

## CREDIT HUMAN COMMUNITY AGREEMENT

**THIS COMMUNITY AGREEMENT** (“Agreement”) is made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between \_\_\_\_\_ (“Community Organization”), a \_\_\_\_\_, whose address is \_\_\_\_\_ and Credit Human Federal Credit Union (“Credit Human”), located at 33820 Weyerhaeuser Way S, Ste 110, Federal Way, WA 98001-9617. Community Organization and Credit Human are referred to individually as a “Party” and jointly as “Parties.”

### RECITALS

- A. Community Organization manages a manufactured home community (the “Community”) for its residents who have entered into lease agreements with the Community Organization (individually a “Lease”; collectively, the “Leases”).
- B. Credit Human provides financing to purchasers and owners of manufactured and mobile homes (“Borrower”) in manufactured home communities.
- C. Community Organization desires to provide community stability and retain within the Community any Homes which Credit Human has repossessed by reason of a default on a loan (individually a “Home”; collectively, the “Homes”).
- D. Credit Human desires to contribute to community stability by permitting the Homes to remain in the Community when Credit Human deems it beneficial to the Parties.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the mutual covenants and undertakings set forth herein, the Parties agree as follows:

**1. Lease Default; Notice to Credit Human.** In the event of a default of a Lease by a Borrower, the Community Organization shall provide Credit Human with written notice of such default. The notice to Credit Human must be given prior to the Community Organization exercising any right which would result in the eviction of a Borrower or the termination of the Lease. For thirty (30) days following receipt of the notice, Credit Human has the right to cure the default under the Lease; however, Credit Human will not be obligated to do so. If Credit Human fails to cure the default within the thirty (30) days or notifies Community Organization that it does not intend to cure the default, the Community Organization may exercise any right or remedy with respect to the default it has under the Lease.

**2. Loan Default; Lease Obligations Following Repossession.** In the event a Borrower defaults on a loan obligation to Credit Human, Credit Human has the right to repossess the Home. Beginning on the day Credit Human repossesses the Home (the “Repossession Date”), Credit Human shall assume all obligations under the Lease, including the obligation to pay rent at the Lease rate, until the Home is sold or as otherwise agreed by the Parties. Such obligation shall be prorated to the Repossession Date. Credit Human agrees to notify Community Organization of the Repossession Date within a reasonable time following repossession. Following the Repossession Date, in the event Credit Human fails to fulfill

any obligation as tenant under the Lease, the Community Organization may enforce any and all of its rights and remedies available under the Lease. Under no circumstances will Credit Human be: (i) required to pay Community Organization for any rent or occupancy charges (other than charges which may be due to public taxing authorities) that arose prior to the Repossession Date; or (ii) subject to a rent increase upon repossessing a Home.

**3. Obligations of Lender.** Following a repossession of a Home, Credit Human agrees that if it has actual knowledge the Home poses a clear danger or health risk to the Community's residents or visitors, that Credit Human shall promptly arrange for repairs to be made to the Home in order to remedy such danger or health risk. If Credit Human determines, in its sole discretion, the Home should be sold wholesale (as-is, where-is), Credit Human will not be required to repair the Home other than if conditions presenting clear danger to the public or the property arise. Credit Human shall indemnify, defend and hold Community Organization harmless for any and all claims, causes of action, or losses arising out of or relating to its failure to promptly make danger or health risk repairs in accordance with this section.

**4. Abandoned Homes Financed By The Lender.** The Community Organization agrees to promptly notify Credit Human if a Home financed by Credit Human is vacated or abandoned and the Community Organization knows the Home has been vacated or abandoned.

**5. Removal Of The Home.** Credit Human reserves the right to remove the Home from the Community upon repossession. If Credit Human elects to remove the Home, its obligations under the Lease shall terminate upon the removal of the Home from the Community. Credit Human agrees to repair any damage to the leased premises arising out of or relating to the removal of the Home and to indemnify, defend and hold Community Organization harmless for any and all claims, causes of action, or losses arising out of the removal of the Home.

**6. Maintenance Of The Home.** Community Organization remains responsible for normal maintenance services provided to the Community and Homes under the Lease. Upon a request from Credit Human, the Community Organization agrees to provide Credit Human with contact information for local contractors who perform maintenance work in the Community. Credit Human reserves the right in its sole discretion to secure other service providers for such maintenance.

**7. Approval Of Purchasers For Tenancy.** Community Organization shall have final written approval of any prospective purchaser of a Home in the Community. In order to be approved, all prospective purchasers of the Home shall satisfy Community Organization's resident requirements for the Community, including without limitation, credit requirements, criminal record requirements, adoption of Community bylaws and related agreements, and entering into a lease agreement. If applicable, Credit Human will specify that the payment of any required membership fee is a condition of loan closing for new members.

**8. Terms of Agreement.** This Agreement remains in effect until either Party provides the other Party with a thirty (30) day written notice to terminate the agreement. The termination of this Agreement will not impact Homes financed by or owned by Credit Human after execution of this Agreement and the terms of this Agreement will continue to apply to such Homes until Credit Human's interest in a Home ends. Credit Human reserves the right to close the loan program and/or reject future loan applications for Homes located (or to be located in) the Community as a result of the termination of this Agreement by either Party.

**9. Notices.** All notices or other communications required by this Agreement shall be in writing and will

be considered received: (i) on the date of delivery if delivered personally to the Party to whom notice is given; (ii) on the next business day if sent by confirmed facsimile transmission; or (iii) on the date of actual delivery if sent by first-class mail, registered or certified, with postage prepaid and properly addressed to the Party at its address set forth below:

If to Community Organization:

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If to Credit Human:

Credit Human Federal Credit Union  
33820 Weyerhaeuser Way S, Ste110  
Federal Way, WA 27408  
Phone: (866) 595-7228  
Fax: (888) 667-9149  
ATTN: Loss Mitigation Manager

A Party may designate a different address by providing written notice to the other Party. Notwithstanding the above, the Parties can agree to provide notices and communications orally. However, either Party retains the right to request a notice or other communication in writing.

**10. Arbitration.** Any controversy or claim arising out of or relating to this Agreement, including any alleged breach, shall be resolved by binding arbitration before the American Arbitration Association and judgment on the award may be entered in any court having jurisdiction thereof. The cost of arbitration shall be allocated by the arbitrator as part of the arbitration decision.

**11. Course of Dealing.** No course of dealing between the Parties, nor any failure to exercise, nor any delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**12. Relationship.** Nothing herein shall be constructed to constitute either Community Organization or Credit Human as the agent, partner, or joint venture of the other. Neither Party shall have responsibility for any other Party's debts, liabilities or other obligations, or for the intentional, reckless or negligent acts or omissions of the other Party or its employees. Nothing herein shall be interpreted to make Community Organization liable for any loans granted by Credit Human to borrowers and secured by Homes in the Community.

**13. Counterparts.** This Agreement may be executed in one or more counterparts, each which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**14. Governing Law.** This Agreement shall be governed by the laws of the state where the Community is located.

**15. Survival of Indemnification Obligations.** Each and every indemnification obligation of any one or more of the Parties shall expressly survive the termination of this Agreement.

**16. Entire Agreement.** This Agreement constitutes the complete and exclusive statement of the agreement among the parties. This Agreement supersedes all prior negotiations, understandings and agreements of the parties, written or oral.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement on the day and year first above written.

Community Organization:

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Credit Human:

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_