

**STONEGATE COOPERATIVE
MEMBER OCCUPANCY AGREEMENT**

This Agreement, made and entered into at Lindstrom, State of Minnesota this _____ day of _____, 20___, by and between Stonegate Cooperative, a cooperative corporation organized under the State of Minnesota having its principal place of business in Lindstrom (hereinafter called the "Cooperative"), and _____ (name) (hereinafter called the "Member") of _____ (street address and lot #) in said Cooperative.

WHEREAS, the Cooperative was organized to own and operate a manufactured housing community, now known as Stonegate Cooperative (hereinafter called the "Community"), for the benefit of its Members and others; and

WHEREAS, the Member has been provided a complete copy of the Articles of Incorporation and the Bylaws of the Cooperative and is familiar with their terms; and

WHEREAS, the Member has a bona fide intention to reside in the Community and to continue such residence during Membership; and

WHEREAS, the Member has paid or agrees to pay the Membership Fee of \$200 and will receive a Certificate of Membership in the Cooperative once the fee has been paid in full; and

WHEREAS, the Cooperative and the Members see it to be in their mutual interest to commemorate the Membership and rental arrangement in written form.

NOW THEREFORE, the parties do agree as follows:

1. Premises: The Cooperative leases to the Member and the Member leases from the Cooperative _____ (street address and lot #, hereinafter called the "Lot") in the Community.

2. Term: Upon payment of the rental herein, and upon compliance with the other terms of this agreement, the bylaws of the Cooperative, and the Community Rules established by the Members, all as they may be amended from time to time, the Member shall have a perpetual right to occupy said Lot. If Member intends to terminate the lease and Membership, Member shall provide thirty (30) days' written notice to the Cooperative.

3. Lot Rent: The Member covenants and agrees to pay all lot rent in a timely manner in the monthly sum of \$350.00 and other expenses for owning or renting a manufactured home in the Community, the Member's share of the monthly sum currently required by the Cooperative, as estimated by its Board of Directors, to meet its expenses and reserve needs. The Lot Rent may be increased according to the Bylaws, with a sixty (60) day written advance notice. The Lot Rent must be paid on the first day of each month and there is a \$20 late payment fee for Lot Rent

received after the 6th day of each month. All such late fees shall be considered additional rent hereunder.

The Member further agrees to make timely payments to the County for property taxes assessed against the manufactured housing unit owned by the Member. (If the Cooperative, upon demand or requirement of a lender or for other reason, has elected to pay any real estate taxes so assessed against the Members' unit, the Members shall promptly reimburse the Cooperative). Any fees advanced by the Cooperative for county personal property taxes or other Lot Rent shall be added to the Cooperative's lien for unpaid rents. If and as allowed by law, the Cooperative reserves the right to secure a lien on the home of the Member for any Member's lot rent and non-reimbursed expenses incurred by the Cooperative.

4. Membership Fee: The Member has paid or will pay the Membership Fee by payment in full before occupying the Lot. An exception is hereby made for tenancies prior to acquisition of the Community by the Cooperative; any payment plan agreed to in the Membership Agreement is hereby incorporated into this Occupancy Agreement.

5. Patronage Refunds: The Cooperative may refund or credit to the Member, within ninety (90) days of the end of its fiscal year, the proportionate share of accumulated Lot Rent as has been collected from the Member that are in excess of the amount needed for expenses of all kinds, including reserves; but only insofar as such refund or credit is consistent with state law or permissible under the terms and provisions of any loan documentation incidental to secured mortgage financing upon the Community, as applicable from time to time.

6. Member's Further Obligations and Covenants: The Member shall comply with all duties set forth under Minnesota law, specifically Minnesota Chapters 327C and 308B, and shall further agree to abide by the terms and conditions of this Agreement, and the Articles of Incorporation and bylaws of the Cooperative, and Community Rules of the Cooperative now in force or as they may be placed in force from time to time during the period of occupancy. The Member acknowledges receipt of a copy of the applicable rules in effect at the execution of the Occupancy Agreement.

The Member further agrees to participate "cooperatively" in the operation and management of the Cooperative by serving as requested on its committees or Board of Directors; to conduct himself/herself and his/her guests when on the Lot and in the Community in such a manner as not to disturb or threaten other Members, other tenants, or their respective guests and invitees; to pay any and all damages caused intentionally or negligently by the Member, or the Member's guests or invitees, to any and all property, real or personal, of the Cooperative; to be otherwise in control of and responsible for the peaceable and non-disturbing conduct of Member's family, guests and invitees; and to otherwise reasonably obey and comply with all Community Rules.

The Member shall be responsible for all maintenance and repair of the lot, including usual maintenance of paved parking spaces if provided, with exception of any underground system, such as underground oil tanks, or water, electrical or septic systems, unless such repair is due to the negligence of the Member. The Member owns and is responsible for all repairs and maintenance of any aboveground fuel-Storage Tank (AST) on Member's lot and the Member's manufactured home. All ASTs shall be in compliance with "SAFE TANK" standards as published by the State Department of Environmental Services (DES) and incorporated herein by reference as if fully set forth herein. Any tank not in compliance at the time of the signing of this

Agreement shall be brought into compliance at time of occupancy or such other time as may be agreed by a separate written consent of the Cooperative Board of Directors. Any tank not brought into compliance with such standards at time of occupancy or within the time given in a written notice from the Director of Operations or Cooperative Board of Directors at any other time during the term of this Agreement, may be replaced by the Cooperative at the expense of the Member and such expenses may be collected and assessed in the same manner as rents under landlord-tenant law.

Member must have the consent of the Cooperative Board of Directors to plant or cut down trees. Any and all additions to landscaping become part of the leasehold premises and shall not be removed by the Member except with the expressed written consent of the Cooperative Board of Directors. Member should carry homeowner's insurance including general liability insurance, however, because the Cooperative is not able to monitor effectively that the homeowner's insurance coverage is current, it is the homeowner's responsibility to keep it current.

7. Cooperative's Covenants: The Cooperative shall comply with all duties set forth under the law, and it agrees to otherwise abide by all affirmative obligations assumed by it pursuant to its Articles of Incorporation, Bylaws or Community Rules, as they now exist and as they may be later amended from time to time.

Provided that the Member has provided a safe and properly maintained connection capability, the Cooperative agrees to provide water and sewer utilities to the Member's Lot and to maintain these utilities in good and reasonable working order; to plow and maintain roads providing ingress and egress between the Community and the public road, to maintain common areas in a reasonably neat and attractive manner; to manage responsibly the Community and the Cooperative's finances, including the payment of liability insurance and property taxes on the land; to duly report the significant and material doings and undertakings of the directorship to the Membership, and any special meetings that may be called from time to time; to make copies available for review of the annual audit of the Cooperative's finances; and not to discriminate against the Member in the provision of any services it is required to provide.

8. Eviction: The Member understands and acknowledges that he/she may be evicted from the Community for violation of this agreement or for any violation by which a Member may be evicted as set forth in the Community Rules or for any reason specified by statute, all as they now exist or as they may hereafter be amended from time to time.

The Member also understands and acknowledges that eviction pursuant to this agreement is grounds for expulsion from Membership in the Cooperative as well as for any reason specified in the Bylaws, as it now exists and as it may hereafter be amended from time to time. For this reason, all Eviction Notices may be accompanied by a notice of the charges against the Member and of a reasonable opportunity to be heard before the Board of Directors of the Cooperative not less than 15 days from the date of said notice. Failure to give said notice shall not constitute grounds to delay or avoid eviction.

9. Assignment: The rights set forth herein may be assigned to a third party (sub-leasing) only in the event of extreme and temporary hardship, as determined by the Board of Directors and upon such terms and for such time periods as it deems appropriate.

10. Limitation on Member's Right to Make On-Site Sale: The Member acknowledges the application of the resale limitations and restrictions of Section 2, Item III of the Community

Rules and Article IV of the Bylaws of the Cooperative as may be amended from time to time and agrees to abide and comply therewith.

11. Invalidity: If any clause, part of a clause or provision of this Agreement shall be determined to be invalid under any law or their application by a Court of competent jurisdiction, such invalidity shall not affect the validity of all remaining portions of that clause or provision or the other clauses or provisions of this Agreement.

12. Waiver: Either party's failure to insist upon strict performance of any provision of this Agreement shall not be deemed or construed as a waiver of performance of any other term of the Agreement or a waiver of such provision on future occasion.

13. Notices: Whenever the provisions of law or the Cooperative Bylaws require Notice to be given to either party, any notice by the Cooperative to the Member shall be deemed to have been duly given if the notice is delivered to the Member at the Lot or to the Member's last known address; and any notice by the Member if delivered to a current elected Officer of the Cooperative. Such notice may also be given by depositing the notice in the United States mail, addressed to the Member, as shown on the books of the Cooperative, or to the President of the Cooperative, as the case may be, and the time of mailing shall be deemed to be the time of the giving of such notice.

14. Representations Not Binding: No representations other than those contained in this Agreement, the Articles of Incorporation, the Bylaws or the Community Rules of the Cooperative, now in effect, or as they may hereafter be amended from time to time, shall be binding upon the Cooperative.

15. Incorporation of Articles of Incorporation, Community Rules, Bylaws and Cooperative Resolution: The Articles of Incorporation, the bylaws, all Cooperative resolutions, and its duly adopted Community Rules pertaining to the Community, now in effect, or as later amended from time to time, shall be binding upon the Cooperative.

16. Attorneys' Fees and Costs: In the event any legal action is commenced by the Cooperative to collect past due rent, to evict for any reason, or for any other reason, the homeowner must pay all legal fees and costs incurred by the Cooperative. These fees and costs will be paid by the homeowner, even if the eviction is terminated or cancelled by the Cooperative. The legal fees would also include all such fees and costs incurred in connection with any Appeal filed by the homeowner or Cooperative. The legal fees and costs incurred by the Cooperative shall be considered additional rent for the unit in question, and this additional rent shall be due and payable by the homeowner in accordance with these Community Rules.

In the event a legal action is commenced against the Cooperative by a homeowner and the Cooperative prevails in said action or the action is withdrawn by the homeowner, the homeowner shall be required to reimburse the Cooperative in defending such action. In no event shall the Cooperative be responsible for paying the homeowner's legal fees. This is justified since the homeowner is a member of the Cooperative and a partial owner of the Cooperative. The term legal action shall include any civil action brought before the court of law and any action or claim brought before a Board, administrative agency or other such body.

17. Time of the Essence: Time is of the essence of this Occupancy Agreement and any term, covenant or condition contained herein.

18. Joint and Several Liabilities: If more than one (1) Member party shall execute this Agreement, the obligations of the Members shall be their joint and several obligations in every instance.

19. Assignment to Lender: The Member recognizes and agrees that this Agreement is subject to a certain Collateral Assignment of Leases and Occupancy Agreements between the Cooperative and its lending institutions and further agrees to accept and recognize these lenders' rights under said Assignment in the event those rights are exercised.

20. Power-of-Attorney: In the event that this Lease is being signed by a person action on behalf of the occupant by exercise of a Power-of-Attorney or as his or her Attorney-In-Fact, prior to the Lease being effective a fully executed Power-of-Attorney or Attorney in Fact must accompany the Lease confirming the authority of the undersigned to sign the Lease on behalf of the occupant.

21. Home Financing Contact: The following are the names and addresses of persons and/or institutions holding a mortgage or security interest in my home (*Optional*):

22. Contact Information:

Homeowner Name (s): _____

Telephone: _____

Names of all additional person(s), adults or dependents, living at the above address:

Power of Attorney, if applicable:

Name(s): _____

Telephone: _____

Emergency Contact Information

List the name, address, and phone number of the person you would want notified in case of an emergency:

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

Member(s):

Signed _____ Printed _____

Signed _____ Printed _____

Signed _____ Printed _____

All titled Members (listed on title to the manufactured home) at this home site must sign above. Untitled spouses or partners in civil unions are also encouraged to sign above.

Cooperative Officers:

Signed _____ Printed _____
Its duly authorized Officer

Signed _____ Printed _____
Its duly authorized Officer

Witness to all signatures:

Signed _____ Printed _____