

SHADOWSTONE VILLAGE¹

RULES AND REGULATIONS

Welcome to ShadowStone Village! We are a Community of Active Adults age 55 and over, located in the Borough of Palmyra, Lebanon County, Pennsylvania. The goal of our ShadowStone Staff is to provide a safe, comfortable, attractive and enjoyable environment for all RESIDENTS. All Leases are made subject to the following Rules and Regulations to ensure the health, safety and welfare of the community as a whole. To accomplish that goal, we respectfully adopt the following Rules and Regulations and require your cooperation in accordance with the provisions of the Manufactured Home Community Rights Act (68 P.S. § 398.1 et seq.) (the "Act").

SECTION A: IMPORTANT NOTICE REQUIRED BY LAW

The rules set forth in this document govern the terms of your lease or occupancy agreement with this manufactured housing community. The law requires all of these rules to be fair and reasonable.

You may continue to stay in this community as long as you pay your lot rent and other reasonable fees, service charges and assessments hereinafter set forth and abide by the rules of the community. Entrance and exit fees may not be charged. Installation and removal fees may not be charged in excess of the actual cost of the manufactured housing community owner or operator for providing such service of the installation or removal of manufactured home in a manufactured home space.

You may be evicted for any of the following reasons:

- (1) Nonpayment of lot rent.
- (2) A second or subsequent violation of the community occurring within a six-month period.
- (3) If there is a change in use of community land or parts thereof.
- (4) Termination of ShadowStone Community.

You shall only be evicted in accordance with the following procedure:

- (1) A RESIDENT shall not be evicted by any self-help measure.
- (2) Prior to the commencement of any eviction proceeding, ShadowStone community owners shall notify you in writing of the breach or violation of the lease or community rules by certified or registered mail or other direct delivery carriers (i.e. Fed-Ex) which provides evidence of delivery.

¹ Shadowstone Village is a Pennsylvania registered fictitious name owned by Dwight Wagner Family Limited Partnership, II, its successors, and/or assigns.

- (I) In the case of nonpayment of lot rent, the notice shall state that an eviction proceeding may be commenced if the manufactured home RESIDENT does not pay the overdue lot rent within thirty (30) days. A second nonpayment of lot rent occurring within six (6) months of the giving of the notice may result in immediate eviction proceedings.
- (II) In the case of a breach of the Lease or violation of the Rules and Regulations, other than nonpayment of lot rent, the notice shall describe the particular breach or violation. No eviction action shall commence unless you have been notified as required by this section, and upon a second or subsequent violation or breach occurring within six (6) months. The manufactured home community owners may commence eviction proceedings at any time within sixty 60 days of the last violation or breach.

You shall not be evicted when there is proof that the rules you are accused of violating are not enforced with respect to the other ShadowStone Community RESIDENTS or NONRESIDENTS on the community premises.

In addition, no eviction proceedings for nonpayment of lot rent may be commenced against you until you have received notice by certified or registered mail or other direct delivery carriers (i.e. Fed-Ex) which provides evidence of delivery of the nonpayment and given thirty (30) days to pay the overdue rent. However, only one notice of overdue lot rent is required to be sent to you during any six (6) month period. If a second or additional violation occurs within six (6) months from the date of the first notice then eviction proceedings may be immediately started against you.

You are entitled to purchase goods or services from a seller of your choice and the community owner shall not restrict your right to do so.

If you desire to sell your manufactured home, the community owners may not prevent the sale and may not claim any fee in connection therewith, unless there exists a separate written agreement. However, ShadowStone Community Owners reserve the right to approve the purchaser as a RESIDENT in the community.

Enforcement of the Manufactured Home Community Rights Act is by the Attorney General of the Commonwealth of Pennsylvania or the District Attorney of the county in which the mobile home park is located. You may also bring a private cause of action. If your rights are violated you may contact the State Bureau of Consumer Protection or your local District Attorney.

SECTION B: ENUMERATED RULES AND REGULATIONS

I. APPLICATION FOR RESIDENCE

Anyone desiring to be considered for residence will be required to fill out a lease application before being interviewed and considered for residence. The application includes: credit information, name(s), social security number, age, place of employment (if applicable), and evidence of income from employment, retirement funds, or any other sources for all adults who will be residing in the household, license numbers of all vehicles at the residence, and telephone numbers (work, home, and cellular).

II. OCCUPANCY AND USE LIMITATIONS

- A. No RESIDENT may use the Leased Premises within the community for other than residential purposes.
- B. At least eighty percent (80%) of households must be occupied by at least one adult who is 55 years old, or older. A RESIDENT wishing to have more than two adults occupy his or her home may do so if (1) the additional adults are registered with the SHADOWSTONE OFFICE and (2) the maximum number of occupants permitted in the home is not exceeded.
- C. RESIDENTS may have overnight guests; however, if the guests so frequently remain overnight as to increase the number of persons normally living in the home, the guests must be registered with the SHADOWSTONE OFFICE and will be considered occupants for whom additional rent may be charged. All overnight guests who stay with a RESIDENT for more than fourteen (14) days during ANY thirty (30) day period will be considered occupants, although other frequent overnight guests may also be considered occupants. The following shall be evidence that a guest is living in a home:
 - (1) The visitor/guest maintains or stores items of personal property in the home.
 - (2) The visitor/guest receives mail in his/her name at the home.
 - (3) Any other fact or conduct which indicates the visitor/guest intends the RESIDENT'S manufactured home - to be the visitor/guest's home.

III. THE LEASE AND THE RULES AND REGULATIONS

All RESIDENTS must abide by these "RULES AND REGULATIONS" as part of the conditions of securing a lease and corresponding right to occupy a lot in the ShadowStone Community.

- A. All RESIDENTS accepted into the community must sign a Lease. At that time, RESIDENTS shall pay their security deposit and first month's lot rent.

- B. RESIDENTS shall pay the security deposit stated in the Lease - The security deposit is in addition to the normal monthly lot rent and may not be treated by the RESIDENT as either the first or last month's lot rent, or a portion of the first or last month's rent. The security deposit will be returned within thirty (30) days without interest to the RESIDENT by mail After the RESIDENT has completely vacated the Leased Premises, provided the RESIDENT has fulfilled all of obligations and has given written notice of a forwarding address within thirty (30) days of vacating the community. Security deposits are not transferable.
- C. All RESIDENTS must sign the "PET AGREEMENT" identified as Exhibit 'A', which is attached hereto and incorporated by reference, whether or not they have a pet at the time of signing the lease, and must abide by its terms.

IV. LOT RENT AND OTHER CHARGES

A. Lot Rent

- (1) Monthly lot rent for the Leased Premises is due and payable in advance on the first day of each month. The RESIDENT will be granted a grace period of THREE (3) CALENDAR DAYS for payment of the lot rent. After the expiration of the grace period, there will be a late charge of three \$3.00 dollars per day retroactive to the first day of the month for each month's lot rent in arrears until the month's lot rent is paid.
- (2) If ShadowStone fails to receive RESIDENT'S lot rent payment by the THIRD (3rd) CALENDAR DAY of the month, ShadowStone may place RESIDENT in default under the terms of the Lease by giving RESIDENT notice of this default. In the event of a default for failure to pay rent, notice of eviction may be given, and eviction proceedings commenced, in accordance with the provisions of the Act.
- (3) Should RESIDENT'S check, for any reason, be returned to ShadowStone by RESIDENT'S bank, RESIDENT will be charged a processing fee of TWENTY-FIVE (\$25.00) DOLLARS.
- (4) ShadowStone reserves the right to increase any charge or lot rent contained in these RULES AND REGULATIONS or the Lease in accordance with the provisions of the Act. Unless otherwise provided, ShadowStone must deliver to the RESIDENT, in writing, a notice of the increase or change at least sixty (60) days before the effective date of the increase.
- (5) Failure to pay any fees is a violation of the Rules and Regulations, and may result in eviction.

B. Utility Expenses

- (1) Sewer and Trash: Municipal Sewer and Trash removal are provided by Palmyra Borough, and billed directly to the RESIDENT four (4) times per year. In the event of nonpayment by RESIDENT within sixty (60) days after billing date, ShadowStone reserves the right to make payment to Palmyra Borough and add

the amount paid to the RESIDENT'S fees due. Additionally, ShadowStone will also assess a late payment service fee of twenty-five (\$25.00) dollars on the RESIDENT for providing this service.

- (2) Other Utilities: RESIDENT is responsible for all other utilities, as detailed on ShadowStone's Fee Disclosure (gas, electric, water, cable television, telephone). In the event of nonpayment by RESIDENT of any of these utilities within sixty (60) days after billing date, ShadowStone reserves the right to make payment of the utility, and add the amount paid to the RESIDENT'S fees due. Additionally, ShadowStone will also assess a late payment service fee of twenty-five dollars (\$25.00) on the RESIDENT for providing this service.

V. REQUIREMENTS FOR YOUR HOME AND LOT²

- (1) All RESIDENTS must have home owner's insurance coverage and must provide proof of insurance coverage annually to the SHADOWSTONE OFFICE.
- (2) All homes shall be approved by HUD and the SHADOWSTONE OFFICE.
- (3) No RESIDENT may rent his home. All homes must be owner occupied.
- (4) No storage of any kind, other than hitches, shall be permitted under the home.
- (5) *The bottom of the home shall be completely enclosed (SKIRTED) within THREE (3) WEEKS after arrival in the community. Skirting must be inter-locking type vinyl, or equal, in a coordinating color or a masonry foundation may be used in conjunction with the proper footings. Other skirting material that specifically matches the exterior material of a home may also be used on the condition that this material is professionally installed and is approved prior to installation by ShadowStone.
- (6) All homes must have a minimum of one (1) frost-free exterior faucet.
- (7) There must be interior water shut-off valves throughout the home at all sinks and commodes.
- (8) Street numbers must be secured and prominently displayed on the lamp post of the home so that the number can easily be seen. This will be done by the ShadowStone Maintenance Department.
- (9) No exterior, above ground fuel storage tanks are permitted.

² Several numbered sub-paragraphs in this section have an asterisk (*). As it relates to the requirements and expectations for these sub-paragraphs, Resident may purchase the materials, services, etc. from a vendor/supplier of Resident's choosing; there is no requirement that the Resident purchase such items from a supplier/vendor designated by Owner.

- (10) *The exterior of all homes must be vinyl lap siding or equal, and be approved by ShadowStone. All windows must have vinyl shutters or equal, and be approved by ShadowStone. All siding, skirting, shutters, doors, trim, decks and roof colors must be pre-approved by ShadowStone. There will be no exceptions. A RESIDENT may decorate the interior of the home without obtaining ShadowStone's approval.
- (11) *The design of the end of any home facing the street must be approved by ShadowStone prior to home being ordered. No blank wall ends will be permitted. The design on the end facing the street must include at least one of the following: door, deck or window.
- (12) *RESIDENT'S may install ONE (1) CUSTOM-MADE STORAGE SHED per lot. All sheds must be approved by ShadowStone in writing prior to installation and must be maintained and painted at all times in subdued colors coordinated with the RESIDENT'S home. Any sheds that are purchased must be of wood construction or equal with asphalt shingle roofs, professionally built, with runners. Shed size maximum of 12' x 14' and minimum of 8' x 10', subject to coverage ratio and building footprint regulations. Shed must be set on stone or a concrete pad. Location of the shed is at the discretion of ShadowStone.
- (13) *All homes must have 30" wide poured concrete sidewalk from parking area to entry door.
- (14) Drying of laundered clothes is permitted only on umbrella-type drying lines installed at the rear of the home. Extended clothes lines are prohibited. The umbrella-type may be extended only when in use. At all other times these lines must be closed. A ground sleeve must be installed for umbrella pole. Location of pole must be approved by ShadowStone.
- (15) *Decorative fencing ONLY is permitted and must be approved by ShadowStone. No fencing may be constructed within three (3) feet of side and rear lot line or six (6) feet of street line.
- (16) All fire wood must be stored INSIDE RESIDENT'S STORAGE SHED.
- (17) RESIDENT "FOR SALE" signs must be placed on interior windows or with approval, of ShadowStone in a front yard location when interior window is not practical. No sign shall exceed 600 square inches.
- (18) No swimming pools or wading pools are permitted.
- (19) No children's swing sets are permitted.
- (20) *Awnings are permitted only with the prior approval of ShadowStone regarding design, material, and color.

- (21) *All decks and steps must be constructed of pre-treated wood or equal and enclosed with pre-treated wood or equal and must be properly maintained at all times. Deck and stain or paint color must match or blend with house color and be approved by ShadowStone.
- (22) No window air conditioners are permitted in homes.
- (23) All RESIDENTS must have a working fire extinguisher.
- (24) The RESIDENTS must, at all times, maintain and keep in good repair, their homes and all other improvements.
- (25) The lawn and landscaping appearance is very important to all RESIDENTS in the community. Therefore, RESIDENT must cut, remove weeds, fertilize, and edge the lawn whenever needed. Shrubbery must be trimmed twice annually. If desired, lawn care arrangements can be made through the SHADOWSTONE OFFICE at an additional charge. GRASS LENGTH IN EXCESS OF 3" SHALL NOT BE PERMITTED. ShadowStone reserves the right to maintain any lawn and landscaping that is neglected and RESIDENT will be required to reimburse ShadowStone for related expenses.
- (26) *Home improvements are important to everyone. For this reason, all exterior improvements must be approved by ShadowStone prior to installation and must comply with all applicable laws and/or regulations. Before any construction is started, blue prints must be submitted to ShadowStone stating the exact size, the materials to be used, and, if elevated, the means of enclosing the bottom of the structure. RESIDENTS must have written permission from ShadowStone before commencing on any and all alteration on construction. Such improvements must be made only by qualified workers with proper insurance coverage.
- (27) Shrubs, trees and lawn improvements are encouraged. However, to avoid damage to the underground utilities, permission must be obtained from ShadowStone before commencement of digging. Small vegetable gardens are permitted at a location authorized by ShadowStone.
- (28) Each RESIDENT'S Leased Premises is private property and may not be used as a thorough-fare from one adjoining home site to another. However, ShadowStone, for itself and for those acting on behalf of ShadowStone, reserves the right to enter any Leased Premises at any time to maintain or observe the use of the property.
- (29) Satellite dishes are not permitted without written approval of ShadowStone as to size and location on the dwelling or lot.

VI. UTILITY SERVICES

- (1) Each RESIDENT is responsible for maintaining tight connections to sewer outlets and water inlets. Leaks must be repaired immediately, at RESIDENT expense.
- (2) Each RESIDENT is responsible for keeping his own water and sewer connections from freezing above ground. This is accomplished by using an electric heat tape and fiberglass insulation to prevent freezing. Any damage resulting from frozen pipes will be the responsibility of the RESIDENT. ShadowStone IS NOT responsible for water heater elements.
- (3) Non-soluble items such as rags, cloth, hard paper, pre-moistened towelette wipes, sanitary napkins, frying oil or fat, or items made of plastic or rubber may not be flushed down any drain or toilet facility. RESIDENTS will be held liable for damage to the sewer systems caused by violation of this rule.
- (4) All complaints, problems, etc. concerning water and sewer service should be directed to ShadowStone.
- (5) Basic television cable service is provided by independent cable companies who have been granted the right to provide cable service to the community. ShadowStone is not responsible for the performance of this cable service, and any questions or complaints regarding such service, should be directed to the cable provider.
- (6) ShadowStone will provide snow plowing for streets and snow removal from common area walkways. Each RESIDENT is responsible for maintaining his or her private walkways and on-lot parking areas at all times, keeping these areas free from snow and ice. No rock salt may be used. Use only products safe for concrete (i.e. urea pellets). Snow removal from RESIDENT'S walkway and parking pad is available at an additional charge to RESIDENT. Shadowstone reserves the right to remove snow from RESIDENT'S walkway and parking pad if neglected by RESIDENT. RESIDENT will be required to reimburse ShadowStone for the expense of this removal.
- (7) Each RESIDENT is required to have at least two (2) trash containers with lids. Trash must be separated for recycling, if required by trash removal provider. These containers must be stored in your shed and must be moved to the street on the day of pick up. TRASH CONTAINERS ARE NOT TO BE STORED ON DECKS. As an alternative to storage in your shed, you may have an enclosed screened area on a concrete pad in an area approved by ShadowStone.
- (8) Burning of trash, rubbish or wood will not be permitted. Gas and charcoal grills are permitted.

VII. MOTOR VEHICLES

- (1) A speed limit of fifteen (15) miles per hour shall be observed at all times throughout the community. Reckless driving is prohibited.
- (2) A maximum of two automobiles per lot are permitted and included in the lot rent fee. Parking of any vehicle on lawn or patio areas is strictly forbidden. RESIDENTS are responsible to see that guests do not occupy neighbors parking areas. With written approval of ShadowStone, additional vehicles may be permitted in the park at a cost of twenty-five \$25.00 dollars per month per vehicle. Such additional vehicles must be parked in an area designated by ShadowStone.
- (3) Unlicensed, uninspected or inoperable vehicles are not permitted in the community, and will be towed at the owner's expense
- (4) With the exception of equipment operated for the maintenance and/or improvement of the community, the following are not permitted at any time in the community, (1) dirt bikes (2) dune buggies (3) go-carts (4) 3-wheelers (5) 4-wheelers (6) snow mobiles (7) immobilized or disabled vehicles, or (8) anything similar. No travel trailers, boats or other recreational vehicles may be stored in the community. Recreational vehicles may be brought in for loading and unloading, for a maximum of 24 hours.
- (5) The following are permitted within the community with permission of ShadowStone: (1) Motorcycles, (2) Mo-Ped (3) Golf Carts, Bikes, mopeds and golf carts must be off the community streets by sundown unless they are equipped with lights.
- (6) No auto repair or maintenance is to be done in the community.
- (7) No person will be allowed to operate a motor vehicle within the community unless the person has a valid operator's license.
- (8) ShadowStone reserves the right to tow from any location in the community any vehicle not in compliance with these Rules and Regulations, at the expense of the owner of the vehicle.
- (9) No RESIDENT may park or store (or permit to be parked or stored) motor vehicles, motorcycles, golf carts, or lawn mowers on patios or lawns within the community.

VIII. COMMUNITY STANDARDS OF CONDUCT

- (1) Adult RESIDENTS shall be responsible for the conduct of the members of their families, as well as that of their guests, and shall be liable for any damage caused to the property of others. Children are to respect personal property of others as well as their lot boundaries. Everyone is expected to

conduct themselves in a dignified and neighborly manner, and be considerate of others, particularly in noise control matters.

- (2) Complaints relative to any family will be discussed privately with the family involved. In cases where complaints continue after a family has been properly notified, may be grounds for an eviction, in accordance with the provisions of the Act.
- (3) RESIDENTS must abide by the rules and regulations pertaining to recreational areas, and the Community Center.
- (4) No guns of any type or description; bows and arrows, weapons or fireworks may be used or discharged within the community.
- (5) Drunkenness, use of or selling drugs, and immoral conduct (including using profane or abusive language) shall constitute violations of the RULES AND REGULATIONS, and may be grounds for eviction from the community in accordance with the provisions of the Act.
- (6) No peddling, soliciting, or commercial enterprise is permitted in the community without first obtaining the consent of ShadowStone. Any deliveries made to a RESIDENT'S private business must be made to the site of said business and not to the RESIDENT'S home or on the ground of this community.

IX. SELLING YOUR HOME

ShadowStone imposes no restriction on the right of a RESIDENT to sell his or her home in the community. The following rules, however, apply if the purchaser wishes to keep the home in the community.

- (1) The RESIDENT must give ShadowStone written notice that he or she wishes to sell his or her home. ShadowStone will schedule an inspection of the home to determine compliance with current community construction standards and the community rules and regulations. House inspections to determine the condition of the home features (i.e. including but not limited to roof, spouting, flooring, plumbing, electrical system, appliances, HVAC, etc.) are the responsibility of the purchaser, or a certified house inspection service provider engaged by purchaser, at purchaser's expense.
- (2) ShadowStone strives to assure that all homes in the community conform to the construction standards imposed by state and federal laws in order to protect the safety and health of the RESIDENTS, but without imposing the economic hardship of requiring all nonconforming homes immediately to be upgraded or moved out of the community. ShadowStone has determined that an appropriate time to require such conformity is at the time a RESIDENT sells their home.

The purchaser of a home that does not conform to the state and federal construction standards will have to remove the home from the community. That is one of the purposes of the inspection. The other purpose of the inspection is to assure that the home has been maintained as required by these Rules and Regulations, and that prior to resale the home will be brought into conformity with all the Rules and Regulations. The purchaser of a home that does not pass inspection will not be permitted to occupy the home until it conforms to current standards.

- (3) The purchaser must complete the standard application for residence in the community, be approved under ShadowStone's uniform standards of acceptance, and enter into a lease and sign the Rules and Regulations.
- (4) The selling RESIDENT must pay all lot rents, fees, taxes, and other charges through the date of the sale.
- (5) INTERIM INVESTMENT OWNER. It is understood and agreed by Resident that any person who purchases the existing home on Resident's leased premises as an investment owner, for the purpose of remodeling and improving the home, and then reselling it to a buyer who will occupy the home as a resident, that both the investment owner and the ultimate buyer who will reside in the home as a resident must meet the occupancy and credit requirements of the Owner as stated in Owner's Rules and Regulations. Further, it is understood and agreed, that the investment owner must bring the site rental account with Owner current for this property (including and not limited to lot rent, real estate taxes, utility expenses and other fees in arrears) as a condition of said approval, even if the investment owner meets all of the other occupancy and credit requirements.

X. SHADOWSTONE'S RIGHTS

- (1) ShadowStone reserves the right to amend or to supplement these Rules and Regulations at any time and from time to time. ShadowStone will deliver to the RESIDENTS, in writing, a notice of the amendments or supplements at least sixty (60) days before the effective date of the new provisions.
- (2) ShadowStone is not responsible for damage, injury or loss due to fire, theft, windstorm, flood or other forms of casualty, to the home, to autos or to other personal property belonging to the RESIDENT.
- (3) ShadowStone shall not be liable for any damage or injury which may be sustained by the RESIDENT or any other person as a consequence of the failure, breakage, leakage or obstruction of the water, sewer, waste, or soil pipes, the electrical systems, or for any other reason; or resulting from the carelessness, negligence or improper conduct on the part of any RESIDENT, any guest, or any other person not employed by ShadowStone. All RESIDENTS are urged to obtain insurance.

The undersigned RESIDENT(s) acknowledge receiving and reading these Rules and Regulations, and agree to abide by same. RESIDENT(s) understand that these Rules and Regulations are incorporated by reference into the Lease Agreement, and that the Rules and Regulations may be changed from time-to-time by ShadowStone, and that written notice of said changes will be provided to RESIDENT(s) at least 60 days prior to the effective date of such changes.

RESIDENT: _____ DATE: _____
Signature

Printed Name

RESIDENT: _____ DATE: _____
Signature

Printed Name

EXHIBIT 'A'

PET AGREEMENT

ALL RESIDENTS ARE BOUND BY THE FOLLOWING PET AGREEMENT AS PART OF THE RULES AND REGULATIONS AND LEASE FOR A HOME SITE IN THE SHADOWSTONE COMMUNITY.

The RESIDENT agrees to the following:

1. All pets must be approved by ShadowStone.
2. The pet shall not be allowed out of the home unless it is on a leash and in the custody of a responsible person. *Invisible fences are permitted, however they must be approved by ShadowStone. The pet may not be staked or affixed to any area on the RESIDENT'S property.
3. No outside animal house/shelters are permitted.
4. The pet shall not be curbed on shrubbery, flowers or trees, and RESIDENTS will pick up waste and dispose of same immediately.
5. RESIDENTS will be responsible and will pay for any damage caused by the pet to the grounds, shrubbery and trees and to any other part of RESIDENT'S property or the property of others.
6. RESIDENT agrees to remove the pet from the community if the pet becomes a nuisance by interfering with the rights and enjoyment of other RESIDENTS because of noises and/or smells as determined by ShadowStone. ShadowStone may revoke this Pet Agreement for any violation.

RESIDENT: _____
Signature

DATE: _____

Printed Name

RESIDENT: _____
Signature

DATE: _____

Printed Name