

RULES AND REGULATIONS

A Part of the Rental Agreement
Between Homeowner and Parkway Estates LLC

Revised 03/06/00
Effective 06/01/00

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Effective 06/01/00

Section 1

GENERAL

- 1.1 These rules and regulations apply to the mobile home or manufactured housing structures park known as Parkway Estates Manufactured Housing Community, which is referred to in these rules and regulations as "Community."
- 1.2 The owner and operator of Community will be referred to in these rules and regulations as Parkway Estates.
- 1.3 The individuals who rent spaces in Community from Parkway Estates will be referred to in these rules and regulations as "Homeowner" or "Homeowners".
- 1.4 The mobile homes or manufactured housing structures which Homeowners place on spaces they rent from Parkway Estates in Community will be referred to in these rules and regulations as "mobile homes" (or singularly) even though they might more precisely be thought of as manufactured housing structures.
- 1.5 The individual mobile home spaces in Community rented to Homeowners by Parkway Estates will be referred to in these rules and regulations as "lots".
- 1.6 The site rental agreement entered into between Parkway Estates and Homeowner, of which these rules and regulations form an integral part, is referred to in these rules and regulations as "site rental agreement" or "agreement".
- 1.7 Any action required to be taken by Parkway Estates pursuant to these rules and regulations may, unless otherwise specified, be taken by the Property Manager appointed by Parkway Estates to act as its representative in connection with the Community.
- 1.8 Any approval, consent, or waiver which these rules and regulations require to be obtained from Parkway Estates must be obtained in writing, signed by an authorized representative of Parkway Estates, and obtained prior to doing the act for which approval, consent, or waiver is to be obtained, particularly prior to the initiation of any construction.
- 1.9 Any actions with which these rules and regulations deal must be taken in accordance with federal and state law and regulations and in accordance with local ordinances, in addition to meeting the requirements of these rules and regulations.
- 1.10 Any alterations to Homeowner's mobile home or improvements (including fencing, name signs, and the like) constructed on Homeowner's lot must have the prior approval of Parkway Estates, whether those alterations or improvements are required by the site rental agreement or these rules and regulations or whether they are voluntarily proposed by Homeowner. Improvements or alterations will usually be required to be made with factory-manufactured material.
- 1.11 Parkway Estates may waive one or more requirements of these rules and regulations on a showing of Homeowner that special circumstances exist which distinguish its situation from that of other Homeowners. Any Homeowner request for a waiver must be in writing and addressed to the Property Manager appointed by Parkway Estates for Community. In acting on any request for a waiver, Parkway Estates will consider the result to Homeowner if no waiver is granted, the expense to Parkway Estates or Community if a waiver is granted, and the impact of any waiver on Community as it is now constituted or may reasonably be constituted in the future. Parkway Estates may condition any waiver on Homeowner's payment of an amount to offset expenses associated with the waiver or may impose other reasonable conditions. If homeowner is not granted a requested waiver, Homeowner may initiate dispute resolution as set forth in Section 13.

Section 1 – GENERAL, Continued

- 1.12 If Homeowner fails to complete improvements, do maintenance, or otherwise take some action required by these rules and regulations, Parkway Estates has the option of taking that action for Homeowner. If Homeowner takes some action not in compliance with these rules and regulations (such as construction and improvement without approval), Parkway Estates has the option of undoing what Homeowner has done. If Parkway Estates exercises an option given it by this paragraph, Homeowner shall be responsible to Parkway Estates for Parkway Estates' expenses in doing the work, together with a fee of twenty percent (20%). In the event that this provision needs to be invoked by the Park, Parkway will issue advance written notice to the Homeowner, specifying the hourly rate for services, and an estimate as to the amount of time required for completion of the tasks.
- 1.13 These rules and regulations may be amended by Parkway Estates pursuant to state law by giving all homeowners no less than thirty (30) days advance notice of the proposed amendment (with additional time for mailing, as required by law). The amendments will then go into effect sixty (60) days from the date the notice is sent, barring the requisite number of objections as required by law.
- 1.14 Parkway Estates does not discriminate on the basis of race, color, sex, marital status, familial status, religion, national origin, or handicap in violation of any state or federal law, including ORS 659.033 and ORS 659.340. In determining how to meet this promise, Parkway Estates will follow precedent under appropriate state and federal statutes.
- 1.15 Parkway Estates has the right to reject any prospective tenant if the Landlord is unsatisfied with prior rental references, credit references, employment status, ability to pay rent and other expenses arising under this Agreement, criminal convictions, the presence of pets, the availability of the required information from the prospective tenant, if the prospective tenant is unwilling to enter into a rental agreement, and whether the prospective buyer is likely to have the continuing income and resources to make rental payments when done.

Section 2

MOBILE HOME SET - UP

- 2.1 Homeowner will give Parkway Estates 72 hours notice before bringing mobile home into Community for set-up. On arrival, Parkway Estates will instruct Homeowner and Homeowner's Driver where to park the mobile home pending set-up.
- 2.2 Upon arrival at Community for set-up, Homeowner will register with Parkway Estates the license number of the vehicle towing the mobile home and the license number of the mobile home, if required to be licensed. If the mobile home is not required to be licensed, Homeowner will register with Parkway Estates the mobile home's correct color, model and dimensions.
- The Homeowner represents and acknowledges that he/she has appropriate insurance coverage relative to any damages arising from installation or removal of a manufactured home at Parkway Estates.
- 2.3 All aspects of mobile home siting and set-up, including telephone, and cable television hook-ups as well as provision of required foundation or footings, and any other necessary blocking, are the responsibility of the Homeowner.

Section 2 – MOBILE HOME SET - UP, Continued

- 2.4 Homeowner is responsible for any damage caused to lot, other lots, streets, or any portion of Community during the siting of mobile home and shall reimburse Parkway Estates or other Homeowners, as appropriate, for any loss suffered.
- 2.5 Parkway Estates is not responsible for top soil, final grading, or gravel.
- 2.6 Homeowner must remove any towing hitch immediately (within twenty four (24) hours) after the mobile home is placed on the lot.
- 2.7 Temporary steps must be removed within thirty (30) days of set-up and replaced with permanent steps.
- 2.8 Homeowner will not be entitled to move into the mobile home until siting and set-up have been approved by Parkway Estates.

Section 3

STANDARDS FOR MOBILE HOMES, APPURTENANCE, AND ACCESSORY STRUCTURES

- 3.1 Mobile homes must be approved by Parkway Estates prior to move-in. A mobile home will not normally be accepted if it is more than two (2) years old as of the date of move-in.
- 3.2 Mobile homes must be a minimum of 28 feet in width, unless a lesser width is approved by Parkway Estates pursuant to ¶ 1.11.
- 3.3 All above-ground piping must be protected from freezing with adequate heat tape and wrapped with insulation. All above ground plumbing must be connected to an underground shutoff/gate valve which is accessible.
- 3.4 Homeowner will receive a SPACE LANDSCAPE WORKSHEET at the time of application to rent a lot in Community. The worksheet outlines a general landscaping plan for Homeowner to use as a model for preparing his or her own landscape plan for the lot. Prior to siting any mobile home in Community, Homeowner must submit a space landscaping plan to Parkway Estates for review and approval. Parkway Estates will approve or reject the plan within thirty (30) days. Installations of landscaping according to Homeowner's approved plan must be completed within sixty (60) days of approval. Thereafter, any changes in landscaping must be approved by Parkway Estates.

Section 4

MOBILE HOME AND LOT MAINTENANCE

- 4.1 Homeowner is responsible for maintaining and keeping clean the exterior of mobile home as well as lot and all appurtenant structures such as gutters and downspouts, hose bibs and pipes, decks, steps, storage buildings, carports or garages, driveways, and fences. All wooden appurtenant structures shall be painted or stained as necessary to prevent their visual and physical deterioration.

Section 4 - MOBILE HOME AND LOT MAINTENANCE, Continued

- 4.2 Homeowner is responsible for maintaining all landscaping on lot, including lawn, flowers, and shrubbery. Lawns must be mowed on a regular basis during the growing season, edged, kept free of weeds, and watered as necessary.
- 4.3 Absence of Homeowner from Community for an extended period will not relieve Homeowner of maintenance responsibility. Homeowner should make arrangements for the care and maintenance responsibility of lot while present or during any absence.
- 4.4 Fences meeting the following standards are permitted:
- (a) must be no higher than 48";
 - (b) must be constructed of cyclone fencing or cedar;
 - (c) may be installed only in the rear yard of the lot;
 - (d) prior approval by Parkway Estates required.
- 4.5 If Homeowner constructs a rear yard fence, as outlined in ¶ 4.4, Homeowner will be responsible for a twelve-inch mowing strip along the outside of the fence, whether or not that strip is Homeowner's lot or Community property.
- 4.6 Homeowner will respect Community common areas and will not litter or leave property in those areas or on other lots. Toys should not be left in the streets. Homeowner will see that guests will act similarly.
- 4.7 Firewood, gardening tools, equipment, motorcycles, and the like must be stored in Homeowner's storage shed out of sight or behind the mobile home, visually screened from the street. Garbage containers must be stored out of sight and should not be visible from the street (preferably stored behind the home).
- 4.8 Only furniture items commonly accepted as outdoor or patio furniture may be left outside a mobile home.
- 4.9 Neither clotheslines nor clothesline poles are allowed. Articles of clothing, linens, rugs, and the like must not be draped over deck or porch railings or left outside the mobile home.
- 4.10 On approval by Parkway Estates, Homeowner may erect play equipment in backyard. Any play equipment must be located behind the mobile home and within the designated boundaries of Homeowner's lot. Each Homeowner erecting approved play equipment assumes responsibility for maintaining the equipment in serviceable condition during the time it is erected on the lot. If it appears to Parkway Estates that any play equipment needs repair or is dangerous to use, approval for the equipment may be revoked. On any such revocation or on termination of the site rental agreement between Parkway Estates and Homeowner, Homeowner will remove the equipment. Parkway Estates assumes no responsibility to any Homeowner for monitoring the safety of play equipment.

Section 5

RESIDENTS AND GUESTS

- 5.1 The monthly rate agreed upon in the site rental agreement is based on occupancy of the mobile home by the persons identified in the site rental agreement. Any additional residents must be approved by Parkway Estates prior to move-in.

Section 5 – RESIDENTS AND GUESTS, Continued

- 5.2 The total number of permanent residents in any mobile home shall be limited to the number equal to two (2) persons per bedroom, plus one (1) additional person.
- 5.3 Homeowner is responsible for the actions of other occupants of mobile home, its guests, licensees, and invitees.
- 5.4 No commercial trade or business may be conducted out of Homeowner's mobile home or on lot in Community.
- 5.5 No one will carry on any obnoxious or offensive activity which Parkway Estates believes is or may become an annoyance or nuisance to Community.
- 5.6 Homeowner shall register their guests with the Park Owner/Manager by mailing or calling the Park Manager regarding the guest's name and vehicle information (plate number, model, and year) at the outset of the stay by the guest. Guests in the Community for more than thirty (30) days in any year (whether consecutively or cumulatively) shall be considered to be residents of the mobile home in which they are staying, and thus, the rules and regulations which apply to residents shall also apply to them. They must, therefore, apply for tenancy and obtain park approval if they are to continue to reside in the Community after said thirty (30) day period. The criteria upon which approval is or is not given are as follows:
- (a) Completely fill out and sign a rental application.
 - (b) Applicant must individually qualify for residency.
 - (c) Two pieces of identification, one with the applicant's photo is required.
 - (d) Acceptable credit, rental and criminal history.
 - (e) Total rent, utilities, and mortgage payments are not to exceed 30% of gross income.
 - (f) Be gainfully employed for 12 months or longer with current employer or have verifiable retirement or social security income.
 - (g) Home must be owner-occupied; no sub-leasing; and
 - (h) Must be willing to sign standard form of park rental agreement.
- 5.7 Guests of Homeowner who qualify as residents under ¶ 5.6 above must be identified to Parkway Estates within the first three (3) days of the thirty (30) day guest residency period. Also within that three (3) day period, the guest will be required to complete an application for residence similar to that completed by Homeowner when applying for a site rental agreement with Parkway Estates. Parkway Estates will act on any such application within ten (10) days of receiving the application, or the balance of the thirty (30) day guest period, whichever is greater. If the guest is not approved as a resident, he or she must promptly leave Community.
- 5.8 Homeowner will respect the peace of Community and see that guests do the same. Neither Homeowner nor guests shall cause unreasonable loud or disturbing noise by parties, radios, televisions, stereo equipment, chain saws, motorcycles, or the like.
- 5.9 Homeowner will provide Parkway Estates with the name of a person to be contacted in the event of Homeowner's emergency.

Section 6

COMMON AREAS

- 6.1 Parkway Estates will maintain those areas of Community for which Homeowner is not responsible to maintain pursuant to the site rental agreement or the rules and regulations (referred to herein as "common areas"). Homeowner's use of the common areas and use by other occupants of Homeowner's mobile home and Homeowner's guests, licensees, and invitees, is, however, at the risk of the user, and Parkway Estates is not responsible for injuries or damages associated with the use of common areas or the personal property connected with them unless such injuries or damages are caused by Parkway Estates' negligence or willful misconduct.
- 6.2 Homeowner, occupants of mobile home, and guests, licensees, and invitees, may use Community common areas only for the purposes for which they were intended and may not conduct any activity which would not be permitted on rented sites. Common areas may not be used for storage or parking.

Section 7

UTILITIES

- 7.1 Parkway Estates will provide a weekly garbage pick up for one 32-gallon garbage can for each lot as part of the service charge provided until December 31, 2003; thereafter, garbage will not be part of the Tenant's base rent and is billed separately to tenant as specified in the site rental agreement. Garbage containers will be supplied by garbage service so all look alike. Homeowner is responsible for payment of monthly charges including any extra garbage collected effective January 1, 2004.
- 7.2 Garbage containers may be moved to the curb on days when garbage is scheduled to be collected, but must otherwise be stored in accordance with the provisions of ¶ 4.7.
- 7.3 Water and sewer service to Homeowner's lot, as well as any other utility provided for the use of Homeowner, is provided by Parkway Estates but is not a part of any charges referenced in the site rental agreement. Effective June 1, 2000, Homeowners shall be separately billed, on a monthly basis, for his or her prorated water and sewage service charges. Homeowners shall pay these service charges promptly to Parkway Estates. The cable television service provided is the basic monthly service for one cable hookup. Effective January 1, 2001, Homeowner is responsible for payment of basic monthly cable service and any charges for services desired beyond the basic service. Parkway is able to receive a group discount for water, sewer, and garbage service for residents in the Park and is able to pass this discount on to the tenants.
- 7.4 Electricity, water, and other utility services necessary for operations of Community common areas are also provided as a part of the service charge.
- 7.5 Citizens Band or home radio antennas, or television antennas are not allowed in Community. However, Homeowner may have an 18" or smaller satellite or cable television receiving device, as long as (1) Homeowner maintains the device on the ground or mounted at the rear side of the home (not visible from the front of the home) and (2) Homeowner first obtains Community approval. If you obtain a satellite dish, the Homeowner must pay for their own service (if any) and will not be entitled to a refund of sums already paid for cable television service.
- 7.6 Paper towels, sanitary napkins, and other large items should not be flushed down toilets. Grease should not be poured down sinks. Any expense incurred in clearing a sewer line blockage caused by Homeowner negligence or misuse will be charged to the Homeowner causing the blockage.

Section 7 – UTILITIES, Continued

- 7.7 Parkway Estates LLC agrees to leave the annual space rent at the rates effective January 1, 2000 until December 31, 2002. Operating expenses for Parkway Estates will be re-evaluated in September 2002 for calendar year starting January 1, 2003.

Section 8

PETS

- 8.1 Only those pets approved by Parkway Estates will be allowed to be kept by Homeowner. Normally, only a single dog or cat under 20 pounds is permitted. Visually handicapped Homeowners are allowed to keep a guide animal as required by law.
- 8.2 Permission to keep any pet may be revoked by Parkway Estates if at any time it is determined that Homeowner is not properly caring for the animal, the animal is noisy, unmanageable or unruly, other Homeowners in Community are complaining about the animal, or the animal is not consistently kept inside Homeowner's mobile home. The pet will not be allowed to disturb the peaceful enjoyment of others residing in Community.
- 8.3 No outside dog runs, dog houses, or pets living outside a mobile home are allowed. Pets must not be allowed to roam unattended on Homeowner's lot, Community streets or common areas, or other Homeowner's lots. All pets shall be attended and on a leash when not inside the Homeowner's mobile home.
- 8.4 Excreta (pet droppings) on Homeowner's lot and elsewhere in Community must be cleaned up promptly by pet owners.
- 8.5 The Homeowner must immediately notify the Community if the pet in any way inflicts any injury to anyone at any time or in any way damages the premises.
- 8.6 If for any reason, the original pet is no longer in the household, the pet will not be replaced without the prior, written agreement of the Community.
- 8.7 Homeowners and guests shall indemnify, defend and hold Community harmless from and against any actions, suits, claims, and demands, including legal fees, costs, and expenses, arising from damage or injury to any person or property of others by any animal owned, kept, housed or maintained by Homeowner(s).
- 8.8 The Homeowner will be required to pay for any damages, claims, or amounts determined to be due to Community for damage to the rental space arising out of Homeowner's maintenance of the animal.
- 8.9 Homeowner will provide Community with proof of liability insurance to cover any and all damage or injury caused by its pet. The Community shall be notified should said insurance be canceled or terminated. Additionally, Homeowner(s) shall provide the following: proof of licensing to Community, upon request of Community; proof of immunization of the pet to Community.
- 8.10 Homeowner(s) shall agree to abide by all Community Rules and Regulations relating to the maintenance of animals at Community, including those which shall be lawfully amended pursuant to State law.

Section 8 – PETS, Continued

- 8.11 Any violation of a Pet Rule contained in this section, shall be cause for issuance of an appropriate eviction notice and/or fine of \$50.00 per violation.

Section 9

VEHICLES

- 9.1 Each lot is provided with off-street parking for two (2) passenger vehicles. Homeowner is permitted to have no more than two (2) vehicles, which when not in use must be parked in the off-street parking areas of Homeowner's lot.
- 9.2 Homeowner may request approval from Parkway Estates to keep more than two (2) vehicles. Any approval given will be conditioned on Homeowner providing an additional approved off-street parking space for the additional vehicle at Homeowner's expense. If approval is granted, Homeowner will be charged \$20 per month per vehicle. This charge will be adjusted to the same extent monthly rent is adjusted according to the rental adjustment formula provided in the site rental agreement.
- 9.3 Parkway Estates may require that any vehicle, including vehicles owned by Homeowners, not be allowed to enter or remain in Community, if, in Parkway Estates' opinion, the vehicle is, (a) not properly maintained, (b) constitutes a hazard to Homeowners, or (c) is in such a dilapidated condition that it detracts from the appearance of Community. If Parkway Estates intends to remove a vehicle from Community under this rule, it will give seventy two (72) hours notice to the Homeowner responsible for the vehicle, both as provided in the notice provision of the site rental agreement and by posting a notice on the windshield of the vehicle. If the vehicle is not then removed from Community within seventy two (72) hours, Parkway Estates may tow the vehicle from Community at the risk and expense of the vehicle owner and the responsible Homeowner. Proper notification to the local law enforcement agency prior to towing of the vehicle will be done by Parkway Estates. This seventy two (72) hour rule applies to vehicles which are considered abandoned. If a vehicle has been left or parked in a duly posted no parking zone, then Parkway Estates will, after notifying the law enforcement agency, and without further notice to the vehicle owner, have the vehicle towed from the no parking zone and impounded at owner's expense. No street parking is allowed within the inside perimeter (fire zone) of the Park.
- 9.4 Homeowner is not allowed to park in Community, or to allow others to park, commercial vehicles or equipment (other than that temporarily present for the purpose of providing some service to Homeowner) or inoperable vehicles.
- 9.5 In addition to the off-street parking associated with Homeowner's lot, guests may park their cars in other parking areas designated by Parkway Estates for that purpose. Homeowner and guests must ensure that guests' cars are parked in a location so as not to block any neighbor's access or restrict traffic flow within Community.
- 9.6 Overnight parking on the outer perimeter of streets is permitted for guests only. The guest parking pass must be displayed in the windshield of the guest's vehicle. Violators are subject to towing at owner's expense.
- 9.7 Approval of Parkway Estates must be obtained before bringing any truck larger than 3/4 ton into Community. Trucks of one (1) ton or larger will not normally be allowed to park overnight on a Homeowner's lot.

Section 9 – VEHICLES, Continued

- 9.8 Vehicles parked in violation of Community rules will be towed away and impounded at Homeowner's expense.
- 9.9 The speed limit within Community for all vehicles is limited to ten (10) miles per hour.
- 9.10 Motor homes, campers, trailers, boats, and other recreational vehicles are not allowed to be stored on Homeowner's lot.
- 9.11 Recreational vehicles may be left on Homeowner's lot for up to forty-eight (48) hours to accommodate loading or unloading.
- 9.12 Motorcycles, three-wheelers, all-terrain vehicles, or the like, whether or not in use, are not allowed in Community. Any waiver of this rule will be conditioned on Homeowner's registering the vehicle with Parkway Estates and on the vehicle not being noisy.
- 9.13 Driveways of vacant lots may not be used for guest or overflow parking without approval of Parkway Estates.
- 9.14 Loud motor vehicles may not be operated in Community at any time.
- 9.15 No repair of vehicles, engines, or other similar equipment will be done within Community. Oil changes or routine vehicle maintenance is not allowed.

Section 10

SUBLETTING

- 10.1 No rental or subletting of a mobile home is permitted. Mobile homes must be owner-occupied.
- 10.2 Any person occupying a mobile home to care for it (i.e., a "house sitter") during an absence by Homeowner in excess of 30 days must be approved by Parkway Estates prior to occupying the mobile home.

Section 11

SALE OF MOBILE HOME

- 11.1 If Homeowner sells mobile home and the prospective purchaser wishes to rent Homeowner's site, Homeowner will give Parkway Estates notice of the prospective purchaser's desire at least thirty (30) days prior to closing of the mobile home sale.
- 11.2 Prospective purchasers of a mobile home must submit an application for residency and be approved by Parkway Estates prior to purchasing or occupying any mobile home in Community. No sale of a mobile home in Community shall obligate Parkway Estates to accept a new purchaser unless an application has been reviewed and approved prior to the sale. A prospective purchaser who would otherwise be approved by Parkway Estates will not normally be approved if Homeowner and the prospective purchaser fail to make application before the sale closes. In such a case, the seller of the mobile home may be liable to the purchaser for the cost of moving the mobile home from Community. The criteria upon which approval is or is not given for Prospective purchasers are as follows:

Section 11 – SALE OF MOBIL HOME, Continued

- a. Completely fill out and sign a rental application.
 - b. Applicant must individually qualify for residency.
 - c. Two pieces of identification, one with the applicant's photo is required.
 - d. Acceptable credit, rental and criminal history.
 - e. Total rent, utilities, and mortgage payments are not to exceed 30% of gross income.
 - f. Be gainfully employed for 12 months or longer with current employer or have verifiable retirement or social security income.
 - g. Home must be owner-occupied; no sub-leasing.
 - h. Applicant must be willing to assure that all upgrading/improvements to home and/or rental space are completed.
 - i. Applicant must be willing to enter into the Park's standard form of rental agreement.
- 11.3 "For Sale" signs may be displayed only in a window of the mobile home, must not be more than 24" wide by 18" in height, and must be approved by Parkway Estates.
- 11.4 Resale Compliance Notice and Procedure. Parkway Estates shall have the right to enter the premises prior to expiration of the Homeowner's lease agreement (or should Homeowner be permitted by Parkway Estates to terminate lease early) for the purpose of an exterior inspection of the home and drafting of a Resale Compliance Notice. Parkway Estates shall then deliver the Resale Compliance Notice to Homeowner. Parkway Estates reserves the right to withhold acceptance of a prospective purchaser as a tenant until and unless Homeowner has completed all repairs and upgrading specified in the Resale Compliance Notice.
- 11.5 Removal of Home by Subsequent Purchaser. In order to upgrade the quality and appearance of Community, any subsequent purchaser of the home from Homeowner may be required to remove the mobile home from the premises, at the purchaser's sole expense. In the event such removal is required, the rental agreement will specify the same. Also, in the event such removal is required, Homeowner agrees to each and all of the following:
- a. Waives any claim against Community under the Residential Landlord-Tenant Act relating to the same;
 - b. Stipulates that Parkway Estates' enforcement of this provision does not violate the Residential Landlord-Tenant Act;
 - c. That there is a reduction in marketability of the unit as it will in fact be removed from Community upon its resale; and
 - d. The mobile home structure is to be removed as it is either a unit more than twenty-five (25) years old and fails to comply with health and/or safety requirements, or is in a state of disrepair or poor physical condition and violates one or more provisions of the Park's Rules and Regulations as of the date of sale, as determined by Community.

Section 12

TERMINATION OF RENTAL AGREEMENT

- 12.1 Homeowner will give Parkway Estates seventy-two (72) hours notice before removing mobile home from lot and Community.
- 12.2 On termination of the site rental agreement, Homeowner will remove mobile home and remove any improvements to the lot which Parkway Estates requests he or she to move.

Section 12 – TERMINATION OF RENTAL AGREEMENT, Continued

- 12.3 Homeowner is responsible for any damage caused to lots, streets, or any portion of Community during the removal of mobile home and shall reimburse Parkway Estates or other Homeowners, as appropriate, for any loss suffered. Homeowner must maintain insurance coverage relative to any damages arising out of movement of a mobile home into or out of the Park.

Section 13

ENFORCEMENT AND DISPUTE RESOLUTION

- 13.1 These rules and regulations are conditions pursuant to which Homeowners occupy Community. Parkway Estates may enforce rules and regulations which are conditions of occupancy by terminating the site rental agreement of the Homeowner who violates a rule or regulation. As an alternative to terminating a site rental agreement, Parkway Estates may impose a monetary fine on a violating Homeowner in accordance with the dispute resolution process set forth in this section.
- 13.2 If the basis for terminating a site rental agreement is within the dispute resolution process set forth in this section, Parkway Estates will follow that process prior to terminating an agreement.
- 13.3 The dispute resolution process set forth in this section applies to disputes between Homeowner and Parkway Estates about certain of Homeowner's and Parkway Estates' obligations under the site rental agreement and the rules and regulations. The process is intended to serve as a vehicle for resolution of the minor disputes which commonly arise from time to time between landlords and tenants with respect to maintenance of premises, tenant conduct which disturbs other tenants, and similar disputes. The process applies to all disputes arising in connection with the site rental agreement or these rules and regulations except for the types of disputes specifically excluded.
- 13.4 The dispute resolution process does not apply to the following disputes:
- a. any matters excluded by law from being a part of the dispute resolution process, including the amount of rent, rent increases, nonpayment of rent, or the closure or sale of Community;
 - b. charges due or claimed to be due under the site rental agreement or the rules and regulations, including rent, service charge, assessed fine, landscaping deposit, \$200 permit fees, additional occupants or vehicles charge, attorneys' fees, late charges, bad check fee, or interest, or the adjustment, computation, or modification of these charges;
 - c. matters which are issues necessary to the resolution of disputes which are not subject to this dispute resolution process and are in litigation (i.e., whether proper notice was give, whether a party is entitled to an award of attorneys' fees, or the like);
 - d. any claim for damages (which is otherwise subject to the process) where damages are reasonably anticipated to exceed \$2,000;
 - e. any lien claim;
 - f. termination of tenancy once written notice of termination has been given by Parkway Estates, whether or not that notice has been received by Homeowner;
 - g. term of the site rental agreement and renewal of the rental term;

Section 13 - ENFORCEMENT AND DISPUTE RESOLUTION, Continued

- h. sale of its mobile home by Homeowner and Parkway Estates' acceptance of the prospective purchaser as a tenant;
- i. disputes which involve a Homeowner whose tenancy has been terminated by Parkway Estates.

Although neither Homeowner nor Parkway Estates can demand pursuant to these rules and regulations that the above specified disputes be arbitrated or mediated, Parkway Estates encourages open discussion between itself and Homeowner of **any** dispute which may arise between them in an effort to resolve that dispute outside of litigation. Any attempt by any party to informally resolve a dispute not subject to the dispute resolution process set forth in this section shall not be deemed a waiver of that party's right to litigate the dispute.

13.5 The dispute resolution process is to be used for disputes between Homeowners and Parkway Estates and not disputes between Homeowners within the Community; however, if a Homeowner contends that another Homeowner in Community is violating one or more of these rules and regulations, Homeowner may give Parkway Estates notice in writing of the perceived violation, and Parkway Estates will investigate it. If Parkway Estates concludes that a violation is occurring which unreasonably interferes with a Homeowner's peaceful enjoyment of Community, Parkway Estates will initiate the dispute resolution process by notifying the violating Homeowner pursuant to the provision of ¶ 13.6.

13.6 The dispute resolution process works as follows:

- a. A party (Homeowner or Parkway Estates) initiates dispute resolution by giving written notice to the other party, in accordance with the site rental agreement, of its desire to resolve a dispute by the dispute resolution process. To be effective, the written notice must specify that portion of the site rental agreement or rules and regulations with which the dispute is concerned and offer two alternative dates/times in the following fifteen (15) day period when the party will be available to discuss resolution of the dispute. If the notice is given by Homeowner, it must also specify how Homeowner proposes to resolve the dispute. If given by Parkway Estates, the notice must also specify what action Parkway Estates proposes to take.
- b. After receipt of a notice pursuant to ¶ 13.6 (a), the receiving party will cooperate with the sending party in good faith to meet and discuss how the dispute might be resolved, with a view to reaching a resolution which takes into account the reasonable needs of all affected Homeowners in Community and of Parkway Estates.
- c. If the dispute is not resolved within fifteen (15) days of the written notice specified in ¶13.6(a) having been sent, the party giving notice will send a second written notice which refers to the first notice, specifies the portion of the site rental agreement or rules and regulations concerned, and offers two alternative dates/times in the following fifteen (15) day period when the party will be available to discuss resolution of the dispute. If the notice is given by Homeowner, it must also specify how Homeowner proposes to resolve the dispute. If given by Parkway Estates, the notice must also specify what action Parkway Estates proposes to take. If the action proposed by Parkway Estates is assessment of a fine, the notice must specify the per day amount of the fine to be assessed.

Section 13 - ENFORCEMENT AND DISPUTE RESOLUTION, Continued

- d. After receipt of a second notice as specified in ¶13.6(c), the parties will again cooperate in good faith to meet and discuss how the dispute might be resolved. If the dispute has not been resolved after fifteen (15) days of the written notice specified in ¶13.6 (c) having been sent the dispute resolution process will be considered to be at an end, and any party may proceed to litigate its claim in court should the law otherwise entitle it to do that. If a fine was assessed as a part of the dispute resolution process, the fine will be considered due and payable on the date the process is considered to be at an end.
- 13.7 Fines assessed by Parkway Estates for violation of the site rental agreement or these rules and regulations may not exceed \$50 per day for a first violation. If the Homeowner against whom the fine is assessed has previously been assessed a fine for similar violation, up to \$100 per day may be assessed for the repeat violation.
- 13.8 Parkway Estates may consider each day of a continuing violation for which an assessed fine is due and payable to be a separate violation to which the per day assessed fine applies, provided that Parkway Estates so notifies Homeowner in the second notice sent in accordance with ¶ 13.6(c).
- 13.9 Homeowner's payment of an assessed fine when due and payable is a condition of occupancy, and failure of Homeowner to pay an assessed fine when due is a basis for Parkway Estates' termination of the site rental agreement.
- 13.10 Notwithstanding any other provision of the site rental agreement or these rules and regulations to the contrary, neither Homeowner nor Parkway Estates will be entitled to an award of attorney's fees or any fees incurred in connection with the dispute resolution process set forth in this section. The dispute resolution process is not intended to be a process in which representation of a party by an attorney will be necessary in order to effectively present that party's position.
- 13.11 No failure of Parkway Estates to enforce any one of these rules and regulations shall operate as a waiver of its right to enforce that or others of the rules and regulations and to insist on strict compliance with the rules and regulations.
- 13.12 Any claim or dispute related to (1) physical improvements and/or facilities provided to Homeowner; (2) provision (or failure to provide) essential services to Homeowner; or (3) habitability of the dwelling unit, shall be raised within one (1) year after the date of occurrence, and shall be subject to binding arbitration. Any claim or dispute related to the Federal Fair Housing Act (42 U.S.C. §§3600, et seq.), the State Fair Housing Act (ORS §§659.033, et seq.), and any common law or other statutory claim related to housing discrimination, shall also be subject to binding arbitration. Alternatively, if both parties agree in writing, any such claims referenced in this paragraph may be submitted to a referee or judge for binding resolution, pursuant to Rule 65 of the Oregon Rules of Civil Procedure. This term of the Agreement is entered into pursuant to ORS 90.610(1) and is subject to ORS 105.135. All claims submitted to binding arbitration will be pursuant to the provisions of ORS §§36.300, et seq. and the cost of arbitration shall be apportioned by the arbitrator as between Parkway Estates and Homeowner.

Notwithstanding anything contained herein to the contrary, the following matters shall be exempt from arbitration: (1) an action filed and maintained in small claims court (excluding actions removed from small claims court to Circuit Court); (2) an action for Forcible Entry and Unlawful Detainer (excluding counterclaims, which be bifurcated and separately arbitrated pursuant to the above referenced paragraph); (3) an action for unpaid rent; and (4) an action for injunctive relief.

HOMEOWNER ACKNOWLEDGES THAT HE/SHE HAS RECEIVED A COPY OF THE ABOVE RULES AND REGULATIONS, HAS READ, UNDERSTANDS AND AGREES TO ABIDE BY THE PARK RULES AND REGULATIONS.

Homeowner further acknowledges and agrees that each of the foregoing Rules and Regulations (1) promotes the convenience, safety or welfare of the Homeowner; (2) preserves the Homeowner's property from abusive use; or (3) makes a fair distribution of services and facilities held out for the general use of Homeowners. Homeowner further acknowledges and agrees that each rule is reasonably related to the purpose for which it is adopted and is sufficiently explicit in its prohibition, direction or limitation of Homeowner's conduct so as to fairly inform Homeowner of what he or she must do or not do in order to comply therewith.

Homeowner _____ Date _____

Homeowner _____ Date _____

PARKWAY ESTATES LLC
By: Schmidt Limited Partnership, Member
By: Schmidt Management Inc., General Partner

Jan Barkley, Member