

**SANDALWOOD MOBILEHOME PARK  
507 SOUTH EUCLID STREET  
SANTA ANA, CA 92704  
(714) 839-2181**

February 25, 2009

Dear Resident, Space 1:

I have received your letters dated February 19, 2009, and pursuant to your request I am responding in writing. First, I would like to thank you for giving a written notice of intent to sell your mobilehome. The form, "Notice of Intent to Sell" is given to residents as a convenience only. The form this office provided does comply with Civil Code Section 798.59 and it also contains pertinent information regarding your home, in the event that a prospective buyer approaches the office staff, we may be able to inform and direct that prospective buyer to you.

Additionally, Civil Code Section 798.59 states as follows: *A homeowner shall give written notice to the management of not less than 60 days before vacating his or her tenancy.*

This only applies when you will be vacating the home. This usually due to the fact that a homeowner is planning to sell his or her mobilehome, although it applies to all reasons for vacating a tenancy which includes moving of the mobilehome.

Since you had a for sale sign on your home it was assumed that you would be selling your home not moving it. Therefore, the form: Notice of Intent to Sell was forwarded to home to help you comply with Civil Code Section 798.59 as a convenience only.

Second Letter, dated February 19, 2009:

No transfer or selling fee has been requested from you or a prospective buyer.

Management has not listed nor plans on showing your home, therefore, Civil Code Section 798.71 also does not apply.

Again, 798.50 does not concern the selling of a mobilehome and

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therefore, does not apply.

I would, however, like to direct your attention to your Mobilehome Lease Agreement, Signed by Ha Huynh on December 1, 2004.

Specifically, Section 5, entitled, Sale of Mobilehome, paragraphs 5.1, 5.2, 5.4, 5.6, and 5.7 as follows:

**5. SALE OF MOBILEHOME:**

5.1. You may sell/transfer your Mobilehome or assign your right to occupy your Homesite only as permitted by this Agreement. Note: to shorten this Agreement, the term "sale" will be used to refer to any sale or other transfer of the Mobilehome and/or any assignment or other transfer of the right to occupy the Homesite. The term "buyer" will be used to refer to anyone buying or otherwise acquiring the Mobilehome and/or acquiring the right to occupy the Homesite by an assignment or other method permitted by this Agreement. Other similar terms consistent with the preceding may also be used. You must give us 60 day's written notice immediately on offering your Mobilehome for sale. At least 10 days prior to your execution of any escrow, sale or other similar agreement, you must give us written notice.

5.2. When you sell to a person who intends to live in the Park, that person may either: (1) accept an assignment of this Agreement, or (2) sign any new lease we're offering which is exempt from rent regulations per paragraph 1 "INTRODUCTION".

5.4. If the buyer and we agree to sign a new lease and the buyer rescinds that new lease within 72 hours, the buyer must accept an assignment of this Agreement. If the buyer does not, the requirements of this paragraph 5 and this Agreement will continue to apply.

5.6. Upon any sale/transfer of the Mobilehome or assignment of the Homesite, after the beginning date of the term of this Agreement, the then-current rent for the Homesite may be immediately increased to the highest rent then charged for any single Homesite in the Community or by up to 10%, whichever is higher. All of the rent increases provided for in paragraph 3 above will also continue to apply to the rent to be charged any buyer/transferee/assignee. If you sell/transfer only a part of your interest in your Mobilehome or assign only a part of your interest in your Homesite, the above rent adjustments may be made in full and do not have to be prorated based on the partial interest actually sold/transferred/assigned. Prior to any such increase becoming effective, we may evaluate the current market conditions and may, at our option, negotiate with you, per paragraph 8 below, for a reduction in the increase. (Emphasis Added.)

5.7. The new resident to whom the Mobilehome is sold/transferred or to whom the right to occupy the Space is assigned will have, in most instances, a "Rent Increase Anniversary Date." (The only time the "Rent Increase Anniversary Date"

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will be the same as yours is when the new resident moves in during the same month you moved in.) This is done so that 12 months will pass between the time the new resident begins their tenancy and receives the rent increase notice in paragraph 5.6 and their first automatic percentage rent increase per paragraph 3.2. The new resident's "Rent Increase Anniversary Date" will be the first day of the month during which their tenancy in Sandalwood begins. The new Rent Increase Anniversary Date will apply without Sandalwood having to give the new resident a new Lease Agreement which changes the Rent Increase Anniversary Date you had. (Sandalwood may, at its option, require the new resident to sign a new Lease Agreement which has the resident's new Rent Increase Anniversary Date noted in it.) The May 1st "Additional Rent Increase Anniversary Date" will not, however, be changed, and it will remain applicable to the new resident who assumes this Agreement. This change in the new resident's Rent Increase Anniversary Date will not affect any other date(s) in this Agreement.

Please Note Paragraph 5.6 above which states that upon any sale/transfer of the Mobilehome or assignment of the Homesite, after the beginning date of the term of this Agreement, the then-current rent for the Homesite may be immediately increased to the highest rent then charged for any single Homesite in the Community or by up to 10%, whichever is higher. Calculating your current rent of \$896.01 plus 10% of \$89.60 equals rent to the new buyer of \$985.61.

Please note: Section 6, entitled APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS, Paragraphs 6.1, 6.2, and 6.3, as follows:

**6. APPROVAL OF PURCHASER AND SUBSEQUENT RESIDENTS:**

**6.1.** If your buyer intends to leave the Mobilehome in the Park, or the buyer intends to live in the Park, the buyer must do the following before occupying the Mobilehome of Homesite: complete an application for residency, accept an assignment of this Agreement or, at their option, sign a new lease acceptable to us and be approved by us for tenancy. We may request a financial statement, credit report, references, and other information we need from any buyer. If the buyer is not approved, does not accept an assignment of this Agreement, or sign a new lease, they will have no rights of tenancy and may not leave the Mobilehome here or occupy the Homesite and you will remain fully responsible for the full performance of this Agreement for its entire term. We may, at our option, pursue any remedies against

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the buyer alone, both you and the buyer or you alone. Please remember that per paragraph 33 of the General Provisions we have a right of first refusal to purchase your Mobilehome.

**6.2.** This Agreement will apply before any person other than the ones listed on the original signature page of this Agreement, or on any document assigning this Agreement, may become a Park resident. A guest or other person who has not signed this Agreement or a document accepting an assignment of this Agreement who remains in the Park after his host has died, moved, or for any other reason does not physically reside in the Park on a regular basis, will be considered the equivalent of a buyer and subject to this Agreement. This means that their rent will increase per paragraph 5. This will be true regardless of whether the guest is listed as a "legal" or "registered" owner of the Mobilehome. This agreement will apply if you only sell a portion of your interest in your Mobilehome.

**6.3.** You agree to do such other things and to sign and deliver to us additional documents as we may reasonably require to protect our interest in conjunction with the assignment of this Agreement.

I would also like to direct your attention to your General Provisions to Mobilehome Lease Agreement, Signed by Ha Huynh on December 1, 2004.

Specifically, Paragraph 5, entitled Use and Occupancy, which states as follows:

**5. USE AND OCCUPANCY:** At all times, one of the persons listed on the last page of this Agreement, or on the document assigning this Agreement, must be the "registered" owner of the mobilehome and that person must regularly occupy the mobilehome and it must also be their primary residence. You agree that the information you have provided us regarding you, other members' of your household and your mobilehome is true and correct. You also agree to promptly notify us, in writing, of any change in this information. Please refer to the Rules and Regulations for further clarification of your use and occupancy of the mobilehome and Homesite. We, or someone we designate, may conduct a mobilehome sales or rental business in the Park.

Also, Paragraph 7, entitled Termination of this Agreement by you, which states as follows:

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7. **TERMINATION OF THIS AGREEMENT BY YOU:** You may terminate your obligations under this Agreement only if you give us sixty (60) days prior written notice and then only if one of the following also occurs: (1) you remove your mobilehome and other property from the Park and the right of possession and control of the Homesite reverts to us, or (2) you sell your mobilehome to someone who meets all of the requirements of this Agreement. If one of the preceding does not occur, you will remain fully responsible to us for the full performance of this Agreement for its entire term. If the buyer occupies the mobilehome or Homesite in violation of this Agreement, they will still be bound to perform all of the terms of this Agreement, including its rent increase provisions, during the period of time they occupy the mobilehome or Homesite. Additionally, although they will have no rights of tenancy during their period occupancy, we may demand performance of this Agreement from them without waiving any of our rights against you or them under this Agreement or the law.

Also, Paragraph 31, entitled Owner's Approval and Options, which states as follows:

**31. OWNER'S APPROVAL AND OPTIONS:** All references in this Agreement and documents it refers to that our approval is required or other similar terms indication our approval must be obtained by you means you must obtain our prior written approval by submitting a written request to us which describes what you want to do. Reference in this Agreement that we may, at our option, adjust or increase rents up to or by a certain amount or do anything else at our option, means we have the right, if we wish, to do so.

I hope this answers all of your questions and should you have any additional questions please contact me..

Yours truly,



Tiffany Houston  
Manager

Enclosures: as stated

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cc: Joseph Foley, Park Attorney  
Albert Sepe, Park Owner