES AND MEMBERSHIPS:

Appraisal Institute

Member-Designation No. 7728; Currently certified under the Appraisal Institute's mandatory continuing education requirements

Licensed Real Estate Appraiser

California Certified General Appraiser No. AG003494, Certified through 3/2010

Arizona Certified General Appraiser No. 31052, Certified through 4/2011

Nevada Certified General Appraiser No. 04661, Certified through 5/31/2011

Temporary Certifications Obtained in Washington, Oregon, Texas

Licensed Real Estate Broker

Texas Brokers License No. 322708 (Inactive)

EXPERIENCE:

1988-Present

John P. Neet, MAI, Real Estate Appraiser & Consultant

Owner of firm specializing in multi-disciplinary valuation and consultation. Areas of special emphasis include income producing properties with a primary concentration on manufactured housing communities, manufactured housing, and RV parks, leasehold and quasi-leasehold valuations, public acquisition valuations, valuations for rated and un-rated bond issues and resident conversions, expert testimony, and appraisal review. Non-appraisal experience includes cash flow projections, rent control financial analysis and consultancy, market studies and analysis, and financial performance analysis for manufactured housing communities and RV parks. Qualified as an expert in United States District Court, in state courts in Orange, Riverside, San Diego, and San Bernardino Counties in California and Federal Bankruptcy Courts in California, Texas, and Nevada.

1981-1987

Terrence F. Wood & Co. Corpus Christi, Texas

Appraisal and review of all types of properties; special emphasis on income producing, development, and resort properties; expert testimony in bankruptcy and foreclosure proceedings. Qualified as an expert in Nueces County district courts and Federal Bankruptcy Courts.

1978-1980

Home Savings and Loan Los Angeles, California

Chief Appraiser, Conventional Loans-Manager in charge of training and review of appraisal staff. Staff Appraiser-valuation of single and multi-family properties.

EDUCATION:

CALIFORNIA STATE UNIVERSITY AT NORTHRIDGE

Business Administration

APPRAISAL INSTITUTE

Courses 101, 102, and 201 (SREA)

Courses 1-A, 1-B, 2-1, 2-2, 2-3 (AIREA)

Courses 410, 420, 700 (AI)

INTERNATIONAL RIGHT OF WAY ASSOCIATION

Easement Valuation

RECENT SEMINARS:

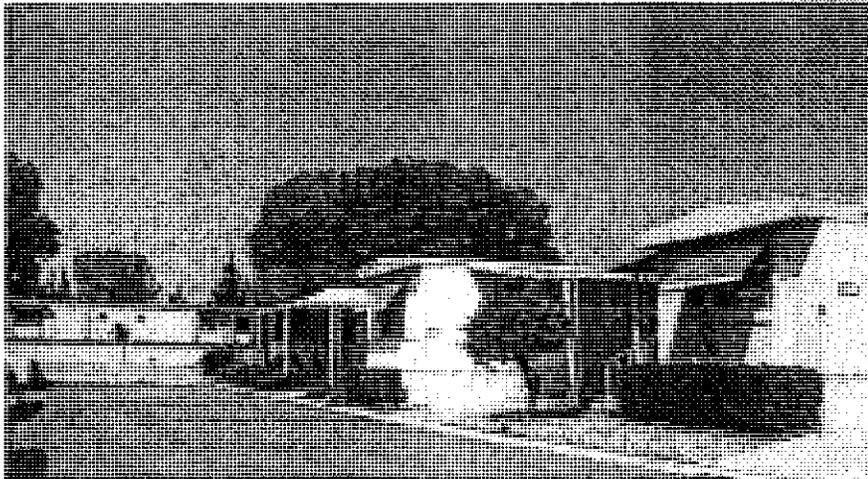
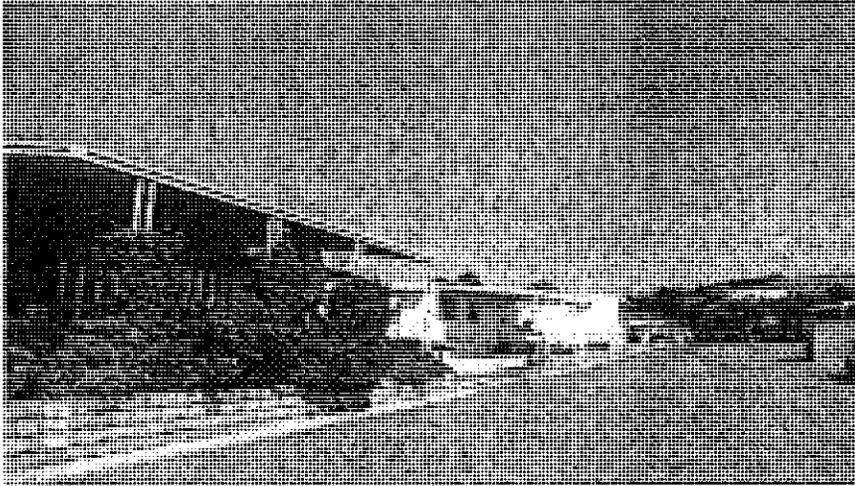
USPAP Updates, FIRREA Requirements, Standards of Professional Practice Updates, Annual Litigation Seminars & Updates, Apartment Valuation, Appraiser Licensing and Certification, HP12-C Seminar, Land Regulation Workshop, Easement Valuation Seminars, Retail Workshop, Limited Appraisals and Report Writing Options, Annual Regional Economic Forecast Workshops & Seminars, Manufactured Housing Community Law Seminars and Operations seminars, Regression Analysis

Analysis for the proposed
sale of Ranch
Dated March 2010
submitted by Applicant

Analysis for the proposed sale of:

RANCH THOUSAND OAKS, CA

RECEIVED AT RENT ADJUSTMENT MTG
MEETING OF Jan. 24, 2011
FROM: B. John Applicant
ITEM #: 1A



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March 2010

Mr. Bruce Hohn
12139 Paramount Blvd
Downey, CA

RE: **Market Positioning & Pricing Analysis For the Proposed Sale of:
RANCH, THOUSAND OAKS, CA**

Dear Mr. Hohn:

Pursuant to our agreement Weichert Commercial Affiliates has completed the analysis relative to the above subject property. The analysis provides supporting data and market information that form the basis for our findings, conclusions and recommendations.

The primary objective of this assignment was to evaluate the subject property's value and market position in the current market to determine the highest market value of the **RANCH**. The analysis was accomplished by:

- 1.) Assessing the location attributes of the subject property.
- 2.) Conducting detailed rent surveys of competitive projects in the immediate area.
- 3.) Analyzing the current market positioning of the subject property in relation to comps and projects currently on the market
- 4.) Conducting a general overview of the regional economy and its demographics.
- 5.) Analyzing the mobile home park market from a micro level perspective, including rental rates, occupancy levels and new construction trends.

Please contact me at any time either to answer any questions you might have about this analysis or to assist you in accomplishing your objectives regarding positioning your property for sale.

Sincerely,

Trever G Epperson
Investment Associate

RANCH

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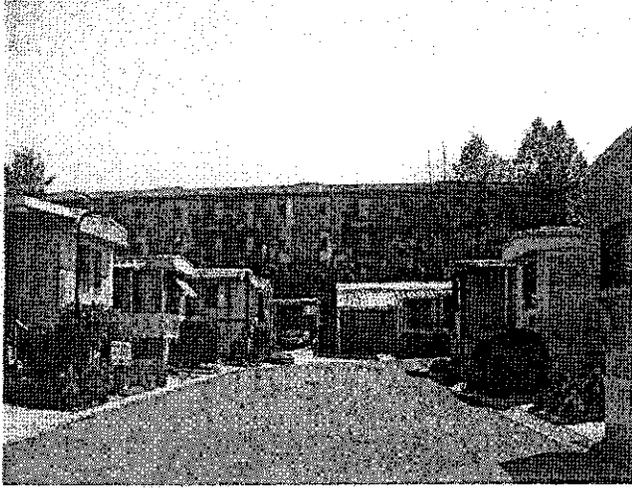
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RANCH



INVESTMENT
ATTRIBUTES



RANCH MOBILE HOME PARK is located in the city of THOUSAND OAKS, California and sits on approximately 4.79 acres of land. This All-Age community provides convenient access to the post office, shopping centers, parks, and recreational activities and is surrounded by all major freeways.

The property is comprised of approximately 55 single wide and 19 double wide mobile home spaces. Gas, electric, and sewer are sub-metered and paid for by the tenants. The community amenities include a clubhouse and laundry room. There are currently no vacant spaces.

RANCH MOBILE HOME PARK offers an investor a stable and consistent income stream. The quality and it's management should also be taken into account when considering this rare opportunity. RANCH MOBILE HOME PARK is a gem in the great rental market of Ventura County.

INVESTMENT HIGHLIGHTS

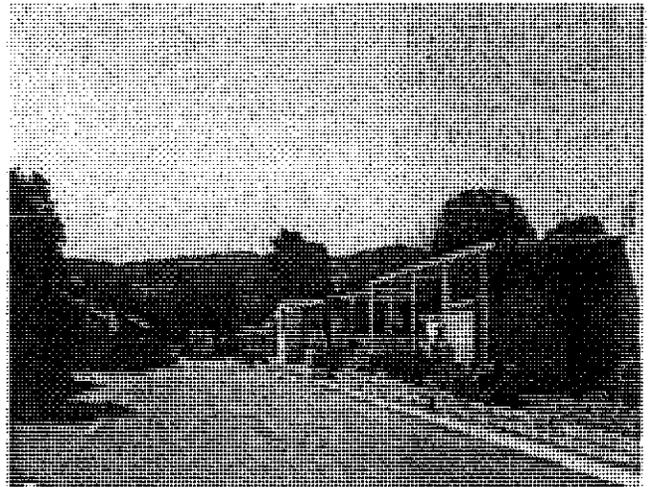
Management Upside

Great Rental Market

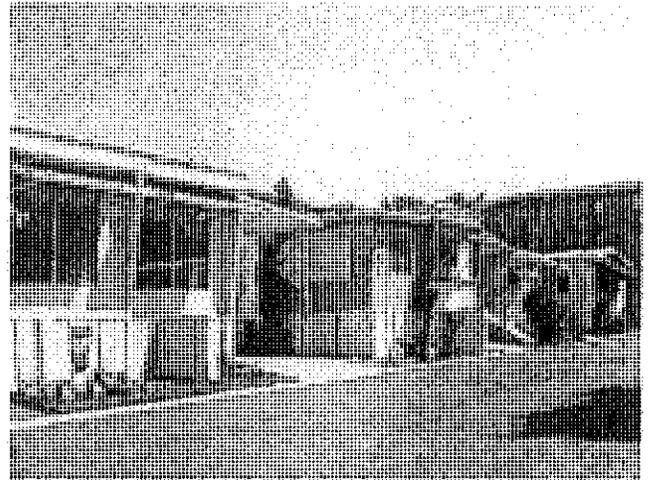
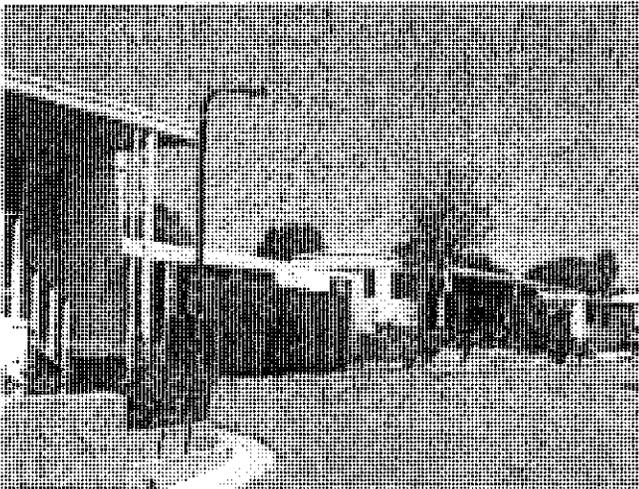
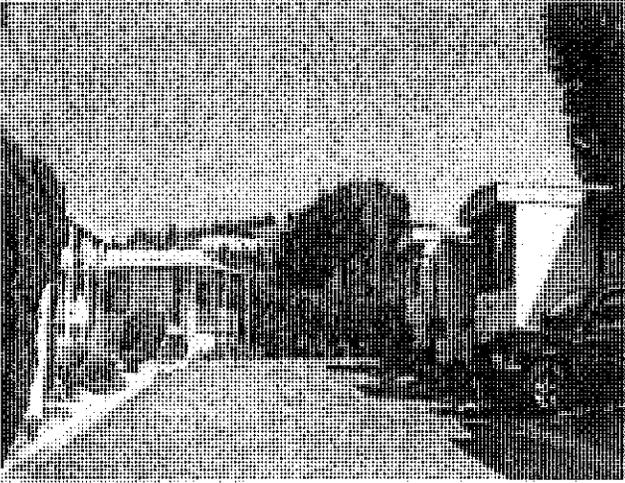
Ventura County Location

Pride of Ownership

Senior Park



RANCH
PROPERTY PHOTOS



RANCH



RENT
COMPARABLES

RANCH

RENT COMPARABLES

SUBJECT

2193 LOS FELIZ DRIVE
THOUSAND OAKS, CA 91362

SUMMARY

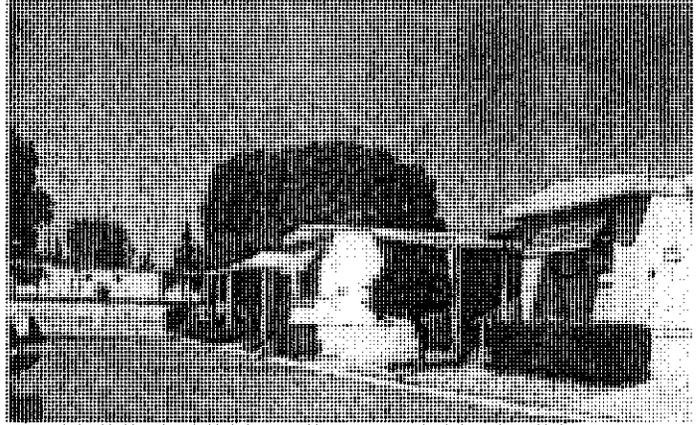
Date Surveyed 03/10
Total Spaces 74
Vacant Spaces 0
Year Built N/A
Sewer / Septic Sewer
Type of Park 55+
Sub-Metered Yes
Units Owned 0

AMENITIES

Laundry Room

	# of Spaces	Average Rent	Monthly Income
Single Wide	55	\$127	\$6,985
Double Wide	19	\$127	\$2,413
Triple Wide			
Other			

Total/Average	74	\$127	\$9,398
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#1

Thunderbird Oaks
200 South Conejo School Road
Thousand Oaks, CA 91362

SUMMARY

Date Surveyed 03/10
Total Spaces 181
Vacant Spaces 0
Year Built N/A
Sewer / Septic Sewer
Type of Park 55+
Sub-Metered Yes
Units Owned 0

AMENITIES

Laundry Room
Clubhouse
Swimming Pool

	# of Spaces	Average Rent	Monthly Income
Single Wide	96	\$450	\$43,200
Double Wide	65	\$450	\$29,250
Triple Wide			
Other			

Total/Average	181	\$450	\$72,450
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#2

Vallecito
1251 Old Conejo Road
Newbury Park, CA 91320

SUMMARY

Date Surveyed 03/10
Total Spaces 233
Vacant Spaces 10
Year Built 1965
Sewer / Septic Sewer
Type of Park All-Age
Sub-Metered Yes
Units Owned 0

AMENITIES

Laundry Room
Clubhouse
Swimming Pool
Spa

	# of Spaces	Average Rent	Monthly Income
Single Wide	10	\$625	\$6,250
Double Wide	223	\$625	\$139,375
Triple Wide			
Other			

Total/Average	233	\$625	\$145,625
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RANCH

RENT COMPARABLES

#3

Camarillo
1150 Ventura Boulevard
Camarillo, CA 93010

SUMMARY

Date Surveyed 03/10
Total Spaces 135
Vacant Spaces 5
Year Built 1970
Sewer / Septic Sewer
Type of Park 55+
Sub-Metered Yes
Units Owned 0

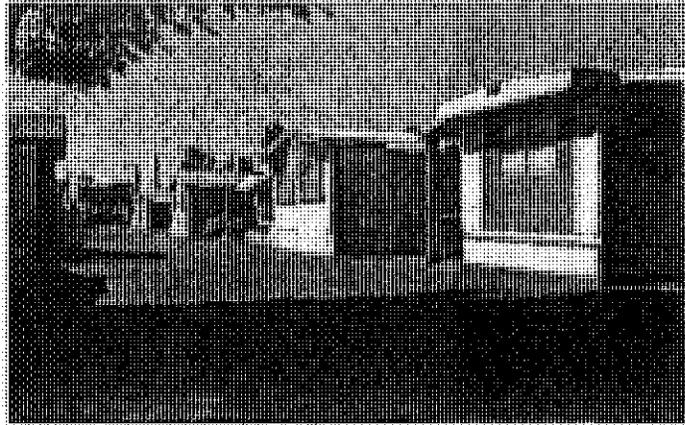
AMENITIES

Laundry Room
Clubhouse
Swimming Pool
Rv
Gym

	# of Spaces	Average Rent	Monthly Income
Single Wide	40	\$650	\$26,000
Double Wide	95	\$650	\$61,750
Triple Wide			

Other

Total/Average	135	\$650	\$87,750
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#4

Casa Del Norte
4388 East Central Avenue
Camarillo, CA 93010

SUMMARY

Date Surveyed 03/10
Total Spaces 135
Vacant Spaces 1
Year Built 1970
Sewer / Septic Sewer
Type of Park 55+
Sub-Metered Yes
Units Owned 0

AMENITIES

Laundry Room
Clubhouse
Swimming Pool
Carwash
Rv

	# of Spaces	Average Rent	Monthly Income
Single Wide	34	\$650	\$22,100
Double Wide	101	\$650	\$65,650
Triple Wide			

Other

Total/Average	135	\$650	\$87,750
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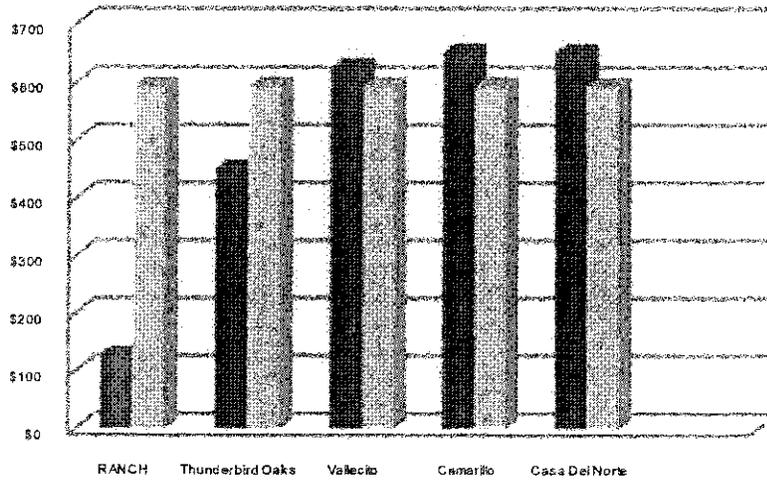


RANCH

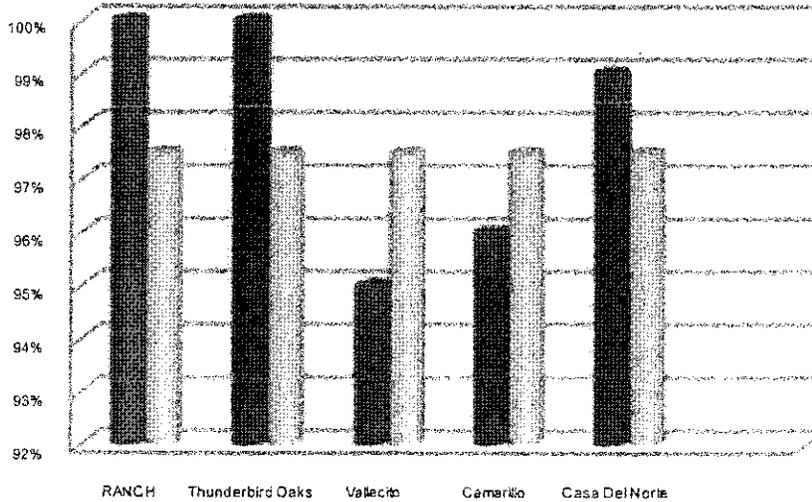
SUMMARY OF RENT COMPARABLES

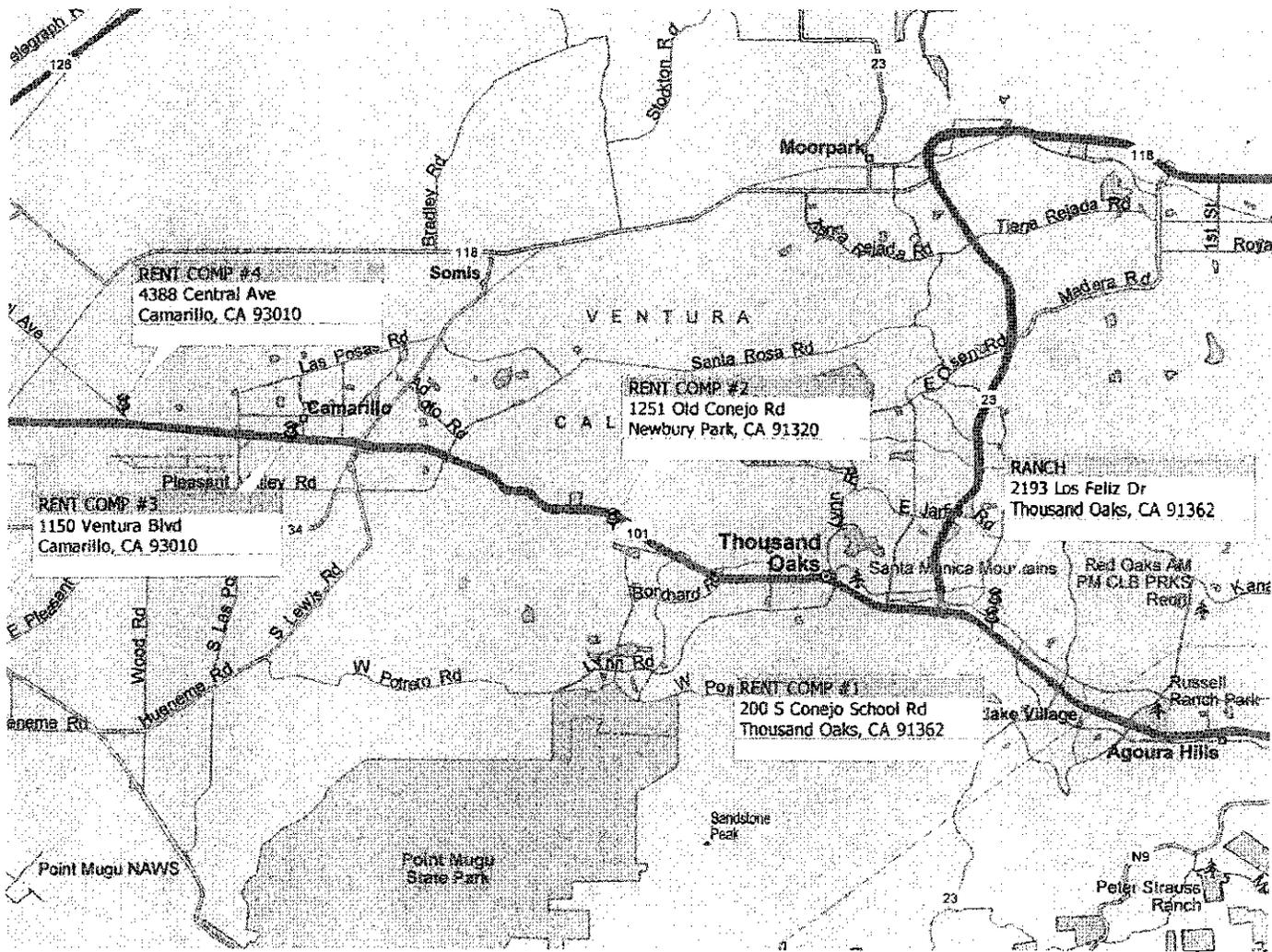
PROPERTY NAME	ADDRESS	TYPE OF PARK	DATE SURVEYED	TOTAL SPACES	YEAR BUILT	AVERAGE RENT	OCCUPANCY RATES
RANCH	2193 LOS FELIZ DRIVE, THOUSAND OAKS, CA 91362	55+	Mar-10	74	N/A	\$127	100%
1 Thunderbird Oaks	200 South Conejo School Road, Thousand Oaks, CA 91362	55+	Mar-10	161	N/A	\$450	100%
2 Vallecito	1251 Old Conejo Road, Newbury Park, CA 91320	55+	Mar-10	233	1965	\$625	95%
3 Camarillo	1150 Ventura Boulevard, Camarillo, CA 93010	55+	Mar-10	135	1970	\$650	96%
4 Casa Del Norte	4388 East Central Avenue, Camarillo, CA 93010	55+	Mar-10	135	1970	\$650	99%
				165	1970	\$531	98%

AVERAGE RENT



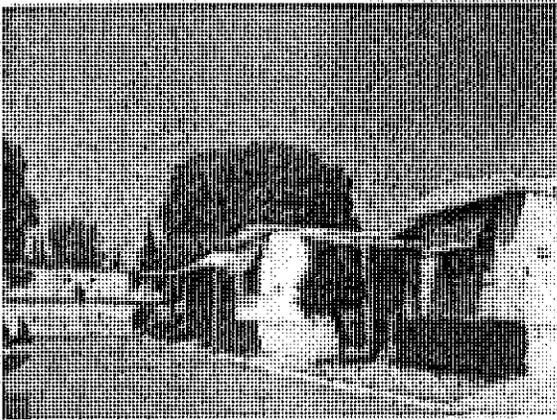
OCCUPANCY RATES





All information is submitted subject to errors and omissions. Although all information has been secured from sources we believe to be reliable, we make no representations or warranties, and we accept no responsibility as to the accuracy of the information. References to square footage, age, rental, income, expenses, and financing are approximate. Please mind verify the information and bear all risk for any inaccuracies.

RANCH

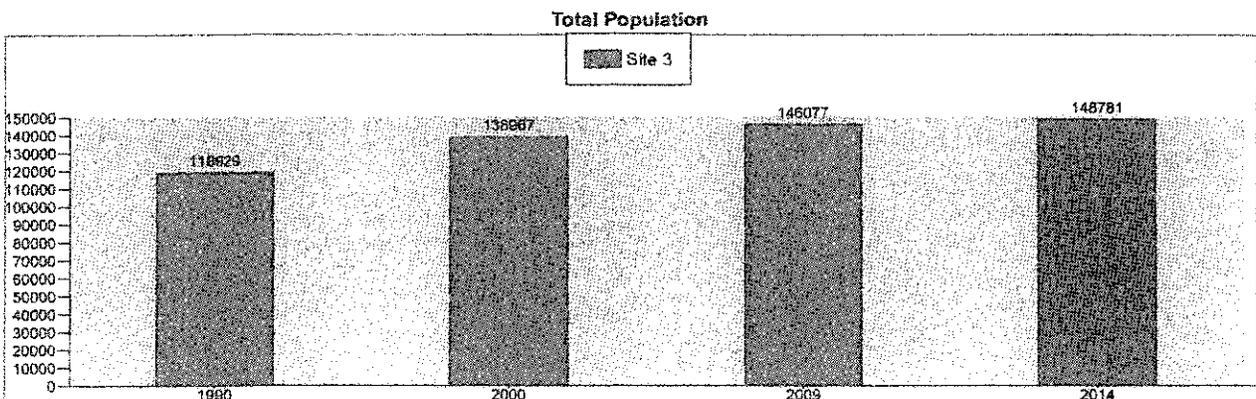
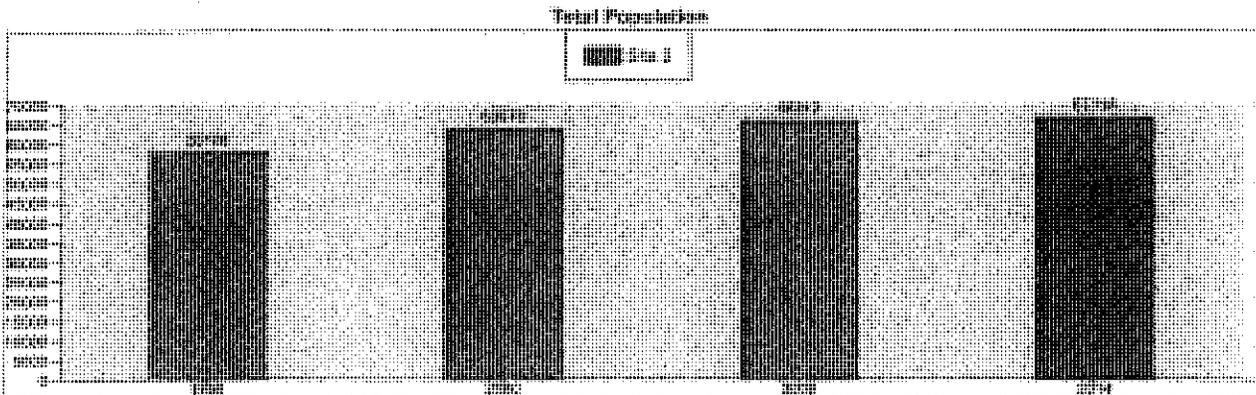
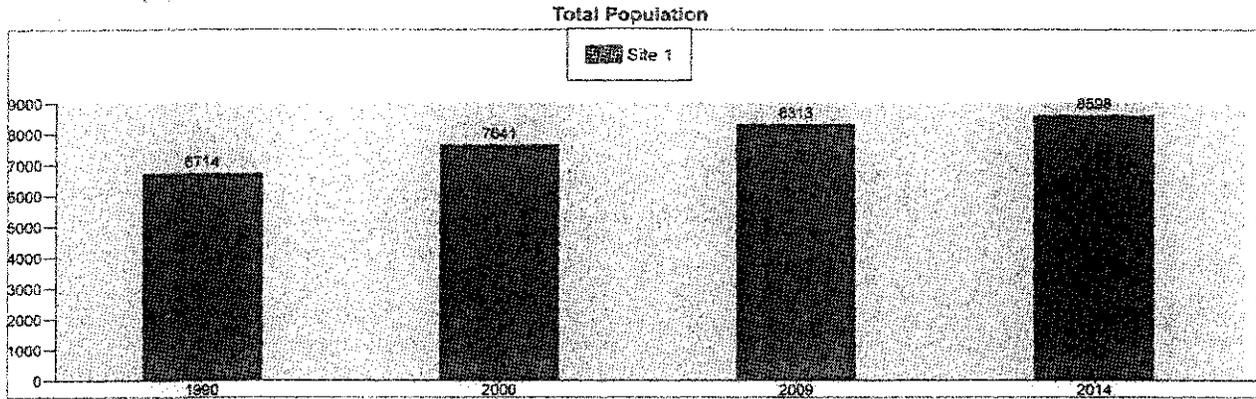


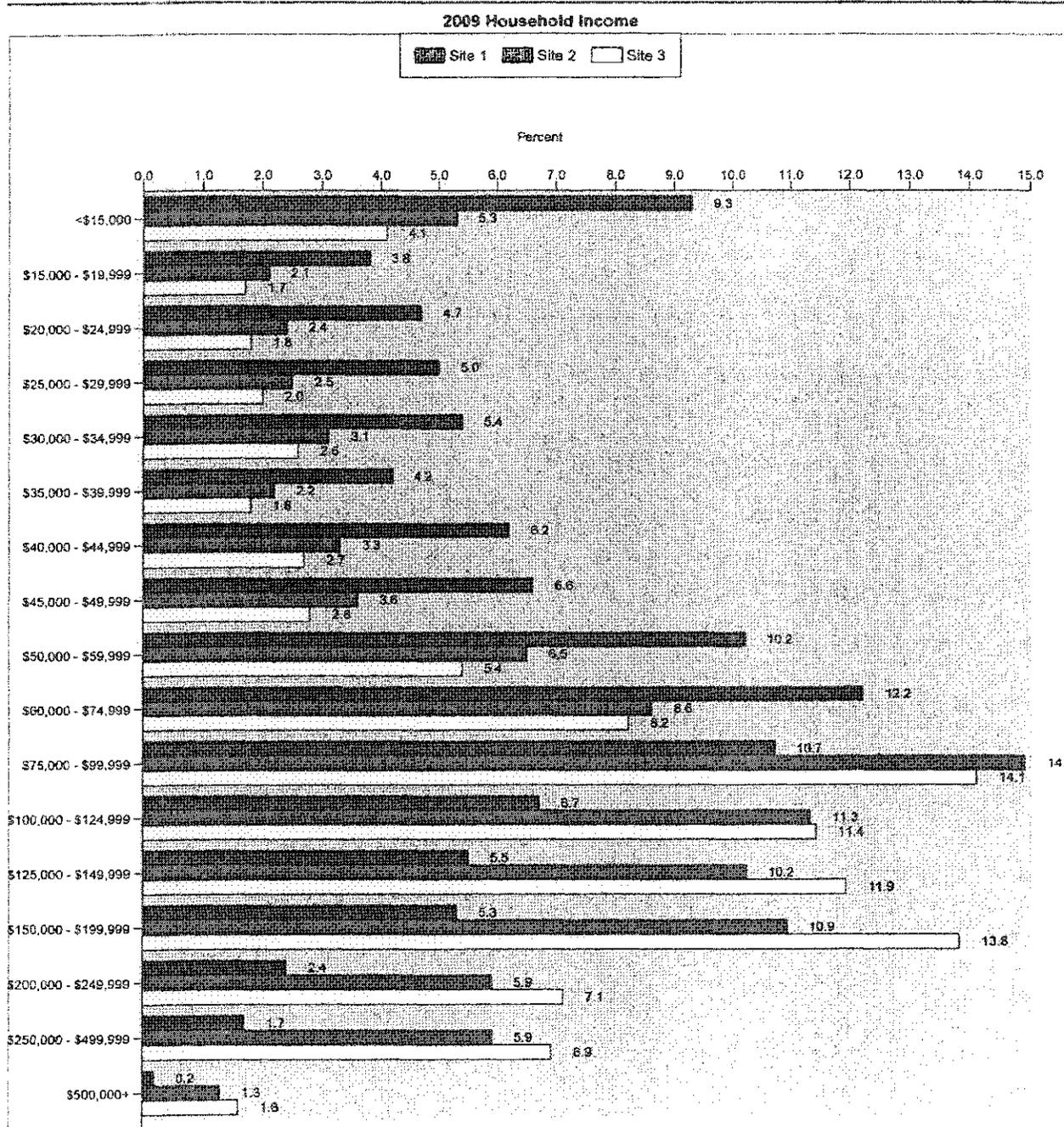
DEMOGRAPHIC
ANALYSIS

RANCH

2010 POPULATION

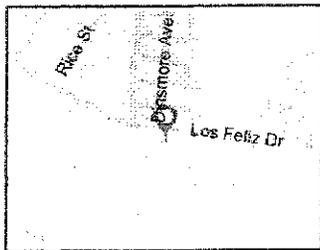
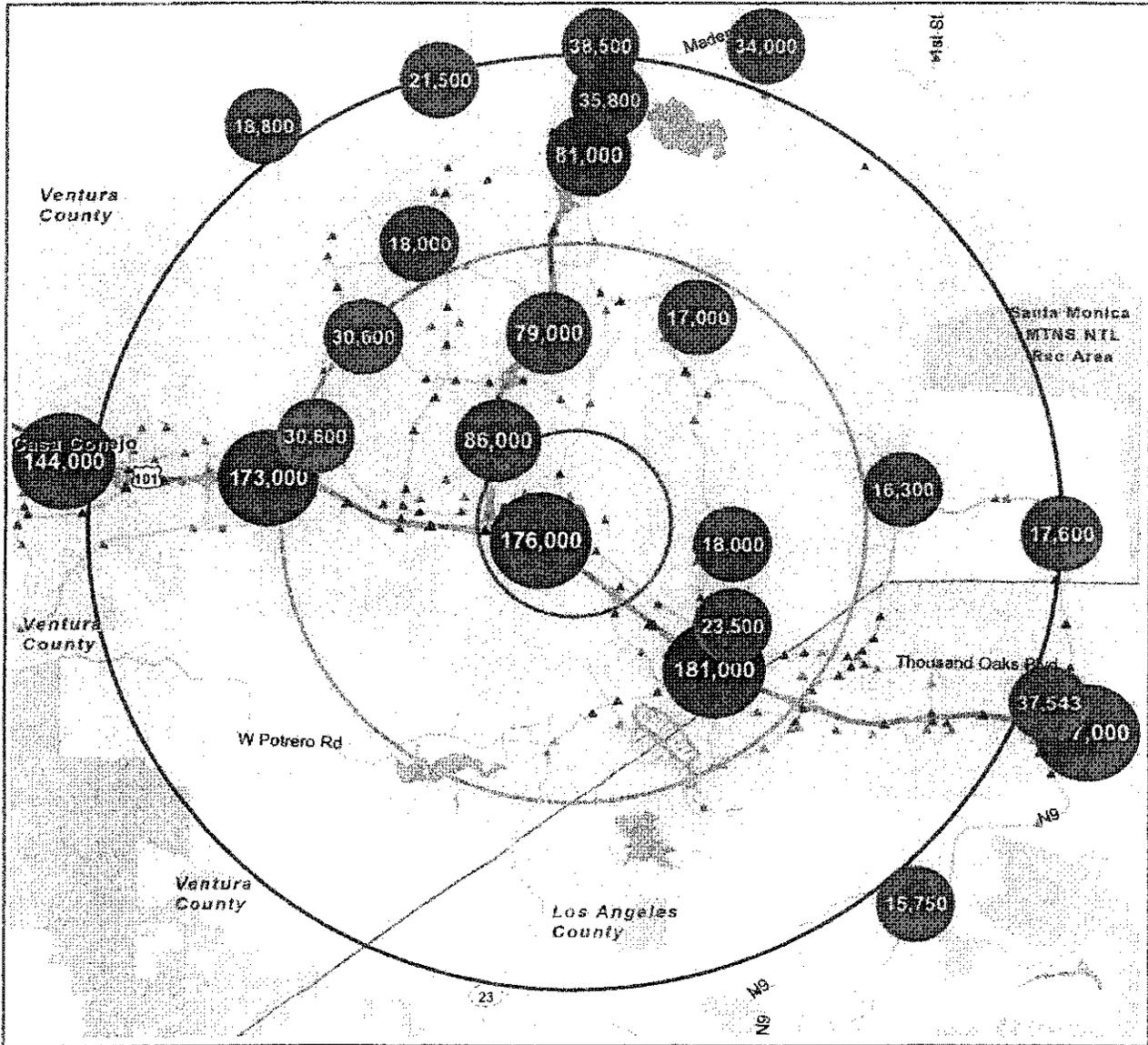
2000 - 2009 Population Annual Rate	0.92%	0.37%	0.54%
2009 - 2014 Population Annual Rate	0.68%	0.27%	0.37%



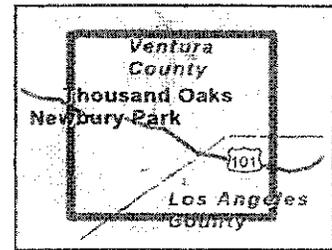


RANCH

2010 VEHICLE COUNT



Average Daily Traffic Volume
 Up to 6,000 vehicles per day
 ▲ 6,001 - 15,000
 ▲ 15,001 - 30,000
 ▲ 30,001 - 50,000
 ▲ 50,001 - 100,000
 ▲ More than 100,000 per day



Summary	2000		2009		2014	
Population	63,978		66,212		67,116	
Households	24,095		24,909		25,240	
Families	17,013		17,509		17,644	
Average Household Size	2.64		2.64		2.64	
Owner Occupied HUs	17,059		17,242		18,389	
Renter Occupied HUs	7,036		7,667		6,851	
Median Age	38.7		41.4		42.0	
Total Housing Units	24,763		25,735		26,089	
Vacant Housing Units	668		826		849	
Average Home Value	\$382,761		\$588,698		\$687,254	

Households by Income	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	1,737	7.2%	1,321	5.3%	1,248	4.9%
\$15,000 - \$24,999	1,652	6.8%	1,133	4.5%	1,058	4.2%
\$25,000 - \$34,999	1,887	7.8%	1,386	5.6%	1,212	4.8%
\$35,000 - \$49,999	2,823	11.7%	2,270	9.1%	2,355	9.3%
\$50,000 - \$74,999	4,680	19.4%	3,759	15.1%	3,557	14.1%
\$75,000 - \$99,999	3,576	14.8%	3,713	14.9%	3,567	14.1%
\$100,000 - \$149,999	4,077	16.9%	5,353	21.5%	5,849	23.2%
\$150,000 - \$199,000	1,700	7.0%	2,713	10.9%	2,838	11.2%
\$200,000+	2,012	8.3%	3,260	13.1%	3,556	14.1%
Median Household Income	\$70,193		\$90,817		\$96,645	
Average Household Income	\$95,198		\$120,236		\$127,403	
Per Capita Income	\$36,069		\$45,530		\$48,240	

Population by Age	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	3,952	6.2%	3,951	6.0%	3,942	5.9%
5 - 14	9,271	14.5%	8,743	13.2%	8,610	12.8%
15 - 19	3,948	6.2%	4,365	6.6%	4,032	6.0%
20 - 24	2,899	4.5%	3,302	5.0%	3,591	5.4%
25 - 34	7,936	12.4%	7,177	10.8%	7,817	11.6%
35 - 44	10,937	17.1%	9,145	13.8%	8,181	12.2%
45 - 54	9,854	15.4%	10,786	16.3%	10,262	15.3%
55 - 64	6,779	10.6%	8,573	12.9%	9,022	13.4%
65 - 74	4,423	6.9%	5,244	7.9%	6,440	9.6%
75 - 84	2,909	4.5%	3,313	5.0%	3,483	5.2%
85+	1,069	1.7%	1,615	2.4%	1,734	2.6%

Race and Ethnicity	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
White Alone	54,766	85.6%	53,188	80.3%	51,796	77.2%
Black Alone	603	0.9%	707	1.1%	751	1.1%
American Indian Alone	389	0.6%	432	0.7%	441	0.7%
Asian Alone	3,236	5.1%	4,395	6.6%	5,067	7.5%
Pacific Islander Alone	65	0.1%	79	0.1%	85	0.1%
Some Other Race Alone	3,207	5.0%	4,802	7.3%	5,787	8.6%
Two or More Races	1,711	2.7%	2,609	3.9%	3,189	4.8%
Hispanic Origin (Any Race)	8,919	13.9%	13,251	20.0%	15,895	23.7%

RANCH

COMMUNITY SUMMARY REPORT

Summary	2000	2009	2014
Population	138,967	146,077	148,781
Households	49,859	52,142	53,046
Families	37,296	38,930	39,441
Average Household Size	2.75	2.76	2.77
Owner Occupied HUs	38,081	38,878	41,354
Renter Occupied HUs	11,777	13,264	11,693
Median Age	38.0	40.9	41.5
Total Housing Units	51,191	53,820	54,793
Vacant Housing Units	1,333	1,678	1,746
Average Home Value	\$389,823	\$618,039	\$714,754

Households by Income	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	2,856	5.7%	2,128	4.1%	1,994	3.8%
\$15,000 - \$24,999	2,785	5.6%	1,858	3.6%	1,717	3.2%
\$25,000 - \$34,999	3,256	6.5%	2,352	4.5%	2,036	3.8%
\$35,000 - \$49,999	5,246	10.5%	3,855	7.4%	3,950	7.4%
\$50,000 - \$74,999	8,824	17.7%	7,111	13.6%	6,741	12.7%
\$75,000 - \$99,999	7,835	15.7%	7,352	14.1%	7,105	13.4%
\$100,000 - \$149,999	10,133	20.3%	12,154	23.3%	13,068	24.6%
\$150,000 - \$199,000	4,240	8.5%	7,206	13.8%	7,535	14.2%
\$200,000+	4,675	9.4%	8,129	15.6%	8,900	16.8%
Median Household Income	\$79,889		\$104,985		\$109,017	
Average Household Income	\$103,518		\$133,610		\$141,689	
Per Capita Income	\$37,441		\$47,958		\$50,823	

Population by Age	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	9,036	6.5%	8,974	6.1%	8,917	6.0%
5 - 14	21,997	15.8%	21,054	14.4%	20,818	14.0%
15 - 19	9,412	6.8%	10,824	7.4%	10,236	6.9%
20 - 24	6,029	4.3%	7,265	5.0%	7,955	5.3%
25 - 34	15,800	11.4%	13,732	9.4%	15,309	10.3%
35 - 44	25,186	18.1%	20,710	14.2%	18,345	12.3%
45 - 54	22,875	16.5%	25,753	17.6%	24,674	16.6%
55 - 64	13,693	9.9%	19,159	13.1%	20,405	13.7%
65 - 74	8,023	5.8%	10,060	6.9%	12,970	8.7%
75 - 84	5,028	3.6%	5,800	4.0%	6,209	4.2%
85+	1,888	1.4%	2,745	1.9%	2,945	2.0%

Race and Ethnicity	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
White Alone	119,171	85.8%	117,557	80.5%	114,952	77.3%
Black Alone	1,411	1.0%	1,693	1.2%	1,821	1.2%
American Indian Alone	657	0.5%	738	0.5%	763	0.5%
Asian Alone	8,485	6.1%	12,077	8.3%	14,175	9.5%
Pacific Islander Alone	121	0.1%	156	0.1%	172	0.1%
Some Other Race Alone	5,398	3.9%	8,017	5.5%	9,657	6.5%
Two or More Races	3,723	2.7%	5,840	4.0%	7,242	4.9%
Hispanic Origin (Any Race)	15,973	11.5%	23,865	16.3%	28,802	19.4%

2009 Population			
Total Population	6,313	66,212	146,077
Male Population	49.2%	48.8%	49.0%
Female Population	50.8%	51.2%	51.0%
Median Age	35.7	41.4	40.9
2009 Income			
Median HH Income	\$54,247	\$90,817	\$104,985
Per Capita Income	\$29,059	\$45,530	\$47,958
Average HH Income	\$73,419	\$120,236	\$133,610
2009 Households			
Total Households	3,227	24,909	52,142
Average Household Size	2.55	2.64	2.76
2009 Housing			
Owner Occupied Housing Units	53.3%	67.0%	72.2%
Renter Occupied Housing Units	44.7%	29.8%	24.6%
Vacant Housing Units	2.0%	3.2%	3.1%
Population			
1990 Population	6,714	58,108	118,929
2000 Population	7,641	63,978	138,967
2009 Population	8,313	66,212	146,077
2014 Population	8,598	67,116	148,781
1990-2000 Annual Rate	1.3%	0.97%	1.57%
2000-2009 Annual Rate	0.92%	0.37%	0.54%
2009-2014 Annual Rate	0.68%	0.27%	0.37%

In the identified market area, the current year population is 146,077. In 2000, the Census count in the market area was 138,967. The rate of change since 2000 was 0.54 percent annually. The five-year projection for the population in the market area is 148,781, representing a change of 0.37 percent annually from 2009 to 2014. Currently, the population is 49.0 percent male and 51.0 percent female.

Households			
1990 Households	2,754	21,667	41,941
2000 Households	2,988	24,095	49,859
2009 Households	3,227	24,909	52,142
2014 Households	3,331	25,240	53,046
1990-2000 Annual Rate	0.82%	1.07%	1.74%
2000-2009 Annual Rate	0.84%	0.36%	0.49%
2009-2014 Annual Rate	0.64%	0.26%	0.34%

The household count in this market area has changed from 49,859 in 2000 to 52,142 in the current year, a change of 0.49 percent annually. The five-year projection of households is 53,046, a change of 0.34 percent annually from the current year total. Average household size is currently 2.76, compared to 2.75 in the year 2000. The number of families in the current year is 38,930 in the market area.

Housing

Currently, 72.2 percent of the 53,820 housing units in the market area are owner occupied; 24.6 percent, renter occupied; and 3.1 percent are vacant. In 2000, there were 51,155 housing units—74.4 percent owner occupied, 23.0 percent renter occupied and 2.6 percent vacant. The rate of change in housing units since 2000 is 0.55 percent. Median home value in the market area is \$588,108, compared to a median home value of \$162,279 for the U.S. In five years, median home value is projected to change by 3.01 percent annually to \$682,043. From 2000 to the current year, median home value changed by 6.02 percent annually.

EXECUTIVE SUMMARY REPORT

Median Household Income

1990 Median HH Income	\$39,167	\$54,160	\$59,588
2000 Median HH Income	\$43,860	\$70,193	\$79,889
2009 Median HH Income	\$54,247	\$90,817	\$104,985
2014 Median HH Income	\$55,373	\$96,645	\$109,017
1990-2000 Annual Rate	1.14%	2.63%	2.98%
2000-2009 Annual Rate	2.32%	2.82%	3%
2009-2014 Annual Rate	0.41%	1.25%	0.76%

Per Capita Income

1990 Per Capita Income	\$18,808	\$25,849	\$26,081
2000 Per Capita Income	\$23,233	\$36,069	\$37,441
2009 Per Capita Income	\$29,059	\$45,530	\$47,958
2014 Per Capita Income	\$29,934	\$48,240	\$50,823
1990-2000 Annual Rate	2.14%	3.39%	3.68%
2000-2009 Annual Rate	2.45%	2.55%	2.71%
2009-2014 Annual Rate	0.6%	1.16%	1.17%

Average Household Income

1990 Average Household Income	\$46,875	\$68,927	\$73,502
2000 Average Household Income	\$57,894	\$95,198	\$103,518
2009 Average HH Income	\$73,419	\$120,236	\$133,610
2014 Average HH Income	\$75,734	\$127,403	\$141,689
1990-2000 Annual Rate	2.13%	3.28%	3.48%
2000-2009 Annual Rate	2.6%	2.56%	2.8%
2009-2014 Annual Rate	0.62%	1.16%	1.18%

Households by Income

Current median household income is \$104,985 in the market area, compared to \$54,719 for all U.S. households. Median household income is projected to be \$109,017 in five years. In 2000, median household income was \$79,889, compared to \$59,588 in 1990.

Current average household income is \$133,610 in this market area, compared to \$71,437 for all U.S. households. Average household income is projected to be \$141,689 in five years. In 2000, average household income was \$103,518, compared to \$73,502 in 1990.

Current per capita income is \$47,958 in the market area, compared to the U.S. per capita income of \$27,277. The per capita income is projected to be \$50,823 in five years. In 2000, the per capita income was \$37,441, compared to \$26,081 in 1990.

Population by Employment

Total Businesses	820	5,589	7,805
Total Employees	5,367	50,348	80,965

Currently, 90.3 percent of the civilian labor force in the identified market area is employed and 9.7 percent are unemployed. In comparison, 89.4 percent of the U.S. civilian labor force is employed, and 10.6 percent are unemployed. In five years the rate of employment in the market area will be 93.4 percent of the civilian labor force, and unemployment will be 6.6 percent. The percentage of the U.S. civilian labor force that will be employed in five years is 92.9 percent, and 7.1 percent will be unemployed. In 2000, 68.0 percent of the population aged 16 years or older in the market area participated in the labor force, and 0.1 percent were in the Armed Forces.

In the current year, the occupational distribution of the employed population is:

- 79.4 percent in white collar jobs (compared to 61.5 percent of U.S. employment)
- 11.9 percent in service jobs (compared to 17.1 percent of U.S. employment)
- 8.6 percent in blue collar jobs (compared to 21.4 percent of U.S. employment)

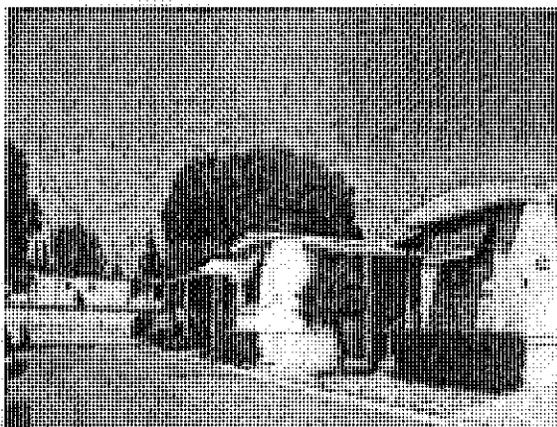
In 2000, 81.1 percent of the market area population drove alone to work, and 6.1 percent worked at home. The average travel time to work in 2000 was 27.6 minutes in the market area, compared to the U.S. average of 25.5 minutes.

Population by Education

In 2009, the educational attainment of the population aged 25 years or older in the market area was distributed as follows:

- 5.9 percent had not earned a high school diploma (16.2 percent in the U.S.)
- 14.7 percent were high school graduates only (29.8 percent in the U.S.)
- 8.0 percent had completed an Associate degree (7.2 percent in the U.S.)
- 30.3 percent had a Bachelor's degree (17.0 percent in the U.S.)
- 18.8 percent had earned a Master's/Professional/Doctorate Degree (9.8 percent in the U.S.)

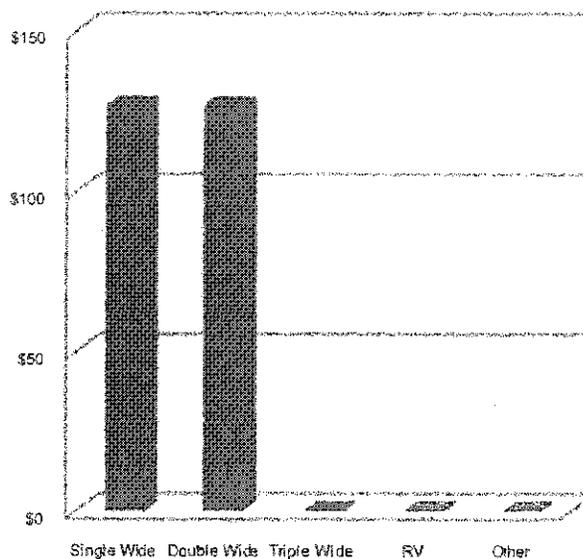
RANCH



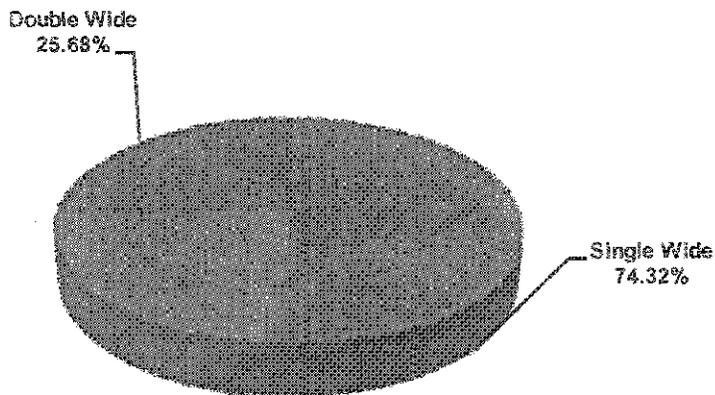
INCOME & EXPENSE
ANALYSIS

NUMBER OF SPACES	SPACE TYPE	CURRENT RENTS	MONTHLY INCOME	YEARLY INCOME
55	Single Wide	\$ 127	\$ 6,985	\$ 83,820
19	Double Wide	\$ 127	\$ 2,413	\$ 28,956
0	Triple Wide	\$ 0	\$ 0	\$ 0
0	RV	\$ 0	\$ 0	\$ 0
0	Other	\$ 0	\$ 0	\$ 0
74		\$ 127	\$ 9,398	\$ 112,776

SPACE RENT



SPACE MIX

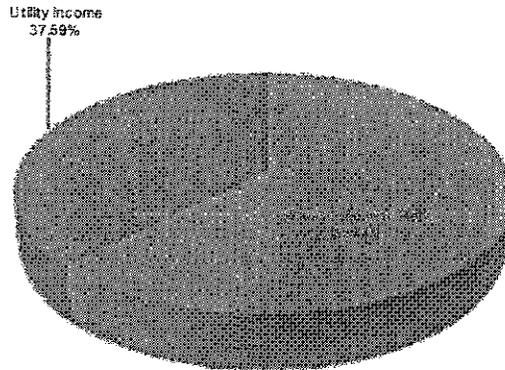


RANCH

CURRENT INCOME SUMMARY

Gross Potential Rent		\$112,776
Less Vacancy Reserve	5%	\$5,639
Utility Income		\$67,922
	Electricity	\$16,852
	Gas	\$27,873
	Water	\$0
	Trash	\$0
	Sewer	\$21,197
	Other	\$0
Laundry Income		\$0
Storage Income		\$0
Other		\$0
Streets		\$0
Other		\$0
EFFECTIVE GROSS INCOME		\$175,059

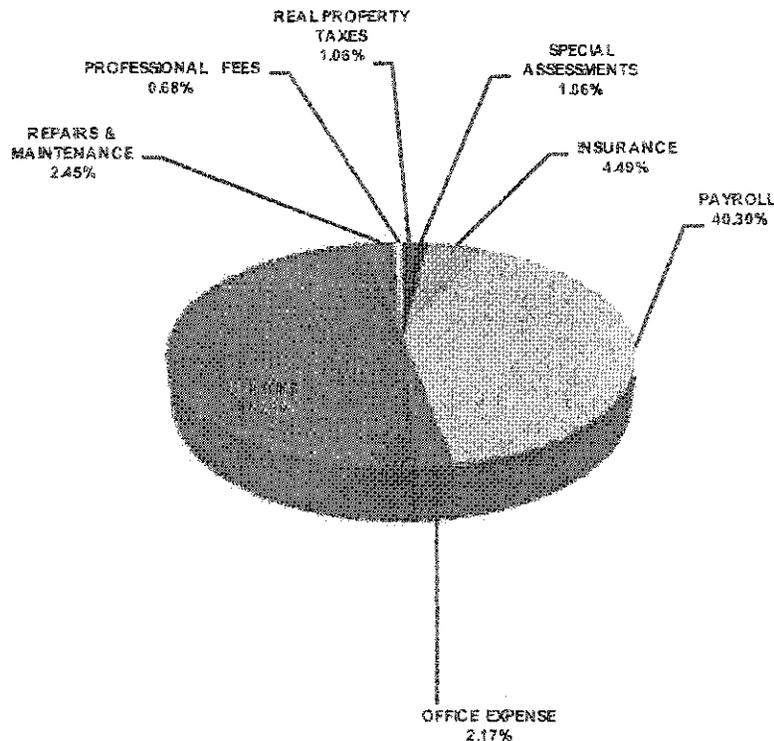
INCOME PERCENTAGES



CURRENT EXPENSE SUMMARY

		TOTAL	% OF	PER
			EG	SPACE
REAL PROPERTY TAXES	1.042900%	\$ 1,755	1.06%	\$ 24
SPECIAL ASSESSMENTS		\$ 1,749	1.06%	\$ 24
INSURANCE		\$ 7,400	4.23%	\$ 100
PAYROLL		\$ 66,468	37.07%	\$ 898
	On-Site Management	\$ 37,265		
	On-Site Management Rent	\$ 0		
	On-Site Assistant	\$ 14,400		
	On-Site Maintenance Personnel	\$ 0		
	Payroll Tax	\$ 2,564		
	Workers Comp Insurance	\$ 2,854		
	Medical Insurance	\$ 0		
	Off-Site Management	\$ 14,400		
OFFICE EXPENSE		\$ 3,571	2.04%	\$ 48
	General	\$ 381		
	Telephone	\$ 1,591		
	License & Permits	\$ 0		
	Internet Service	\$ 456		
	Admin. Treatment	\$ 0		
	Billing Service	\$ 1,140		
UTILITIES		\$ 78,815	45.02%	\$ 1,065
	Electricity	\$ 18,808		
	Gas	\$ 20,436		
	Water & Sewer	\$ 30,780		
	Traffic	\$ 5,166		
	Cable	\$ 811		
	Other	\$ 0		
	Other	\$ 0		
REPAIRS & MAINTENANCE		\$ 4,043	2.31%	\$ 55
	Maintenance Salary	\$ 1,530		
	Supplies	\$ 0		
	Landscaping	\$ 2,010		
	Pest Service	\$ 0		
	Pest Control	\$ 0		
	Contract Labor	\$ 0		
	Meter Reading	\$ 0		
PROFESSIONAL FEES		\$ 1,116	0.64%	\$ 15
	Legal & Accounting	\$ 0		
	Tax Preparation	\$ 0		
	Real Estate	\$ 0		
	Bank Charges	\$ 0		
	Security	\$ 0		
	Billap Service	\$ 0		
	Franchise Fee	\$ 0		
	Dues & Subscriptions	\$ 1,116		
TOTAL EXPENSES		\$ 164,917	94.21%	\$ 2,174

EXPENSE PERCENTAGES



RANCH
SELLER'S NET PROCEEDS

ESTIMATED CLOSING COSTS

Escrow Fee's @ \$1.50 per \$1,000 dollars	\$252
Title Fee's @ \$1.40 per \$1,000 dollars	\$235
Transfer Tax @ \$1.10 per \$1,000 dollars	\$185
Third Party Reports	\$5,000
Commission @ 10%	\$16,800
Existing Debt Retirement (estimated)	\$0
Prepayment Penalty (estimated)	\$0
Other	\$0
Other	\$0
TOTAL CLOSING COSTS	\$22,472
LIST PRICE	\$168,000
SELLER'S NET PROCEEDS	\$145,528

ATTRIBUTES

Property Address	2193 LOS FELIZ DRIVE THOUSAND OAKS, CA 91362	
Price	\$168,000	
Down Payment	\$68,000	100.00%
Loan Amount	\$0	
Number of Spaces	74	
Price Per Space	\$2,270	
Current Cap Rate	6.04%	
Proforma Cap Rate	-34.49%	
Current GRM	0.90	
Proforma GRM	1.50	

ANNUALIZED OPERATING INCOME

Gross Potential Rent	Current	\$12,776	Proforma	\$12,776
Other Income		\$67,922		\$0
Gross Potential Income		\$80,698		\$12,776
Less Vacancy Reserve	5%	\$6,639	5%	\$5,639
Effective Gross Income		\$75,059		\$7,137
Less Expenses		\$84,917		\$87,917
NET OPERATING INCOME		\$10,142		\$5,780
Debt Service		\$0		\$0
Pre-Tax Cash Flow	6.04%	\$0,142	-34.39%	-\$57,760

ANNUALIZED OPERATING EXPENSES

Rent Property Taxes @	Current	\$1,755	Proforma	\$1,755
Special Assessments		\$1,749		\$1,749
Insurance		\$7,400		\$7,400
Payroll		\$66,468		\$66,468
Office Expense		\$3,671		\$3,671
Utilities		\$78,816		\$78,816
Repairs & Maintenance		\$4,043		\$4,043
Professional Fees		\$1,116		\$1,116
TOTAL EXPENSES		\$164,917		\$164,917
% of Effective Gross Income		94.21%		94.21%
Expense Per Space		\$2,229		\$2,229

PRELIMINARY LOAN QUOTE

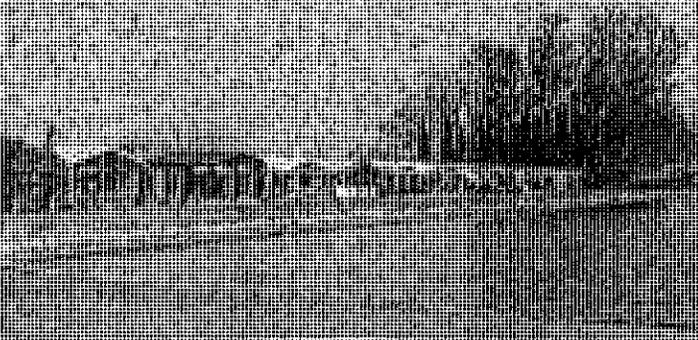
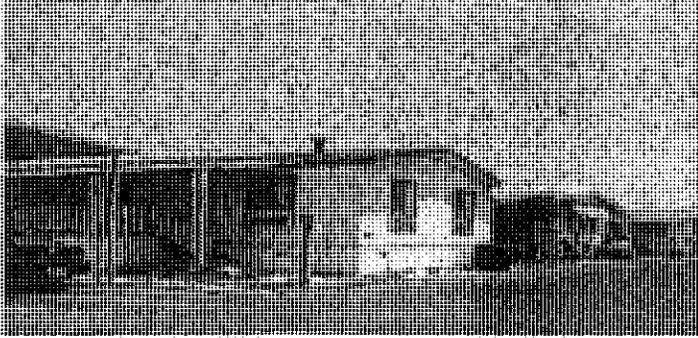
Loan To Value	N/A
Amortization Period	N/A
Loan Term	N/A
Interest Rate	0.00%
Minimum OCR	N/A
Timing	N/A

PROPERTY CHARACTERISTICS

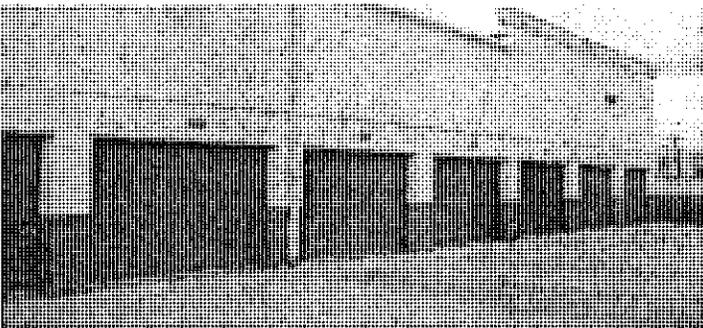
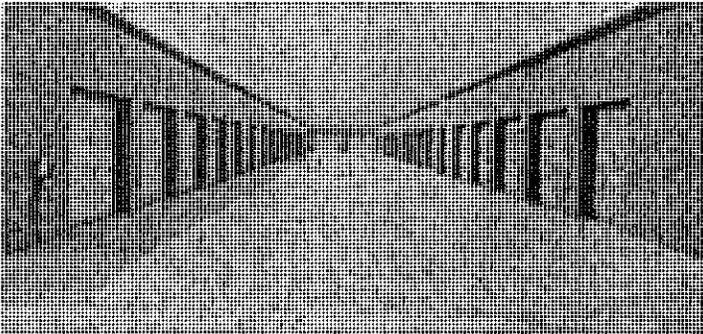
Type of Park	55+
Rental Agreements	Month-to-Month
Rent Control	Yes
Last Rent Increase	2009
Assessor's Parcel Number	670-0-270-030,670-0-270-040
Zoning	C-2
Vacant Spaces	0
# of Rental Homes	0
# of Home Mortgages	0
Year Built	N/A
Lot Acreage	4.79
Spaces Per Acre	15.45

SCHEDULED MONTHLY INCOME

Category	Space Type	Average Rent	Monthly Rent	Proforma Rent	Monthly Rent
Electricity	55 Single Wide	\$127	\$6,985	\$127	\$6,985
Gas	19 Double Wide	\$127	\$2,413	\$127	\$2,413
Water	0 Triple Wide	\$0	\$0	\$0	\$0
Trash	0 RV	\$0	\$0	\$0	\$0
Sewer	0 Other	\$0	\$0	\$0	\$0
Cable	74	\$127	\$9,398	\$127	\$9,398



**YOUR
REPRESENTATIVES**



MISSION STATEMENT

At Martinez & Associates,

our commitment is to help our clients

create & preserve wealth

by providing them with

the best real estate investment research,

advisory & transaction services

MAKING A MARKET FOR COMMERCIAL INVESTMENT

One hundred percent of our focus is on the sale of investment property, resulting in a unique capability to market manufactured home communities and self storages. Martinez & Associates offers several advantages in the marketing of investment property.

- Our national market coverage enables us to access investment capital locally, regionally and nationally for manufactured home communities.
- Our marketing campaigns simultaneously reach the brokerage community and our internal network of investment brokers.
- Marketing campaigns can be tailored, offering targeted vs. broad exposure in selected cases.

Property Marketing

Our ability to match sellers is made possible through a combination of extensive investor contacts . Our technology supports a tradition and culture of information sharing and property promotion, which has produced the best results for our clients throughout the years. Our Internet website markets our property listings directly to the investor community. As a result of this state-of-the-art technology, we are able to expose property to the highest numbers of prequalified buyers. Direct marketing and investor targeting are used to promote properties to active owners and investors as well as the brokerage community.

INVESTMENT ASSOCIATES

Jake Bhattacharya

Research Analyst

Office: 909 581 6522

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Email: jake@martinezandassociates.com

Experience

Jake has been associated with Martinez and Associates since July, 2008. Prior to joining Martinez and Associates, Jake served as a Jr. Accountant and Assistant Office Manager at a medical billing company HBSGI. He also had a position in a software sales company called Automed, in which he traveled around the country promoting the product. He is currently attending Westwood College in Upland, California. Prior to entering the work force, Jake attended the Army and Navy Academy in Carlsbad, California for five years. He was born and raised in California, and plans to live there with his friends and family for his lifetime.

Education

Army and Navy Academy, Carlsbad CA

Westwood College, Upland, CA

in Progress – AA in CNE (Computer Networking Engineer.)

Institutional Value

HBSGI Jr. Accountant

HBSGI Assistant Manager

Personal Interest

Jake spends his time with his family and friends. Since military school, most of his devotion stays at home with his family. He runs a small independent record label that produces combined classical music and hip hop, giving the music a more sophisticated and meaningful feel. Jake has a very busy lifestyle balancing a daily work schedule and school from most nights of the week. He also finds time to work on his music in a professional studio he lives close to. Jake enjoys himself most by relaxing on weekends and listening to music from the 70's and 80's eras. The best part about his schedule is that everything is on the way of where he needs to go during the week. He lives 5 minutes from work, five minutes from his studio and the ride home takes about 20 minutes from school. He feels very lucky to have such a convenient schedule.

Joseph S. Cendejas

Investment Associate

Office: 909 581 6524

Fax: 909 581 6538

Mobile: 626 327 1225

Email: joseph@martinezandassociates.com

Experience

Joseph has been associated with Martinez and Associates since September, 2005. With 6 years of commercial real estate experience, Joseph came to Martinez and Associates from Coldwell Banker Commercial, where he focused solely on manufactured home community transactions.

Institutional Value

Member of the National Manufactured Housing Group

Associate Director for the National Manufactured Housing Group

National Achievement Award 2006 & 2007

Member of WMA

Personal Interest

Joseph was born and raised in Southern California. He has one brother, Thomas, one sister, Christine and a 13 year old son, Andrew. Joseph maintains a strong and close relationship with his immediate and extended family. He is also very close to his son, whom he enjoys spending time with him on a weekly basis. He continues to coach Andrew's little league teams and has done so for the past for six years. Joseph like to spend his free times with his family and friends. In his free time, weekends are reserved for social activities such as bike riding, working out at the gym, going to the beach, attending movies, playing pool and bowling. Joseph loves outdoor activities such as fishing, camping and hiking. As a fan of sports, Joseph continues to watch and follow the Las Angeles Lakers and Oakland Raiders. As a loyal Oakland Raiders fan, he consistently loves to attend their games and watch them on television. Along with his busy day-to-day schedule, Joseph receives great pleasure in travelling. He has recently visited Cabo San Lucas, Hawaii, Oregon, Washington and Las Vegas. Among destinations he would like to visit in the future include New York, Italy and England.

Katie M. De Thomas

Escrow Coordinator/ Office Manager

Office: 909 581 6523

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Mobile: 909 664 5318

Email: katie@martinezandassociates.com

Experience

Katie has been associated with Martinez and Associates since April, 2008. Prior to joining Martinez and Associates, Katie was manager at Anchor Blue and Macy's. She is currently enrolled in the MBA program at California Baptist University. One of the many strengths Katie portrays is her attention to customer service.

Education

California Baptist University, Riverside, CA
BS, Accounting / Administrative Studies

Institutional Value

President Award (Anchor Blue)
Star Award (Macys)

Personal Interest

Katie recently graduated from California Baptist University in May, 2007. She loves to spend time with her friends and family. She is very close to her older brother Dan, whom she enjoys spending time with on a weekly basis at Anaheim Angel baseball games. Katie also enjoys being involved in Sandals Church, which is affiliated with California Baptist University. She has been an active participant of the congregation since 2008, enjoying the time spent there with her fiancé Dustin. In addition, Katie joined a Bible study group that meets weekly on Monday nights. She loves outdoor activities such as fishing, camping and hiking. Recently, Katie travelled to Idyllwild to go camping with friends. In her free time, weekends are reserved for social activities with friends and family that includes playing pool, bowling, attending movies and playing video games. The MBA program at California Baptist University will take one year to complete. Upon completion of her MBA, Katie hopes to one day open her own boutique retail shop. Along with her busy day-to-day schedule, Katie receives great pleasure in travelling. Among destinations she would like to visit in the future include Hawaii, New York, England and Italy. A planned trip that she is anxiously planning for 2010 is a trip to Connecticut to visit college friends.

Trever G. Epperson

Investment Associate

Office: 909 581 6531

Fax: 909 581 6538

Mobile: 909 974 8902

Email: trever@martinezandassociates.com

Experience

Trever has been associated with Martinez and Associates since April, 2008. He has a strong marketing background, of which the foundation is built on superior customer service. Trever focuses solely on mobile home park and multi-family property transactions for principles and Institutional clients. Before joining Martinez and Associates, Trever marketed for Nation Wide Recreational Vehicle Company developing nationwide sales strategies.

Education

California State University, San Bernardino, CA
BS, Marketing / Business Administration

Institutional Value

Member of the National Manufactured Housing Group
Treasurer, Motivating and Impacting Communities (MIC)

Personal Interest

Trever has a passion for many different types of music. Classic rock is a favorite genre that he enjoys very much. He also plays guitar and is lead and back-up vocals for a Southern California based Reggae/Rock band called Mustache Spesh. Most recently, the band helped raise over \$5,000 dollars for a local victim of cancer. When he is not playing music he devotes much of his time with family and friends. The oldest of two brothers and one sister, Trever holds his family and friends near and dear and they are very close. A strong relationship with God also drives Trever's daily routine. Trever is very fortunate to have the majority of his extended family living in Southern California. It makes it easier to stay close to cousins, aunts, uncles and grandparents. Born in Pomona, California and growing up in Rancho Cucamonga, Trever has always maintained an active lifestyle. When not working, his favorite activities include: weight training, running, volleyball, wakeboarding, snowboarding in the winter and surfing year round. In the Summer, 2008 he helped aid Good Living Clothing Company on beach clean-ups in Oceanside and Carlsbad California to promote the company as well as supporting clean beaches throughout Southern California.

In 2009 Trever co-founded the non-profit corporation Motivating and Impacting Communities or M.I.C. for short. The M.I.C. hosts Christian-based performing arts concerts for local youth up to College and Post College age men and women. Trever serves on the board of Directors and plays a large roll in putting together events.

Brent R. Kaul

Investment Associate

Office: 909 581 6530

Fax: 909 581 6538

Mobile: 949 842 9381

Email: brent@martinezandassociates.com

Experience

Brent has been associated with Martinez and Associates since March, 2007. With over eight years of investment commercial real estate experience, Brent came to Martinez and Associates from Marcus & Millichap Real Estate Investment Brokerage, where he focused solely on Multi-Family and Mobile Home Park transactions for individual investors, as well as REITs. Prior to Marcus & Millichap, Brent was a Business Systems Analyst for the management consulting firm Accenture, based in Chicago, Ill.

Education

University of Colorado, Boulder, CO
BA, Political Science / Communications

Institutional Value

Member of the National Manufactured Housing Group
Associate Director, National Manufactured Housing Group
Member of WMA

Personal Interest

A native of Southern California, Brent grew up in a close knit family of four, whom he still remains close to. He recently purchased a new condominium in Aliso Viejo, to be near his family and especially to be near the beach where he enjoys spending his free time. Since attending college in Boulder, CO, Brent continues to enjoy outdoor activities such as mountain biking, hiking, stream fishing, recreational basketball, golf and especially snow skiing. In fact, Brent travels back to Colorado annually to visit college friends and ski the notorious Rocky Mountains at various destinations. Volunteering for various organizations has become a passion for Brent. Currently, he is a volunteer Big Brother for the Orange County chapter of the Big Brothers/Big Sisters Organization where he enjoys spending time and mentoring his 14 year old "little brother". Brent is also an active volunteer for the University of Colorado, Boulder's Orange County Alumni Association and Admissions Office. He maintains close relationships with High Schools throughout Southern California and speaks regularly at recruiting events and career fairs aimed at Juniors and Seniors looking to transition to college. Growing up an avid sports fan, Brent has played both baseball and basketball throughout his life. He continued on with baseball as a pitcher into the collegiate level. As a fan of sports, Brent continues to watch and follow the Los Angeles Dodgers and Los Angeles Lakers. In addition, he continues to enjoy college and professional football, and remains a longtime fan of the USC Trojans and his Colorado Buffaloes! Also a loyal Los Angeles Angels of Anaheim fan, he consistently loves to attend their games at Anaheim stadium.

Dale C. Lowe

Investment Associate

Office: 909 581 6534

Fax: 909 581 6538

Mobile: 626 484 4460

Email: dale@martinezandassociates.com

Experience

Dale has been associated with Martinez and Associates since January, 2007. Prior to joining Martinez and Associates, he worked for Countrywide Financial as their top underwriter in the West Coast Division. Dale decided to make the move to commercial real estate brokerage after the urging of his longtime friend/college roommate, Victor Martinez. Since the beginning, Dale has been very successful in the niche market of the self storage industry. He felt that the needs of the smaller investor were not being met, and continues to service the client in every aspect of the transaction.

Education

University of California, Riverside, CA
BS, Business Administration, Minor in Economics

Institutional Value

Platinum Circle 2005, 2006, 2007

Personal Interest

Dale was born in San Diego, CA and later moved to the San Gabriel Valley where he spent his teenage years. Dale was recently married to his high school sweetheart, Annette, after 12 years of courtship. They have been happily married for 18 months and reside in the city of Upland, CA. In his spare time he enjoys the gym, spending time with his family and most importantly his two nephews ages 7 and 4. Dale is no longer as active as he would like physically, as he had neck surgery 3 years ago which limits what activities he can participate in. Before that his main passion was playing a physical game of basketball.

INVESTMENT ASSOCIATES

Victor M. Martinez

President & Founder

Office: 909 581 6526

Fax: 909 581 6539

Mobile: 626 664 1341

Email: victor@martinezandassociates.com

Experience

Victor has been associated with Martinez and Associates since March, 2007. Prior to joining Martinez and Associates, Victor served as Vice President of Investments for Coldwell Banker Commercial as well as Associate Director for the National Manufactured Housing Group at Marcus & Millichap.

Education

University of California, Riverside, CA
BS, Marketing / Administrative Studies

Institutional Value

Member of the National Manufactured Housing Group
Associate Director, National Manufactured Housing Group
#1 Nationwide Manufactured Housing Broker - 2003
National Achievement Award - 2002 & 2003
Platinum Circle of Distinction - 2005
Member of WMA since 2005
Member of CMPA

Personal Interest

Victor has always been involved in athletics having played baseball and football since the age of six and culminating as a backup football player for Citrus College, a Community College in Glendora, CA. Victor still maintains an active lifestyle that includes pickup basketball games, racquetball, tennis, swimming, weight training and 5 mile mountain runs. Victor spends most of his time away from the office following and serving as "Team Pop" for his daughter's club soccer team, Arsenal, based out of Temecula. Victor is a single father and shares custody of his beautiful daughter Isabella with his ex-wife. When he is not spending time with his daughter Victor enjoys a passion for traveling. His most recent trip took him to Spain for 2 ½ weeks. He has also visited Lambeau Field, Yankee Stadium and Wrigley Field to name a few sports venues. Victor is an avid sports fan and roots intensely for our local teams: Angels, Dodgers, USC Football and of course, our Los Angeles Lakers. While personal interests and family always takes up most of his time, Victor feels the need to give something back to his community by volunteering at his daughter's school through fundraising, being an active participant in the PTA and non-profit organizations such as Olive Crest, which provides housing and psychological help for abused children. Victor's family includes his daughter Isabella, father Victor, mother Cristina, two sisters Leticia Patricia, brother-in-law Christopher and their new son Phoenix.

Justin R. Price

Investment Associate

Office: 909 581 6522

Fax: 909 581 6538

Mobile: 951 235 6549

Email: justin@martinezandassociates.com

Experience

Justin has been associated with Martinez and Associates since May 2009. He has a strong educational background in real estate and he focuses solely on the California self storage market.

Education

San Diego State University
BS, Business Administration/ Real Estate

Institutional Value

Member of the California Self Storage Association

Personal Interest

Justin Likes to maintain an active lifestyle and in his free time he enjoys going to the gym, swimming, playing basketball, soccer and golf. He also enjoys working out with his high school wrestling team whenever he get a chance. Justin loves the outdoors, he likes going to the beach with friends in the summer and going snowboarding in the winter. Justin is a huge sports fan and he enjoys attending games whenever he can. He actively follows his favorite Southern California teams: Lakers, Chargers, Dodgers, and Ducks. Justin is really close with his family which is easy since everyone lives in Southern California. He has 3 older siblings, 2 brothers and a sister. He has 3 nieces ages 8,4, and 1 and a nephew on the way.

INVESTMENT ASSOCIATES

Brandon M. Robinson

Investment Associate

Office: 909 581 6527

Fax: 909 581 6538

Mobile: 760 534 8135

Email: brandon@martinezandassociates.com

Experience

Brandon has been associated with Martinez and Associates since March, 2007. Prior to joining Martinez and Associates, Brandon was an outside supplies salesperson in Los Angeles, CA. Brandon is ranked as one of the top 10 self storage brokers in the state of California. He began selling self storages upon graduating from Whittier College.

Education

College of the Desert, Palm Desert, CA

AA, Liberal Arts- High Honors

Whittier College, Whittier, CA

BA, Business Administration with Honors

Institutional Value

Member Of The California Self Storage Association

Strong Relationships With Top Storage Owner/Operators

Ranked Amongst Top 10 Self Storage Brokers In Southern California

Personal Interest

Brandon was a Collegiate Athlete playing on the men's basketball teams at College of the Desert and Whittier College. He led his college basketball teams in scoring and rebounding and was the Most Valuable Player at the Whittier College Purple & Gold Tournament in 2005. In addition to athletics, Brandon was a participant in campus clubs and activities; including the Fellowship of Christian Athletes, Whittier College Christian Fellowship, Black Student Union, Hispanic Student Association, Students in Free Enterprise (SIFE), and the Alpha Pi Delta Business Society. He was also a Resident Advisor at Whittier College where he planned and organized social and scholastic events, provided guidance and mentoring to new students and resolved conflicts in the Residence Halls. During his senior year in college, Brandon was a program coordinator for the Yosemite National Institute where he organized and raise funds for inner city youth to study the earth sciences at Yosemite National Park. In addition to his athletic ability and involvement in extra curricular activities, Brandon was an excellent student as well. He was a High Honors student throughout college and was awarded Top Scholar Athlete and the Poet Exemplar Award at Whittier College. Brandon was also featured in the Whittier College Alumni Magazine titled "The Rock." When Brandon is not selling Self Storages facilities, he is actively involved in leadership at his church's Young Adults Group in Rancho Cucamonga, CA. In addition, he enjoys playing and watching basketball and is a huge fan of the San Antonio Spurs. Other interests and hobbies include tennis, reading, salsa dancing and Spanish. Brandon would also like to travel the world and visit China, Spain, Latin America, Israel, Kenya, Brazil and Dubai.

**Attachment 1 to Rent
Adjustment Application
submitted by Boyd Hill**

RECEIVED AT RENT ADJUSTMENT MTG
 MEETING OF Jan. 24, 2011
 FROM: Boyd Hill
 ITEM #: 7A

**ATTACHMENT 1 TO RENT ADJUSTMENT APPLICATION
 FOR RANCH MOBILE HOME PARK (REVISED)--
 DETERMINATION OF ELIGIBILITY FOR RENT INCREASE
 USING MAINTENANCE NET OPERATING INCOME APPROACH**

- I. **Determine the 1979 Base Year Net Operating Income** (RAC-2 § 3.02)
- A. **Determine that 1979 Base Year Financial Information is Available**
 (RAC-2 § 3.01)

1. 1979 Gross Total Income Amount of \$102,840 is available as set forth in the Bruce Hohn Declaration. (Attachments 2 and 3(D), page 2) That amount is calculated by looking at the Year 2000 Rent Schedule and deducting out 1984 Seven Percent (7%) Rent Increase. The rental amounts are corroborated by the City's records of the 1982 Gross Total Income and the August 9, 1977 Fred Wilson letter. (Attachments 3(A) and (B))
2. 1979 Operating Expense Information is available as set forth in the Bruce Hohn Declaration by making an inflation or other appropriate adjustment to 1982 expense information submitted by the Ranch and accepted by the City. (Attachments 3(B), 4 and 8)

- B. **Adjust the Base Year Gross Total Income to Market Rent for All Units** (RAC-2 § 2.05)

Market Rent of \$198.46 per month per space (Neet Appraisal--Attachment 5)
 Times 74 Units Times 12 Months \$176,232

- C. **Subtract the Base Year Annual Operating Expenses from the Base Year Market Rent Adjusted Gross Total Income** (RAC-2 § 2)

- | | |
|--|-----------|
| 1. The Base Year Gross Total Income is | \$176,232 |
| 2. The Base Year Operating Expenses are | \$ 27,511 |
| 3. The Base Year Net Operating Income is | \$148,721 |

- II. **Adjust the 1979 Base Year Net Operating Income to Reflect the Current Year Inflation** (RAC-2 § 3.04—the City requires a CPI price level adjustment; see Item 31 of City Application Form Net Operating Income Worksheet)

- | | |
|--|-------------------------|
| 1. Current Year CPI (Attachment 4--March 2010) | 225.48 |
| 2. Base Year CPI (Attachment 4—December 1979) | 77.20 |
| 3. Percentage Change in CPI (225.48 ÷ 77.20) | 292.1% |
| 4. Base Year Net Operating Income CPI Adjusted
(\$148,721 x 292.1%) | <u>\$434,380</u> |

III. Determine the Current Year Net Operating Income (RAC-2 §§ 2-2.17 & 3.03)

1. Current Year Gross Total Income (Attachment 6) \$117,920
2. Current Year Operating Expenses (Attachment 7) \$ 97,452
3. Current year Net Operating Income \$ 20,468

IV. Determine Whether there is a Shortfall in the Current Year Net Operating Income (RAC-2 § 3.05)

1. Subtract the Current Year Net Operating Income from the Inflation Adjusted Base Year Net Operating Income:
 $\$434,280 - \$20,468 =$ \$413.912
2. Rents may be increased by the amount of the shortfall so that the Current Year Net Operating Income Equals the 1979 Adjusted Net Operating Income:

V. Determine the Amount of Monthly Space Rent Increase (RAC-2 §§ 6.01 & 6.02—the City Application Form, Calculation 4 requires that the rent increase be applied in an equal amount to each unit)

1. Divide the amount of the annual shortfall by the number of rental spaces:
 $\$521,652 \div 74 =$ \$57593.41
2. Divide the annual rent increase per space by twelve months:
 $\$5,593.40 \div 12 =$ \$466.12

Tenants Attorney's
PowerPoint presentation
Meeting January 24, 2011

RECEIVED AT RENT ADJUSTMENT MTG
MEETING OF Jan. 24, 2011
FROM: Kaye Hill, Applicant
ITEM #: 7th Floor.

RANCH MOBILEHOME PARK
RENT ADJUSTMENT
APPLICATION

For a Constitutional Just and Reasonable Return

REQUESTED RENT INCREASE

- Current Year Average Rent \$128
- Requested Increase \$466.12
- New Average Rent \$594.12 (effective May 1, 2011)

PARK OWNER STATEMENT

“As long as the Park Owner is treated fairly and can implement its rent increase without further delay, the Park Owner commits that no existing long term tenant in good standing will be forced from the Park by reason of the rent increase and an inability to pay all or any portion of the rent increase.”

CONSTITUTIONAL REQUIREMENT OF JUST AND REASONABLE RETURN

- Limits City's police power to impose price controls on rent
- Rate of return on property must be high enough to encourage good management, adequate maintenance, reward efficiency, discourage flight of capital from rental mobilehome parks, and enable operators to maintain and support their credit (See *Concord Communities v. City of Concord*)
- Both "Due Process" and "Just and Reasonable Return" constitutional principles may require higher rents

MAINTENANCE OF NET OPERATING INCOME FORMULA

- MNOI is the formula adopted by the City to determine whether a property under rent control is receiving a just and reasonable return. (City Code, Section 5-25.06 (b).)
- The MNOI formula presumes that the owner's net operating income before the time rent control began provided a just and reasonable return.
- The MNOI formula allows the owner to recoup increases in ongoing operating expenses, including those caused by inflation and expenses in obtaining just and reasonable rents. (See *Kavanau v. Santa Monica Rent Control Board.*)

MNOI IS THE PRESUMED STANDARD

- The Commission must presume that the MNOI formula provides owners with a just and reasonable return.
- The MNOI formula must be used unless there is clear and convincing evidence that it does not provide owners with a just and reasonable return. (City Resolution RAC-2, Section 1.03.)

NO OTHER METHODOLOGY REQUESTED BY OWNER OR TENANTS

- “The methods authorized herein are exclusive. Alternative approaches may be employed by the Commission. Applicants or tenants may propose the use of such approaches, but must fully explain, in writing, the methodology and the reasons supporting use of the methodology, and must provide information and documentation adequate to use the suggested approach. The methodology and documentation shall be provided with the application, or sufficiently before the date set for the hearing, so that the matter may be reviewed by the Commission staff.” (City Resolution RAC-2, Section 1.03.)

MNOI STEP ONE—DETERMINE BASE YEAR

- The Commission must presume that 1979 is the Base Year unless the owner can substantiate by clear and convincing evidence that 1979 financial information is not available and that records for 1979 are lost.
- Where financial information for 1979 is available, 1979 must be used as the Base Year. (See RAC-2, Section 3.0; *Los Altos El Granada Investors v. City of Capitola*) To the extent any information is missing, the RAC must allow the Park to estimate. (*MHC Operating Limited Partnership v. City of San Jose*)
- Financial information for 1979 can be easily determined from official Govt. records.

ONLY THE OWNER CAN SUBSTITUTE A DIFFERENT BASE
YEAR BUT THE OWNER IS NOT REQUIRED TO DO SO

- “In the event that the 1979 financial information is not available, and where the loss of such records can be substantiated by clear and convincing evidence, the landlord of record in 1979 may substitute as a base year the first year following 1979 for which records are available.”

THE MNOI FORMULA IS BASED ON PRE-RENT CONTROL FAIR MARKET ASSUMPTIONS

- “In general, the maintenance of net operating income formula is based on pre-rent control, fair market assumptions.” (*MHC Operating Limited Partnership v. City of San Jose* (2003) 106 Cal.App.4th 204, 223)
- The Commission presumes that the net operating income received up to April, 1980 provided landlords with a Just and Reasonable Return on their rental units, unless there is clear and convincing evidence to the contrary.” (RAC-2, Section 1.03)

THE COMMISSION CANNOT SUBSTITUTE A POST-RENT CONTROL BASE YEAR NOT SPECIFIED IN THE ORDINANCE

- “That is particularly true in this case, since the alternate year MHC proposes--1996--clearly postdates rent control.” (*MHC Operating Limited Partnership v. City of San Jose* (2003) 106 Cal.App.4th 204, 223)
- “Finally, we uphold the hearing officer's decision to reject the ‘suggestion that an alternative base year could be substituted for 1985.’ To the extent the decision rests on her interpretation of the Ordinance, it must be ‘given considerable deference and must be upheld absent evidence the interpretation lacks a reasonable foundation.’” (*Id.*)

**THE CITY ORDINANCE CLEARLY IDENTIFIES
“MAXIMUM RENT” AS THE STARTING POINT FOR DETERMINING
A JUST AND REASONABLE RETURN**

- “The Commission shall have the authority, in accordance with such guidelines as the Commission may establish, to grant increases in the rent for a rental space or spaces located in the same mobilehome park, upon receipt of an application for adjustment filed by the landlord and after notice and hearing, if the Commission finds that such increase is in keeping with the purposes of this Chapter and that the maximum rent or maximum adjusted rent otherwise permitted pursuant to this Chapter does not constitute a just and reasonable rent on the rental space or spaces.” (City Code, Section 5-25.06 (b) (1))

**THE CITY ORDINANCE DEFINES "MAXIMUM RENT" FOR
PURPOSES OF CALCULATING JUST AND REASONABLE RETURN
AS THE HIGHEST RENT RECEIVED IN THE 1979-1980 BASE YEAR**

- “Maximum rent’ the highest legal monthly rate of rent which was in effect for the rental space during any portion of the month of June 1980. If a rental space is not rented during said month, then it shall be the highest legal monthly rate of the rent in effect between June 1, 1979 and May 31, 1980.” (City Code, Section 5-25.02 (k))

CPI ADJUSTMENT TO LATER YEAR EXPENSES IS AN ACCEPTED METHOD TO DETERMINE BASE YEAR NOI

- “With respect to expenses, Dr. Baar testified that 1986 real estate tax data is available from the tax collector’s office, he also opined that prior ground lease expenses could be extrapolated by using current data and adjusting for inflation. Given the available information concerning expenses, Dr. Baar concluded that about eighty percent of it you can estimate pretty precisely.” (*MHC Operating Limited Partnership v. City of San Jose* (2003) 106 Cal.App.4th 204, 225)
- Dr. Baar in the *MHC* case championed extrapolating 1996 expense data using backwards CPI adjustments to a 1986 base year

CONCLUSIONS RE 1979 AS BASE YEAR

- The City's Ordinance requires use of 1979 as the Base Year
- The Park Owner has not exercised its option to Seek to Use Another Base Year
- A 1986 Base Year would not be based on pre-rent control fair market assumptions and thus would be unconstitutional
- There is no clear and convincing evidence that another method is better
- The California Court of Appeal has held, based on Dr. Baar's testimony, that Base Year expenses can be estimated by doing backwards CPI adjustments from expenses up to 10 years later

MNOI STEP TWO—ADJUST BELOW MARKET BASE YEAR RENTS

- Base Year rents must be adjusted to market rent.
(See *Birkenfeld v. City of Berkeley; Concord Communities, L.P. v. City of Concord*; RAC-2, Section 2.05)
- Ranch Base Year rents were below market as both the City Brabant appraisal and the Owner's Neet appraisal demonstrate.

THE NEET APPRAISAL APPROPRIATELY DETERMINES MARKET RENT

- Brabant's appraisal of market 1979 base year rent is \$150; the revised Neet appraisal of market 1979 base year rent is \$198.46 (our application request)
- The Ranch average 1979 base year rent was \$115.81
- There is a significant difference between actual and market base year rent
- The Neet appraisal appropriately uses highest comparable rent data from early 1980 to determine market rent for 1979 base year

UNRELIABLE RENT DATA IS USED FOR THE SUGGESTED ALTERNATIVE BASE YEARS

- Baar is not a qualified appraiser.
- Baar did not use 1982 market rent comparables to determine 1982 “market” rent for purposes of calculating an alternative 1982 Base Year NOI
- Both Baar and the City admit that use of 1999 as a Base Year is unreliable because Brabant’s determination of “market” rent is based upon 19 years of operating under the City’s rent adjustment ordinance.

MNOI STEP THREE—DETERMINE BASE YEAR MNOI

- Base Year Gross Total Income determined by Appraisal rental value times number of spaces times 12 months. (Attachment 5--Revised) [\$176,232]
- Base Year Operating Expenses determined [by inflation adjusting Operating Expenses from 1982 City determined expenses back to 1979.] (Attachments 3(B), 4 & 8) [\$27,511]
- Subtract Base Year Operating Expenses from Base Year Gross Total Income. (RAC-2, Sections 2 & 3.02) [\$148,721]

**NO ADJUSTMENT TO BASE YEAR
INCOME OR EXPENSES ALLOWED OR REQUIRED**

- “Determine the 1979 Net Operating Income.” (City Resolution No. RAC-2, Section 3.02)

Distinguish for current year NOI:

- “Determine the current year Net Operating Income in accordance with the provisions of Sec. 2-2.17” (City Resolution No. RAC-2, Section 3.03)

BAAR ADJUSTMENT TO 1982 OPERATING EXPENSES FAILS TO TAKE INTO ACCOUNT INCREASED OPERATION COSTS

- The MNOI formula is supposed to take into account both increased operating costs and inflation.
- The Baar method of calculating 1982 operating costs by inflation adjusting downward 2009 operating costs only takes into account inflation, not increased operating costs
- The City previously determined 1982 Ranch operating costs for purposes of NOI computation; the City's previous determination is presumed correct

BASE YEAR NET OPERATING INCOME

\$176,232
-\$27,511
\$148,721

**STEP FOUR—DETERMINE
PRESENT VALUE OF BASE YEAR NOI**

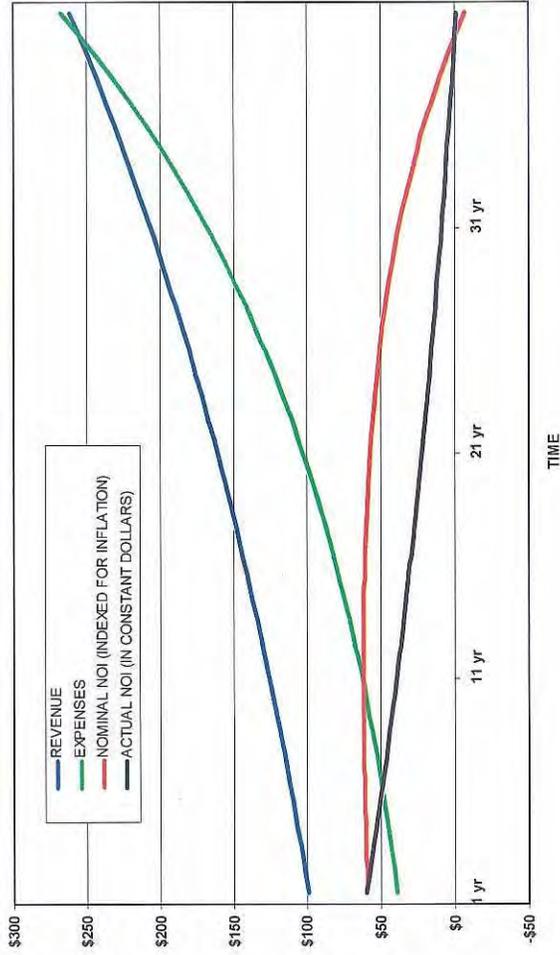
- Base Year NOI must be adjusted to present value to account for inflation. (RAC-2, Section 3.04; *Kavanau v. Santa Monica Rent Control Board*)
- The City requires a Consumer Price Index inflation adjustment (City Application Form, Page 5, Line 31)
- 192.1 % change in Consumer Price Index from 1979 to 2010 (Attachment 4)

THERE MUST BE A FULL CPI ADJUSTMENT TO BASE YEAR CPI

- The City Ordinance does not specify a CPI adjustment to Base Year NOI of less than 100%
- All California cases in which a CPI adjustment to Base Year NOI of less than 100% was applied were cases where the Ordinance or regulations specified that amount
- The City Ordinance (Section 5-25.02 (g)) already provides for 75% of CPI automatic increase in rent, so a lesser CPI adjustment under the MNOI formula to account for increased costs and inflation under the constitutional just and reasonable return requirement would be meaningless
- A fifty percent CPI adjustment to Base Year NOI would provide a significantly diminishing return

DIMINISHING RETURN UNDER 50% CPI ADJUSTMENT

RENTAL INCOME INDEXED BY 50% OF CPI



THE USE OF A DIFFERENT FORMULA TO JUSTIFY APPLICATION OF A 50% CPI ADJUSTMENT IS IMPROPER

- The Baar Report uses a Return on Investment approach to apply a 50% CPI adjustment to Base Year NOI, which is inconsistent with the MNOI approach
- The City regulation requirements for use of an alternative (non-MNOI) approach have not been met. (See RAC-2, Section 1.04)
- Baar admits in his report that neither the Ordinance nor the Regulations authorize the Return on Investment approach (Baar Report, p. 23)
- Baar admits in his report that the Return on Investment approach disfavors longer term owners with low investments, such as the Owner here (Baar Report, p. 35)

PRESENT VALUE OF BASE YEAR NOI

\$148,721	Base Year NOI
x 2.921	<u>CPI Increase</u>
\$434,380	Adjusted Base Year NOI
	(Comparison Year "Target" NOI)

STEP FIVE--DETERMINE CURRENT YEAR NOI

\$117,920	Actual Comparison Year Income
<u>-\$ 97,452</u>	<u>Actual Comparison Year Expenses</u>
\$ 20,468	Current Year NOI

STEP SIX—DETERMINE ANY SHORTFALL IN CURRENT NOI

- If Base Year NOI is more than current NOI, then in order to maintain Base Year NOI, current rent must be increased by the difference (RAC-2, Section 3.05)

\$434,280	Inflation Adjusted Base Year NOI
<u>-\$ 20,468</u>	<u>Current NOI</u>
\$413,912	Shortfall

STEP 7—DETERMINE AMOUNT OF RENT INCREASE

- Apply annual NOI shortfall in equal amount to each unit. (City Application Form, Calculation 4)
- Divide the amount of the annual shortfall by the number of rental spaces:
\$413,912 divided by 74 equals \$5,593.40
- Divide the annual per space rent increase by twelve months to get the monthly rent increase per space: \$5,593.40 divided by 12 equals \$466.12

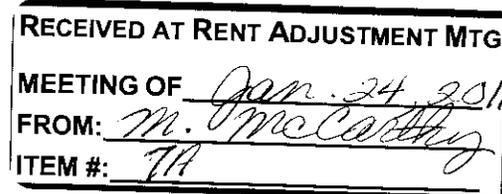
THE CITY'S 1977 CONDITION LIMITING RANCH RENT INCREASES EXPIRED IN 2007

- The City's 1977 condition limiting Ranch rent increases expired by operation of law in the year 2007. (Govt. Code, Section 65915; see *Broadmoor San Clemente Homeowner's Assn. v. Nelson*)
- The City's 1984 Resolution, which effectively rezoned the Ranch, cannot govern future Ranch rent increases. (Govt. Code, Section 65850; see *City of Sausalito v. County of Marin*)

Information submitted by
Michael E. McCarthy,
Applicant's CPA

ANDERSON & KNUF, LLP
Certified Public Accountants and Business Advisors

CURRICULUM VITAE
OF
MICHAEL E. McCARTHY
Certified Public Accountant
Certified Fraud Examiner



EDUCATION

Michigan State University – Bachelor of Arts, 1978
Emphasis: Hotel, Restaurant & Institutional Management

California State University, Fullerton – Master of Business Administration, 1995
Emphasis: Generalist/Finance

PRIOR PROFESSIONAL EXPERIENCE

Anderson & Knuf, LLP (2007 to present)

Santa Ana, California

Partner in the firm's audit department and is responsible for overall service extended to clients in this area.

Wertz & Company, LLP / Corbin & Wertz (1999 to 2006), Irvine, California

Manager, Audit and Consulting Department

Assignments include Chapters 7 and 11 bankruptcy analysis, litigation support, expert witness testimony, business consulting, auditing, due diligence, individual, and corporate and partnership income taxes.

Strabala, Ramirez & Associates (1997 - 1999), Irvine, California

Senior Consultant. Assignments included auditing, business and government consulting, tax preparation, litigation support.

Internal Revenue Service (1991 – 1997), Laguna Niguel, California

Public Affairs Specialist, Editorial Assistant

PROFESSIONAL & COMMUNITY ACTIVITIES

Licenses and Certifications

Certified Public Accountant, State of California 1999

Certified Fraud Examiner 2006

Certified Insolvency and Restructuring Advisor (in progress)

Memberships:

American Institute of Certified Public Accountants (AICPA)

California Society of Certified Public Accountants

Association of Certified Fraud Examiners

Orange County Bankruptcy Forum

Beta Gamma Sigma, National Business Honor Society

Michael E. McCarthy, CFE, CPA, MBA

<u>Client/Case Issue</u>	<u>Attorney/Law Firm</u>	<u>Provided Deposition/Trial</u>
House of Blues/Forensic accounting, valuation of business and calculation of lost profits of neighboring business due to construction activity, parking problems and concerts.	Allen Katz/Allen Katz	No/Yes
ProGen Technology/Chapter 7 bankruptcy, forensic accounting, preference analysis, asset tracing, assistance to Trustee, accounts receivable collection, reconstruction of books and records	John M. Wolfe/U.S. Bankruptcy Trustee James Bastian/ Marshack, Shulman, Hodges & Bastian LLP	No/No
John W. Wolfe vs. Juliett Capital forensic accounting related to collection of accounts receivable owed Progen bankruptcy estate	John M. Wolfe/U.S. Bankruptcy Trustee James Bastian/ Marshack, Shulman, Hodges & Bastian LLP	No/No
John W. Wolfe vs. ADA Source Management forensic accounting related to collection of accounts receivable owed ProGen bankruptcy estate	John M. Wolfe/U.S. Bankruptcy Trustee James Bastian/ Marshack, Shulman, Hodges & Bastian LLP	No/No
John W. Wolfe vs. Bestlink Systems forensic accounting related to recovery of fraudulent conveyance and preference payments owed ProGen bankruptcy estate	John M. Wolfe/U.S. Bankruptcy Trustee James Bastian/ Marshack, Shulman, Hodges & Bastian LLP	No/No
Techmedia, et al/Chapter 7 bankruptcy, forensic accounting, preference analysis, asset tracing, assistance to Trustee.	John M. Wolfe/U.S. Bankruptcy Trustee James Bastian/ Marshack, Shulman, Hodges & Bastian LLP	No/No
Techmedia Computer vs. Fry's Electronics forensic accounting related to collection of accounts receivable owed Techmedia bankruptcy estate	Jennifer Ramsden/ Marshack, Shulman, Hodges & Bastian LLP	No/No
ETM Entertainment Network vs. Dillard's Inc. Forensic accounting related to funds held in trust by defendant, bankruptcy and insider transactions	James Joseph/U.S. Bankruptcy Trustee Ron Hodges/Marshack, Shulman, Hodges & Bastian LLP	No/No
Ojai Villa Mobile Home Estates/Rent control discretionary increase. Rate of return analysis.	C. Wm. Dahlin/Hart, King and Coldren	No/No

<u>Client/Case Issue</u>	<u>Attorney/Law Firm</u>	<u>Provided Deposition/Trial</u>
Shamrock Mobile Home Community/Rent control discretionary increase. Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/Yes
Casa del Norte Mobile Home Park/Rent control discretionary increase. Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/No
Royal Palms Mobile Home Park/Rent control discretionary increase. Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/No
Rancho Palms Mobile Home Park/Rent control discretionary increase. Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
Divorce of Contaldo/Analysis of assets and relation to community property		No/No
Azer Et Al v. Fischman Et Al/Damage calculations related to lost gains on sale of dialysis clinic, defense counter-claim related to loss of fees for services	Jerome Busch/Resnick & Gray	No/Yes
Hearts for the Homeless v. Southern California Towing Et Al Lost donation analysis	Steve Sargenti, Melody Kramer/Law Offices of Richard K. Nagby	No/No
Diamond Sports & Entertainment, TMC Properties, Transaction and funds tracing, piercing the corporate veil	William Goddard/Lee, Goddard & Duffy LLP	No/No
One Stop Wireless of America, Et Al, Transaction funds tracing, piercing the corporate veil, insider transaction analysis	John M. Wolfe/U.S. Bankruptcy Trustee Mark Bradshaw/Marshack, Shulman, Hodges & Bastian LLP	No/No
John R. Fox, Ph.D. v. Edward R. McLaughlin, Jr., Tracing of proceeds of Promissory Note, bank transfer schedule.	Todd Ringstad, Esq.	No/No
Neves vs. Bell Central. Forensic accounting and loss calculation	George & Shields	No/No

<u>Client/Case Issue</u>	<u>Attorney/Law Firm</u>	<u>Provided Deposition/Trial</u>
Sandalwood Mobile Estates Rent control discretionary increase. Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
John W. Wolfe vs. State Farm – Caristi Present Value calculations – lifetime lost wages and medical costs	John M. Wolfe/U.S. Bankruptcy Trustee Michael J. Sarrao/Marshack, Shulman, Hodges & Bastian LLP	No/No
Whittingham vs. Allergan Inc. – Calculation of royalties payable under licensing agreement.	Jeffrey H. Reeves, Jeff Augustini/Gibson, Dunn & Crutcher	No/No
Royal Mobile Manor Rent control discretionary increase. Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
Marsha L. Jacoway vs. John M. Wolfe Calculations and opinions regarding IRA exemption, rate of return calculations	Christopher Minier/Wood Bohm Kegel & Aguilera	No/Yes Designated expert – Federal Court
Nevin vs. Garza Lost profit calculations	Michael Heyman/Albert, Weiland & Golden	Yes/Yes Superior Court
Jade Bay Mobile Home Park Rent control discretionary increase Rate of return analysis	C. Wm. Dahlin/Hart, King and Coldren	No/No
Colony Cove Mobile Home Park Rent control discretionary increase Rate of return analysis	Monica Limon-Wynn/Snell & Wilmer LLP	No/No
Peppertree Mobile Home Park Rent control discretionary increase. Rate of return analysis	Mark Alpert/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
John M. Wolfe, Trustee vs. Angelica M Contreras and AMC Holdings Group, LLC Solvency analysis in support of avoidance and recovery action (Fraudulent conveyance)	John Mark Jennings/Shulman, Hodges & Bastian LLP	No/No
Laco Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis	Mark Alpert/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
Carson Gardens Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis	Mark Alpert/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)

Client/Case Issue	Attorney/Law Firm	Provided Deposition/Trial
Surf & Sand Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis	Mark Alpert/Hart, King and Coldren	No/No
Leisurewoods Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis Fair rate of return analysis	Mark Alpert/Hart, King and Coldren	Pending
Hillcrest Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis Fair rate of return analysis	Mark Alpert/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
Perciballi v. Stifelman, et al Litigation consulting regarding analysis of lost income of a floor trader on the NYSE	Lawrence Rosenblatt/Aaronson Rappaport, Feinstein & Deutsch, LLP	No/No (Analysis of expert report)
Polynesian Mobile Estate Damage recovery due to flooding and Rent control discretionary increase. Maintenance of net operating income analysis Fair rate of return analysis	Mark Alpert/Hart, King and Coldren	No/Yes (Rent Control Board Hearing)
Thunderbird Oaks Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis	Boyd Hill/Hart, King and Coldren	Pending
Vallecito Mobile Estates Rent control capital improvement increase Fair rate of return analysis	Boyd Hill/Hart, King and Coldren	Pending
The Ranch Mobile Home Park Rent control discretionary increase. Maintenance of net operating income analysis	Boyd Hill/Hart, King and Coldren	Pending

**AVMGH FIVE - THE RANCH LIMITED PARTNERSHIP
MAINTENANCE OF NET OPERATING INCOME - REVISED VEGA ADJUSTMENT
2009**

Step 1: Determine Base Year:

Original Ordinance 775-NS Established 6/1/1980

Conclusion: Base Year is: 1979

Step 2: Determine Base Year Net Operating Income (NOI) - Adjust for Inflation

	Annual rent in 1979		102,840	
	Divided by: Spaces		74	
	Months		12	
	Estimated rent per space in 1979		115.81	
"Vega" Adjustment to Market Rent	"Vega" adjustment		82.65	
	Market rent in 1980 per space per appraisal		\$ 198.46	
	Times: Spaces		74	1979
	Months		12	\$ 176,232

Rollback Expenses to Base Year:

	1982 expenses per 12/8/83 Martello memo		\$ 53,299	
	Less: Depreciation		(18,875)	
	Expenses for MNOCI comparison		34,424	
	Rollback to 1980 for inflation:			
	Year CPI-U Change % Change Expenses			
	1982 96.6 1.1 1.2% 34,424			
	1981 95.5 7.9 9.0% 34,032			
	1980 87.6 10.4 13.5% 31,217			
	1979 77.2		27,511	(27,511)

Compute Base Year NOI

BASE YEAR NET OPERATING INCOME \$ 148,721

Compute Current Year Target NOI Base Year NOI Inflation Adjustment

	CPI-U Latest Available	Mar-10	225.48	
	CPI-U Base Year	1979	77.20	
			148.28	292.1%

Base Year Net Operating Income Adjusted for Inflation \$ 434,380

Step 3: Calculate Current Year NOI, Adjust as Necessary to "Normalize"

REVENUE		2007	2008	2009	Adjustments	Normalized
Rent		\$ 113,315	\$ 113,378	\$ 113,662	\$ -	\$ 113,662
Utilities Income	Electric	63,961	68,587	21,987	(21,987)	-
	Gas	-	-	17,524	(17,524)	-
	Water/Sewer	-	-	21,990	(21,990)	-
Other Income	Laundry	168	60	189	-	189
	Housing allowance	2,324	2,752	4,069	-	4,069
Total net revenue		179,768	184,777	179,421	(61,501)	117,920
EXPENSES						
Labor Costs						
	Salary	9,936	9,600	14,784	-	14,784
	Housing allowance	2,324	2,752	4,747	-	4,747
	WC insurance	600	-	961	-	961
	Payroll taxes	1,374	1,049	1,648	-	1,648
Total labor costs		14,234	13,401	22,140	-	22,140

AVMGH FIVE - THE RANCH LIMITED PARTNERSHIP
MAINTENANCE OF NET OPERATING INCOME - REVISED VEGA ADJUSTMENT
2009

	2007	2008	2009	Adjustments	Normalized
Utilities Expense					
Electricity	24,311	22,083	19,757	(19,757)	- (1)
Gas	14,258	14,132	9,000	(9,000)	- (1)
Cable TV	539	976	105	-	105
Trash	5,030	5,162	5,383	-	5,383
Water/Sewer	30,456	31,056	32,029	(21,990)	10,039 (2)
Common area electricity	-	-	-	3,028	3,028 (3)
Common area gas	-	-	-	491	491 (3)
Total utility expense	<u>74,594</u>	<u>73,409</u>	<u>66,274</u>	<u>(47,228)</u>	<u>19,046</u>
Repairs & Maintenance					
Repairs & maintenance	6,333	3,537	2,990	-	2,990
Equipment rental	339	371	449	-	449
Total repair & maintenance	<u>6,672</u>	<u>3,908</u>	<u>3,439</u>	<u>-</u>	<u>3,439</u>
Administrative & General					
Advertising & Promotion	-	-	50	(33)	17 (5)
Auto expense	-	-	922	(615)	307 (5)
Bank charges	24	(30)	(30)	-	(30)
Billing service	2,221	2,624	1,605	545	2,150 (5)
Contributions	-	1,480	-	-	-
Depreciation	6,164	5,721	5,329	(5,329)	- (4)
Dues & Subscriptions	-	1,055	686	(106)	580 (5)
Insurance - General	1,500	-	3,943	(2,129)	1,814 (5)
Insurance - Health	150	-	-	-	-
Interest	728	4,945	1,802	(1,802)	- (6)
Legal & accounting	338	2,823	-	5,671	5,671 (7)
Management fee	62,650	38,250	49,237	(32,250)	16,987 (8)
Meetings & seminars	-	-	2,037	(1,358)	679 (5)
Office expense	623	274	3,624	(2,117)	1,507 (5)
Rent	-	-	2,868	1,332	4,200 (9)
State taxes	800	800	800	-	800
Taxes & licenses	1,417	1,509	721	495	1,216 (5)
Property taxes	14,205	14,469	14,792	-	14,792
Telephone	837	751	2,218	(949)	1,269 (5)
Travel	-	-	2,605	(1,737)	868 (5)
Total administrative & general	<u>91,657</u>	<u>74,671</u>	<u>93,209</u>	<u>(40,382)</u>	<u>52,827</u>
Total expense	<u>187,157</u>	<u>165,389</u>	<u>185,062</u>	<u>(87,610)</u>	<u>97,452</u>
Operating income (loss)	<u>\$ (7,389)</u>	<u>\$ 19,388</u>	<u>\$ (5,641)</u>	<u>\$ 26,109</u>	<u>\$ 20,468</u>
	-4.1%	10.5%	-3.1%		17.4%

Step 4: Calculate NOI Maintenance Amount for the Current Year, Calculate Monthly Rent Adjustment

Base Year NOI Adjusted for Inflation from Step 2	\$ 434,380
Current Year Net Operating Loss from Step 3	<u>20,468</u>
Difference - MNOI Rent Adjustment	413,912
Divided by Number of Spaces	74
Divided by Number of Months	<u>12</u>
Recommended Monthly Increase per Space to Maintain Base Year NOI Adjusted for Inflation	<u>\$ 466.12</u>
Current Average Rent	\$ 128.00
Recommended Increase	466.12
Average Rent with Increase	<u>\$ 594.12</u>

RECONCILIATION	
Normalized Rent from Step 3	\$ 113,662
MNOI Rent Adjustment	413,912
Adjusted Rent Revenue	527,574
Other Income from Step 3	4,258
Total Adjusted Revenue	531,832
Expenses from Step 3	97,452
NOI after Rent Adjustment	434,380
NOI from Step 3	20,468
Difference	413,912
Divided by Spaces	74
Divided by Months	12
Recommended Increase	<u>\$ 466.12</u>

**AVMGH FIVE - THE RANCH LIMITED PARTNERSHIP
MAINTENANCE OF NET OPERATING INCOME - REVISED VEGA ADJUSTMENT
2009**

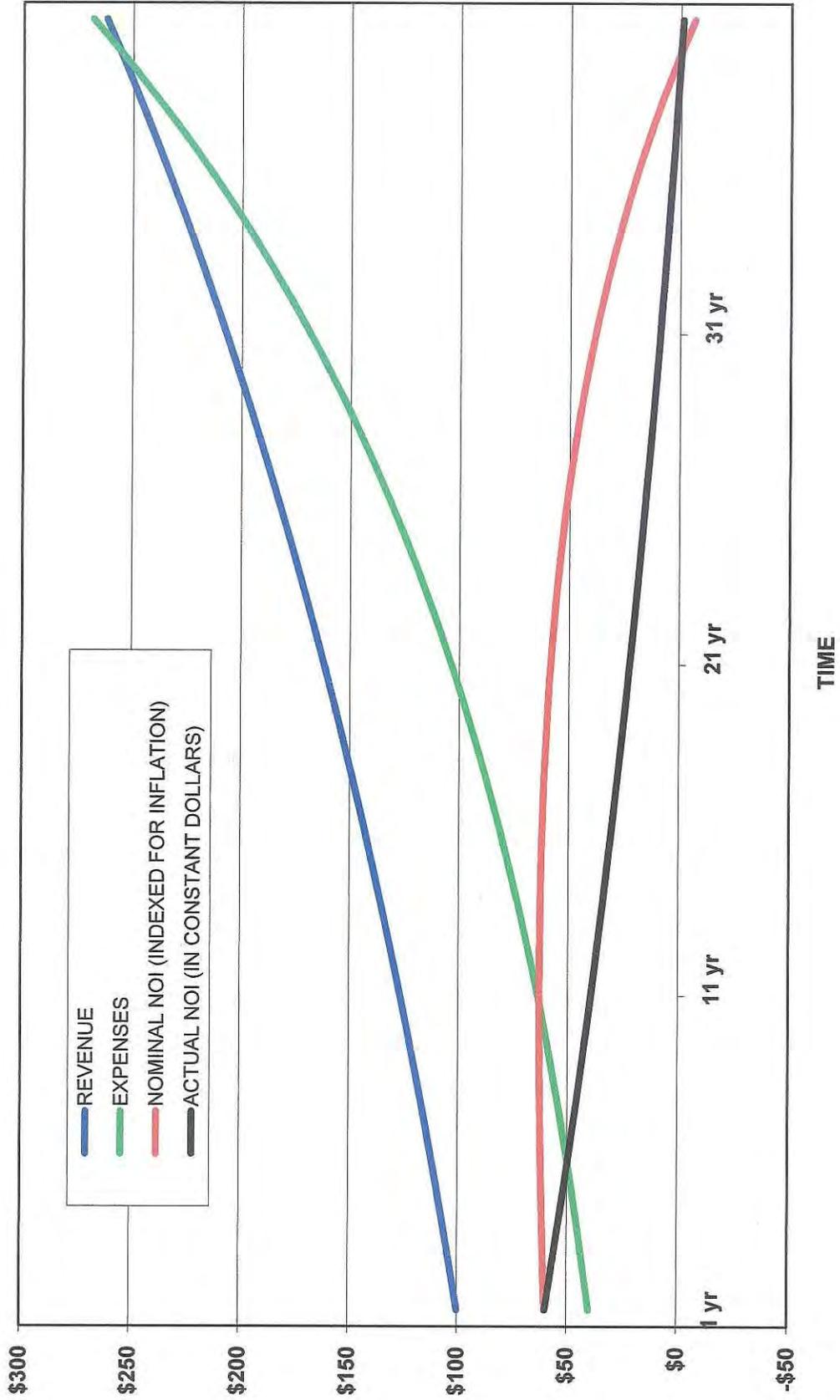
Page 3 of 3

Summary of Adjustments

- (1) Gas and electric income and expense are eliminated
- (2) Water/Sewer expense is eliminated to the amount of Water/Sewer income
- (3) Common area electricity and gas costs are added back
- (4) Depreciation is eliminated as a non-cash item
- (5) Three year average to normalize expense
- (6) Interest expense is eliminated to neutralize the impact of owner's financing decisions and for comparison to base year
- (7) Three year average plus \$4,617 allocation of accounting costs incurred by administration division on behalf of this park
- (8) Eliminate \$32,250/yr flat fee paid to AVMGH, the remainder is paid to Suburban Park Management
- (9) \$350/mo paid to a third party for rental of manager's coach

12/6/2010

RENTAL INCOME INDEXED BY 50% OF CPI



Barr argues that growth of equity due to changes in market prices for real estate protects the owner so that indexing under 100% will somehow protect the owner.

In Baar's example, with a 50% CPI increase and property value increase of 25%, the park owner enjoys an 83% increase in equity

What if the value of a property goes down?

	Base Year	Current Yr	% Increase
CPI	100.00	150.00	50%
NOI	\$ 420,000	\$ 525,000	25%
Property Value	\$ 6,000,000	\$ 5,400,000	-10%
Mortgage	\$ 4,200,000	\$ 4,200,000	0%
Equity	\$ 1,800,000	\$ 1,200,000	-33%

In this case if the owner receives 75% of CPI and his property value falls 10%, his equity is reduced by 33%. The model does not hold in a falling value environment.

Baars model is based on a capitalization rate to value the property. Actual property values are determined by market forces - willing buyer matches willing seller.

Acceptable returns are based on many factors that might vary from place to place and according to industry standards. Situations differ.

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Acceptable returns are based on many factors that might vary from place to place and according to industry standards. Situations differ.

**AVMGH-FIVE - THE RANCH LIMITED PARTNERSHIP
LOST REVENUE DUE TO FIVE YEAR PHASE-IN
2011 - 2015**

Year	Per Space	Per Month	Per Year
	\$ 191.95	74.00	
1	\$ 38.39	\$ 2,840.86	\$ 34,090.32
2	\$ 76.78	\$ 5,681.72	\$ 68,180.64
3	\$ 115.17	\$ 8,522.58	\$ 102,270.96
4	\$ 153.56	\$ 11,363.44	\$ 136,361.28
5	\$ 191.95	\$ 14,204.30	\$ 170,451.60
60 mos	\$ 11,517.00	\$ 852,258.00	\$ 511,354.80
	Per Month	Over 5 years	

Loss in Nominal Dollars

Rent Collected: Immediate Increase	\$ 852,258
Rent Collected under Plan	\$ 511,355
	<u><u>\$ 340,903</u></u>

Losses at rates effective 12/3/10

Five Year CD	2.02%	\$ 411,501
10yr Treasury	3.00%	\$ 448,694
Prime Rate	3.25%	\$ 458,508
CoStar Comps Cap Rate*	6.20%	\$ 585,018
MHP Cap Rate	9.55%	\$ 755,433

Rates as published in the Wall Street Journal 12/3/10

**Per Kenneth Baar report 11/30/10 page 34*

Copies of Ranch Standard Tenant Rental Agreement submitted by Applicant

STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

RECEIVED AT RENT ADJUSTMENT MTG
MEETING OF Jan. 24, 2011
FROM: Applicant
ITEM #: 7A

Yanah
(Park Name)
2199 Lee Highway
(Park Address)
Pinecrest Cove CA 91902

Date this Agreement is Signed: 11-18-08

Date the Term of this Agreement Begins: 12-1-08

- Homesite Address/Space No _____
- Resident(s) _____

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2

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

- Beginning Monthly Rent: \$ 139.00
- Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____
- Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			<input checked="" type="checkbox"/>	
Electricity			<input checked="" type="checkbox"/>	
Water	<input checked="" type="checkbox"/>			
Cable TV		<input checked="" type="checkbox"/>		
Trash	<input checked="" type="checkbox"/>			
Sewer			<input checked="" type="checkbox"/> <u>25.00</u>	

- Security Deposit: \$ 0 (Not to exceed an amount equal to two months rent)
- TERM:** The term of this Agreement shall be for a period of _____, but shall be for a period of less than twelve months, and is to begin on the date set forth on Page One of this Agreement and continue until _____. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
- RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 139.00 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time. Rent adjustments may be made upon proper notice in accordance with the provisions of the Mobilehome Residency Law.



FOR A TERM OF LESS THAN TWELVE MONTHS

Page 2

9. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15.00 whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
10. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15.00 whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
11. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

12. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
13. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
14. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
15. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
16. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
17. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.

FOR A TERM OF LESS THAN TWELVE MONTHS

Page 3

18. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law or any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
19. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
20. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
21. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
22. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
23. **NOTICE:** Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either an address at which the offender resides or the community of residence and ZIP Code in which he or she resides.
24. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
25. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
26. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
27. **INTERPRETATION:** Each provision of this Rental Agreement is separate, distinct, and individually enforceable. In the event a provision is declared to be unlawful or unenforceable, the validity of all other provisions shall not be affected.
28. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
29. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



**STANDARD RENTAL AGREEMENT
FOR A TERM OF LESS THAN TWELVE MONTHS**

Page 4

- 30. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 31. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

Resident acknowledges that he and/or she has been offered a Rental Agreement for a period of twelve months and has declined to enter into such Agreement. Instead, Resident has elected to enter into an Agreement for a term of less than twelve months, as specified in this Agreement.

SIGNATURES: _____

_____	_____ <i>11/15/08</i>
(Resident)	Dated
_____	_____
(Resident)	Dated
<i>Pat Heston</i>	<i>11-10-08</i>
(Park Management)	Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

_____ Telephone #: _____

Registered Owner's Name: _____

Address: _____

_____ Telephone #: _____

Junior Lienholder(s) Name and Address: _____

STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

Ranch mobile home Park
(Park Name)
2193 FELIZ DR
(Park Address)
Thousand Oaks Ca 91362

Date this Agreement is Signed: 6-7-04

Date the Term of this Agreement 12-7-04

- Homesite Address/Space No.: 2
- Resident(s) _____

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

- Beginning Monthly Rent \$139.36
- Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: CLUBHOUSE
- Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
<u>NONE</u>	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			<u>21.52</u>	

- Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
- TERM: The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 MONTHS. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
- RENT AND OTHER CHARGES: Resident shall pay rent in the amount of \$ 139.36 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
- RENTAL ADJUSTMENTS: Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

Page 2

10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15.00 whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15.00 whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For **new** residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

Page 3

19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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- 31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES: _____

(Resident)

June 7 - 2004

Dated

(Resident)

Dated

(Resident)

Betty Faulkner
(Park Management)

Dated

6-7-04

Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____



STANDARD TWELVE-MONTH RENTAL AGREEMENT

RANCH MOBILE HOMES
 2193 LOS FEINZ DRIVE
 THOUSAND OAKS, CA 91362
 (Park Address)

Date this Agreement is Signed: 10-13-98
 Homesite Address/Space No.: 2
 Resident(s): _____

Date the Term of this Agreement Begins: 10-15-98

Beginning Monthly Rent: \$ 134.00
 Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Club House

Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
<u>NONE</u>	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly to Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			XX	
Electricity			XX	
Water	XX			
Cable TV		XX		
Trash			XX	
Sewer			XX 12.30	

Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

TERM: The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.

RENT AND OTHER CHARGES: Resident shall pay rent in the amount of \$ 134.00 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.

RENTAL ADJUSTMENTS: The Park adjusts its rental rates for all residents of the Park each N/A. Therefore, there may be a rental adjustment during the term of this Agreement before the end of the twelve month period. In such event, the Park will provide written notice of any increases in the Resident's rent in accordance with the provisions of the Mobilehome Residency Law.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Second Page

ADMINISTRATIVE CHARGE: A charge may be assessed by the Park in the amount of 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. The five-day period does not include the date the payment is due.

CHECK RETURN CHARGE: A check return charge may be assessed by the Park in the amount of 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.

SECURITY DEPOSIT: On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For **new** residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park can use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can commingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

PARK RULES: The Park Rules are a part of this Rental Agreement and are incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.

MOBILEHOME RESIDENCY LAW: Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.

COMMON FACILITIES: It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.

SITE MAINTENANCE: The Park may charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.

CHANGES IN RULES, STANDARDS OF MAINTENANCE, SERVICES, EQUIPMENT, OR PHYSICAL IMPROVEMENTS: The Park's Rules and Regulations, standards of maintenance of physical improvements in the Park, together with services (including utilities), equipment and physical improvements within the Park may be changed from time to time as provided by the Mobilehome Residency Law or any other law then in effect.

ENTRY UPON RESIDENT'S SPACE: The Park shall have a right of entry upon the land on which a mobilehome is situated for maintenance of utilities, maintenance of premises if the occupant fails to do so, and the protection of the mobilehome Park at any reasonable time. However, such entry shall not be in a manner or at a time which would interfere with the occupant's quiet enjoyment. The Park may enter a mobilehome without the prior written consent of the occupant in the case of an emergency or when the occupant has abandoned the mobilehome.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Third Page

TERMINATION OF RENTAL AGREEMENT BY PARK: This Rental Agreement at the option of the Park may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.

TERMINATION OF RENTAL AGREEMENT BY RESIDENT: Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident sells the mobilehome to a purchaser who is approved by the Park and who executes a new Rental Agreement.

REMOVAL ON SALE: The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.

APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS: Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.

RENTING OR SUBLETTING: Resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.

USE PROHIBITED: The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.

IMPROVEMENTS: All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blocktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Resident shall maintain all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.

WAIVER: The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.

ATTORNEY'S FEES AND COSTS: In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorney's fees and costs. A party shall be deemed a prevailing party 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.

TIME OF THE ESSENCE: Time is of the essence of this Agreement.

INTERPRETATION: 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.

INSPECTION OF THE PREMISES: By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

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EFFECT OF THIS AGREEMENT: Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.

ALTERATION OF THIS AGREEMENT: This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.

ACKNOWLEDGMENT: Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

_____	(Resident)	_____	Dated
_____	(Resident)	_____	Dated
_____	(Resident)	_____	Dated
<u>Betty Paulkna</u>	(Park Management)	_____	Dated
		<u>10-15-98</u>	

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: Golden West

Model of Mobilehome: Somerset

Year of Manufacture: 1997 Vehicle ID #: _____

License or Decal #: AA64928 State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Thousand Oaks Telephone #: _____

Registered Owner's Name: _____

Address: _____

_____ Telephone #: _____

Minor Lienholder(s) Name and Address: _____

Ranch Mobilehome Park

2193 Los Feliz Dr, Thousand Oaks, Ca 91362

MOBILEHOME SPACE RENTAL AGREEMENT FOR TWELVE MONTHS OR LESS INCLUDING MONTH TO MONTH

SPACE NO: _____

RESIDENT: _____

Date: 12/31/09

RESIDENT: _____

This rental agreement is made effective on the date set forth below by and between AVMGH Five - The Ranch Limited Partnership, hereinafter referred to as "OWNER," and the above named residents, hereinafter referred to as "HOMEOWNER." Reference to "OWNER," hereafter, also includes OWNER'S authorized representatives. The Mobile Home Park is a "Senior Community" (age 62 years or older) pursuant to the requirements of state and federal law. All occupants must be age 62 years or older. New occupants are required to prove compliance with the Park's age restrictions with a driver's license, birth certificate, or other such generally accepted proof of age.

1. **DESCRIPTION OF THE PREMISES:** OWNER rents to HOMEOWNER and HOMEOWNER rents from OWNER the space indicated above within Ranch Mobilehome Park, 2193 Los Feliz Dr, Thousand Oaks, Ca 91362, hereinafter "COMMUNITY," to be used for the personal and actual residence by HOMEOWNER and for no other purpose without the prior written consent of OWNER.
2. **TERM:** The initial term of this agreement shall be for 12 months and 0 days commencing on 12-31-2009 and ending midnight on 12-31-2010. As used herein, the expression "TERM HEREOF" refers to this term or any renewal thereof as hereinafter provided. 11-30-2011
3. **RENT:** HOMEOWNER shall pay to the OWNER 139.36 per month as rent plus an additional sum for utilities and services to or for HOMEOWNER'S space as herein set forth below. The first payment shall be due on 2/1/2010. Except for metered utilities, the rent and other charges for utilities and services to or for the space will be due in advance on the first day of each month. Metered utilities are due when billed. All rent and other charges shall be paid at the Community office or other place designated by OWNER in writing without any offset or deduction whatsoever. All payments by HOMEOWNER shall first be applied to discharge any past due amounts, including, but not limited to, late charges, returned check charges, and utility and service charges. After such past due amounts have been paid, the remainder of any monies received by OWNER from HOMEOWNER shall be applied to past monthly rent amounts, then to the current month's utilities and services with any remainder applied to current rent. The next scheduled increase for this space will be on n/a. If this date is less than ninety (90) days from the commencement date of this lease, the new rental amount will be n/a. At least ninety (90) days written notice will be given for all later rent increases.
4. **SECURITY DEPOSIT:** The amount of security deposit received is n/a, or if this is a new agreement for an existing Resident, Park currently holds n/a as a security deposit. The security deposit is not rent, and shall within thirty (30) days following termination of tenancy or at such other time as provided by law, be returned after deducting for damages, cleaning, or any other unpaid obligations of Resident.
5. **UTILITIES AND SERVICES COSTS AT COMMENCEMENT OF THIS RENTAL AGREEMENT:**

	Present Cost	Homeowner Pays Utility Co.	Management Bills Homeowner	Included In Rent	Remarks
Natural Gas	Metered		✓		
Electricity	Metered		✓		
Water				✓	
Trash				✓	
Sewer			✓		
Tax Reimbursement					
Cable TV					
Guest Fees*	\$75.00		✓		Per Month Per Guest
Rent Control Fee					
RV Storage					
Pass-Thru 1					
Pass-Thru 2					
Late Fee (see below)	\$15.00		✓		Applies after the 6th of the month
Return Check Fees	\$15.00		✓		
Other					
Other					

	Present Cost	Homeowner Pays Utility Co.	Management Bills Homeowner	Included In Rent	Remarks
*In residence over 20 consecutive days or 30 days in a calendar year. See section on "Guest Fees", below.					

Any increase in the cost of separately billed utilities or services shall be immediately passed through on the next billing. Late fees, Returned Check Fees, Guest fees, Pet Facilities fees, and RV Storage fees may be increased on 30 days written notice.

OWNER may, upon giving 30 days written notice during the term of this Agreement or any extension or renewal thereof, separate and subtract from the rent, then charge HOMEOWNER monthly for the cost of any service now or later included in the rent. The amount of this reduction shall be equal to the average cost to OWNER for the utility or service to or for that space during the 12 months immediately preceding notice of the commencement of the separate billing for the utility or service. Following commencement of the separate billing, OWNER may calculate and separately state on the monthly billing the periodic charge for the utility or service utilizing any method permitted by law.

With OWNER's prior written approval, HOMEOWNERS may contract directly with outside vendors or service providers for any service or utility not listed above or offered by OWNER. However, the service or utility service obtained by HOMEOWNER shall not conflict in any way with the normal operation or best interest of OWNER.

If HOMEOWNER makes a written request for the testing of any OWNER provided utility meter serving their space, OWNER shall order and pay for the test. However, HOMEOWNER shall reimburse the costs to OWNER if the test results indicated no adjustment, repair, or replacement was necessary.

6. **GUEST FEES:** Residents will pay an additional fee of \$75.00 per month for each month or partial month a guest stays on the Resident's space immediately following a stay of more than 20 consecutive days or a total of 30 non-consecutive days in a calendar year. Guest fees will be due commencing on the first day following the expiration of 20 consecutive days or a total of 30 non-consecutive days in a calendar year, which ever occurs first. Guest fees shall be paid in advance and shall be paid prospectively on the first day of each month, thereafter. Guest fees will be owed whether or not the guest has been registered with OWNER. No guest fee will be charged for persons described in Civil Code Section 798.34(b),(c) or (d), or the "immediate family" of the Resident, defined as the Resident, his or her spouse, their parents, their children, and their grandchildren under 18 years of age.

7. **LATE FEES AND HANDLING CHARGES:** If the rent and other charges are not paid by the 6th of the month, a late fee of \$15.00 will be due to cover OWNER'S administrative costs for, among other things, preparing and serving a notice and collecting, banking and accounting expenses associated with collecting late rent and other charges. HOMEOWNER and OWNER's representative acknowledge they have discussed the late fee and agree that it is and will be impracticable and extremely difficult to fix the actual damages suffered by OWNER either now or at the time of receipt of a late payment and that the above amount represents a reasonable average estimate of OWNER'S administrative costs related to collecting and accounting for late payments. See Late Fee Addendum attached hereto and incorporated as though set forth in full. Inclusion of the late charge provision shall not be construed as a waiver of OWNER's right to demand timely payment of rent and other charges when due, to require payment in legal tender, or to enforce any provision hereof after any default on the part of the HOMEOWNER. A handling charge of \$15.00 is required for all checks dishonored by HOMEOWNER's bank regardless of the reason. HOMEOWNER acknowledges that it is and will be impracticable and extremely difficult to fix the actual damages suffered by OWNER in the event the HOMEOWNER's check is returned, and that the above charge represents a reasonable approximation of the damages the OWNER is likely to suffer from HOMEOWNER'S returned check. The application of late fees and return check charges shall be cumulative. The subsequent acceptance of payments shall not constitute a waiver of any breach of any rule, regulation or covenant of the Lease Agreement, nor shall it reinstate, continue or extend the term of the Lease Agreement or affect any notice, demand or suit hereunder unless expressly waived by OWNER in writing. Interest at the rate of 10% per annum will accrue on rent and other charges one month or more past due.

8. **FACILITIES AND SERVICES PROVIDED BY OWNER:** The facilities and services to be provided by OWNER during the term of this Agreement, unless changed as provided by law are as follows:
 - A. **FACILITIES:** Laundry room, clubhouse, restrooms, recreational facilities.

 - B. **SERVICES:** Services are provided as stated in Section 4, above. Utilities and services which are now included in the rent without additional charge, may later be broken out of the rent and metered or charged separately from the rent in accordance with applicable law and regulations. The fees charged for utilities and services will be at the prevailing rates or as prescribed by the serving utility or by government regulation. OWNER will maintain the common areas of the COMMUNITY to reasonable standards.

 - C. **RESPONSIBILITY OF OWNER:** It is the responsibility of the OWNER to provide and maintain the physical improvements in the common facilities of the Community in good working order and condition. However, with respect to a sudden or unforeseeable breakdown or deterioration of these improvements, the OWNER 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 OWNER 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. Any prevention, delay or stoppage due

to strikes, labor disputes, acts of God, inability to obtain materials, governmental restrictions, regulations or controls, judicial orders, fire, flood, earthquake or other natural disaster will excuse OWNER's performance of these obligations for a time equal to the delay. Such delays shall be deemed to be beyond the reasonable control of OWNER. HOMEOWNER shall continue to pay rent, without abatement or reduction, and any and all other itemized charges in accordance with the terms of this Agreement. OWNER will not be liable for any loss or injury to property occurring with, or incidental to the failure to furnish any services, facilities, or utilities to HOMEOWNER, if the inability to so furnish relates to matters set forth above in this section.

D. RESPONSIBILITY OF HOMEOWNER: HOMEOWNER shall promptly report to Management any observed defect with respect to the Common Facilities, Common Areas or utility services of the Park, including, but not limited to, the following: water leaks; gas leaks; potholes or cracks in the pavement or roads; dirty trash areas; dust, dirt or debris on roads; discolored or bad smelling or inadequate water supply or pressure; problems with the Park's common electrical system; leaks or backups or lack of capacity of the Park's sewer system; unclean or inoperable laundry facilities; insufficient trash bin capacity; problems with the heating or cooling at the common buildings; holes or worn spots in floors of the Park's facilities; or any other defect in the Park's equipment, buildings, common areas, or maintenance, including landscaping. HOMEOWNER shall give such notice in writing to the OWNER's resident manager, in person or by prepaid first class mail addressed to the OWNER at the Community within thirty (30) days of HOMEOWNER's discovery of any of the conditions set forth above in order that such conditions may be corrected within a reasonable period of time by the OWNER.

9. **USE AND OCCUPANCY:** Except as expressly provided by California Civil Code sections 798.34(b) & (c) or 798.23.5 of the Mobilehome Residency Law, the Community Rules and Regulations or as otherwise preempted by law, only the registered owner, who is a signatory to this rental agreement, and his immediate family as defined in Civil Code section 798.35 are permitted to reside on the rented mobilehome space. Resident shall not use or permit the premises or any part thereof to be used for any purpose other than as a lot for the placement and maintenance of their mobilehome which may only be used as a residence for the persons listed herein. No other person may reside at the premises without the prior written permission of OWNER. The Community and its address may not be used for the purpose of conducting any enterprise, business, or advertising the sale of automobiles, recreational vehicles, or any other merchandise. No mobilehome or occupancy rights to a space may be transferred in the Community without the prior written consent of OWNER. Occupancy of the mobilehome is limited to two persons per bedroom plus one person. Resident shall not assign any rights or privileges of the Agreement or sublet the rented premises or any part except as specifically permitted per Community Rules and Regulations. Any such purported assignment or sublet is void. Resident shall neither do nor permit to be done in or about the premises, nor bring or keep therein, anything in conflict with any law or ordinance now or hereafter in effect, or contrary to the Rules and Regulations of the Community, or which may injure or annoy other tenants of the Community.
10. **SUBLETTING:** There shall be no subletting except as required by law subject to OWNER's written approval.
11. **ASSUMPTION:** There shall be no assignment of this agreement by HOMEOWNER. Any purported assignment is void.
12. **LIENS AND CLAIMS:** HOMEOWNER shall not suffer or permit to be enforced against OWNER's title to the Community or any part thereof, any lien, claim or demand arising from any work of construction, repair, restoration or maintenance of the Homesite or mobilehome.
- A. Should any lien, demand or claim be filed, HOMEOWNER shall cause it to be immediately removed. In the event HOMEOWNER, in good faith, desires to contest such lien, demand or claim, he may do so, but in such case HOMEOWNER agrees to and shall indemnify and save OWNER harmless from any and all liability for damages, including reasonable attorneys' fees and costs, resulting therefrom and agrees to and shall, in the event of a judgment of foreclosure on said lien, cause the same to be satisfied, discharged and removed prior to execution of the judgment.
- B. Should HOMEOWNER fail to discharge any such lien or furnish bond against the foreclosure thereof, OWNER may, but shall not be obligated to, discharge the same or take such other action as it deems necessary to prevent a judgment of foreclosure on said lien from being executed against the property, and all costs and expenses, including, but not limited to, reasonable attorneys' fees and court costs incurred by OWNER in connection therewith, shall be repaid by HOMEOWNER to OWNER on written demand.
13. **WASTE AND NUISANCE PROHIBITED:** During the term of this Agreement, HOMEOWNER shall not commit any waste or nuisance on their space or in the Community, shall comply with all Community Rules and Regulations which may be changed from time-to-time pursuant to the terms of the Mobilehome Residency Law, and shall comply with all laws and regulations applicable to their residency in the Community as the same may be modified from time-to-time.
14. **ABANDONMENT PROHIBITED:** HOMEOWNER shall not vacate or abandon the premises at any time during the term hereof. If HOMEOWNER shall abandon, vacate or surrender the premises, all of HOMEOWNER'S personal property left behind shall be deemed to be abandoned, at the option of OWNER.
15. **OWNER'S RIGHT OF ENTRY:** HOMEOWNER shall permit OWNER and the agents and employees of OWNER to enter into and upon the premises at all reasonable times for the purpose of inspecting the same, carrying out OWNER's operation and maintenance responsibilities, for the purpose of posting notices of non responsibility for alterations, additions or repairs, and

to exercise other rights under the law, all of which shall be without rebate of rent and without any liability to HOMEOWNER for loss of quiet enjoyment. OWNER shall not enter HOMEOWNER'S Mobilehome except in cases of emergency or with the prior written consent of HOMEOWNER.

16. **OCCUPANCY QUESTIONNAIRE:** HOMEOWNER shall complete, sign and provide to OWNER, on three (3) days prior written notice, an Occupancy Questionnaire. Such executed Questionnaire shall contain the following:
- A. The names of all occupants of the Homesite;
 - B. Nature of occupancy for each individual occupying the space;
 - C. The legal owner and registered owner of the mobilehome;
 - D. Names and addresses of all lienholders of the mobilehome;
 - E. A copy of the certificate of title and/or registration card issued by the California Department of Housing and Community Development or by the California Department of Motor Vehicles for the mobilehome occupying the Homesite; and
 - F. Proof of HOMEOWNER's insurance policy (or policies) on HOMEOWNER's mobilehome.

17. **RESALE OR TRANSFER OF OWNERSHIP OF MOBILEHOME:**

Pursuant to Civil Code § 798.74, OWNER reserves its right of prior approval of a purchaser of a mobilehome that will remain in the COMMUNITY. For the purposes of this agreement, purchaser includes any transferee whether or not the transfer was for value. Subject to OWNER's right to require removal of the Mobilehome on sale in accordance with Civil Code § 798.73 and other laws, HOMEOWNER may sell or transfer ownership of his or her Mobilehome at any time. HOMEOWNER must, however, immediately notify the OWNER in writing of HOMEOWNER's intent to sell or transfer ownership of his or her Mobilehome when HOMEOWNER intends for the Mobilehome to remain in the COMMUNITY after the sale or transfer of ownership. When it is intended that the mobilehome remain in the COMMUNITY after the sale or transfer, all of the following will be required before HOMEOWNER will be released from this agreement. HOMEOWNER must assure Purchaser/transferee has:

- A. Provided a completely filled out application for tenancy including a copy of the agreement to sell or transfer.
- B. Participated in a face to face interview with OWNER's representative.
- C. Executed acknowledgment of receipt of a copy of the Community's State-required Mobilehome Park Rental Agreement Disclosure at least three working days prior to the signing of the assumption or lease/rental agreement.
- D. Executed a new lease/rental agreement approved by OWNER.
- E. Executed a copy of the current Community Rules & Regulations.
- F. Paid their first month's rent, security deposit if required, and other charges for the space, as well as any current delinquency.

18. **CANCELLATION OF AGREEMENT UPON REMOVAL:** In the event HOMEOWNER decides to remove the Mobilehome from the COMMUNITY and surrender the space to OWNER, HOMEOWNER may cancel this Agreement upon giving OWNER sixty (60) days written notice of such removal and cancellation. HOMEOWNER's obligation for rent and other charges shall not cease until removal of the mobilehome and all accessories has been completed, the space has been surrendered to OWNER, and the notice period has expired.

19. **TERMINATION BY OWNER:** OWNER may only terminate this agreement for any one or more of the reasons stated in Civil Code section 798.56 including amendments that occur after signing this agreement.

20. **WAIVER:** The waiver by OWNER of, or the failure of OWNER to take action with respect to, any breach of any term, covenant or condition herein contained, shall not be deemed to be a waiver of such term, covenant or condition or subsequent breach of the same, or any term, covenant or condition herein contained. The subsequent acceptance of rent by OWNER shall not be deemed to be a waiver of any preceding breach by HOMEOWNER, of any term, covenant or condition of this Agreement other than the failure of HOMEOWNER to pay the particular rent so accepted, regardless of OWNER'S knowledge of such preceding breach at the time of accepting such rent.

21. **EFFECT OF HOMEOWNER'S HOLDING OVER:** Any holding over after the expiration of the term of this Agreement, with the consent of OWNER shall be construed to be a tenancy from month-to-month at the same monthly rental as charged to the HOMEOWNER for the period immediately prior to the expiration of the term hereof plus any prior noticed increase, and shall otherwise be on the terms and conditions herein specified so far as applicable. The amount of rent and other charges due for the term of such period of holding over may be increased in accordance with Mobilehome Residency Law. Any holdover without the consent of the OWNER shall accrue daily damages to OWNER at the fair market rent for the space, as reasonably determined by OWNER, and shall include all fixed charges for utilities or services that are a cost to OWNER for that space.

22. **TRANSFER OF OWNER'S INTEREST:** In the event OWNER transfers its interest in the COMMUNITY or any portion thereof, OWNER shall be automatically relieved of any obligations hereunder accruing after the date of such transfer and HOMEOWNER shall look to the transferee for enforcement of such obligations.

23. **EMINENT DOMAIN:** If the entire Community, or a portion thereof, is taken under the power of eminent domain, or is sold to any authority having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, and such occurrence causes OWNER in its sole opinion to believe the balance of the remaining property is not suitable or viable to continue as a mobilehome community, then this Agreement shall automatically terminate as of the date

the condemning authority takes possession. Any award for any taking of all, or any part of the Community under the power of eminent domain shall be the property of OWNER, whether such award represents compensation for diminution in value of the leasehold, if any, or a taking of the fee (rights of ownership).

No award for any partial or entire taking shall be apportioned, and HOMEOWNER hereby renounces any interest in, and assigns to OWNER, any award made in any condemnation proceeding for any such taking. Nothing contained herein, however, shall be deemed to preclude HOMEOWNER from obtaining an award for damages concerning their removable personal property, or to give OWNER any interest in an award of damages to HOMEOWNER for loss of or damage to HOMEOWNER's removable personal property.

24. **DISPUTE RESOLUTION AND ARBITRATION OF DISPUTES:** OWNER may offer a voluntary Arbitration Agreement for mutual consideration outside this Agreement. If such an agreement is executed by OWNER and HOMEOWNER, it shall be independent of the rental agreement.
25. **ATTORNEY'S FEES:** In any legal action hereunder, or to enforce any other agreement between OWNER and HOMEOWNER arising under the tenancy, the non prevailing party shall pay the reasonable attorney's fees and costs of the prevailing party in an amount to be determined by the court or other forum having jurisdiction of the matter, in addition to any other award or damages ordered whether or not the matter proceeds to decision by the entity having jurisdiction. A party shall be deemed the prevailing party if judgment is rendered in his favor or where the litigation is dismissed in his favor prior to or during trial, unless the parties otherwise agree in the settlement or compromise.
26. **ESTOPPEL CERTIFICATE:** Within ten (10) days after written notice, HOMEOWNER agrees to execute and deliver an Estoppel Certificate in the form submitted by OWNER, acknowledging that this Agreement is in full force and effect as modified by written agreement, specifying any modifications to the Agreement and dates to which the rent and other charges have been paid, and acknowledging whether or not OWNER is in compliance with its obligations thereunder or the law. Failure of HOMEOWNER to execute and return said Estoppel Certificate within ten (10) days after presentation of same to HOMEOWNER shall be conclusively deemed HOMEOWNER's acknowledgment and warranty that the Certificate as submitted by OWNER is true and correct, that OWNER is not in breach, default, or violation of the agreement or legal obligation to the HOMEOWNER, and may be relied upon by any lender, purchaser, or other interested party.
27. **SUBORDINATION:** This Agreement, and any leasehold interest which may be created by it, shall be subordinate to any encumbrance, restriction or declaration of record before or after the date of this Agreement affecting the Park, the common areas, recreational facilities or other facilities of the Park, or the Homesite rented to Homeowner. Such subordination is effective without any further act of Homeowner; however, Homeowner agrees, upon request by Owner, to promptly execute and deliver any documents or instruments which may be required by any lender to effectuate any subordination, including reasonable modifications to this Agreement, provided they do not increase the obligations of Homeowner or materially adversely affect the interests of Homeowner herein. If Homeowner fails to execute and deliver any such documents or instruments, Homeowner hereby irrevocably constitutes and appoints Owner as Homeowner's special attorney-in-fact to execute and deliver any such documents or instruments.
28. **INDEMNIFICATION:** OWNER and Community shall not be liable for any loss, damage or injury of any kind whatsoever to the person or property of any HOMEOWNER or to any of the employees, guests, invitees, permittees or licensees of any HOMEOWNER, or to any other person whomsoever, caused by any use of the Community premises or Homesite (including any defect in improvements erected thereon) or the failure of any service or amenity, or arising from any other cause whatsoever, unless resulting from circumstances described below. As a material part of the consideration of this Agreement, HOMEOWNER hereby waives all claims and demands against OWNER and the Community, and hereby agrees to indemnify and hold OWNER and Community free and harmless from liability for all claims and demands for any such loss, damage or injury, including attorneys' fees, together with all costs and expenses arising therefrom or in connection therewith, unless resulting from the circumstances described below.

PLEASE NOTE: Nothing contained in the above paragraph or elsewhere in this Agreement, the Rules and Regulations or other residency documents of the Community, shall have the effect of an agreement by HOMEOWNER to release, indemnify and hold harmless OWNER, Community or any other person for the gross negligence or willful acts or omissions of OWNER, the Community or any other person or from a breach by OWNER or any other person of this Agreement or the breach of any other duty owed by OWNER, the Community, or any other person to HOMEOWNER or to any other person. Furthermore, the terms and conditions of this paragraph do not include any fine, forfeiture, penalty, or fee (including any attorneys' fees or costs) assessed by a court of law against the OWNER of the Park for a violation of the Mobilehome Residency Law.

HOMEOWNER shall, at HOMEOWNER's own expense, defend all actions brought against OWNER or the Community for which HOMEOWNER is responsible for indemnification hereunder. If HOMEOWNER fails to do so, OWNER or the Community (at OWNER's option, but without being obligated to do so) may, at the expense of HOMEOWNER, defend such actions, and HOMEOWNER shall pay and discharge any and all amounts that arise therefrom.

29. **RECORDING:** This Agreement or any memorandum of this Agreement may not be recorded without the prior written consent of OWNER, which may be withheld.
30. **GOVERNING LAW:** This Agreement shall be governed by and construed pursuant to the laws of the State of California.

31. **AMENDMENTS:** This Agreement, any addendums and the written documents referred to herein contain the entire agreement between OWNER and HOMEOWNER and except as otherwise contained in this agreement, may be amended only by written assent of OWNER and HOMEOWNER.
32. **MAINTENANCE OF RENTED SPACE:** Except as otherwise required by California Civil Code section 798.37.5, HOMEOWNER agrees to maintain the space and all improvements thereon including but not limited to: the trees, shrubbery, and other vegetation or landscaping, fences, retaining walls, asphalt, concrete, storage buildings, other structures permitted by OWNER, vehicles used for transportation and the mobilehome in a condition of good repair and attractive appearance. OWNER may charge a reasonable fee for services relating to the maintenance of the land and premises upon which HOMEOWNER's mobilehome is situated in the event HOMEOWNER fails to maintain such land or premises in accordance with the rules and regulations of the Community after written notification to HOMEOWNER and the failure of HOMEOWNER to comply within 14 days thereafter. In the event of such failure on the part of HOMEOWNER to comply within 14 days, OWNER may enter the premises to carry out, at HOMEOWNER's expense, such gardening, maintenance and/or repairs to the land and premises as are reasonably necessary to correct the conditions which violate the Community Rules or detract from the appearance of the space or Community. OWNER'S charge for such services shall be paid upon demand and, at OWNER's sole option shall be deemed additional rent. OWNER'S election of this remedy shall not be deemed a waiver of any default by HOMEOWNER. OWNER'S remedies shall be cumulative and OWNER reserves the right to proceed using any or all remedies available in law or equity. HOMEOWNER's invitees or guests who cause property damage by their actions or negligence are deemed agents of their host HOMEOWNER for liability purposes and OWNER may seek recovery directly from the HOMEOWNER.
33. **TIME IS OF THE ESSENCE:** Time is of the essence of this Agreement and for each and every covenant thereof.
34. **INCORPORATION OF RULES AND LAW:** HOMEOWNER hereby acknowledges concurrent or previous receipt of the current Mobilehome Residency Law and Community Rules and Regulations and that these documents are incorporated by reference as attachments to this Agreement and are made a part of it as though set forth in full.
35. **INSURANCE:** The Community does not carry public liability or property damage insurance to compensate you, your guest, or any other person from any loss, damage, or injury except where the Community would be legally liable for such loss, damage, or injury due to its own acts or negligence. Therefore, for your own protection, you should obtain at your own cost, fire, flood, storm, earthquake, acts of God, theft or vandalism, and other casualty insurance coverage for your mobilehome, improvements, and contents, and personal liability and any other insurance that may be necessary or beneficial to protect you, your guest, or others from unforeseen loss or liability.
36. **ZONING INFORMATION:** The nature of the zoning under which the mobilehome park operates is: **Mobile Home Exclusive**
37. **NOTICE:** Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.
38. **RELEASE OF CLAIMS:** As a material part of the consideration for this Agreement, HOMEOWNER hereby waives, releases and discharges on behalf of him or herself, their family and guests, OWNER and each and all of OWNER's present and former partners, officers, directors, agents, representative, employees and attorneys and each and all of OWNER's respective heirs, successors, executors, administrators and assignees of each from any and all claims, agreements, contracts, covenants representations, obligations, losses, liabilities, demands and causes of action which HOMEOWNER and HOMEOWNER'S family and guests may now or hereafter have or claim to have against OWNER, by reason of any matter or thing, whether of a personal or business nature, whatsoever, to and including the date hereof. HOMEOWNER hereby waives any and all rights which HOMEOWNER may have under the provisions of Section 1542 of the Civil Code of the State of California, which section reads as follows:
- "A General Release does not extend to claims which the Creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him, must have materially affected his settlement with the Debtor."
- It is understood by HOMEOWNER that, if the facts or law with respect to which the foregoing release as given turn out hereafter to be other than or different from the facts or law in that connection now known to be or believed by HOMEOWNER to be true, then HOMEOWNER expressly assumes the risk of the facts or law turning out to be so different, and agrees that the foregoing release shall be in all respects effective and not subject to termination or rescission for any such difference in facts or law. By initialing here, HOMEOWNER agrees to this provision. *[Handwritten Signature]*
39. **SERVICE OF NOTICES:** Unless otherwise provided, all notices shall be either delivered personally to the HOMEOWNER or deposited in the United States mail, postage prepaid, addressed to the resident at his or her space within the Community. If more than one person is named a HOMEOWNER in the rental agreement, each shall be deemed the agent of the other for the purpose of service of notices and service on one shall be deemed service on all HOMEOWNERS at the same space.

40. **SEVERABILITY:** If any provision of this Agreement or application thereof to any person or circumstance is held invalid, this invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application; and to this end, the provisions of the Agreement are declared to be severable. This Agreement shall be liberally construed to achieve its purposes and to preserve its validity.
41. **COUNTERPARTS AND FACSIMILE SIGNATURES:** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of such counterparts together shall constitute one and the same instrument. Facsimile signatures may be used by the parties, in which event the document, signed by such party shall be binding upon the party who signed it.
42. **ACKNOWLEDGMENTS:** Approval should be given only after careful consideration and review of each one.
- A. By initialing this subsection, HOMEOWNER agrees (1) that he or she has carefully inspected the rental space and the COMMUNITY facilities; and (2) that the space and facilities are in every respect as represented by OWNER to HOMEOWNER, either orally or in writing. To the extent that the space and facilities are not exactly as represented, either orally or in writing, HOMEOWNER accepts them as they are. _____
- B. If HOMEOWNER currently has a tenancy for this space in the Community, HOMEOWNER acknowledges HOMEOWNER was offered a lease for 12 months or less as the HOMEOWNER may choose. _____
- C. By initialing this subsection, HOMEOWNER acknowledges that OWNER has not required HOMEOWNER to purchase, rent, or lease goods or services for landscaping, remodeling, or maintenance from any person, company, or corporation. _____
- D. By initialing this subsection, HOMEOWNER agrees that this Agreement, including addendums, contains the entire agreement between the parties relating to the rental of space within the COMMUNITY. _____
- E. By initialing this subsection, HOMEOWNER agrees that he or she has read, understood, and received copies of this agreement, the Community Rules and Regulations, and the Mobilehome Residency Law. HOMEOWNER understands that by executing this agreement he or she will be bound by its terms and conditions. _____

All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution herein, are conclusively deemed to have been superseded hereby. In interpreting this Agreement and the provisions thereof, it shall be deemed that this Agreement and its exhibits were written by both parties if any changes were made. This Agreement may be subsequently altered by written agreement of the parties or by OWNER following expiration of the initial term of this agreement in accordance with Civil Code section 827 or other applicable law.

This agreement shall be binding upon and inure to the benefit of Owner's heirs, successors, and assigns.

This agreement is signed in Thousand Oaks, California.

HOMEOWNER(S):

OWNER/AGENT:

12/31/09
Date

AVMGH Five - The Ranch Limited Partnership

By:

Benny Blechman 12/31/09
Resident Manager Date

Date

Copies of Ranch Standard
Tenant Rental Agreement
submitted by Tenants'
Attorney

STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

Second Page

ADMINISTRATIVE CHARGE: A charge may be assessed by the Park in the amount of \$15.00 whenever rent and other charges are paid more than five (5) days after they are due. The five-day period does not include the date the payment is due.

CHECK RETURN CHARGE: A check return charge may be assessed by the Park in the amount of \$15.00 whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.

SECURITY DEPOSIT: On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For **new** residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park can use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can commingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

PARK RULES: The Park Rules are a part of this Rental Agreement and are incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.

MOBILEHOME RESIDENCY LAW: Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.

COMMON FACILITIES: It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.

SITE MAINTENANCE: The Park may charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.

CHANGES IN RULES, STANDARDS OF MAINTENANCE, SERVICES, EQUIPMENT, OR PHYSICAL IMPROVEMENTS: The Park's Rules And Regulations, standards of maintenance of physical improvements in the Park, together with services (including utilities), equipment and physical improvements within the Park may be changed from time to time as provided by the Mobilehome Residency Law or any other law then in effect.

ENTRY UPON RESIDENT'S SPACE: The Park shall have a right of entry upon the land on which a mobilehome is situated for maintenance of utilities, maintenance of premises if the occupant fails to do so, and the protection of the mobilehome Park at any reasonable time. However, such entry shall not be in a manner or at a time which would interfere with the occupant's quiet enjoyment. The Park may enter a mobilehome without the prior written consent of the occupant in the case of an emergency or when the occupant has abandoned the mobilehome.

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STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

Third Page

TERMINATION OF RENTAL AGREEMENT BY PARK: This Rental Agreement at the option of the Park may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.

TERMINATION OF RENTAL AGREEMENT BY RESIDENT: Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident sells the mobilehome to a purchaser who is approved by the Park and who executes a new Rental Agreement or unless the Resident removes the mobilehome from the Park.

REMOVAL ON SALE: The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.

APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS: Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.

RENTING OR SUBLETTING: Resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.

USE PROHIBITED: The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.

IMPROVEMENTS: All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Resident shall maintain all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.

WAIVER: The waiver by the Park of, or the failure of the Park to take, action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation, shall not be a waiver of that term or rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.

ATTORNEY'S FEES AND COSTS: In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorney's fees and costs. A party shall be deemed a prevailing party 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.

TIME OF THE ESSENCE: Time is of the essence of this Agreement.

INTERPRETATION: 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.

INSPECTION OF THE PREMISES: By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.

STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

Fourth Page

EFFECT OF THIS AGREEMENT: Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.

ALTERATION OF THIS AGREEMENT: This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.

ACKNOWLEDGMENT: Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she have read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

Resident acknowledges that he and/or she has been offered a Rental Agreement for a period of twelve months and has declined to enter into such Agreement. Instead, Resident has elected to enter into an Agreement for a term of less than twelve months, as specified in this Agreement.

SIGNATURES:

<i>Kathleen Scott</i>	5/15/95
(Resident)	Dated
(Resident)	Dated
(Resident)	Dated
<i>Mary Jo Orr</i>	5/15/95
(Park Management)	Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____

Important please complete

STANDARD TWELVE-MONTH RENTAL AGREEMENT

RANCH MOBILHOME COMMUNITY
A 62 AND OLDER COMMUNITY (Park Name)
2193 LOS FELIZ DRIVE
THOUSAND OAKS, CA 91382 (Park Address)

Date this Agreement is Signed: NOV. 9, 1999
Date the Term of this Agreement Begins: APPROX. Dec. 1, 1999

1. Homesite Address/Space No.: 2092 SKINNER CRT. SP. 74

2. Resident(s): FRANCIS AND VIRGINIA MORTON

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$123.00

4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: CLUB HSE

5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly to Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			20.65	

6. Security Deposit: \$ 200 (Not to Exceed an Amount Equal to Two Months Rent)
7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 Months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 123.00 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Fourth Page

31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

<p><u>Francis (Frank) N. Weston</u> (Resident)</p>	<p><u>Oct. 21, 1999</u> Dated</p>
<p><u>Virginia L. Morton</u> (Resident)</p>	<p><u>Nov. 9, 1999</u> Dated</p>
<p><u>Betty Faulkner</u> (Park Management)</p>	<p><u>11-9-99</u> Dated</p>

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: FLEETWOOD

Model of Mobilehome: SANDSPOINT

Year of Manufacture: 1978 Vehicle ID #: CAF 11A849672847?

License or Decal #: AAW 8720 State of Registration: CA

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____

STANDARD TWELVE-MONTH RENTAL AGREEMENT

RANCH MOBILHOME COMMUNITY
A 62 AND OLDER COMMUNITY _____ (Park Name)
2193 LOS FELIZ DRIVE _____
THOUSAND OAKS, GA 91362 _____ (Park Address)

Date this Agreement is Signed: 9-17-99
Date the Term of this Agreement Begins: 9-17-99

1. Homesite Address/Space No.: Space # 26

2. Resident(s): JOAN OSBORN

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$128.00
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: CLUB HSE
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly to Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			20.65	

6. Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 128.00 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Second Page

10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For *new* residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.
- If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.
- As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.
13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 90 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the home/site/space or maintains a mobilehome at the home/site/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Third Page

19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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 services.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Fourth Page

31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.

32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

Jean Albano
(Resident)

9-17-99
Dated

(Resident)

Dated

(Resident)

Dated

Betty Faulkner
(Park Management)

9-17-99
Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____

STANDARD TWELVE-MONTH RENTAL AGREEMENT

FRANCH MEG HILLS
(Park Name)
COMMUNITY
2109 LOS FELIZ DR.
(Park Address)
THOUSAND OAKS, CALIF.

Date this Agreement is Signed: 9-18-01
Date the Term of this Agreement Begins: _____

1. Homesite Address/Space No.: 234 DUNSMIRE 537

2. Resident(s) JAMES E. WOLF
SALLY A. WOLF

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$139³⁶
 4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____

5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly to Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			<u>120.65</u>	

6. **Security Deposit:** \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)

7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 mo. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.

8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 139³⁶ per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.

9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Second Page

10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For *new* residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.
- If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.
- As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.
13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Third Page

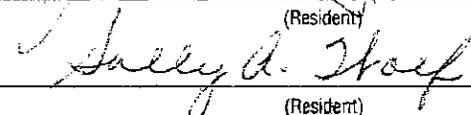
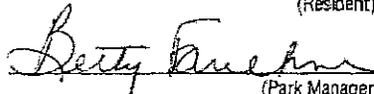
19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Fourth Page

31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

 (Resident)	9-18-01 Dated
 (Resident)	9-18-01 Dated
 (Park Management)	9-18-01 Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: SKYLIVE

Model of Mobilehome: 4517 CT

Year of Manufacture: 2001 Vehicle ID #: 369 10742 N

License or Decal #: _____ State of Registration: CA

Federal Label or Calif. Insignia #: UL1-522177

Legal Owner's Name: CTI Group

Address: 1755 CREEKSIDE OAKS DR., SE2-150
SACRAMENTO, CA 95833 Telephone #: _____

Registered Owner's Name: JAMES E. WOLF

Address: 234 DINSMORE, T.O., CA 91362
 Telephone #: 805/488-2345

Junior Lienholder(s) Name and Address: _____

STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

Ranch M.H.C.
(Park Name)
2193 Los Feliz Dr
(Park Address)
Thousand Oaks, Ca 91362

Date this Agreement is Signed: 1-17-03 Date the Term of this Agreement Begins: 1-17-03
1. Homesite Address/Space No.: 2104 SKINNER Ct. apt # 73
2. Resident(s): Dorinda Herricks

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$127.92
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
<u>None</u>	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			<u>21.85</u>	

6. Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 Months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 127.92 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws

STANDARD TWELVE-MONTH RENTAL AGREEMENT

Page 2

10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor's interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

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19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.

STANDARD TWELVE-MONTH RENTAL AGREEMENT

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- 31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES: Donald L. Hennicks (Resident) 1-16-03 Dated

(Resident) _____ Dated

(Resident) _____ Dated

Betty Fanebun (Park Management) 1-17-03 Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: Champion

Model of Mobilehome: MANATEE

Year of Manufacture: 1973 Vehicle ID #: S4008

License or Decal #: AAZ6673 State of Registration: CA

Federal Label or Calif. Insignia #: 49065

Legal Owner's Name: Donald L. Hennicks

Address: 2104 SKINNER CT T.O.

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____



STANDARD TWELVE-MONTH RENTAL AGREEMENT



Manufactured Housing Communities Association

Ranch M. H. C.
(Park Name)
2193 Los Filer Dr.
(Park Address)
Thousand Oaks Ca 91362

Date this Agreement is Signed: 3-3-02 Date the Term of this Agreement Begins: 3-5-02

- Homesite Address/Space No.: # 16
- Resident(s): Ruth E. Cameron

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

- Beginning Monthly Rent: \$ 127.92
- Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse
- Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
<u>None</u>	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			<u>21.85</u>	

- Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
- TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 Months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
- RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 127.92 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
- RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws

STANDARD TWELVE-MONTH RENTAL AGREEMENT

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31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES: Ruth E. Cameron (Resident) 3-3-02 Dated

(Resident) _____ Dated

(Resident) _____ Dated

Dee Kunkler (Park Management) 3-5-02 Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: HOMETTE

Model of Mobilehome: 12' X 60'

Year of Manufacture: _____ Vehicle ID #: 960 E371090L

License or Decal #: ABH4302 State of Registration: CA.

Federal Label or Calif. Insignia #: CA 2076467

Legal Owner's Name: Ruth E. Cameron

Address: 2148 Pave Ct. #16
Thousand Oaks, Ca. 91362 Telephone #: 805-495-8312

Registered Owner's Name: Ruth E. Cameron

Address: 2148 Pave Ct. #16
Thousand Oaks, Ca. 91362 Telephone #: 805-495-8312

Junior Lienholder(s) Name and Address: _____



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS



Western
Manufactured Housing Communities
Association

(805) 412-7344

Ranch
(Park Name)
2193 Keswick Dr.
(Park Address)
Thousand Oaks CA 91362

Date this Agreement is Signed: 10-2-07
Date the Term of this Agreement Begins: 2-1-07
1. Homesite Address/Space No.: 250 Pinonville, Po., CA 91362
2. Resident(s) _____

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$ 127.92
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			✓ 25.60	

6. Security Deposit: \$ 0 (Not to exceed an amount equal to two months rent)
7. TERM: The term of this Agreement shall be for a period of _____, but shall be for a period of less than twelve months, and is to begin on the date set forth on Page One of this Agreement and continue until _____. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. RENT AND OTHER CHARGES: Resident shall pay rent in the amount of \$ 127.92 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time. Rent adjustments may be made upon proper notice in accordance with the provisions of the Mobilehome Residency Law.



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

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9. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15.00 whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is received.
10. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15.00 whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
11. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, Park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

12. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
13. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
14. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other situations except where exigent circumstances justify a delay.
15. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
16. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
17. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

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18. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
19. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
20. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
21. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
22. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
23. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
24. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
25. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
26. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
27. **INTERPRETATION:** 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.
28. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
29. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

Page 4

- 30. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 31. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

Resident acknowledges that he and/or she has been offered a Rental Agreement for a period of twelve months and has declined to enter into such Agreement. Instead, Resident has elected to enter into an Agreement for a term of less than twelve months, as specified in this Agreement.

SIGNATURES: *Valerie R. Hopkins* _____ Dated _____
(Resident)

(Resident) _____ Dated _____

(Resident) _____ Dated _____
Pat Heston _____ Dated *10-2-07*
(Park Management)

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____
Model of Mobilehome: _____
Year of Manufacture: _____ Vehicle ID #: _____
License or Decal #: _____ State of Registration: _____
Federal Label or Calif. Insignia #: _____
Legal Owner's Name: _____
Address: _____

Telephone #: _____
Registered Owner's Name: _____
Address: _____

Telephone #: _____
Junior Lienholder(s) Name and Address: _____



127⁹²



Western
Manufactured Housing Communities
Association

STANDARD TWELVE-MONTH RENTAL AGREEMENT

RANCH MFG HOUSING

COMMUNITY
(Park Name)

2193 LOS FELIZ DR.

THOUSAND OAKS, CA 91362
(Park Address)

Date this
Agreement

is Signed: 7-16-04

Date the Term of
this Agreement

Begins: July 16, 2004

- Homesite Address/Space No.: 2096 PAVO CT space 79
- Resident(s) Georgia Nordblom

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/sp: listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period a according to the term set forth in this Agreement.

- Beginning Monthly Rent: \$ 127⁹²
- Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____
- Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			X	
Electricity			X	
Water	X			
Cable TV		X		
Trash	X			
Sewer			21.85	

- Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
- TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of Agreement and continue until 12 MONTHS. If Resident, without the Park's consent, remains in possession of premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of Mobilehome Residency Law or any other applicable law.
- RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 127⁹² per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for all rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
- RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.

11. **CHECK RETURN CHARGE:** ~~As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.~~

12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.

14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.

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17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.

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STANDARD TWELVE-MONTH RENTAL AGREEMENT

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19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
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23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

MARGARET C. RIGGS
(Park Name)
2184 PARK COURT
(Park Address)

Date this Agreement is Signed: MARCH 3, 2005
Date the Term of this Agreement Begins: _____
1. Homesite Address/Space No.: 2184-13 PARK COURT
2. Resident(s) MARGARET C. RIGGS

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$139.36
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Closet
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____

Service	Charge
	\$
	\$
<u>NONE</u>	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			<input checked="" type="checkbox"/>	
Electricity			<input checked="" type="checkbox"/>	
Water	<input checked="" type="checkbox"/>			
Cable TV				
Trash	<input checked="" type="checkbox"/>			
Sewer		<u>21.85</u>		

6. Security Deposit: \$0 (Not to Exceed an Amount Equal to Two Months Rent)
7. TERM: The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 MONTHS. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. RENT AND OTHER CHARGES: Resident shall pay rent in the amount of \$ 139.36 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. RENTAL ADJUSTMENTS: Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.

11. **CHECK RETURN CHARGE:** ~~As additional rent, a check return charge may be assessed by the Park in the amount of~~ \$ 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.

12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

if the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

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STANDARD TWELVE-MONTH RENTAL AGREEMENT

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19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES: *Therese C. Page* (Resident) 12-03-05 Dated

_____ (Resident) _____ Dated

_____ (Resident) _____ Dated

Betty Faulkner (Park Management) 3-3-05 Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: Lido Pacific Living

Model of Mobilehome: _____

Year of Manufacture: 1978 Vehicle ID #: _____

License or Decal #: _____ State of Registration: CA

Federal Label or Calif. Insignia #: CA 006557 # CA 006556

Legal Owner's Name: _____

Address: _____ Telephone #: _____

Registered Owner's Name: _____

Address: _____ Telephone #: _____

Junior Lienholder(s) Name and Address: _____



STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

Ranch mobile home Park
(Park Name)
2193 FELIZ DR
(Park Address)
Thousand Oaks Ca 91362

Date this Agreement is Signed: 6-7-04

Date the Term of this Agreement Begins: 6-7-04

1. Homesite Address/Space No.: 2188 SKINNER Ct. Space # 4
2. Resident(s) HEDDA HUGHES

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent \$139.36
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
<u>NONE</u>	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas				
Electricity			✓	
Water	✓		✓	
Cable TV		✓		
Trash	✓			
Sewer			<u>21.82</u>	

6. Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 139.36 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15.00 whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.

~~11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15.00 whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.~~

12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.

14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.

15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.

16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.

17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.

18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

Welda S. Hughes
(Resident)

June 7-2004
Dated

(Resident)

Dated

Betty Faulkner
(Resident)
(Park Management)

6-7-04
Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____



STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

Ranch m. H. P
(Park Name)
2193 Los Feliz
(Park Address)
Thousand Oaks Ca 91362

Date this Agreement Signed: 2/12/05

Date the Term of this Agreement Begins: 2/12/05

1. Homesite Address/Space No.: #22 Alla Skinnickst
2. Resident(s) JAMES FIGUEROA

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$127.92
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
<u>NONE</u>	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			<input checked="" type="checkbox"/>	
Electricity			<input checked="" type="checkbox"/>	
Water	<input checked="" type="checkbox"/>			
Cable TV		<input checked="" type="checkbox"/>		
Trash	<input checked="" type="checkbox"/>			
Sewer			<u>21.85</u>	

6. Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 months. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 127.92 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added ~~administrative costs~~ associated with processing a late payment. The five-day period does not include the date the payment is due.
11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.

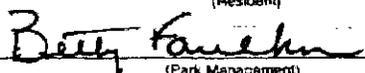


STANDARD TWELVE-MONTH RENTAL AGREEMENT

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31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

 _____ (Resident)	<u>2-10-05</u> _____ Dated
_____ (Resident)	_____ Dated
_____ (Resident)	_____ Dated
 _____ (Park Management)	<u>2-12-05</u> _____ Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: Villa Nova
Model of Mobilehome: _____
Year of Manufacture: 1975 Vehicle ID #: _____
License or Decal #: _____ State of Registration: _____
Federal Label or Calif. Insignia #: _____
Legal Owner's Name: ELIZABETH / STEPHAN LONGO
Address: 1739 Blossom Ct
T.O. CA 91320 Telephone #: (805) 480-0018
Registered Owner's Name: James Figueroa
Address: 43230 Gadsden Ave
Lancaster CA 93534-6185 Telephone #: (805) 300-7503
Junior Lienholder(s) Name and Address: _____



STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

MARGARET C. RIELS
(Park Name)
3184 PAW COURT
(Park Address)

Date this Agreement is Signed:

MARCH 3, 2005

Date the Term of this Agreement Begins:

1. Homesite Address/Space No.: 3184-12 PAW COURT
2. Resident(s) MARGARET C. RIELS

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$139.36
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
	\$
<u>NONE</u>	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			<input checked="" type="checkbox"/>	
Electricity			<input checked="" type="checkbox"/>	
Water	<input checked="" type="checkbox"/>			
Cable TV				
Trash	<input checked="" type="checkbox"/>			
Sewer		<u>21.85</u>		

6. Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
7. **TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 MONTHS. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. **RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ 139.36 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
9. **RENTAL ADJUSTMENTS:** Park may increase rents at any time upon 90 days' notice and as allowed by state and local laws.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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10. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
11. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15⁰⁰ whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
12. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period of the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

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19. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
21. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
22. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
23. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
24. **NOTICE:** The California Department of Justice, sheriff's 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 (a) of Section 290.4 of the Penal Code. The data base is updated on a quarterly basis and 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.
25. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or Rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
26. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
27. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
28. **INTERPRETATION:** 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.
29. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
30. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

Page 4

- 31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

Margaret C. Page
(Resident)

03-03-05
Dated

(Resident)

Dated

Betty Faulkner
(Park Management)

3.3.05
Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: LIDO PACIFIC LIVING

Model of Mobilehome: _____

Year of Manufacture: 1978 Vehicle ID #: _____

License or Decal #: _____ State of Registration: CA

Federal Label or Calif. Insignia #: CA D0657 E CA D0656

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____



STANDARD TWELVE-MONTH RENTAL AGREEMENT



Western
Manufactured Housing Communities
Association

Ranch mobile home Park
(Park Name)
2193 LOS FELIZ
(Park Address)
THOUSAND OAKS Ca 91362

Date this Agreement is Signed:

Maura Besaw

Date the Term of this Agreement Begins:

11-8-05

- Homesite Address/Space No.: 71 3128 SKINNER Ct.
- Resident(s): MAUREN BESAW

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

- Beginning Monthly Rent: \$ 127.92
- Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: Clubhouse
- Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed:

Service	Charge
	\$
<u>NONE</u>	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas		<input checked="" type="checkbox"/>		
Electricity		<input checked="" type="checkbox"/>		
Water	<input checked="" type="checkbox"/>			
Cable TV				
Trash	<input checked="" type="checkbox"/>			
Sewer			<u>21.85</u>	

- Security Deposit: \$ 0 (Not to Exceed an Amount Equal to Two Months Rent)
- TERM:** The term of this Agreement shall be for a period of twelve months and is to begin on the date set forth on Page One of this Agreement and continue until 12 MONTHS. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
- RENT AND OTHER CHARGES:** Resident shall pay rent in the amount of \$ _____ per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time.
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STANDARD TWELVE-MONTH RENTAL AGREEMENT

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20. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
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STANDARD TWELVE-MONTH RENTAL AGREEMENT

Page 2

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If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

13. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
14. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
15. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
16. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
17. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
18. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD TWELVE-MONTH RENTAL AGREEMENT

Page 4

31. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
32. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

SIGNATURES:

Maurice Besaw
(Resident)

Dated

(Resident)

Dated

Betty Faulstich
(Park Management)

11-08-05
Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

Telephone #: _____

Registered Owner's Name: _____

Address: _____

Telephone #: _____

Junior Lienholder(s) Name and Address: _____



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS



Western
Manufactured Housing Communities
Association

Sanok
(Park Name)
2193 Las Flores Dr
(Park Address)
P.O. CA 91562

Date this Agreement is Signed: 10-13-08 Date the Term of this Agreement Begins: 11-1-08
 1. Homesite Address/Space No.: 2193 Las Flores Dr #17
 2. Resident(s): P.O. CA 91562
Annette Robinson

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

- 3. Beginning Monthly Rent: \$127.92
- 4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____
- 5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			✓ 25.60	

- 6. Security Deposit: \$ 4 (Not to exceed an amount equal to two months rent)
- 7. TERM: The term of this Agreement shall be for a period of _____, but shall be for a period of less than twelve months, and is to begin on the date set forth on Page One of this Agreement and continue until _____. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
- 8. RENT AND OTHER CHARGES: Resident shall pay rent in the amount of \$ 127.92 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time. Rent adjustments may be made upon proper notice in accordance with the provisions of the Mobilehome Residency Law.



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

Page 2

9. **ADMINISTRATIVE CHARGE:** As additional rent, a charge may be assessed by the Park in the amount of \$ 15.45 whenever rent and other charges are paid more than five (5) days after they are due. This charge is to cover the added administrative costs associated with processing a late payment. The five-day period does not include the date the payment is due.
10. **CHECK RETURN CHARGE:** As additional rent, a check return charge may be assessed by the Park in the amount of \$ 15.00 whenever a check for rent or any other charges is returned unpaid from a bank or financial institution.
11. **SECURITY DEPOSIT:** On execution of this Agreement, but only upon initial occupancy, Resident shall deposit with the Park the total sum of the security deposit specified on Page One of this Agreement, as security for the performance by the Resident of the provisions of this Agreement. For new residents of the Park who begin tenancy on or after January 1, 1989, if the Resident has promptly paid to management within five (5) days of the date the amount is due all of the rent, utilities and reasonable service charges for any twelve (12) consecutive month period subsequent to the collection of the security deposit, or upon resale of the mobilehome, whichever occurs first, management shall refund to the Resident the amount of the security deposit, upon receipt of a written request from the Resident, within thirty (30) days following the end of the twelve (12) consecutive month period or the prompt payment or the date of the resale of the mobilehome.

If the Resident is in default, the Park may, but is not obligated to, use the security deposit, or any portion of it, to cure the default or to compensate the Park for any damage sustained by the Park resulting from the Resident's default. If the Resident is not in default when the Resident terminates his/her tenancy in the Park, the Park shall return the security deposit to the Resident. The Park can maintain the security deposit separate and apart from the Park's general funds or can co-mingle the security deposit with the Park's general and other funds. The Park shall not be required to pay Resident interest on the security deposit. In the event of the termination of the Park's interest in this Agreement, the Park shall deliver the security deposit to the Park's successor in interest and such delivery shall constitute a discharge of the Park from any further liability hereunder. However, the successor in interest shall have the same obligations of the Park.

As to any utility included in the rent, park reserves the right to separately charge for these as allowed by Civil Code Section 798.41.

12. **PARK RULES:** The Park Rules are a part of this Rental Agreement and are attached hereto and incorporated herein by reference as though fully set forth at this point. Resident agrees to comply with all Park Rules that now exist and such additional Rules as may be promulgated by the Park from time to time in accordance with the Mobilehome Residency Law or any other law now in effect or as amended.
13. **MOBILEHOME RESIDENCY LAW:** Resident hereby acknowledges receipt of the Mobilehome Residency Law, a part of the Civil Code of the State of California, a copy of which is attached hereto. Terms and provisions of the Mobilehome Residency Law are specifically made a part of this Rental Agreement, and are incorporated herein by reference as though fully set forth at this point.
14. **COMMON FACILITIES:** It is the responsibility of the Park to provide and maintain the physical improvements in the common facilities of the Park in good working order and condition. The common facilities of the Park are specified on Page One of this Agreement. With respect to a sudden or unforeseeable breakdown or deterioration of the physical improvements in the common facilities, 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. A reasonable period of time to repair a sudden or unforeseeable breakdown or deterioration shall be as soon as possible in situations affecting the health or safety condition and shall not exceed 30 days in any other case except where exigent circumstances justify a delay.
15. **SITE MAINTENANCE:** The Park may, but is not obligated to, charge a reasonable fee for services relating to the maintenance of the land and premises upon which the mobilehome is situated in the event Resident fails to maintain such land or premises in accordance with the Rules and Regulations of the Park after written notification to the Resident and the failure of the Resident to comply within fourteen (14) days. The written notice shall state the specific condition to be corrected and an estimate of the charges to be imposed by the Park if the services are performed by the Park or its agent.
16. **TERMINATION OF RENTAL AGREEMENT BY PARK:** This Rental Agreement, at the option of the Park, may be declared forfeited and/or the tenancy may be terminated and/or Resident's right to possession terminated in accordance with the Mobilehome Residency Law and any other applicable law. Any such rights granted the Park due to any amendments, deletions, or modifications of the Mobilehome Residency Law and other applicable law may be enforced by the Park.
17. **TERMINATION OF RENTAL AGREEMENT BY RESIDENT:** Resident understands that this Rental Agreement will remain in effect and Resident will be liable to pay rent as set forth in this Agreement whether or not the Resident occupies the homesite/space or maintains a mobilehome at the homesite/space for the term of this Rental Agreement, unless the Resident terminates this agreement as required by law.



STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS

Page 3

18. **REMOVAL ON SALE:** The Park may, at its option, in order to upgrade the quality of the Park, require the removal of the mobilehome from the Park upon its sale to a third party, in accordance with the provisions of the Mobilehome Residency Law and any other applicable law. Any rights granted the Park due to amendments, deletions, or modifications of the Mobilehome Residency Law and any other applicable law may be enforced by the Park.
19. **APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:** Resident may sell his or her mobilehome at any time pursuant to the rights and obligations of Resident and Park under the Mobilehome Residency Law or any other applicable law. Resident must, however, immediately notify the Park in writing of Resident's intent to sell his or her mobilehome if the prospective purchaser intends for the mobilehome to remain in the Park. If the Park does not exercise its rights pursuant to the Mobilehome Residency Law to require the removal of the mobilehome from the Park, and in order for the prospective purchaser to reside in the Park, he and/or she must: (1) complete an application for tenancy; (2) be accepted by the Park; (3) execute a new Rental Agreement; and (4) execute and deliver to the Park a copy of the Park's then effective Rules and Regulations.
20. **RENTING OR SUBLETTING:** Other than as specifically authorized by California Civil Code Section 798.23.5, resident shall not sublease or otherwise rent all or any portion of Resident's mobilehome or the premises. Resident shall not assign or encumber his or her interest in this Rental Agreement or the premises. No consent to any assignment, encumbrance, sublease or other renting shall constitute a further waiver of the provisions of this paragraph. If Resident consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from one person to the other shall be deemed an assignment within the meaning of this paragraph.
21. **USE PROHIBITED:** The mobilehome and premises shall be used only for private residential purposes and no business or commercial activity of any nature shall be conducted thereon.
22. **IMPROVEMENTS:** All plants, shrubs, and trees planted on the premises as well as all structures, including fences permanently embedded in the ground, if allowed in the Park pursuant to the Rules and Regulations, blacktop or concrete or any structures permanently attached to the ground, shall become the property of the Park as soon as they are installed and may not be removed by the Resident without the prior written consent of the Park. Other than in cases of park's responsibility for certain hazardous trees and certain park installed driveways pursuant to Civil Code Section 798.37.5, resident shall maintain, repair, and, when necessary at Park's sole discretion, remove and/or replace all of the above at Resident's sole expense and responsibility and shall be completely responsible for each of them although they are the property of the Park, which may remove them at its option.
23. **NOTICE:** Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either an address at which the offender resides or the community of residence and ZIP Code in which he or she resides.
24. **WAIVER:** The waiver by the Park of, or the failure of the Park to take action in any respect because of any breach of a term, covenant or condition contained herein or the violation of a Park Rule or Regulation shall not be a waiver of that term or rule. The subsequent acceptance of rent or other charges by the Park shall not be a waiver of any preceding breach of this Rental Agreement by the Resident or any violation of Park Rules or failure of Resident to pay any particular rent, regardless of the Park's knowledge of the preceding breach or violation of Park Rules or Regulations or failure to pay rent.
25. **ATTORNEYS' FEES AND COSTS:** In any action arising out of Resident's tenancy, this Agreement, or the provisions of the Mobilehome Residency Law, the prevailing party shall be entitled to reasonable attorneys' fees and costs. A party shall be deemed a prevailing party 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.
26. **TIME OF THE ESSENCE:** Time is of the essence with this Agreement.
27. **INTERPRETATION:** 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.
28. **INSPECTION OF THE PREMISES:** By signing this Rental Agreement, Resident acknowledges that Resident has carefully inspected the space to be rented and all the Park's facilities and has found them to be in every respect as represented by Park to the Resident, either orally or in writing, and to the extent that they are not exactly as represented, either orally or in writing, accepts them as they are.
29. **EFFECT OF THIS AGREEMENT:** Resident agrees that this Rental Agreement contains the entire Agreement between the parties regarding the rental of the homesite/space within the Park. All prior negotiations or stipulations concerning this matter which preceded or accompanied the execution of this Agreement are conclusively deemed to have been superseded by this written Agreement. This Agreement completely supersedes any prior Agreement of the parties, whether in writing or oral.



**STANDARD RENTAL AGREEMENT
FOR A TERM OF LESS THAN TWELVE MONTHS**

Page 4

- 30. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 31. **ACKNOWLEDGMENT.** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

Resident acknowledges that he and/or she has been offered a Rental Agreement for a period of twelve months and has declined to enter into such Agreement. Instead, Resident has elected to enter into an Agreement for a term of less than twelve months, as specified in this Agreement.

SIGNATURES: *Annette Collins* (Resident) 10-13-08 Dated

(Resident) _____ Dated

(Resident) _____ Dated

Pat Heston (Park Management) 10-13-08 Dated

INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

_____ Telephone #: _____

Registered Owner's Name: _____

Address: _____

_____ Telephone #: _____

Junior Lienholder(s) Name and Address: _____

STANDARD RENTAL AGREEMENT FOR A TERM OF LESS THAN TWELVE MONTHS



Western
Manufactured Housing Communities
Association

Tanah
(Park Name)
2193 Lee Kelly Dr
(Park Address)
Thousand Oaks CA 91362

Date this
Agreement
is Signed: 10-17-08

Date the Term of
this Agreement
Begins: 10-18-08

1. Homesite Address/Space No.: 2141 Spinaway Ct. 40 #1
2. Resident(s): J.O. CA 91362

The persons who are listed above, referred to in the balance of this document as "Resident," agree to lease the homesite/space listed above in the above-referenced mobilehome park, referred to in the balance of this document as "Park," for the period and according to the term set forth in this Agreement.

3. Beginning Monthly Rent: \$ 133.12
4. Facilities to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____
5. Services to be Provided by Park for Residents During the Term of this Agreement, Unless Changed: _____

Service	Charge
	\$
	\$
	\$
	\$

Utilities	Included in Rent	Paid by Resident Directly To Utility Co.	Park Will Bill Resident Monthly	Unavailable
Natural Gas			✓	
Electricity			✓	
Water	✓			
Cable TV		✓		
Trash	✓			
Sewer			✓ 25.60	

6. Security Deposit: \$ e (Not to exceed an amount equal to two months rent)
7. TERM: The term of this Agreement shall be for a period of _____, but shall be for a period of less than twelve months, and is to begin on the date set forth on Page One of this Agreement and continue until _____. If Resident, without the Park's consent, remains in possession of the premises after expiration of the term of this Rental Agreement, or any extension thereto, and has not executed a new Rental Agreement with respect to the premises, said possession of the premises by the Resident shall be deemed a month-to-month tenancy on the same terms and conditions as contained herein, which may be terminated in accordance with the provisions of the Mobilehome Residency Law or any other applicable law.
8. RENT AND OTHER CHARGES: Resident shall pay rent in the amount of \$ 133.12 per month on the first day of each month, commencing at the start of the term of this Rental Agreement. In addition, Resident shall pay the utility and other charges billed by the Park to the Resident on the first day of each month following the receipt of the bill from the Park. Payment for either rent or other charges must be paid without deduction or offset whatsoever and shall be considered late following the fifth day of each month. Payment will be made at the Park office or at such other location as the Park may designate from time to time. Rent adjustments may be made upon proper notice in accordance with the provisions of the Mobilehome Residency Law.



**STANDARD RENTAL AGREEMENT
FOR A TERM OF LESS THAN TWELVE MONTHS
Page 4**

- 30. **ALTERATION OF THIS AGREEMENT:** This Agreement may be altered only by written Agreement signed by both of the parties, by operation of law, or in any manner provided for by the Mobilehome Residency Law or other applicable law.
- 31. **ACKNOWLEDGMENT:** Resident acknowledges that he and/or she has received a copy of this Rental Agreement, together with a copy of the Park Rules and Regulations, and a copy of the Mobilehome Residency Law, and further, that he and/or she has read and understands each of these documents. Resident understands that by executing this Rental Agreement, he and/or she will be bound by the terms and conditions thereof.

Resident acknowledges that he and/or she has been offered a Rental Agreement for a period of twelve months and has declined to enter into such Agreement. Instead, Resident has elected to enter into an Agreement for a term of less than twelve months, as specified in this Agreement.

<p>SIGNATURES: <u>Barbara Brown</u> (Resident)</p> <p>_____ (Resident)</p> <p>_____ (Resident)</p> <p><u>Pat Nestmeyer</u> (Park Management)</p>	<p><u>17 Oct 2008</u> Dated</p> <p>_____ Dated</p> <p>_____ Dated</p> <p><u>10-17-08</u> Dated</p>
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INFORMATION CONCERNING THE MOBILEHOME WHICH PRESENTLY OCCUPIES, OR WILL OCCUPY, THE HOMESITE/SPACE WHICH IS THE SUBJECT OF THIS RENTAL AGREEMENT IS AS FOLLOWS:

Make of Mobilehome: _____

Model of Mobilehome: _____

Year of Manufacture: _____ Vehicle ID #: _____

License or Decal #: _____ State of Registration: _____

Federal Label or Calif. Insignia #: _____

Legal Owner's Name: _____

Address: _____

_____ Telephone #: _____

Registered Owner's Name: _____

Address: _____

_____ Telephone #: _____

Junior Lienholder(s) Name and Address: _____
