

NON-SHAREHOLDER OCCUPANCY AGREEMENT

This Non-Shareholder Occupancy Agreement (“**Agreement**”) is made this ____ day of _____, 20____, by and between:

Villa Santa Cruz Cooperative, Inc. ("**Cooperative**");

_____ ("**Shareholder**");

and

_____ ("**Resident**"),

who is a:

- Renter Live In Caregiver Significant Other/Roommate

(Place an "X" in ONE appropriate box)

The Cooperative, Shareholder and Resident are referred to individually as a “**Party**” and collectively as the “**Parties**”).

RECITALS

A. The Cooperative is a resident owned mobile home park formed as a stock cooperative, and a homeowner’s association subject to Davis Stirling Common Interest Development Act, located at 2435 Felt Street, Santa Cruz, CA 95062 (the “**Park**”).

B. Shareholder owns a share in the Park and the manufactured home located on the Space identified on Exhibit A attached hereto ("**Premises**").

C. Shareholder desires to allow Resident to occupy the Premises on a month to month basis pursuant to the agreement attached hereto.

D. Shareholder and Resident acknowledge that Resident is not allowed to occupy the Premises unless Shareholder is using and occupying his or her home as his or her principal residence.

E. Resident agrees to be bound by the applicable provisions of the Governing Documents of the Park.

NOW THEREFORE, the Parties agree as follows:

1. Resident's Compliance with Governing Documents and Applicable Laws.

a. Resident acknowledges that he/she has received a copy of the Park's Conditions, Covenants and Restrictions; Bylaws; and Rules and Regulations (collectively, "Governing

Documents"). Resident shall strictly comply with the Governing Documents and all applicable laws, statutes, ordinances, now or later in force pertaining to the use and occupancy of the Premises.

b. The Parties acknowledge and agree that short term rentals or vacation rentals are prohibited.

c. Resident shall be subject to a Resident screening process paid for by the Shareholder, and Resident shall cooperate with and consent to such screening.

d. Resident shall demonstrate to the Cooperative that he/she meets all residency requirements (55+) of the Park or is otherwise authorized to reside in the Park.

2. Resident's Use of Common Area. Resident and Shareholder acknowledge and agree that Resident may use the Common Area and Common Facilities within the Park.

3. Restrictions on Resident's Rights. Resident and Shareholder acknowledge and agree that Resident shall not have the rights of a shareholder under the Governing Documents, including but not limited to any informal or alternative dispute resolution processes; any right to attend or speak at Cooperative meetings; any right to review Cooperative records; any right to submit architectural plans; or any right to vote on any matter presented to the Board or the membership.

4. Enforcement. The Parties agree that Shareholder shall be responsible for ensuring Resident's compliance with the Governing Documents. The foregoing, however, shall in no way impair the Cooperative's right to bring any action against Shareholder and/or Resident for any violation of the Governing Documents or this Agreement. Should Shareholder fail to bring the Resident into compliance with the Governing Documents, then the Cooperative may, after ten (10) days written notice to Shareholder, pursue all remedies available under law or equity against Shareholder and/or Resident, and in that event, Shareholder shall reimburse the Cooperative for all costs and expenses incurred by the Cooperative relating to such enforcement.

5. Indemnification.

a. Indemnification. To the fullest extent permitted by law, Resident shall, at Resident's sole expense and with counsel reasonably acceptable to the Cooperative, indemnify, defend, and hold harmless the Cooperative and its officers, directors, agents and employees ("**Cooperative Parties**") from and against all Claims, as defined in subsection 5(b), from any cause, arising out of or relating (directly or indirectly) to the Lease, the tenancy created under the Lease, the Resident's use or occupancy of the Premises, or the Resident's use or occupancy of the Park or any portion thereof, including:

(i) The use or occupancy, or manner of use or occupancy, of the Premises or the Park;

(ii) Any act, error, omission, or negligence of Resident or of any invitee, guest, of Resident in, on, or about the Premises or the Park;

(iii) Any activities, things done, omitted, permitted, allowed, or suffered by Resident in, at, or about the Premises or the Park, including the violation of or failure to comply with any applicable laws, statutes, ordinances, or the Governing Documents; and

(iv) Any breach or default in performance of any obligation on Resident's part to be performed under the Lease, this Agreement or the Governing Documents, including obligations which survive expiration or earlier termination of the Lease or this Agreement.

b. Definition of Claims. For purposes of this Agreement, Claims ("Claims") means any and all claims, losses, costs, damage, expenses, liabilities, liens, actions, causes of action (whether in tort or contract, law or equity, or otherwise), charges, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and attorney fees actually incurred), including Claims for:

(i) Injury to any persons (including death at any time resulting from that injury);

(ii) Loss of, injury or damage to, or destruction of property (including all loss of use resulting from that loss, injury, damage, or destruction); and

(iii) All economic losses and consequential or resulting damage of any kind.

c. Exceptions. The indemnification obligations set forth in this Section 5 shall not apply to the extent that a final judgment of a court of competent jurisdiction establishes that a Claim against the Cooperative was proximately caused by the gross negligence or willful misconduct of the Cooperative.

d. Indemnification Independent of Insurance Obligations. The indemnification provided in this Section 5 may not be construed or interpreted as in any way restricting, limiting, or modifying Resident's insurance or other obligations under the Lease and is independent of Resident's insurance and other obligations. Resident's compliance with the insurance requirements and other obligations under this Agreement shall not in any way restrict, limit, or modify Resident's indemnification obligations under the Lease.

e. Survival of Indemnification. This Section 5 shall survive the expiration or earlier termination of the Lease and this Agreement.

6. Resident's Liability Coverage.

a. General Liability and Auto Coverage. Resident shall, at Resident's sole expense, maintain renter's insurance coverage with limits of no less than \$100,000. Resident shall be the first or primary named insured. The Cooperative Parties shall be named by endorsement as additional named insureds under Resident's general liability coverage. In the event Resident drives an automobile, Resident shall maintain auto liability coverage with limits of no less than that required by California law.

b. Primary Insurance Endorsements for Additional Insureds. Resident's general liability insurance policy shall be endorsed as needed to provide that the Resident's insurance is primary and that all insurance carried by the Cooperative is strictly excess and secondary and shall not contribute with Resident's liability insurance.

c. Delivery of Certificate, Policy, and Endorsements. Before the Lease commencement date, Resident shall deliver to the Cooperative the endorsements referred to in this Section 6 and a certificate of insurance, executed by an authorized agent of the insurer or insurers, evidencing compliance with the liability insurance requirements.

d. Exculpation. To the fullest extent permitted by law, Resident waives all claims (in law, equity, or otherwise) against the Cooperative Parties arising out of, knowingly and voluntarily assumes the risk of, and agrees that the Cooperative Parties shall not be liable to Resident, its invitees or guests for any of the following: (a) Injury to or death of any person; or (b) Loss of, injury or damage to, or destruction of any tangible or intangible property, including the resulting loss of use, economic losses, and consequential or resulting damage of any kind from any cause; or (c) Claims arising from or in any way relating to any action taken by the Cooperative to enforce (or not enforce) the Governing Documents. This exculpation clause shall not apply to claims against Cooperative Parties to the extent the injury, loss, damage, or destruction was proximately caused by the Cooperative's gross negligence or willful misconduct. This exculpation clause shall survive expiration or termination of this Agreement or the Lease.

7. Unlawful Detainer. If Resident violates any provision of the Governing Documents or this Agreement, after not less than three (3) days' written notice of default given in the manner required by law, the Cooperative, at the Cooperative's option, may terminate all rights of Resident under the Lease, unless Resident, within the time specified, cures the default, if such default may be cured. The Cooperative may bring an unlawful detainer action in its own name and/or in the name of the Shareholder to terminate the Lease, have the Resident evicted and/or to recover damages.

8. Attorneys' Fees. In any legal action concerning the enforcement of the Governing Documents, this Agreement, or the Lease, the prevailing party shall be entitled to all costs incurred in connection with that action, including reasonable attorneys' fees.

9. Waiver. No failure of the Cooperative or Shareholder to enforce any term of this Agreement shall be deemed a waiver.

10. Joint and Several Liability. Shareholder and Resident shall be jointly and severally liable for the performance of Resident's obligations under this Agreement.

11. No Shareholder/Resident Relationship. Nothing shall be construed as creating any Shareholder/Resident relationship between the Cooperative and the Resident.

12. Notices. All notices and other communications under the Agreement shall be in writing, addressed to the parties at the addresses set forth below, and delivered by personal service, or by Federal Express or other overnight delivery service, or by registered or certified mail, postage

prepaid, return receipt requested. Any such notice shall be deemed delivered as follows: (a) if personally delivered, the date of delivery to the address of the person to receive such notice; (b) if sent by Federal Express or other courier service, the date of delivery to the address of the person to receive such notice; (c) if mailed, three (3) calendar days after depositing same in the mail. Any party may change its address for notice by written notice given to the other at least five (5) calendar days before the effective date of such change in the manner provided in this section.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. A signature by facsimile shall be treated as an original.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

Cooperative
Villa Santa Cruz Cooperative, Inc.

By: _____

Shareholder
Space ____
Name

By: _____

Resident
Name:

By: _____

EXHIBIT A

Name of Shareholder: _____

The Premises: Space _____
2435 Felt St, Santa Cruz, CA 95062

Name of Resident: _____

Mailing address and contact information for the Resident

Phone: _____
e-mail: _____

Mailing address and contact information for the Shareholder

Phone: _____
e-mail: _____

Mailing address and contact information for Cooperative

Villa Santa Cruz Cooperative, Inc.
2435 Felt Street Office
Santa Cruz, CA 95062-4225
Phone: 831-464-2750
e-mail: Office@VillaSantaCruz.org

with a copy to: Shoreline Property Management
1100 Water Street Suite 1A
Santa Cruz, CA 95062-1546
Phone: 831-426-8013

A copy of the Lease between the Shareholder and Resident is attached hereto

