



MHCO Form 07: Statement of Policy

Revised 3-2019 | This form is exclusively licensed to: Chaparral MHC, LLC

Name of Community/Park: Chaparral Mobile Ranch
 Address: 9760 Portland Road NE
 Salem, Oregon 97305

1. Location and Size of Space

The sizes of our spaces vary. See attached map to locate space you have requested to occupy.

Space # _____ Approximate size of space (____' x ____') or (____) sq. ft. Please see attached map.

Spaces are allocated on a first come, first served basis. We do not reserve spaces.

2. Facility Classification

This is a 55 and older facility. At least one member of the unit must be age 55 or older and you cannot sell to someone under age 55. We accept no one under age 40. We cannot promise to keep this classification forever. It could change to another classification without your consent. Pursuant to Oregon law, occupancy is limited to two persons per bedroom. In the event that Federal law is interpreted as less restrictive, the Federal law will apply.

3. Current Zoning

The current zoning of the rented space is EFU (Exclusive Farm Use). Permitted uses for EFU zones are primarily farm and timber uses. Chaparral is designated a legal non-conforming use. The zoning authority for this Community is the Marion County Planning Division. We are not aware of any pending governmental action which could impact the Community's zoning at this time. Chaparral reserves the right to seek change in zoning, or permitted uses.

4. Rent Adjustment Policy

Under current state law for month-to-month tenancies, the landlord may increase your rent with 90 days notice. While it has been our policy to limit rent adjustments as much as possible, we do reserve the right to make adjustments when we deem it necessary, usually on an annual basis.

TENANT agrees to pay base rent of \$_____ ("Current Rent") per month payable in advance on the first day of each month commencing on the first day of _____, 20____. LANDLORD and TENANT agree that LANDLORD may increase the Current Rent upon giving TENANT not less than 90 days' advance written notice providing the following information: (a) Effective date that the increased Rent will take effect ("Effective Date"); (b) Amount of the increase ("Rent Increase"); and (c) Amount to the new rent ("New Rent"). State law limits monthly rent increases as follows:

SUMMARY OF OREGON RENT CONTROL LAW (2019)

Definitions: (a) **Current Rent** is the existing monthly base rent exclusive of any other fees or charges payable by the tenant under the rental agreement; (b) **Rent Increase** is the amount that Current Rent may be increased as calculated under the Rent Cap Formula; (c) **Rent Cap Formula** is the maximum combined percentage increase over Current Rent that may be charged to tenants under a Rent Increase, unless exempted under Oregon Law; (d) **New Rent** is the Current Rent plus the Rent Increase. A Rent Increase may always be less than the Rent Cap Formula but may not be more. Exceeding the Rent Cap Formula would result in making the landlord being liable to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

Calculating The Rent Cap Formula: (a) Current Rent may not be increased during the first year of a tenant's tenancy; (b) There is no limit on the number of times Current Rent may be increased within any subsequent 12-month period; (c) No Rent Increase may exceed the sum of: (i) Seven percent (7.00%) above the Current Rent (7% X Current Rent) plus (ii) The percentage change in the consumer price index ("CPI") times the Current Rent (% of CPI Change X Current Rent), hereinafter collectively referred to as the "Rent Cap Formula").

Consumer Price Index ("CPI"): This refers to the annual 12-month average change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor ("BLS") in September of the prior calendar year.

Example: Assume Current Rent is \$400 per month. The annual 12-month average change in the CPI for All Urban Consumers, West Region (All Items) in September 2018 was 3.4%. Therefore, a Rent Increase may not exceed the sum of (a) 7.00% X \$400 (\$28.00) plus (b) 3.4% X \$400 (\$13.60) = \$41.60. Thus, commencing on the Effective Date, the New Rent may not exceed \$441.60 (\$400 +\$28.00+\$13.60).

Exclusion From Rent Cap Formula: The above Rent Cap Formula does not apply if LANDLORD is providing reduced rent to TENANT as part of a federal, state or local program or subsidy.

We reserve the right to charge you certain other fees, deposits and charges (such as utility charges, which may be passed through directly to you) however are not regarded as "rent" and may be increased without a prior 90-day notice. Some of these fees are voluntary and some mandatory. Also see your Rental Agreement.

Mandatory Fees

Additional Occupant	\$10 / month (each)
Late Fee (after 5:00 pm on 5 th of month)	\$10 / month
Returned Check Fees	\$10 / each
Guest Fee (Over 14 Days)	\$10 / month (each)

Voluntary Fees

RV Storage	\$15 / \$25
Extra Parking	\$15

Many financial consultants and mortgage lenders advise consumers to keep the total of rent, utility and mobile / manufactured housing mortgage payments below 30% of take-home pay or income. This can be important if your income is fixed. Please understand that we want you as a tenant if you can afford it. We don't want to create financial problems for you or us, so we share these facts with you.

5. Personal Property, Services and Facilities Provided by Landlord

In addition to the services necessary to maintain the facility in a habitable condition, the landlord will not be providing any additional personal property, services or facilities for the use of residents, except as follows: mailboxes, garbage and recycle containers (supplied by D&O Garbage), faucet for outdoor use, outside space lighting, RV parking (for an additional fee), carport with attached storage building. RV storage rental is limited and park approval is required. Also, the landlord cannot be responsible for the damage to, or the security of goods stored in the storage building.

Some things you should know we do not provide are: yard maintenance of tenant spaces, locked gates, security guards, restricted access to the community, emergency first aid, or emergency utilities. We must ask you to be responsible for the security of your own home and possessions and report any security problems to the sheriff and management.

Our policy on landscape maintenance is as follows: You maintain your space, including the lawn and all trees and shrubs and we maintain the common areas. Any exterior improvements or construction you intend to make to your space, including but not limited to fencing, landscaping or sheds, or to the exterior of the home (such as skirting, porches, painting, garage, carport, etc.), must first receive written approval of management, and must conform to all local, State and Federal laws, ordinances and regulations. Mobile / manufactured home set-up must meet all applicable codes and be completed within the number of days designated in your rental agreement.

Upon termination of your tenancy, the space must be left in substantially the same condition as it was upon commencement. You will be solely responsible for all damage to the space as a result of initial siting of the home and its removal from the space. All plantings or other landscaping placed upon the space, whether by the landlord or tenant, shall become the property of the landlord upon termination of the tenancy, unless the parties agree otherwise in writing prior to such termination.

6. Utilities and Services and Payment Responsibility

Utility / Service	Responsible Party		Furnished By	Who Contacts Provider
	Tenant	Landlord		
Water		✓	Chaparral (wells)	Landlord
Sewer		✓	Brooks Sewer District	Landlord
Garbage & Totes		✓	D&O Garbage Service	Landlord
Electricity	✓		Portland General Electric	Tenant
Natural Gas			Not Available In Chaparral	N/A
Phone	✓		Centurylink	Tenant
Cable TV	✓		Wave Broadband	Tenant

This park supplies your water through a system classified by the State of Oregon as a Community Public Water System. The water source and distribution piping are owned by landlord. The water source is two wells, and is not chlorinated or otherwise disinfected. We reserve the right to chlorinate or otherwise disinfect the water as we deem necessary for your protection. The water is regulated for quality and tested under the Federal Safe Drinking Water Act that is administered by the Environmental Protection Agency and the Drinking Water Program section of the Oregon State Health Division.

Changes to Utilities and Services: Please note that even if Landlord has agreed to pay for any utilities noted above, the rental agreement allows for landlord to change this and pass all utilities through directly to you. We reserve the right to change utility payment arrangements, including the billing procedure, with reasonable notice to you. Additionally, we reserve the right to bill you separately for utility service fees and charges assessed by the utility for services provided to or for spaces in the Community. Any separately billed utility fees and charges shall not be considered to be included in the rent charged for those spaces under the rental agreement and shall not be considered to be rent or a rent increase. Utility services to which this applies are liquid propane gas, electricity, water, cable television, garbage or refuse service, and sewer service. However, nothing contained herein shall be construed to require our rental agreement to provide for separate billing to tenants of fees and charges. Nonessential utilities, such as cable TV, could be discontinued if no provider were available. Also, the water provider could change if another water source became available.

7. Refundable Deposits, Non-Refundable Fees, and Installation Charges Imposed by Landlord or Government

Your costs to get in the park will include:

- Non-refundable Fees: Application Fee – \$40 per applicant
- Refundable Fees: Security / Cleaning Deposit – \$40
- Government Installation Charges:
 - Trip Permit – Contact Oregon DMV for cost.*
 - Set Up, Plumbing & Electrical Permits – Contact Marion County Building Department for costs.*
 - System Development Charges & School Excise Tax – Contact Marion County Building Department for costs.*

* – These amounts are subject to change without notice and so are not quoted here, and landlord does not warrant this list to be complete.

Tenants are responsible for fees related to connecting water, sewer, & electrical services to mobile home. Also skirting and decks are required, and awnings are highly recommended. You must check with landlord regarding material and size requirements on skirting, decks and awnings. Permanent front & rear steps must be installed within 30 days in accordance with Oregon State Law. Skirting and awnings (when applicable) must be installed within 90 days. Costs for these items will vary. Landlord reserves the right to amend this policy with reasonable notice to tenants.

8. Rental Agreement Termination Policy

The tenancy offered is month-to-month, and under current state law, your tenancy may terminate for cause, which includes among other causes the failure to pay rent and violation of park rules or your rental agreement. It may also terminate upon closure of the park. Your rental agreement is not assumable by the buyer of your home. We require buyers of your home to get our approval before they buy, to meet our new tenant criteria at that time, and to sign the rental agreement and rules we are then using, all of which may be different from current ones. Chaparral reserves the right to require all homes to be maintained in accordance with Oregon State Law and park standards. We reserve the right to amend this policy with reasonable notice to you.

9. Community Closure Policy

It is highly unlikely the park will close, given its location and zoning. However, under current state law, if a manufactured dwelling park, or a portion of the park that includes the space for a manufactured dwelling, is to be closed and the land or leasehold converted to a use other than as a manufactured dwelling park (and the closure is not required by the exercise of eminent domain or by order of federal, state or local agencies) the landlord may terminate a month-to-month or fixed term rental agreement for a manufactured dwelling park space by giving tenants not less than 365 days' notice in writing before the date designated in the notice for termination and by paying tenants one of the following amounts for their dwelling: (a) \$5,000 if it is a single-wide; (b) \$7,000 if it is a double-wide; or (c) \$9,000 if it is a triple-wide or larger. Certain local jurisdictions in Oregon may have ordinances that provide increased benefits and/or money to tenants located in a manufactured dwelling park that is closing. Our policy is the same. You are encouraged to review ORS Chapter 90 (Oregon's landlord-tenant law) and your local city or county ordinances regarding park closure, or have an expert do so on your behalf before entering into your tenancy. We have no current plans to close all or any portion of the Community but offer no contractual protections against future closure and reserve the right to close all or part of the park. Chaparral's policy is to comply with the above stated law but reserves the right to change our policy in response to changes of this law, but this could change in the future.

10. Policy Regarding Sale of the Park

Pursuant to Oregon law, if requested by a tenant association or facility purchase association ("the association") to do so, the owner is obliged to notify them of the listing for sale of the Community or of written offers of purchase which the landlord intends to consider. Thereafter, the landlord may be required to negotiate in good faith with the association for sale of the Community to them. This does not apply to tax deferred exchanges of the Community. Our policy is the same. We have no present intention to sell the Community, but you must understand that this could change in the future.

11. Dispute Resolution Policy

To encourage Community residents and the owner/manager to settle disputes, it is the policy of this Community that each issue with merit shall be given a fair hearing within 30 days of receipt of a written complaint. The specific procedure for dispute resolution is set forth in your rental agreement and/or Rules and Regulations. However, we do not offer arbitration or mediation of those disputes relating to: (a) Nonpayment of rent or other fees and charges provided in the rental agreement; (b) Increases in rent; (c) Closure or sale of the Community; or (d) Disputes for which the owner/manager could terminate the tenancy with 24-hour notice under ORS 90.400, or (d) Any dispute which resulted in a non-curable notice such as a repeat rules violation or a "three strikes" violation.

12. OTHER IMPORTANT INFORMATION:

The term of this tenancy is Month to month.

In the event of any change of Oregon or Federal law, landlord reserves the right to require that the tenant sign a new rental agreement to comply therewith. Oregon Laws permit the rules and regulations to be amended by the landlord from time to time. Unless 51% of the units in the Community object in writing within thirty (30) days of receiving notice of a proposed rule change, it shall become effective for all tenants sixty (60) days after the date that the notice was served by the landlord. Our policy is the same.

Pursuant to ORS 90.155 all notices between landlord and tenant shall be transmitted by one of the following three alternatives:

- 1) Personal delivery; or
- 2) First class mail (not certified). The minimum period for compliance or termination of tenancy in the mailed notice shall be extended by three days, and the written notice shall refer to the extension; or
- 3) If a written rental agreement so provides for both landlord and tenant, the notice may be sent via first class mail and also securely attached to the front entrance of the addressee's home or office. Mailing and attachment must occur on the same day. No three day extension is required for compliance or termination of tenancy if a notice is issued in this manner.

Spaces and / or homes may not be subleased or transferred. All homes must be owner-occupied. Tenant shall not sell their home to a person who intends to leave it on the space until the landlord has accepted the purchaser as a tenant. Landlord may give the new purchaser a rental agreement which contains terms different than those in the existing tenant's rental agreement. Landlord reserves the right to require that based upon sale, the tenant or the purchaser perform certain required repairs to the home due to damage or deterioration. Landlord also reserves the right to impose as a condition of sale that tenant comply with certain other requirements, such as payment of all past due rent, payment of all past due taxes or assessments. If certain repairs are not made to the home following written notice from the landlord to do so, the home may have to be removed from the Community. Removal may affect market value of the home.

Oregon law and Federal law permit the landlord to impose conditions upon approval of a tenant relating to, but not limited to; pets, number of occupants, credit references, character references, and criminal records. Please read your rental agreement closely for details. Our policy is the same as these laws.

Landlord reserves the right, from time to time, to amend this Statement of Policy and exhibits based upon changes in State or Federal law, or changes in policy of the Community.

The following temporary and permanent improvements are required to be installed by tenant on the mobile home space as a condition of occupancy in the Community:

Improvement Date of Completion

- Skirting _____ days following occupancy
- Decking _____ days following occupancy
- Landscaping _____ days following occupancy
- Awning _____ days following occupancy

13. The Following Attachments are Exhibits to This Document:

- | | |
|---------------------------------------------------|----------------------|
| Rental Agreement | Community Map |
| Rules & Regulations | Pet Agreement |
| Straight Talk About Manufactured Home Park Living | RV Storage Agreement |
| Rent History | Other: _____ |

Effective date of this policy is February 28, 2020, or until superseded.

Applicant or tenant acknowledges receipt of this Statement of Policy and exhibits by signing here or by signing a separate receipt.

Community Manager

Signature Date

Tenant

Signature Date

Tenant

Signature Date

Sample



MHCO Form 07A: Rent History Exhibit Statement of Policy

Revised 11-2-2012 | This form is exclusively licensed to: Chaparral MHC, LLC

Name of Community/Park: Chaparral Mobile Ranch
Address: 9760 Portland Road NE
Salem, Oregon 97305

Monthly rent as of January 1, for each of the five years preceding this year* is as follows
(Starting with January 1 of the year prior to the current year):

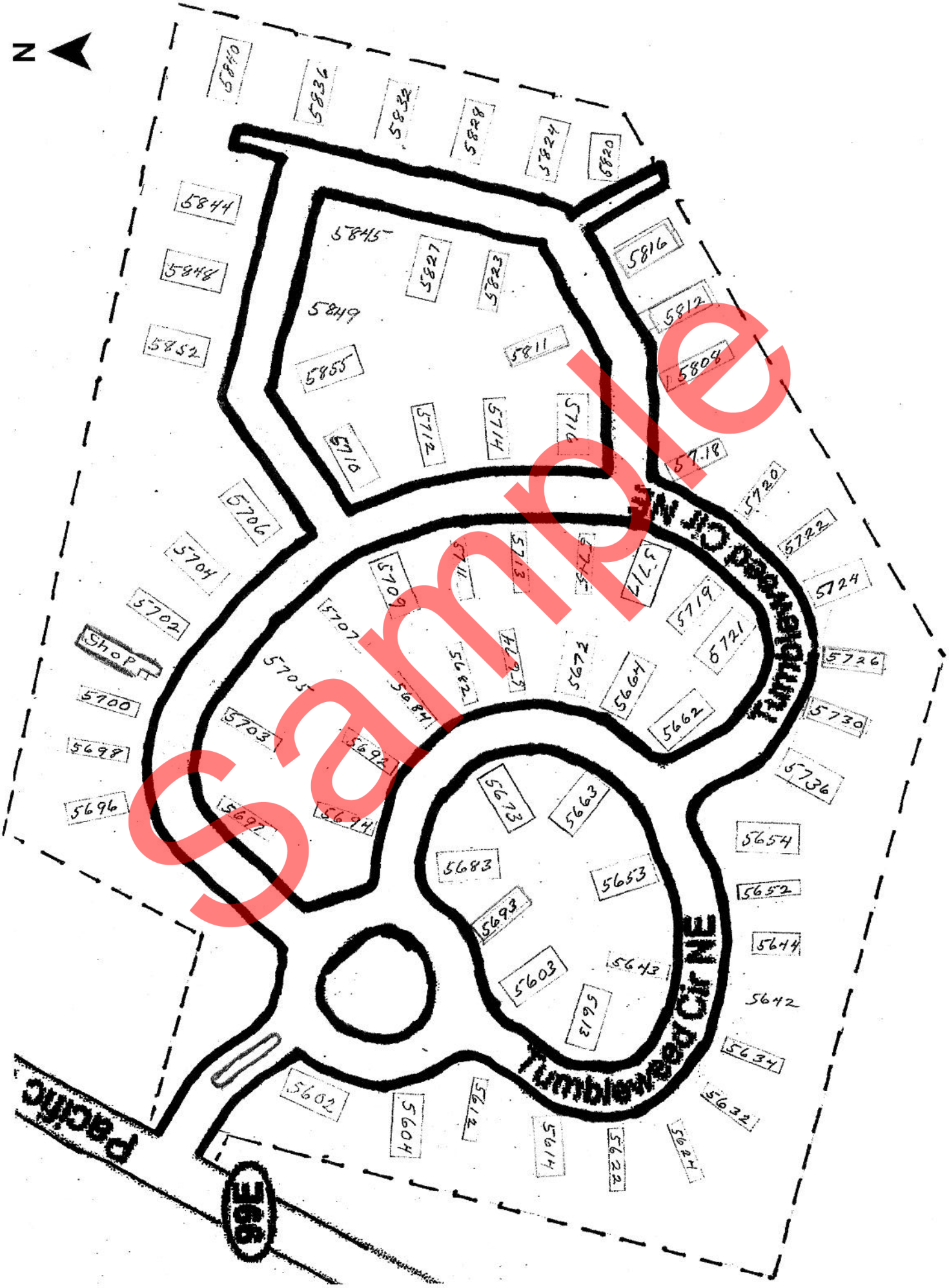
- 1. Year _____ Monthly Base Rent \$ _____
- 2. Year _____ Monthly Base Rent \$ _____
- 3. Year _____ Monthly Base Rent \$ _____
- 4. Year _____ Monthly Base Rent \$ _____
- 5. Year _____ Monthly Base Rent \$ _____

Landlord/Landlord's Representative _____ Date: _____

*Note: If the Landlord's ownership (or leasing or subleasing) of the Community is less than five (5) years preceding the current year, the Rent History given need only be for the length of the Landlord's ownership. Landlord is not required to disclose Rent History under prior ownership. For example, if Landlord's ownership has been for three (3) years prior to the current year, the Rent History need only be for those three (3) years. The rent is to be space specific – not an average of rent in the community.

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