

RIVER MEADOWS HOME SITE LEASE

This lease is a legal binding document. Please read it carefully after it has been filled out.

1. **DATE OF THIS LEASE.**

2. **PARTIES AND PREMISE.** This lease is between MRM MHC, LLC d/b/a Montrose River Meadows (called "Lessor", "Community", or "Landlord") as the owner and landlord of River Meadows and the following Residents (called "Lessee" or "Resident"):

By executing this Lease, the Lessee agrees to rent from the Lessor on the terms and conditions provided in this document the "Home Site" identified as Space # _____, having an address of 62880 La Salle Road, Montrose, CO 81401 in the county of Montrose, for the location on the Home Site of a single-family home, which the Lessee owns and which will be installed on the Home Site in compliance with the National Manufactured Housing Construction and Safety Act of 1974 (the "Home"). The Home Site includes the described land, together with any basement, foundation, crawl space or concrete slab on which the Home is to be located. The Home Site is located in the Community. Lessee represents to the Lessor that the application, which has been completed and signed for consideration of residency, is true to the best of the Lessee's knowledge and belief. Misrepresentation of the application for residency is grounds for termination of the lease.

3. **LEASE TERM.** The initial term of this lease shall begin on _____, (called the "Commencement Date"), and shall end at midnight on _____. Upon expiration of the term of this Lease, all other terms and conditions of the Lease shall remain in full force and effect and such tenancy shall be considered a month-to-month tenancy.

4. **MONTHLY RENT AND OTHER CHARGES.**

a. **Monthly Rent.** Lessee hereby agrees to pay \$ _____ per month, in advance as rent for the Lease period. Sewer, trash collection, and water are included in rent payment. Rent payments shall be made at the manager's office and payable to Montrose River Meadows.

b. **Rent and Additional Rent Payments.** Monthly Rent, Additional Rent, and all other charges payable to the Lessor under this Lease shall constitute "rent" under applicable law. Such rent shall be payable monthly, without notice, in advance, and is due on or before the first (1st) day of each month after commencement of this Lease until said tenancy is terminated and Lessee's home is removed from River Meadows. Rent may be paid by check or in cash at the on-site property manager's office, in the drop-box, but the Lessor reserves the right to require that rent be paid in a single check rather than multiple checks, or in the form of a cashier's check, certified check or money order, or in cash. Lessee may not withhold or offset any amounts against the rent due the Lessor unless authorized by statute. Failure to pay rent when due is a "Default" under Section 18 of this Lease, and the Lessor may exercise any of the remedies for Default provided in the Lease or under applicable law. If Monthly Rent is not paid by the 5th day of the month and the Lessor has not delivered a notice to vacate, Monthly Rent may be accepted on the 6th day of the month or thereafter if accompanied by \$50.00, plus an additional charge of \$5.00 per day after the 6th day (up to a maximum of an additional \$50.00) until payment is received. Lessee will also pay a charge of \$25.00 for each returned check.

5. **SECURITY DEPOSIT.** On or before the date of this Lease, the Lessee will deliver to the Lessor the sum of \$ _____ (the "Security Deposit"), equal to one month's rent, which the Lessor shall hold as a security deposit, without interest, for the Lessee's performance of its obligations under this Lease. **No part of the Security Deposit shall be refunded unless Resident provides not less than thirty (30) days prior written notice of surrender of the Premises.** The Lessor may apply the Security Deposit from time to time in order to cure Defaults in the payment or performance by the Lessee under this Lease, and the Lessee will promptly pay the Lessor when requested the amounts so applied. The Security Deposit may be used by Lessor to pay for damages in excess of reasonable wear and tear to the home site, lawn or its improvements or for damages in excess of reasonable wear and tear caused by Lessee or

Lessee's agents or invitees in the streets, sidewalks, park, and other common areas. Lessor may also use the Security Deposit as compensation for unpaid rent, cleanup costs necessary and for damages of any nature sustained because of breach by Lessee of any of the terms of the Lease, including the covenants and conditions to be kept and performed hereunder by Lessee. The Lessor may apply the Security Deposit to amounts due the Lessor or to make repairs at the end of this Lease, and thereafter, any remaining amounts will be returned to the Lessee. Such Security Deposit will not be returned until after the premises have been vacated by Lessee and inspected by Lessor. Within 60 days following the surrender and inspection of the premises, the security deposit shall be returned to Lessee and/or written accounting made thereof listing the exact reasons for retention of any portion of the Security Deposit.

6. **INSTALLATION.** Lessee agrees to the following restrictions and conditions of installations of homes on the leased premises:
- a. **Homes.** Only homes certified as meeting regulations promulgated by H.U.D., under the authority of 42 U.S.C. 5401 *et seq.*, or certified by an authorized agency as meeting requirements of a legal or national building code will be allowed in the Community.
 - b. **Garages.** Garages are not permitted in River Meadows.
 - c. **Set Up.** For homes on blocked foundations. Lessee must get management approval of home-site before set up can take place. Lessee must place on the leased premises a manufactured home owned by the Lessee, which is not less than 14 feet wide. The home must be set and positioned on the premises in accordance with the instructions of the Lessor's representative at the time the home arrives at the premises. All homes must be double blocked. All wheels, axels, and hitches must be removed and the home lowered so that no point will exceed 24" from the ground by the underside of the home. All movement of homes must be done only upon advanced written notice and under the supervision of Montrose River Meadows and/or its agents. The home must be inspected by a Manufactured Home State Inspector and must meet all other city, county, and state and manufacturer requirements.
 - d. **Steps and Porches.** For homes on blocked foundations and before occupancy of the home, Lessee agrees to install custom steps to the front door of the home, with a 6' x 8' front porch. The home site must have a rear step with a 4' x 4' landing. Lessor reserves the right to approve or reject the type of material used and the quality of construction. All steps and porches must be approved by Lessor before installation. Porches, steps, and decks must be maintained in a safe and attractive manner. Netting, fencing or other material around the handrail of the porch is not permitted.
 - e. **Skirting.** For homes on blocked foundations and before occupancy of the home, Lessee agrees to install a molded, vinyl skirting around the entire exterior surface of the home. Only prefabricated skirting will be approved. Skirting on all existing homes must be constructed of material similar to the siding on the home and colored to match or compliment the home. All skirting must be maintained in good repair and in a safe and attractive condition.
 - f. **Awning.** If Lessee decides to install an awning it must be no smaller than 10' x 30', or that approved by Lessor, over the porch. Lessor reserves the right to approve or reject the type of material used and the quality of the construction. All awnings must be maintained in a safe and attractive condition. All awnings require a building permit from the county at Lessee's expense.
 - g. **Storage Sheds.** Lessee agrees to install a storage shed, no smaller than an 8' x 8', and no larger than a 10' x 12', before occupancy of the home. The storage shed must be constructed of quality material, approved by the Lessor, colored to match or complement the home, and placed in a location approved by Lessor. Lessee must maintain the condition of the exterior of the shed with respect to appearance or physical damage. Only one storage shed per home site allowed.

h. **Other outside Structures.** Before construction begins, any other additions or structures on the premises must be approved in writing by Lessor. Lessor reserves the right to approve or reject any structure on the home based on the location of the structure, the quality of materials and/or the quality of workmanship. Structures must be painted to match or compliment the home.

i. **Building Codes.** All structures or additions to the home must meet local building code. Lessee is responsible for the application for and compliance with building permits.

j. **Tires.** The manufactured home axles, tires, and wheels shall be concealed on the home site.

k. **Hitches.** All hitches must be removed from the home.

l. **Utilities.** Lessee shall pay directly to the individual providers (or, if there is a master meter whereby the Lessor provides billings to the Lessee, then Lessee shall pay to Lessor as Additional Rent) all utilities, related deposits, and any charges, fees, or other services on utility bills billed to the Lessee. Lessor shall not be liable for any damages for failure of utilities or services occasioned by strikes, breakage of equipment, failure of source supply, acts of nature, or by any acts or caused beyond the immediate control of the Lessor.

m. **Water Lines.** The main water line must be attached to the water riser on the leased premises at date of occupancy. Lessee shall install a frost proof hose bib on the outside of the home. Lessee agrees to wrap all water lines with operating electric heat thereon at all times thereafter. Lessee will be responsible for that portion of the water riser, sewer riser, natural gas riser, and electrical riser, which connects the service to the home. Lessee will promptly pay for all repairs or service thereto, whatever ordered by Lessee or Lessor, unless it clearly appears that such repair or service were made necessary by Lessor's negligent acts or omissions. Pressure regulator is recommended.

n. **Gas and Electric.** Each Home Site is provided with individual gas and electric meters. The Lessee will be billed by the service provider for these charges. The expense of hooking up to electric and/or gas utility lines and deposits are the responsibility of Lessee.

o. **Antennas and Satellite Dishes.** Lessee is not permitted to install antennas. Satellite dishes 18" or smaller are allowed with prior approval from Lessor. If a satellite dish is approved, it will be installed on the roof of the manufactured home and will be mounted toward the rear of the home furthest from the street.

p. **Cable.** Television cable service can be obtained through the local cable provider. Hookup and charges for cable service are the responsibility of Lessee.

q. **Installation and Removal Damage.** Any damage to the driveway, concrete patio or any other portion of the premises caused by installation or removal of the home or its improvements not repaired to Lessor's satisfaction, at Lessor's option may be charged to the Lessee's security deposit or additional charges.

r. **Fences.** Lessee is not permitted to construct or cause to be constructed a fence without written permission from Lessor. All fences will be stained wood or vinyl and not to exceed 4 feet tall.

s. **Evaporative Coolers or Air Conditioners.** If Lessee chooses to have an evaporative cooler installed, it must be roof mounted and channeled through the roof. No tubing is allowed down the side of the home. Air conditioning and evaporative coolers may not be mounted in a window of the home. A canvas cover is permitted for winterization. No plastic tarps are permitted.

t. **Lawn and Trees.** Within 45 days of occupancy of home, Lessee agrees to install a lawn covering the entire lot and two (2) trees. Both the type of grass to be planted and the type of tree must be approved by Lessor. Trees must be a minimum of 8' tall and 1½" in diameter. Other types of landscape themes must be approved by management. All landscape material *i.e.*, rocks, trees, sprinkler systems, shrubs, and lawn, when placed on the Home Site by Lessee become property of Lessor, and are considered part of premises.

u. **Exceptions.** Any exceptions to these written Installation Policies must be approved in writing by Lessor.

7. **USE OF HOME SITE.** The Lessee may use the Home Site only for the location of a Home, and may use the Home only as a single-family residence. The Home Site and Home must be used and occupied in accordance with federal, state, and local laws and regulations. Any use which disturbs or offends other residents of the Community, or constitutes nuisance, is prohibited. Conducting any kind of commercial business activity, non-commercial business activity, or enterprises that generate any vehicle traffic into the community from clientele residing within or outside of the Community (including the provision of child care services) is prohibited. However, lawful businesses conducted at home by computer, mail or telephone so long as such activities do not involve customers, clients, or other business associates coming to your home to conduct business, must have written approval from Lessor.

The Lessee and their guests must exercise due care for their own and others' safety and security in the Home and in the Community. The use of smoke detectors, keyed deadbolt locks, keyless bolting devices, window latches and other features are recommended. The Lessee is liable for any loss or damage suffered by the Lessee and their guest and any loss or damage caused within the Community by any Lessee or their guest.

The Lessor reserves the right to exclude guests who violate this Lease, disturb or represent a nuisance to other residents, occupants or guests of the Community of the Lessor and its agents, contractors and guests. Lessee agrees to the following restriction and condition of the leased premises.

a. **Ownership.** The Community is intended to be an owner occupied community. Therefore the manufactured home must be titled in Lessee's names. If Home is sold or transferred, documentation shall be provided to Lessor as to the ownership of the home.

b. **Occupancy.** The premises shall be used only by the undersigned Lessee and occupants approved through the Application for Residency. All Lessees must register at the office and complete all necessary forms and agreements required by Lessor. Those failing to comply with this procedure shall be deemed trespassers and shall immediately be evicted from the Community. Occupancy of the Home will be restricted to no more than 2 persons per bedroom except by prior written consent of Lessor.

c. **Extended Absences.** Lessees contemplating absences for extended periods of time shall notify Lessor and file a forwarding address and phone number for availability in case of an emergency. Provision for routine care of the absent Lessee's Home Site shall be made. Reasonable emergency maintenance and/or repairs shall be paid by Lessee or reimbursed to Lessor.

d. **Governmental and Private Regulations.** Lessee shall occupy and use premises in compliance with all federal, state, local, and municipal orders, statutes, ordinances, rules and regulations and shall further comply with all reasonable rules and regulations of the Lessor whenever promulgated.

e. **Mutual Enjoyment.** Any use which disturbs or offends other residents of the Community, or constitutes a nuisance, is prohibited. Lessee shall not interfere with other person's lawful and proper use and enjoyment of the Community or any parts thereof, including common areas and other manufactured Home Sites. Lessee shall not permit the playing of audio/visual appliances such as radio, television or musical instruments, or the making of any other sounds or noises at levels loud enough to be heard by tenants on adjoining manufactured Home Sites or other neighboring premises, and shall not become a nuisance or disturbance to any other persons. All vehicles must be properly muffled with engine and exhaust noise kept to minimum. Engines shall not be raced, gunned, or revved in a manner which will disturb the peace and quiet of the Community. Harassment of other Residents or persons will not be tolerated. Willful, repeated, or continued violations of any of these provisions shall be considered a default and can be grounds for termination of this Lease.

f. **Solicitations.** Soliciting of any kind is not allowed in the Community. The bulletin board in the office may be used to post notices.

g. **Yard Sales.** No yard sales are allowed in the Community. Lessor reserves the right to arrange a Community Yard sale.

h. **Outdoor Furniture.** Patio furniture intended for outdoor use will be permitted on Lessee's porch. Furniture intended for indoor use may not be placed outdoors. No picnic tables will be allowed in the Community, except those provided by Lessor.

i. **Pets.** No pets are permitted without prior written approval of Lessor. Only indoor pets brought in to meet management's approval will be considered to be able to reside in Lessee's home. All necessary paperwork must be completed before a pet will be allowed to reside in the Lessee's home. Pet Registration rules **MUST** be followed for pet to remain in Community. Proof of current tags, shots and a photo of the pet must be provided. It is Lessee's responsibility to clean up **DAILY** after pets. With written permission from Lessor, Lessee may install a 10' x 10' x 6' chain link kennel & doghouse made of quality material & workmanship. Pets may not be kept outside on a chain at any time. Lessee may not fence in porch. Pet must not cause a disturbance. Barking dogs will require a barking collar, so that the quiet enjoyment of the Community is maintained. All pets must be accompanied and kept on a leash when being walked outside the home. This includes cats. If a pet is found running free, the local animal control department will be notified. The Community assumes no liability for the actions of the local animal control authority if the pet is turned over to them. The Community, its owners, managers, agents and/or employees shall bear no responsibility for occurrences of harm, injury, or death to a pet caused by the agents and/or the employees of the Community, guest, independent contractors, residents or other persons to the premises. In the event harm, injury, or death is caused by Lessee's pet, Lessee may be evicted. If pet is loose, or otherwise causing a disturbance, Lessor reserves the right to assess a fine upon Lessee. See Section 18 C of this Lease for further clarity. **Noisy or unruly pets, or those about which justified complaints are received will not be permitted to remain in the Community.**

j. **Common Areas and Facilities.** The common facilities are for the mutual enjoyment of all Lessees and their guests when accompanied by Lessee. For purposes of this Lease, the "Common Areas" shall be those portions of the Community designated by Lessor from time to time for the common use of all residents of the Community, including all roadways, walkways, and landscaping. The "Community Facilities" mean the Community center, play areas, garden area, and other buildings or recreational facilities within the Community maintained by the Lessor for the benefit of all Lessees of the Community and their permitted guests. Use of the common facilities will be at Lessee's risk. The Lessor reserves the right to refuse the use of any and all facilities to any person violating the Community Lease agreement terms. It is understood that the facilities are private property and that their use is a privilege and not a right. The Lessor may also exclude any person from the Common Areas of Community Facilities who refuses or is unable to provide identification demonstrating themselves to be permitted residents or occupants or a guest of a specific resident of the Community. Any person who remains in the confines of the Community's facilities after being requested by the Lessor to leave, or who is not a Resident or guest of a Resident approved by Lessor, will be considered trespassing. Lessor will, at no time, provide supervisory personnel. Lessee and guests must abide by the rules and hours posted in the applicable areas. A deposit and/or fee may be required regarding the use of the any of the recreational facilities for private or public use, if permitted. Lessee must sign the appropriate paperwork before use of the Community Center. Lessor is not responsible for lost or stolen items nor for accidents or injury to any person using the common facilities. Mailboxes are contained in centralized areas and the maintenance of such areas is the responsibility of the Lessor. Lessor reserves the right to use the common facilities for public as well as private functions, as it sees fit. The Lessor is under no duty to remove ice, sleet, or snow, but may remove any amount with or without notice and the cost of removal may be included in the charges for Additional Rent. No climbing on trees anywhere in the community.

- k. **Play Equipment.** Tricycles, bicycles, wagons, scooters or any other type of toy or mechanical device and wading pools shall be stored in the home or storage shed when not in use. Swing sets, basketball goals, playhouses, trampolines, etc. are prohibited.
- i. **Alcohol.** No possession or consumption of alcohol is allowed in common areas of the Community.
- m. **Glass Containers.** No glass containers are allowed in the common areas of the Community.
- n. **Weapons.** Firearms, or any other weapons, are not allowed in the common areas of the Community.
- o. **Fireworks.** Use of Fireworks of any kind is not allowed in the Community.
- p. **Signs.** No signs are allowed in the Community except those placed or approved by the Lessor. An 8½" x 11" FOR SALE sign may be placed in the window of Lessee's home, if desired.
- q. **Clothes Lines.** One retractable clothesline is permitted in the Community and shall be installed in the rear of the home site. No hanging of clothes or any other materials outdoors, other than on the clothesline is permitted. Retractable clothesline must be collapsed after use.
- r. **Automobiles.** Lessee agrees that all vehicles, either owned by, leased to, or work vehicles in custodial care of the Lessee, shall be duly registered, licensed. Insured and in operable condition at all times. Lessee further agrees that the vehicle(s) will be maintained in a neat and undamaged condition. Vehicles in excess of ¾ ton designation are not allowed unless authorized in writing by Lessor. Lessee agrees to all terms and conditions specified in the following paragraph regarding the parking and/or disposition of vehicles. No motorized vehicle of any type shall be operated by an individual who does not have a valid driver's license. Lessee agrees not to wash or perform any vehicle repair or maintenance on any vehicles in or upon the premises of River Meadows.
- s. **Driving.** Lessee and guests must strictly comply with posted speed limits. Lessee and guests shall operate vehicles in a safe manner and in no event drive onto sidewalks. Lessee will not deposit excessive mud into streets or parking spaces.
- t. **Parking.** Lessor will normally provide two (2) off-street parking spaces for the purpose of parking those vehicles identified in the preceding paragraph. Lessee agrees to keep parking spaces clean and free of oil or other stains. Lessees having in excess of two (2) vehicles must subject those additional vehicles to the parking restrictions herein specified. Any vehicle, regardless of its parking location, that does not meet the conditions of the preceding paragraph will be deemed to be parked illegally on private property. Under the local ordinances, these vehicles may be towed without notice. The disposition of the towed vehicles is the sole responsibility of the registered owner. Lessor may not be held responsible for the disposition of the towed vehicle. If any vehicle of the Lessee's is parked in another Resident's space, Lessee is subject to being asked to move the vehicle to the appropriate space. Failure to move upon verbal request, written request, or either, will result in the vehicle being towed under the conditions specified in this paragraph. All other motorized and non-motorized vehicles not in use must be stored in the Community's storage area. Any other vehicle, in regular use by Lessee must be parked in the public parking areas provided within the Community. These areas are also provided for Lessee's guests and visitors. Lessee is responsible for any guests or visitor parking. No parking is allowed on streets.
- u. **Storage.** All motorized or non-motorized vehicles owned by Lessee not included in paragraph (r) or paragraph (t) above, or not in regular use by Lessee must be stored in the Community's storage area. There will be a monthly charge for stored property. This fee will not be pro-rated for items not in storage the entire month. No person may sleep in or live in any type of recreational vehicle within the Community. Recreational vehicles may not be attached to water and/or sewer connections. Recreational

vehicles and boats must be stored in designated area only. Recreational vehicles may be parked at the Home Site up to twenty-four (24) hours with prior approval from Lessor. These fees will not be pro-rated. River Meadows will not be liable for theft, damage, or destruction of stored property. The storage area is considered private property. Lessee agrees to refrain from driving through muddy areas within the storage area and will keep the streets free from excessive mud and dirt.

v. **Fireplaces and Firewood:** Residents with fireplaces may store a quantity of firewood, not to exceed on face cord at least

one foot off the ground outside the home. The firewood must be stored in a neat and orderly manner. Firewood must be stored on an approved stand, off the ground, at least 4" behind the shed or between the shed and the home. The stand must be constructed of metal or wolmanized (ACCA Treatment to .40) lumber and must not exceed the width or height of the shed. Firewood cannot not be stored on patio areas, decks, steps or under the home. Wood or gas burning fireplaces must be in compliance with any state, local or community regulations and proper local permits must be acquired by the homeowner. Chimney stacks must be installed through the roof, using adequate heat barrier insulation and stack screening to prevent fire hazard. Chimney stacks cannot be constructed through the side wall of the home.

w. **Marijuana.** Growth of Marijuana anywhere in Montrose River Meadows is prohibited.

8. **MAINTENANCE OF HOMES.** The Lessee will maintain the Home and Home-Site in a neat, clean, and sanitary condition, free of debris. Lessee is responsible for all repairs and maintenance of the Home and Home Site, except as those matters expressly undertaken by the Lessor pursuant to Paragraph 7 (j), above. The Lessor recommends that the Lessee follows manufacturer recommended preventative maintenance for the Home, including periodic re-leveling. Unless authorized by statute, no improvements may be made to the Home or the Home Site without the prior written consent and approval of the Lessor. Lessee agrees to the following restrictions and conditions of installation of homes on the leased premises:

a. **Appearance.** Lessee must keep the premises and home neat and orderly at all times. This includes the garage, deck, and porch areas of the home. Outside patio furniture and grill equipment will be allowed on the deck. Deck shall remain clutter free. Outside patio furniture shall be kept in good condition. Lessee must maintain the condition of the exterior of the home and surrounding buildings with respect to appearance *i.e.*, peeling flaking of paint or physical damage. Alterations to the exterior must be approved, in writing, by the Lessor with respect to general compatibility with the balance of the homes in the Community. No window shall be covered with any foil, paper, cardboard, wood, metal, or other non-transparent substance or material. Appropriate curtains or blinds shall be the only window covering permitted. Materials of a commercial nature designed to reduce or eliminate glare and harmful sunrays may be installed to the manufacturer's specifications on the exterior of the home and must compliment the home. Seasonal decorations and lights will be allowed. These decorations must be removed within two (2) weeks after the holiday. Air conditioners and/or evaporative coolers must be covered with a canvas hood for winterization. No plastic tarps will be permitted. Window mount air conditioners of any kind must be preapproved by management.

b. **Lawn and Site Care.** Lessee must water and trim lawn, landscaping, trees, and shrubs on each site in order to maintain a well-kept appearance. Lawns are to be fertilized by Lessee with a chemical or organic fertilizer. Weed killer must be applied during the Spring or Fall season. If Lessee chooses to use underground sprinkler system, Lessee agrees to maintain system, *i.e.*, cleaning filters, adjusting and replacing heads. Lessee may hire Lessor to care for lawn at a monthly rate, with appropriate paperwork completed. If Lessee fails to keep lawn and landscaping properly mowed, trimmed, watered, or maintained, Lessor may do so at Lessee's expense. Failure to properly maintain the premises or to water or mow the lawn shall be considered a material breach of this Lease and/or Lessor may maintain the premises at the expense of the Lessee, with a minimum charge of \$50.00 per occurrence. This fee shall be

added to and considered additional rent. Any landscape feature not properly maintained may be removed or replaced by management at Lessee's expense. All above applies also to sprinkler systems, trees, and shrubs. Seasonal lawn equipment, bikes, toys, and other outdoor equipment must be kept out of sight when not in use.

c. **Trash.** Lessee shall not permit or allow any rubbish, waste materials, and/or other items of discardable condition to accumulate upon the premises. Lessee shall maintain the same in a reasonable clean and sanitary condition at all times. Lessee agrees to provide trash containers. Trash container shall be stored out of sight from the street, preferably behind the porch or in the storage shed. Lessee shall not place trash container out on any day other than normal pick-up day. The Lessee, in agreeing to the terms and conditions of this paragraph, agrees to those terms, conditions charges, and/or fees that may be imposed.

d. **Planting and Digging.** Because of the great number of utility lines and drops located on the premises, it is understood that Lessee will not dig, or cause to be dug, any holes (such as for trees or shrubs) nor drive or cause to be driven, rods or poles into the ground, nor will the ground be rototilled, without the express written permission of the Lessor. Lessee shall be fully liable and responsible for any harm caused by violation of this provision and shall indemnify and hold Lessor harmless therefore.

e. **Home Safety.** Any condition constituting a safety hazard shall not be tolerated and the judgment of Lessor as to what constitutes a fire or other safety hazards shall be conclusive. Each home shall contain any safety equipment required by the governmental authorities. Lessee is responsible for his/her needs when in need of police or fire protection. In an emergency, Lessee shall first call the police or fire department and then notify Lessor. Health rules and regulations established by the state, local health department or Lessor must be observed by Lessee at all times.

f. **Site Repairs and Maintenance.** All expenditures involved in repair and maintenance of a Home Site shall be the sole responsibility of the Lessee. If Lessee does not maintain the Home Site, as per the Lease, Lessor may authorize its agents and/or contractors to complete reasonable and necessary repair or maintenance and bill Lessee for services rendered, with interest at the rate by law and judgments. Said bill shall be deemed as additional rent and shall be due and payable in full when the next month's rental is due, and Lessee agrees to pay said bill when due.

9. **ENTRY RIGHTS.** Lessee agrees that at all reasonable time during the term of this Lease, Lessor or its agents may enter the leased premises for purpose of inspection, cleaning and maintenance, repairs, posting of notices or utility bills or, in the event of an emergency, to perform acts Lessor deems necessary for the protection of the property or safety of person. Lessee agrees not to hold Lessor, its employees or agents responsible for any such acts performed by Lessor while acting in such emergency capacity.

10. **INSURANCE.** Lessee is required to maintain homeowner's insurance insuring against customary causalities for the full insurable value of the Home. A copy of the policy must be provided to the Landlord prior to move in. Lessee is responsible for obtaining insurance in such amounts, as Lessee may desire for Lessee's own property covering fire and casualty loss and for Lessee's family for liability insurance coverage. Lessee acknowledges notification that Lessor's insurance does not insure Lessee against loss of personal property on the premises due to fire, theft, vandalism, or other casualties or causes.

11. **CASUALTY LOSS.** Lessor shall not be liable to Lessee's invitees, guests, family members, employees, agents, servants or other occupants of the premises for any personal injuries, or damage to property caused by defects, disrepair, or faulty construction of the premises or loss of property (including the Home and its contents) from fire, smoke, rain, flood, water leaks, hail, ice, snow, lightning, wind, ground shifting, explosions, interruption of utilities, theft, vandalism or other casualty unless that injury or damage is caused by the gross negligence or willful misconduct of the Lessor. Should a casualty loss or other damage occur to the Home, the Lessee shall promptly undertake to repair or replace all lost or damaged property.

12. **REIMBURSEMENT.** Lessee must promptly reimburse Lessor for loss, damage, government fines, or cost of repairs or service in the Community due to a violation of the Lease or any other improper use, or negligence of the Lessee's occupants, or their guests. Unless the damage is due to the Lessor's gross negligence or willful

misconduct, the Lessor is not liable -and the Lessee must pay for -repairs, replacement costs, and damage to the Home Site, the Common Areas or any Community Facility. The Lessor may require payment at any time, including advance payment of repairs for which Lessee is liable.

13. **LESSOR SERVICES.** Lessor agrees, at no additional charge to the Lessee, to provide to the Home Site access to electricity, water, gas, and sewer if generally available to the Community, in sufficient quantities for normal residential use at the Lessee's cost. Any other utilities required by the Lessee shall be contracted for and billed directly to the Lessee, and shall require the prior written consent of Lessor prior to hook up. In either case, Lessor shall not be liable or responsible for any interruption, prevention, delay, or stoppage in service, whether for repair and maintenance or otherwise, absent the gross negligence or willful negligence of Lessor. Should any utility service provided by Lessor be interrupted, the Lessee shall promptly deliver to the Lessor a written request for repair of the condition, following which the Lessor will make reasonable efforts to correct such condition or cause the supplying utility company to correct such condition, but in no event shall Lessor be liable for any interruption.
14. **SECURITY.** Although the Lessor may, from time to time, provide nighttime security guards or patrols, controlled access vehicle gates, perimeter fences, or other services of devices for the benefit of the Common Areas, neither the Lessor nor any other person acting on behalf of the Community provides any guarantees, warranties or other assurances of personal safety or protection against property loss or damage. The Lessor reserves the right to reduce or increase the level of such services from time to time.
15. **ASSIGNMENT PROHIBITED; MORTGAGE PERMITTED.** The Community is intended to be an owner-occupied Community. Lessor shall have the right, at its sole discretion to own and rent homes to approved tenants. In no event shall the Lessee have any right to assume, convey, mortgage, pledge, rent, sublease, or otherwise transfer this Lease or any interest in the Home or Home Site, or permit the occupancy of the Home by persons other than family members of the Lessee, previously approved by Lessor, without the prior written consent of the Lessor, which the Lessor may grant or withhold in its sole discretion, and any such transfer or attempted transfer shall be null and void except as follow:
- a. **Sale of Home.** So long as the Lessees timely pay their rent and otherwise comply with their obligations under this Lease and no Default has occurred and is continuing under Section 18, below, the Lessee shall have the right to sell their Home and assign all, but not less than all, of their rights under this Lease to financially qualified purchaser(s) of the Home, provided that (1) such purchaser(s) is/are acceptable to Lessor in accordance with the Lessor's customary approval standards, those used by Lessor when considering prospective residents of the Community; (2) such purchaser is acceptable to any lender providing financing secured by a mortgage, deed of trust similar instrument encumbering the Home; (3) such purchaser agrees in writing in the document of transfer to assume and be bound by all of the terms and conditions contained in this Lease; and (4) the Lessee and the prospective purchaser otherwise comply with the conditions described in this Section 15(a). Should the Home, at the time of transfer, be financed by a bank, savings and loan, insurance company, or other financial institution generally providing home mortgage financing, the Lessor agrees that such purchaser(s) will be considered acceptable to the Lessor under clause (1), above, if the Lessor reasonably determines that the proposed transferee is creditworthy.

Should the Lessee desire to sell the Home and assign their interest in the Lease, then the Lessee shall deliver to the Lessor written notice of the proposed transaction at least 30 days prior to the proposed closing date (or a shorter period of time reasonably requested by the Lessor, if the proposed closing date is less than 30 days following execution of the proposed contract of sale), along with the proposed contract of sale, duly executed by each of the parties but subject to the terms of this Lease, and a fully completed and executed rental application completed by the proposed purchaser(s) on the Lessor's standard form. The Lessor may charge a reasonable fee for reviewing and processing the proposed assignment transaction. The Lessor shall, within ten (10) days following receipt of the completed application and processing fee, advise the Residents of its approval or disapproval of the proposed purchaser(s).

Notwithstanding anything to the contrary contained in this Section 15(a), in lieu of granting its approval to the sale of the Home the Lessor may instead elect to purchase the Home and take an assignment of and assume the Lease on

the terms and condition set forth in the proposed contract of sale by providing written notice to the Lessee of its election within ten (10) days following receipt of the proposed contract, the completed application and the processing fee, in which case the Lessor shall, within ten (10) days following the date of its election enter into a contract of sale on the terms and conditions set forth in the proposed contract and shall thereafter purchase the Home subject to and in accordance with such contract of sale.

b. **Financing or Refinancing.** So long as Lessees timely pay their rent and otherwise comply with their obligations under this Lease and no Default has occurred and is continuing under Section 18, below, the Lessee shall have the right to obtain a loan to purchase their Home, or refinance that loan, from a bank, savings and loan, or other institutional mortgage lender and to grant to such lender a mortgage, deed of trust, deed to secure debt or similar instrument encumbering the Home.

c. **Other Transfers Prohibited.** If the Lessee attempts to assign the Lease, to rent the Home, or allows the Home Site or the Home to be occupied by anyone other than the Lessee in violation of this Lease, the Lessor may collect rent and other charges due under this Lease from the assignee or occupant, and apply the net amount collected to the amount herein due, but no such collection shall be deemed to be a waiver of the condition herein against assignment or subletting, or as an acceptance of the assignee or occupant as a lawful resident of the Community or of the Home Site and in such case the Lessee shall remain liable to the Lessor under all provisions of this Lease.

16. **REMOVAL OF HOME.** Lessee may not remove the Home from the Home Site without prior written consent of the Lessor and must give written notice as required by the Colorado Statute.

17. **RETURN OF PREMISES.** Lessee agrees to refrain from causing damage to the premises and to return same at the expiration or prior termination of the Lease in the same or better condition as when received, except reasonable and ordinary wear. Buried yard lines installed by Lessee become property of Lessor upon leaving the Community and will not be removed from home site or damaged when home is removed from premises. Lessee also agrees not to remove or attempt to remove the manufactured home from the leased premises until all sums have been paid hereunder, including damages for breach of this Lease. These sums shall be paid to Lessor in cash or certified funds. Such removal is expressly hereby made subject to Section 19, Abandonment, below.

18. **DEFAULT BY RESIDENT.** Lessee will be in default (each, a "Default") and in breach of the provisions of this Lease if:

a. Monthly Rent, Additional Rent, or any other amount due and payable by the Lessee shall not be paid in full when due (called a "Rent Payment Default").

b. Any Lessee or other guest who violates this Lease, building, housing, health, safety, fire, or other applicable laws, codes, rules or regulations, and such violation is not cured within 30 days following written notice of such violation (except if the applicable law or regulation or emergency, health, or safety situations require immediate compliance).

c. Any Lessee or their guest, agent, invitee, or associate engages in conduct which (i) constitutes an annoyance to other residents or interferes with the management of the Community by the Lessor or its agent; (ii) unreasonably endangers the life of the Lessor or any resident, or any of their respective guests, agents, invitees, or associates; (iii) constitutes willful, wanton, or malicious damage to or destruction of property.

d. The Lessee abandons the Home of the Home Site; or

e. Any Lessee, with knowledge, gives incorrect or false information in a rental application.

Lessees will be deemed to have *abandoned* the Home and the Home Site when all of the following have occurred: (1) everybody appears to have moved out in Lessor's reasonable judgment; (2) personal belongings

have been substantially removed; (3) the Lessee has been in default for non-payment of Rent for five (5) consecutive days or any utility provided to the Home has been disconnected or terminated as a result of the Lessee's non-payment; and (4) Lessee fails to respond within five (5) days to the Lessor's notice left on the outside of the main door entry stating that the Lessor considers the home abandoned.

Following a Default, the Landlord may exercise one or more of the following remedies:

A. **Termination; Eviction.** The Lessee's rights under this Lease may be terminated if any Rent Payment Default occurs and the Residents fail to cure such Default within five (5) days following the Landlord's delivery or posting of notice as required under applicable law, or if any other Default occurs which is not cured following delivery or posting of notice as required under applicable law, within the cure period provided in this Lease obligation. After giving notice to vacate or filing an eviction suit, the Landlord may still accept rent or other sums due: the filing or acceptance does not waive or diminish the Landlord's right of eviction, or any other contractual or statutory right. Accepting money at any time does not waive the Landlord's rights to damages (which may include costs associated with re-renting the Home Site), past or future rent or other sums, or Landlord's right to continue eviction proceedings.

B. **Acceleration.** All Monthly Rent and Additional Rent for the rest of the Lease Term may be accelerated automatically without notice or demand (before or after acceleration) and will be immediately due and delinquent if, without prior written consent: (1) The Lessee moves out, removes property in preparing to move out, or gives oral or written notice (by you or any occupant) of intent to move out before the initial extension term ends; and (2) the Lessee fails to pay all rent for the remaining Term. Such conduct is considered a Default for which the Lessor need not give the Lessee notice. Remaining rent also will be accelerated if the Lessee has been judicially evicted or move out when the Lessor so demands following a Default.

C. **Fines.** Lessor may charge a fine to the Lessee of not less than \$25.00 for the first occurrence, \$75.00 upon the second occurrence, and \$150.00 upon the third occurrence for any breach of any part of the Lease Agreement. The fine will be considered additional rent and will be due and payable three (3) days after a notice to cure said breach has been issued and Lessee has failed to cure said breach. Continual breach of any part of the Lease Agreement, whether cured or not, may result in the termination of said Lease.

D. **No Waiver.** No action or omission of the Lessor, or its agents or representative, will be considered a waiver of any subsequent violation, default, or time or place of performance. Not enforcing or belatedly enforcing written - notice requirements, rental due dates, acceleration, liens, or other rights is not a waiver under any circumstance, Except when notice or demand is required by statute, the Lessees waive any notice and demand for performance from the Lessor in the event of any Default. Exercising one remedy won't constitute an election or waiver of other remedies. All remedies are cumulative, and the Lessor, may exercise any remedy specified in this Section 18 or any other remedy available under applicable law.

19. **ABANDONED PROPERTY.** All Property found on the Home Site after you vacate shall be considered abandoned property and the Lessor may dispose of it as the Lessor sees fit without compensation to you. Lessor shall be held harmless from damages suffered by Lessee therefrom.

20. **TERMINATION.** Lessee agrees to abide strictly by all covenants and conditions herein made, and any violation shall be construed as a material breach of this Lease. In the event such as a breach, this Lease may be terminated by Lessor, at its election, and such termination shall be effective as provided in the Colorado Mobile Home Park Act. Upon such termination, Lessor may take possession, with or without court order, and is hereby held harmless for using such force as may be reasonably necessary to regain possession. Lessee may terminate the month-to-month tenancy by providing Lessor with thirty (30) days prior written notice of intent, to terminate tenancy. Anyone who failed to disclose his or her criminal history (conviction of a misdemeanor or felony) before entering into this Lease, and is thereafter found to be convicted of a felony or misdemeanor and thus have a criminal history may be subject to eviction and/or termination of Lease.

21. **ATTORNEY'S FEES.** Lessee shall be responsible for and pay all attorney's fees, court costs, and all reasonable costs and expenses incurred by Lessor related to breach of the agreement or default by Lessee, or in obtaining compliance with the requirements of this Lease. Such amounts shall constitute additional sums to be paid by Lessee, payable on demand. This Lease and all covenants, conditions, terms and provisions hereof are binding upon and shall ensure to the benefit of the successors, assignors, heirs, executors and administrators of the Lessor and Lessee, to the extent herein permitted. In the event of litigation or arbitration arising under this Lease, the prevailing party shall be entitled to reasonable attorney's fees and costs of the litigation or arbitration.
22. **LESSOR'S CUMULATIVE RIGHTS.** No right or remedy herein conferred upon or reserved to Lessor is intended to be exclusive of any other right or remedy. Each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder, now or herein after, existing at law or in equity or by statute.
23. **GRIEVANCE PROCEDURES.** To facilitate the prompt and equitable resolution of any concerns by the Lessee, the Lessor insists that the procedures below be followed in an attempt to amicably resolve such dispute.
- a. **Concerns.** All concerns must initially be submitted to the Community Manager. Should the Community Manager disagree in principle to the propriety of any concern, he/she will state their understanding of the Community's position on such matter. The Community Manager is required to uniformly enforce the Community's Lease agreement. The Manager is instructed by River Meadows not to make any exceptions to the Lease Agreement unless approved by River Meadows.
- b. **General Manager.** Should any Lessee feel that the position taken by the Community Manager is not appropriate for the situation, especially on an item that may not be covered in the Community's Lease Agreement and which may need further clarification, such a Resident shall then prepare a written statement specifically outlining the nature of the complaint, and all facts supporting the complaint. Such statement shall be mailed to the General Manager at the address below. In the statement, the Lessee shall include their telephone number and site number. The General Manager, upon receipt of such statement, will investigate such a concern and will reply in writing directly to the Lessee (with a copy to the Community Manager) what the company's final position on the matter is.
- Montrose River Meadows
c/o Regional Supervisor
62880 La Salle Road # 0
Montrose, CO 81401
- c. **Appealing a Decision.** Lessee can appeal a decision of Lessor or its agents by sending a written and signed appeal letter by U.S. First Class mail within thirty (30) days of the date of such decision to the following address:
- Montrose River Meadows
c/o Matt Miles
P.O. Box 239
Montrose, CO 81402
24. **SUBORDINATION.** This Lease, and the rights of the Lessee hereunder, are at times subject and subordinate to the lien of any present or future mortgage, deed of trust, deed to secure debt or similar instrument, unless the holders of such instruments require in writing that this Lease be superior to such instrument. The Lessee will, within ten (10) days following demand, execute such further instruments or documents as the Lessor may reasonably request to evidence the subordination of the Lease as described

in this Section 24. Should the holder of any such instrument, or its successors or assign, or any purchaser at a foreclosure sale or grantee under a deed in lieu thereof, acquire title to the Community or any interest therein, the liability of such holder or grantee shall be limited in accordance with the provisions of Section 25 below, and in no event shall such holder be liable to the Lessee for (i) any default of the Lessor occurring prior to such person's acquisition of title to the Community, or any claims, liability or damages arising from such default; or (ii) any security deposit or any amounts paid more than one month in advance on account of Rent.

25. **LIABILITY OF LESSOR.** It is expressly understood and agreed that notwithstanding anything to the contrary contained in this Lease, the liability of the Lessor (including any successor to the Lessor) and any recourse by the Lessee or any other person against Lessor arising out of, or in connection, with this Lease shall be limited solely and exclusively to the interest of the Lessor in the Home Site and the Community, and neither Lessor nor its officers, directors, employees, agents, contractors, or other representatives shall have any personal liability, and the Lessee hereby expressly waives and releases such personal liability on behalf of themselves and any person claiming by, through or under any Lessee.
26. **LESSOR RIGHT TO TRANSFER.** It is expressly understood and agreed that the Lessor has the right to transfer its interest in the Home Site, the Community and this Lease, and that in the event of any such transfer, Lessor shall automatically be released from all liability under this Lease following the date of transfer and Lessee agrees to look solely to such transferee for the performance of the Lessor's obligations under this Lease following the date of transfer. The Lessee further understands and agrees that the Lessor may assign its interest in the Home Site, the Community and/or this Lease to a mortgage lender as additional security and such assignment shall not release the Lessor from its obligations under this Lease, and that Lessee shall continue to look to Lessor for the performance of its obligations hereunder.
27. **INJUNCTION.** In addition to all other remedies provided in this Lease, Lessor shall be entitled to restrain by injunction the violation, or attempted or threatened violation, of any terms, covenants, conditions or provisions of this Lease. Upon enforcement of this Lease in a court of law, both Lessor and Lessee hereby waive their rights to a trial by jury.
28. **MISCELLANEOUS.** Neither the Lessor nor any of its representatives have made any oral promises, representations, or agreements This Lease is the entire agreement between the Lessee and the Lessor. Lessor's representatives, (including management personnel employees and agents), have no authority to waive, and no authority to make promises, representations, or agreements that impose duties or other obligations on the Lessor or its representative unless in writing. No employee, agent, or management company is personally liable for any of the Lessor's contractual, statutory, or other obligations merely by virtue of acting on its behalf. This Lease binds subsequent owners of the Community and the Home. Neither an invalid clause nor the omission of initials invalidates this Lease. All notices and document may be in English and, at the Lessor's option, in any language that the Lessee reads and speaks. All provisions regarding the Lessor's non-liability and non-duty apply to the Lessor's employees, agents, and managements companies. All Lease obligations must be performed in the country where the Community is located.

Payments of all sums are an independent covenant. Except as specifically provided in this Lease, all sums due Lessor hereunder included in rent and sums other than rent, are due upon demand. After the due date, the Lessor docs not have to accept rent or other payment, but may instead pursue other available legal remedies.

Notices to be provided herein to the Lessee shall be addressed to any one or more of the Residents at the Home and may be provided by: (i) regular mail; (ii) certified mail, return receipt requested, (iii) by a nationally recognized overnight courier service; (iv) personal delivery (which, if to the Lessee, will include personal delivery at the Home to any occupant over 16-years old); or (v) affixing the notice to the main entry door of the Home. Notices to the Lessor shall be addressed to: Attention: Controller, 62880 La Salle Road # 0, Montrose, CO 81401: Notices shall be provided by (i) regular mail; (ii) certified mail, return receipt requested, or (iii) by a nationally recognized overnight courier service. Notices will be deemed delivered five (5) days following presentation to the U.S. Postal Service, postage prepaid for certified mail, return receipt requested, one (1) business day following presentation to a nationally recognized overnight courier service or posting on the Home, or otherwise when actually received by the

addressee. The Lessor may change its address for notice by providing proper notice to the Lessee in accordance with the notice requirements set forth in this paragraph.

29. **AMENDMENTS.** The terms of the Lease Agreement may be amended by Lessor upon thirty (30) days prior written notice.

30. **COPIES AND ATTACHMENTS.** This Lease may be executed in multiple copies, one or more for Lessor and one or more for the Lessee. The items checked below are attached to and incorporated into this Lease, and are binding even if not separately initialed or signed:

- RV Storage Addendum dated _____
- Pet Registration Addendum dated _____
- Other: _____ dated _____

31. **HOME IS BEING FINANCED BY:**

Lender: _____

Address: _____

You are legally bound by this document. Please read it carefully. You are entitled to a copy of this Lease after it is fully signed.

Lessee(s) (all sign below)

Lessor's Representative

By: _____
Community Manager
Montrose River Meadows
62880 La Salle Road # 0
Montrose, CO 81401
(970) 249-8266