

MERRITT COUNTRY MOBILE HOME PARK

1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN LEASING A MOBILE HOME LOT.

2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE LESSEE SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

3. ORAL REPRESENTATIONS SHOULD NOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE PARK OWNER OR OPERATOR. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

4. IF THIS PROSPECTUS WAS RECEIVED PRIOR TO OCCUPANCY IN THE MOBILE HOME PARK, THE RENTAL AGREEMENT IS VOIDABLE BY THE LESSEE FOR A PERIOD OF 15 DAYS, OR UNTIL OCCUPANCY IN THE PARK, WHICHEVER OCCURS FIRST.

PROSPECTUS (OFFERING CIRCULAR)
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I. PARK NAME AND ADDRESS

The name and address of the mobile home park (the "Park") is as follows:

Merritt Country Mobile Home Park
2455 North Tropical Trail
Merritt Island, Florida 32953

II. NOTICES AND DEMANDS

The following person is authorized to receive notices and demands on the Park Owner's behalf:

Park Manager
123 North Twin Lakes Road
Cocoa, Florida 32926

III. DESCRIPTION OF THE PARK PROPERTY

A. Lot Sizes

The approximate lot sizes are set forth below:

North Row

Lot 1	70' x 55'	=	3,850 square feet
Lot 12	70' x 70'	=	4,900 square feet
Lots 2 through 11	70' x 40'	=	2,800 square feet

Center Row

Lot 13	70' x 70'	=	4,900 square feet
Lot 24	65' x 70'	=	4,550 square feet
Lots 14 through 23	65' x 40'	=	2,600 square feet

South Row

Lot 24	90' x 50'	=	4,500 square feet
Lot 34	90' x 60'	=	5,400 square feet
Lots 25 through 33	90' x 40'	=	3,600 square feet

B. Setback and Separation Requirements

There are several requirements of law with respect to how far each mobile home within the Park must be set back from the borders of its lot and the distance that must be maintained from each mobile home and its supporting facilities (such as, for example, a carport or a porch) to other mobile homes, supporting facilities and structures in the Park.

Pursuant to Section 4A-42.05 of the Florida Administrative Code, the State Fire Marshal has adopted the National Fire Protection Association code on mobile home setback and separation distances. The applicable provisions of that code are as follows:

5-2.1 Firesafety Separation Requirements

5-2.1.1 - Any portion of a manufactured home, excluding the tongue, shall not be located closer than 10 ft. (3.04 m.) side to side, 8 ft. (2.44 m.) end to side, or 6 ft. (1.83 m.) end to end horizontally from any other manufactured home or community building unless the exposed composite walls and roof of either structure are without openings and constructed of materials which will provide a one-hour fire rating, or the structures are separated by a one-hour fire rated barrier.

5-4 Accessory Building or Structure Firesafety Requirements

5-4.1 - A carport, awning, ramada, or open (screened) porch shall be permitted to be located immediately adjacent to a site line when constructed entirely of materials which do not support combustion and provided that such facilities are not less than 3 ft. (0.91 m.) from a building, cabana, or enclosed porch on an adjacent site. A carport, awning, or remade or open (screened) porch using combustible materials shall not be located closer than 5 ft. (1.52 m.) from the site line of an adjoining site.

In addition to the above requirements, the County has also established requirements for setback and separation distances between mobile homes. These requirements are located in the local zoning and building code and are set out below:

Setbacks:

Mobile home and structures shall be set back not less than 50 feet from all property lines unless such line is contiguous to property zoned TR-1, TRC-1, TR-3, TTP, TR-2, BU-1, BU-1-A, BU-2 or any industrial classification, in which case the setback shall be 15 feet. Individual structures within the park shall setback not less than 20 feet from all public rights-of-way or pavement edges of private streets. "10"

Minimum distance between structures - 15 feet.

The requirements quoted and referenced above of the various governing agencies having jurisdiction in these matters may overlap or be inconsistent with one another. In addition, governmental rules or regulations are subject to amendment or repeal. No representation is made as to the interpretation of the setback and separation requirements set out above, nor as to the continuing applicability of such requirements after the delivery date. "Delivery Date" as used herein is the date upon which the prospectus is delivered to the home owner. Prospective home owners are advised to inquire with the above referenced authorities with respect to these matters.

Please note that the above quoted and referenced requirements concern only the setback and separation requirements applicable to the park on the delivery date of this prospectus, and that any one or more such requirements may be subsequently modified or repealed. No continuing obligation is undertaken by the park owner to advise any park resident or home owner of any subsequent modification, future adoption of additional requirements by any other governmental body, or future repeal of these provisions. The requirements stated above may not be applicable to the park, in whole or in part due to the placement of homes in the Park prior to the enactment of those requirements, vested rights established under earlier ordinances, statutes or laws; or due to subsequent judicial decisions interpreting these or other laws. The prospective home owner is advised to obtain further information regarding installation of mobile homes in the Park from the appropriate permitting authority.

C. Shared Facilities

The Park is fully developed. A total of 34 lots, shown in the lot layout in Exhibit B, share the exclusive use of the facilities described in this Prospectus. Therefore, the maximum number of lots that will use the park facility is 34.

D. Non-Conforming Use

Many aspects of the configuration and layout of the Park are non-conforming "grandfathered" conditions. The Park Owner makes no representations concerning past, present or future regulatory compliance relative to any unit within the Park.

IV. RECREATIONAL AND COMMON FACILITIES

The common facilities of the Park are available to all 34 lots in the Park and are as follows:

A. Laundry Facility

The Park has the following facilities that are available for use by Park residents:

1. one laundry facility with an approximate area of 177 square feet that contains 2 washers and 1 dryer
2. an area immediately adjacent to the laundry facility for hanging and drying laundry

B. Personal Property

The items of personal property available for use by the residents or home owners of the Park, and their guests, is as follows: NONE.

C. Days and Hours of Operation

The general schedule of days and hours that the common facilities of the Park are available for use by the residents or home owners of the Park and their guests is as follows:

1. the laundry facility and clothesline drying area available from 7:00 am to 9:00 pm six days a week (Monday through Saturday).
2. The laundry building and clothesline drying area are not to be used on Sundays.

The park owner expressly reserves the right to alter the specific days and hours of operation in accordance with procedures prescribed in the Park Rules and Regulations. In case of emergency or repairs, the facility may be closed, and the residents will be notified promptly.

D. Future Improvements

All facilities described in this Prospectus are complete as of the filing date. The Park Owner reserves the right from time to time to alter or change any of such facilities or property by the removal, relocation or alteration of existing facilities and property, or the construction of new facilities. No assurance is given that any of the foregoing facilities or property will remain available for the residents' use for any specified period after the filing date of this Prospectus.

V. PARK MANAGEMENT AND MAINTENANCE

The management of Park is the responsibility of the Park Manager. The Park Manager's office is located at Lot 26 and will have posted days and hours of operation. Home owners may contact the Park Manager at 123 Twin Lakes Road, Cocoa, Florida 32926 or by calling the Park Manager at the phone number posted in the Park office. All questions and problems concerning Park operations should be directed to the Park Manager. At this time the Park Owner currently

provides for lawn and landscape maintenance of the common areas. This arrangement, and the provision of such services, is subject to change at the discretion of the Park Owner.

The Owner may from time to time employ such additional personnel as the Owner may deem necessary or appropriate to properly operate the Park. The Owner reserves the right, upon 90 days prior written notice to each mobile home owner, to increase, reduce, eliminate or modify from time to time any or all of the services that are provided by the Park.

VI. MOBILE HOME OWNER REQUIRED IMPROVEMENTS

A description of all improvements, both temporary and permanent, which are required to be installed by the mobile home owner as a condition of his occupancy in the park, is as follows:

A. skirting around the mobile home

Home owners who were residents of the Park as of June 4, 1984, were required to install the improvements as set out above upon becoming a resident of the Park. To the extent that those home owners did not install the required permanent improvements, those requirements are still effective. There are no additional requirements established pursuant to this Prospectus for those home owners who were residents of the Park on June 4, 1984.

All required improvements must meet the specifications for those improvements as established by the Park. The current specifications are available from the Park Manager's office.

In general and except as expressly provided to the contrary in this Prospectus, and to the extent permitted by law, each owner of a mobile home in the Park is responsible for the maintenance and repair of his or her mobile home, mobile home lot, and all improvements thereon including landscaping.

VII. UTILITIES AND OTHER SERVICES

A. The manner in which utilities and other services will be provided and the person or entity furnishing those services, is as follows:

1. Water

Water is provided by the City of Cocoa which is billed to the Park through a master meter. As of the filing date, the mobile home owners in the Park are not separately billed for water charges and such charges are included in the base rent. However, the Park Owner reserves the right, upon 90 days prior written notice to each owner of a mobile home in the Park, to cause each mobile home owner to be separately billed for water either by the installation of individual meters for each mobile home lot in the Park at the expense of the mobile home owners, only if mandated by State or Local Government or Utility Company, or by an equitable apportionment of the total water charges billed to the Park. The Park is responsible for the maintenance of the underground water system from the point where such system connects to the lines owned by the City of Cocoa to the point where such systems rise above ground level at each mobile home lot. The mobile home owner is responsible for the maintenance of the water connection from the mobile home to the riser.

Water lines from the shut off valve to your mobile home are the mobile home owner's responsibility.

2. Sewage

Sewage disposal is provided by the Park by septic tank systems. As of the filing date, the mobile home owners in the Park are not separately billed for sewer charges and such charges are included in the base rent. However, the Park Owner reserves the right, upon 90 days written notice to each mobile home owner to be

separately billed for sewage either by the installation of individual meters for water use for each mobile home lot in the Park at the mobile home owner's expense, only if mandated by State or Local Government or Utility Company, or by an equitable apportionment of the total sewage charges billed to the Park. The Park maintains the septic tank systems for sewage disposal and is responsible for the maintenance of the sewer system to the point where such systems rise above the ground level at each mobile home lot. The mobile home owner is responsible for the maintenance of the sewer connection from the mobile home to the riser.

3. Waste Disposal

Waste Disposal (garbage and trash collection) is provided by Brevard County and is included in the base rent. The provision of adequate containers and delivering the containers to the appropriate locations for pick-up is the mobile home owners responsibility.

Waste Disposal (garbage and trash collection) is provided as follows:

Garbage and trash are collected from each lot in the Park twice weekly. The County of Brevard collects and disposes of the trash and garbage placed at the roadside in front of each mobile home.

4. Cable TV

Cable television is provided to the Park by Spectrum and is billed separately to each mobile home owner. The Park is not responsible for the maintenance of any cable television lines within the Park or for the connections for cable television to the individual mobile homes.

5. Storm Drainage

Storm Drainage is provided by the Park and included in the base rent.

6. Electricity

Electric power is provided by the Florida Power and Light Company. It is billed directly to the mobile home owner, and is the home owner's sole responsibility. Florida Power & Light Co. is responsible for the electric lines to the meter including the meter. The Park Management is responsible for the electric meter pedestal. Electric lines to the mobile home, the main breaker and any other connection outside the mobile home is the responsibility of the mobile home owner.

7. Changes to Utilities and Other Services

The description of the utility and other service set forth above reflects the manner in which such services are provided and charged, and the parties responsible for the maintenance of the facilities necessary to provide such services, as of the filing date of this Prospectus. The Park Owner reserves the right, upon 90 days prior written notice to each owner of a mobile home in the Park, to discontinue the provision or maintenance of any utility or other service described above that is presently provided and/or maintained by the Park, so long as such discontinued service or utility is replaced by a comparable service or utility. In the event of such discontinuation and replacement, the mobile home owners within the Park may be billed separately for utilities or services that are billed to the Park as of the filing date and/or may become responsible for the maintenance of utility facilities that are the responsibility of the Park as of the filing date.

VIII. LOT RENTAL AMOUNT

A. Lot Rental Amount

The mobile home owner will be responsible for payment of lot rental amount as follows:

1. Base Rent

The base rent for your lot is \$_____ per month, payable on the 1st day of each month. The base rent for your lot will be in effect from _____, 20____, to _____, 20____. Thereafter, the base rent may change annually upon 90 days notice. Payments not paid by the 5th of the month are subject to a late fee.

2. Special Use Fees

Other fees, charges, and assessments that the mobile home owner is responsible for include:

- a. Pet Fee: \$_____ per pet per month.
- b. Additional Resident Fee: \$_____ per month for each individual, in excess of the number of individuals permitted to reside in the mobile home pursuant to the rental agreement, who resides in the mobile home in excess of 15 consecutive days or 30 total days per year.
- c. Late Payment Fee: \$_____ per day if payment is not received by the fifth (5th) of the month.
- d. Return Check Fee: \$_____ per check returned by the resident's bank.
- e. Pest Control Fee: \$_____ per month.
- f. Lawn Mowing Fee: \$_____ per month.
- g. Special Service Fee: \$_____ per hour, but not less than \$_____ per service call, for any repair, maintenance or service that is performed by the Park but is the responsibility of the mobile home owner.
- h. Special Use Fee: \$_____ per special use (such as a private party) of any common facility.

3. Government and Utility Charges

The mobile home owner will be responsible for payment of Government and utility charges, defined as: those amounts, other than special use fees, which are itemized and charged separately from the base rent and which represent the mobile home owner's share of costs charged to the Park Owner by the State or Local Government or utility company. Certain utility charges, ad valorem property taxes, non-ad valorem assessments, and pass-through charges may be assessed more often than annually. The costs incurred by the Park Owner will be assessed to the mobile home owner on a pro rata basis (or, for pass-through charges, on a proportionate share basis). The pro rata share will be determined by dividing the number of mobile home spaces leased by a resident by the total number of occupied mobile home spaces in the Park. Those charges listed below, as well as any other governmental and utility charges which the park owner determines will be passed on to the home owners, may be increased or passed on to the mobile home owner more often than annually, however, the park owner reserves the right to recoup those costs in the form of future lot rental amount increases, rather than as Government and utility charges.

- a. Water Charges: Assessed Pro Rata
- b. Sewer Charges: Assessed Pro Rata
- c. Replacement Utility Charges, only if Mandated by State or Local Government or Utility Company: \$_____ per month for any utility or other service not provided or available to Park residents

on the Delivery Date that replaces, in whole or in part, any utility or other service that is provided or available to Park residents on the Delivery Date.

4. Pass-Through Charges

The home owner will be responsible for pass-through charges. "Pass through charges" means the home owner's proportionate share of the necessary and actual direct costs and impact or hookup fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hookup fees incurred for capital improvements required for public or private regulated utilities. The home owner's proportionate share of pass-through charges shall be calculated by dividing equally among the affected developed lots in the Park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the Park.

5. In General

The costs of all other services required by the resident are solely the home owner's responsibility.

The dollar amounts set out above represent only the amounts charged for each category on the date that this prospectus is delivered to the mobile home owner. As disclosed in this prospectus, such amounts are subject to increase.

Wherever a "0" appears in the blank for the amount charged for any rental category described in this section, it means that there is no current dollar amount for that particular charge. In the manner disclosed in this prospectus, the Park Owner may from time to time commence the imposition of charges for such rental categories and, once such charges have been imposed, such charges will be subject to increase.

Nothing in this prospectus shall be deemed a waiver of the Park Owner's right to collect from the mobile home owner any damages that the owner may sustain as a result of or in connection with the tortious act, neglect or breach of the rental agreement by the mobile home owner, or by any person permitted to be on the Park property by the mobile home owner.

B. Manner of Increases in Lot Rental Amount

1. Definitions

a. "Lot Rental Amount" means all financial obligations, except user fees, which are required as a condition of the tenancy.

b. "Special Use Fees" mean those separately itemized amounts charged for specific services or privileges, including but not limited to, such charges as guest fees, pet fees, and other charges.

c. "Government and Utility Charges" mean those amounts, which are itemized and charged separately from the base rent and which represent the mobile home owner's share of costs charged to the Park Owner by any state or local government or utility company.

2. Notice of Increase

The mobile home owner shall be notified of any increase in the lot rental amount at least 90 days prior to the effective date of such increase.

3. Lot Rental Amount Increases

a. General – The lot rental amount and each of the categories of charges currently or hereafter comprising a part of the lot rental amount are subject to periodic increases by the Park Owner. However, except for increases resulting from the imposition of governmental and utility charges, the lot rental amount will not be increased more frequently than annually, except for initial tenancies which commence after the beginning of the rental term.

b. Factors Affecting Increases – The factors affecting the amount of increases in the lot rental amount (or in any fee or charge currently or hereafter comprising a part of the lot rental amount) may include: Increased Costs, Prevailing Market Rent, Prevailing Economic Conditions, and other facts set out below, each determined and evaluated by the Park Owner at or prior to the time of furnishing notice of any increase in the lot rental amount section.

Factors which may affect the level of increases in lot rental amount are as follows:

1. Water Rates
2. Sewer Rates
3. Electricity Rates
4. Waste Disposal
5. Maintenance Costs, including costs of deferred maintenance.
6. Management Costs
7. Property Taxes

8. Major repairs or improvements - However, home owners who were residents of the Park as of June 4, 1984, will not be required to pay for any of the costs of providing permanent improvements. As to those home owners that do not contribute to the costs of permanent improvements, the use of those future improvements may be limited to those home owners that contribute to the cost of those permanent improvements.

9. Increased costs, which refers to any increases experienced by the Park Owner since the delivery of notice of the last increase in the lot rental amount in the total costs arising out of the ownership, operation and management of the Park. To the extent permitted by law, all present and future operating expenses and other charges of every kind and nature will be taken into account in determining the total costs, and such expenses and charges shall include, but not necessarily be limited to:

a. The costs of all insurance carried by the Park Owner with respect to the Park;

b. The cost of general repairs, maintenance and replacement:

c. The cost of janitorial, security, cleaning, window washing, and pest control;

d. The cost of redecorating, renovating and landscaping the common facilities or areas in the Park, and of stripping, patching and repairing any roadways, vehicular parking areas or storage areas in the Park;

e. The costs of obtaining utility services, including water, sewer, electricity, gas and waste disposal;

f. The cost of providing heating, ventilating, sewage and waste disposal, air conditioning, and any other service attributed to the operation of any recreational building or other common area or facility in the Park;

g. Reasonable salaries and other remuneration and compensation paid to persons or firms engaged in operating, managing, repairing, maintaining or administering the Park;

h. Reasonable management fees paid in connection with the operation and management of the Park, including any such fees paid to the Park Owner or any affiliate of the Park Owner;

i. The cost of capital improvements or major repairs made in or for the benefit of the Park, and for the funding of any reserves for capital improvements or repairs, as limited by the qualifying statement set out in (8) above, and to the extent permitted by law;

j. Rents and additional rents payable under any ground lease;

k. License fees, permit fees and other fees and charges payable to the State of Florida, any agency, or municipality thereof.

10. Prevailing Market Rent - Refers to the lot rental imposed in mobile home parks comparable to this Park, and the lot rental amount willingly paid from time to time by new residents of this park. A park will be deemed comparable if it is located in the same general vicinity as this park, and offers similar facilities, amenities, management, and services.

11. Prevailing Economic Conditions - Refers to those factors which bear on the economic viability of a real estate investment and which would be considered by a prudent businessman in establishing the lot rental amount or any increase in the amount thereof. These factors may include: (1) the costs attendant to the replacement of this Park in the economic environment existing at the time of any increase in the lot rental amount including, land acquisition costs, construction costs, losses associated with the operation of a park prior to full occupancy, and the level at which the lot rental amount must be established in order that the Park Owner will realize a reasonable return on the costs referred to in this clause (1), such reasonable return being related to the reasonable rate of return of like real estate investments in the prevailing economic conditions at that time; (2) the levels of interest rates and other financing charges associated with construction, interim and permanent financing; (3) the availability of alternative forms of real estate investments which, absent the rental increase in questions, might reasonably be expected to yield a greater return on investment capital; (4) the levels of the CPI or other indices measuring the value of the U. S. dollar. "CPI" means the United States Department of Labor, Consumer Price Index, U. S. City Average All Urban Consumers, 1967 = 100, or, in the event the discontinuation of publication of such Consumer Price Index, then an alternative index which is reasonably related to the Consumer Price Index in evaluating the economic conditions prevailing at that time; (5) the level at which the lot rental amount must be established in order that the Park Owner will realize a reasonable return, as compared to similar "at risk" real estate investments, on the "Owner's Equity": for this purpose the "Owner's Equity" refers to the fair market value of the Park from time to time, less existing mortgage indebtedness; (6) Other economic factors which might reasonably be expected to affect the value of the Park, the rate of return available to the owner of the Park at the existing level of lot rental amount, the present value of the real estate investment and the rate of return of that investment in the then current economic conditions, and which would be taken into consideration by a prudent businessman in considering the lot rental amount increase required in the Park in order to realize a reasonable rate of return from the value and/or investment in the Park as compared to similar "at risk" real estate investments at the time

12. Professional Fees - Which may include but is not limited to, fees paid to accountants, attorneys, engineers, architects and consultants, employed to assist in the operation, management, development, and administration of the Park.

13. Costs incurred as a result of actions by state or local government or a utility - Costs incurred as a result of state or local government or utilities will only be used as a factor for future lot rental amount increases to the extent those costs are not directly passed on to the home owner in the form of pass through charges.

14. To the extent permitted by law, the mobile home owner may also be required to bear, in the form of increases in the lot rental amount, the costs incurred by the Park Owner in installing capital improvements or performing major repairs in the Park.

C. Additional Considerations

The Park Owner reserves the right to amend this prospectus or any exhibit thereto from time to time to the extent permitted by law to conform with changes in relevant statutory provisions or changes in relevant rules of the Florida Department of Business and Professional Regulation, or any other agency having jurisdiction over the operation of this mobile home park.

The sections above are intended only to provide the home owner with a listing of factors which may be considered by the Park Owner in whole or in part in establishing the amount of increases in lot rental.

An increase in one or more of the above described factors may result in an increase in the mobile home owner's lot rental amount.

Home owners assuming the remaining portion of a tenancy as prescribed by Section 723.059(3), Florida Statutes, are hereby notified that upon the expiration of the assumed tenancy, the park owner expressly reserves the right to increase lot rental amount in an amount deemed appropriate by the park owner with such increase being imposed in the manner disclosed in the prospectus delivered to the initial recipient.

IX. USER FEES

The home owner may be offered services by the Park Owner for which user fees will be charged. A "user fee" is a charge "in addition to the lot rental amount for nonessential optional services provided by or through the Park Owner to the mobile home owner under a separate written agreement between the mobile home owner and the person furnishing the optional service or services". A user fee will only be charged to those home owners who desire to use the services provided. A user fee is not related to the lot rental amount. A user fee is currently offered by the Park Owner for:

Vehicle Storage Fee: \$ _____

User fees may be increased to reflect increased costs in providing or maintaining the ability to provide the relevant service, or prevailing market or economic conditions in the manner discussed above regarding lot rental amount, or an increased utilization level by the home owners. An increase in one or more of these factors may result in an increase in the Park's user fees.

Thirty days notice of any increase in user fees shall be given to all affected home owners. Notice of increase will be given by posting a notice at the facility, by personal delivery, or by U.S. Mail delivery. Notice by U.S. Mail will be considered made upon the mailing of notice to the home owner's last known address.

X. PARK RULES AND REGULATIONS

A. Current Park Rules and Regulations

The current Park rules and regulations governing mobile home owner's behavior, guest procedures, time for using recreational and other facilities and any other rules, are attached as Exhibit A.

B. Changes in Rules and Regulations

The Park Owner shall give written notice to each mobile home owner at least 90 days prior to any change in the Rules and Regulations. Rules adopted as a result of restrictions imposed by governmental entities and required to protect the public health, safety, and welfare may be enforced prior to the expiration of the 90 day period.

XI. PARK ZONING

The nature and type of zoning under which the mobile home park operates, the permitted uses under such zoning classification, and the name of the zoning authority which has jurisdiction over the land comprising the mobile home park is as follows:

A. Agriculture Use/Non-Conforming

B. Brevard County Zoning Department

C. Permitted Uses - Please note that the park is operated on a grandfathered basis and is not in conformance with current zoning laws.

The Park Owner has no definite future plans to seek a change in the use of land comprising the Park.

The Park Owner reserves the right to amend this prospectus or any exhibit thereto from time to time to the extent permitted by law to conform with changes in relevant statutory provisions or changes in relevant rules of the Department of Business Regulation, or any other agency having jurisdiction over the operation of this mobile home park.

NOTICE OF NON-CONFORMING STATUS: Many aspects of the configuration and layout of the Park are non-conforming "grandfathered" conditions. The Park Owner makes no representations concerning past, present or future regulatory compliance relative to any unit within the Park.

This prospectus was determined adequate to meet the requirement of Chapter 723, Florida Statutes on June 20, 1985.

Identification Number: PRMZ001569-P1

Lot Number: _____

XII. EXHIBITS

The following exhibits are required attachments to this Prospectus:

Exhibit A - Rules and Regulations

Exhibit B - Layout of the Park

EXHIBIT A
MERRITT COUNTRY MOBILE HOME PARK
RULES AND REGULATIONS

1. GENERAL INFORMATION

Welcome to Merritt Country Mobile Home Park. The following rules and regulations are intended for your comfort, welfare, and safety and that of your guests and to maintain the appearance and reputation of our Park. Please, read these rules and regulations carefully and abide by them. To achieve the stated purpose, they may be amended from time to time upon ninety (90) days written notice and pursuant to the terms of section 723.037, Florida Statutes.

The Park is privately owned and we are required by law to abide by certain standards. Many of these rules and regulations are based on those standards, others are established to help assure the protection of your property and your privacy. It is the Park's intent to provide housing for persons fifty-five years of age or older.

Consideration and courtesy to others and cooperation in maintaining an attractive home will help sustain the standards of this Park. The following rules must be observed by all residents and guests.

2. RESIDENCY

2.1. An Application for Residency must be completed and the prospective resident must be qualified and approved for occupancy, in accordance with Park requirements, a Prospectus delivered, and a lot rental agreement signed, prior to: (i) arrival of the Home Owner's mobile home in the Park; or (ii) before occupancy in the Park when the home is already located in the Park.

2.2. The Park Owner or Park Manager reserves the right to: (i) refuse admittance to anyone who purchases or otherwise receives title to a mobile home unless approved pursuant to paragraph 2.1; (ii) refuse to accept further lot rental amount payments and terminate the lot rental agreement of anyone who, after proper notice pursuant to section 723.061, Florida Statutes, fails to comply with these rules and regulations (see rule re: Eviction, for further information); and (iii) refuse rental to any applicant. Approval for occupancy in the Park will not be unreasonably withheld.

2.3. The principal resident of each mobile home in the Park must be its legal owner, except when the home is subleased and any sublessees are approved by Management. Each additional occupant of the home must be approved for residency by the Park Owner or Park Manager, and each resident age 18 or over must have signed the lot rental agreement prior to occupying the home. Those additional occupants must follow all Park rules, complete the application process, and gain Management approval prior to occupancy. The purchase of your home by persons who have not executed the lease agreement or obtained management's written consent shall not constitute permission or rights for such purchaser to reside in the Park. All prospective residents must be approved by Management and must execute a lease agreement before occupancy of a home in the Park. Any increase in the number or exchange or substitution of persons in a home must have the Park Owner's or Park Manager's written approval. The Park Owner or Park Manager does allow subleasing of the home upon prior written approval, which approval shall not be unreasonably withheld.

2.4. **SUBLEASING AND RENTING.** The Home Owner shall not sublease the leased lot without the written consent of Park Owner. Notwithstanding the right of Park Owner to allow subleasing in the Park, nothing in this rule compels the Park Owner to do so, and the Park Owner in its sole discretion may refuse to allow subletting at any time. Persons under the age of 18 are prohibited from living in a subleased mobile home for any length of time. Park Management may lease any mobile home it owns or leases on Park lots. Any subleasing without Park Owner's written consent shall be void and shall constitute a default by Home Owner. Mobile home spaces are not transferable. No sub rental, sub-lease, or occupancy by or through a rental/purchase option of lot by anyone other than the Park Owner is authorized. If the home is subleased without written authorization of Park Owner, no such subleasing, occupancy or

collection of lot rental amount shall be deemed a waiver of this provision, or the acceptance of the sublessee as a resident, or as a release of the Home Owner(s) from further compliance by Home Owner(s) with the rules and regulations. Any consent by Park Owner to a subleasing shall not relieve Home Owner(s) from obtaining written consent from Park Owner for any further subleasing. In the event Home Owner wishes to sublease the Lot and if written permission for subleasing from the Park Owner is obtained, Home Owner hereby grants Park Owner the exclusive right to serve as rental agent for the Park recognizing Park Owner's interest in preserving its ability to monitor residents in the Park, to orient such residents to the rules and regulations of the Park, and to effectively enforce the rules and regulations of the Park. Home Owner must arrange all subleasing through Park Management although, if subleasing is approved in writing by Park Owner, Home Owner may sublease to any person or persons who are qualified to lease a lot within the Park.

2.5 When leaving the Park for an extended period, the resident should file a departure notice at the Park Office with information as how to contact the resident in the event of an emergency and the name of the person who will be responsible for maintaining the lot in the resident's absence. Use of foil, cardboard, paper or sheets to cover windows and glass doors in the resident's absence is prohibited. Shades, drapes and awnings are suggested for this purpose.

3. SALE OF MOBILE HOME & LANDLORD'S RIGHT OF FIRST REFUSAL TO PURCHASE

A Home Owner has the right to sell his mobile home within the Park subject to Park Owner's right of first refusal, and the prospective purchaser may become a resident of the Park. However, the prospective purchaser must qualify pursuant to the requirements of these rules and regulations, complete the requisite application, and be approved by Park Management prior to taking possession of the mobile home lot. Thus, any prospective Home Owner must qualify for and obtain prior written approval of Park Management to become a resident of the Park.

3.1 Notice to Park Owner. A Home Owner intending to make a bona fide sale of his home or any interest in it shall give to Park Owner notice of such intention, together with the name and address of the proposed purchaser, such other information concerning the proposed purchaser as Park Owner may require, and an executed copy of the proposed contract to sell. It is the Home Owner's responsibility to inform a purchaser that he must apply and receive acceptance as a resident from Park Management prior to moving into the home. Home Owner shall direct the prospective buyer to Park Management for exchange of information, including the lot rental amount which will apply at the expiration of the seller's lease term or at the time of sale, and shall advise the prospective buyer that the terms of the lease agreement are not transferable beyond the end of the lease term in effect at the time of sale of the home. Within seven (7) days of transfer of title, change in financing, or purchase of Home Owner's home, a true copy of the legal registration showing title registered in the name of the purchaser and the name of the lienholder, if any, shall be provided to Park Management by the Home Owner. This rule does not in any way diminish or affect the obligation of every purchaser of a mobile home who intends to keep the home in the Park to obtain written approval by Park Management prior to change in occupancy of the home. If the purchaser occupies the home before approval is granted, the purchaser shall have seven days from the date that notice of the failure to be approved for residency is delivered to vacate the mobile home lot.

3.2 Application Form. Park Owner is vested with the authority to prescribe an application form such as may require specific personal, social, financial and other data relating to the intended purchaser, or as relates to the proposed Home Owner, as may reasonably be required by Park Owner in order to enable Park Owner to responsibly investigate the intended purchaser, or proposed Home Owner within the time limits extended to Park Owner for that purpose as hereinafter set forth. The application shall be completed and submitted to Park Owner along with and as an integral part of the notice. An application fee shall be charged to the resident transferring his mobile home or lot, which fee shall accompany the application form.

3.3 Failure to Obtain Approval of Park Owner. Any person who purchases a mobile home situated in the Park but does not, prior to occupancy of the home, qualify as, and obtain consent of Park Owner to become a resident of the Park (although such approval will not be unreasonably withheld), shall be subject to eviction pursuant to section 723.061(1)(e), Florida Statutes.

3.4 Disapproval by Park Owner. Park Owner may disapprove the prospective occupant if the prospective occupant does not qualify for residency pursuant to these rules and regulations. Such disapproval shall be grounds to deny such purchaser the opportunity to assume the Home Owner's lease and shall be grounds for eviction pursuant to section 723.061, Florida Statutes, in the event such proposed occupant has taken possession of the respective lot. In the event of disapproval, Park Owner may pursue all remedies available at law or in equity.

3.5 Home Owner may sell his or her own home or use a third party to assist them in the sale. However, if Home Owner elects to use a third party to sell the home, the third party agent or company must be licensed in accordance with section 320.77, Florida Statutes, and any other law governing mobile home dealers or brokers. The company or agent selected to handle the transaction must present proper credentials and licensing to Park Management prior to the signing of any listing agreement.

3.6. Right of First Refusal for Individual Mobile Homes.

3.6.1. If Home Owner offers a home for sale, or if Home Owner receives a bona fide offer for the purchase of his or her home, Home Owner shall notify Park Owner, in writing, of: (a) Home Owners' offer, identifying the price, terms and conditions of the offer made by the Home Owner, and (b) for any bona fide offer received from any third party (the "Third Party Offeror"), Home Owner shall identify the Third Party Offeror, provide a full and correct copy of the Third Party Offeror's offer, including the price, terms and all conditions of the offer and of copies of all documents comprising the offer. This notice to Park Owner by Home Owner shall be referred to as the "Offer Notice". Park Owner shall have three (3) business days to accept the price, terms and conditions of the Offer Notice by providing written notice of the acceptance to Home Owner. Upon delivery of a timely acceptance of the Offer Notice, the Parties shall cooperate in good faith to complete the sale of the home to Park Owner. If Park Owner fails to timely accept an Offer Notice served in full compliance with this rule, Home Owner shall be free at any time to sell the home to a party or parties other than Park Owner. If Home Owner thereafter elects to offer, or accept a Third Party Offeror's offer, for a sale of the home at a price lower than the price specified in his or her original Offer Notice, Home Owner shall provide written notice of the revised offer and a copy of the same (the "Revised Offer Notice") to Park Owner and Park Owner shall have an additional three (3) business days from receipt of the Revised Offer Notice to accept the revised offer. Delivery of an Offer Notice or Revised Offer Notice to Park Owner shall be by certified mail, recognized overnight delivery service, or by hand delivery to the Park Manager's office. "Hand Delivery" means in-person delivery of the Offer Notice or Revised Offer Notice by the Home Owner to a Park representative. (Home Owner shall be entitled to a receipt for any Offer Notice or Revised Offer Notice delivered by hand delivery). Acceptance of an offer made in an Offer Notice or Revised Offer Notice by Park Owner shall be by certified mail or recognized overnight delivery service, with a copy of the acceptance posted on the home. If an offer made or received by Home Owner does not include the appliances, fixtures or window coverings for the home, the Offer Notice or Revised Offer Notice shall clearly identify the items which are not included. Clear title and proof of ownership shall be conditions precedent to Park Owner's purchase of a home.

3.6.2. This rule is intended to enable Park Owner to retain homes in the Park, and thus to preserve occupancy and continued revenues. Park Owner's rights hereunder are unique, and are difficult or impossible to quantify.

3.6.3. Park Owner may record in the public records a memorandum of the rights granted by this rule. Park Owner may also give notice of its rights, by any manner or means to any third party, including, but not limited to, any Third Party Offeror, potential buyer(s), or individual(s) or entity(ies) involved in the sale, transport, or brokerage of mobile homes.

4. REMOVAL OF MOBILE HOME

4.1. Home Owners are required to give 30 days prior written notice to Management of their intention to vacate their lot together with the proper forwarding address. Thirty days prior to any Home Owner vacating their lot in the Park, which vacation includes removal of the mobile home and its accessory structures from the lot, the Home Owner must also furnish Management with a true copy of the contract for removal of the home, all of the above

ground improvements on the lot installed by Home Owner and for restoration of the lot after removal of the home and all other above ground improvements installed by the Home Owner but not including any improvements installed by Park Owner such as sidewalks and utility connections which will be of use to other Park residents after removal of the home regardless of the size or dimensions of any other home or appurtenances hereto which may be placed on the lot and for restoration of the lot to the condition of a well-maintained lot in the Park after removal of the home and other improvements as referenced herein (the "Removal Contract"). The Removal Contract shall include, but not be limited to: (i) the removal of the mobile home, garage, storage shed(s), all attachments, skirting, anchors, steps and other above ground improvements installed by Home Owner (collectively the "Improvements"), (ii) restoring the lot to a clean, safe and rentable condition, including capping all utility connections in accordance with applicable building codes (collectively the "lot restoration"), and (iii) obtaining required permits for the capping of utility connections and for removal of any accessory structures or other Improvements to the mobile home that required a permit to install.

4.2. Home Owner shall require Contractor to deliver to Management: (1) a security deposit (the "Deposit") or a surety bond ("Bond") which security deposit or surety bond is the exclusive responsibility of the Contractor and which shall be in an amount which is the greater of \$3,500 or 110% of the amount of the removal contract, which deposit or bond shall serve as security to insure the removal of the improvements in a workmanlike fashion and for restoration of the lot, and (2) a certificate of general liability insurance in an amount of not less than one million dollars (\$1,000,000) to ensure against personal injury and damage to property. Home Owner shall have 5 days from the date of commencement of the removal of the improvements to complete the removal of the improvements and the lot restoration or Management may use the deposit or the bond to complete said removal of the improvements and lot restoration. In the event of Home Owner's default under the provisions of this rule the contractor shall not be entitled to any refund of any unused portion of the deposit or bond, it being acknowledged that said deposit or bond shall be deemed forfeited should the contractor fail to complete the removal of the improvements in accordance with the terms and conditions of this paragraph. Before the removal of improvements can commence, contractors, home movers and service providers working on the removal of the improvements or on the lot restoration must show proof of insurance in the amount of not less than \$100,000.00 to ensure against damage to Park property, proper licenses and permits.

4.3. Movement of homes from the Park must be made between 8:00 a.m. and 5:00 p.m., Monday through Friday, so Management may have an inspector present. Only transporters of mobile homes, properly authorized by governing authorities, are permitted to move homes into or out of the Park.

4.4. Any Home Owner who removes his home is responsible for removal of all discarded materials including but not limited to all concrete, trash, steps, planters, patios and footers, etc. The mobile home lot must be left in a clean and neat fashion. Any expenses incurred by Management in restoring the mobile home lot to the condition of a well maintained lot in the Park will be charged to the Home Owner. All utility connections shall be sealed and identified. When these obligations have been met, Home Owner shall notify Management and an inspection of the lot will be made. Once Management determines that the lot has been properly cleared, Home Owner's responsibility for lot rental amount shall cease. If Home Owner fails to properly clear the lot, Management shall do so and Home Owner shall be charged a fee for cleanup pursuant to the special service fee set forth in the prospectus. Such fee shall be due and payable within 30 days of invoice.

4.5. Removal of a home during the lease term without prior written consent of Management shall constitute a breach of Home Owner's lot rental agreement and subject Home Owner to the obligation for payment of all lot rental amount owed for the remainder of the lease term. Home Owner must be current in payment of its lot rental amount and other obligations to the Park and if the home is to be moved prior to the end of the current lease term prepay or make arrangements acceptable to Management to pay the lot rental amount, and user fees, if applicable, through the end of Home Owner's current lease term. Home Owner is advised that Management retains a lien on the home and its accessory structures on the lot for any unpaid lot rental amount pursuant to section 713.691, Florida Statutes.

4.6. Park Management and Park Owner assume no responsibility in the event that a dealer, bank or other secured party should opt to remove the mobile home from the Park, except for Management's failure to perform a duty or negligent performance of a duty as implied by law.

5. FIFTY-FIVE AND OLDER PARK

This Park is intended and operated for occupancy by persons 55 years of age and older. As such, this Park shall adhere to the requirements of the Housing for Older Persons Act of 1995. Consequently, at least 80 percent of the occupied units must be occupied by at least one person who is 55 years of age or older as of the date of occupancy. Children (under 18 years of age) visiting a resident or residents overnight in the Park are limited to 15 consecutive days or a total of 30 days per year. Children under age 18 using any of the amenities must be supervised by the resident host. Park Management has authority to grant exceptions (on a case by case basis) to the above restrictions.

At the time of application for initial occupancy, or upon demand of Park Management, all prospective residents and all existing residents shall be required to produce for inspection and copying, the following age verification documentation: driver's license; birth certificate; passport; immigration card; military identification; other valid local, state, national or international documents containing a birth date of comparable reliability or a certification in a lease, lot rental agreement, application, affidavit or other document signed by any member of a household age 18 or older asserting that at least one person in the unit is 55 years of age or older. The minimum age for all residents is 45. No one under the age of eighteen (18) years may be a resident of the Park without prior written approval from the Park Manager. The Park Management reserves the right, in its sole discretion, to grant exceptions to the minimum age requirements of this Rule, while still maintaining compliance with the Housing for Older Persons Act of 1995.

On January 1st of each even numbered year, all existing residents shall be required to provide the names and ages of all current occupants of the unit, in writing, to Park Management. Failure to provide the written occupant documentation shall constitute a violation of these rules and regulations and the Home Owner may be subject to eviction pursuant to section 723.061, Florida Statutes.

6. FEES, CHARGES, AND ASSESSMENTS

6.1. Payments: All payments received by Management or Park Owner must be in U.S. funds. Payments are due on the first day of the month and are payable in the manner designated by the Park Owner. If lot rental amount is not paid on or before the fifth day of the month, a late charge will be assessed to the Home Owner.

6.2. NSF Checks: Only money orders or cashier's checks will be accepted from any resident or Home Owner who has twice written checks on insufficient funds.

6.3. All fees, charges and assessments are set forth fully in the Park Prospectus.

6.4. The lot rental amount for various lots within the Park may differ.

7. GUESTS

7.1. All persons who are not specifically named in the lot rental agreement are considered as guests. A guest is a person whose stay does not exceed fifteen (15) consecutive days or thirty (30) total days per year.

7.2. Guests are entirely the responsibility of their resident hosts and must comply with the Park rules and regulations. Guests who are unruly or who create disturbances will be asked to leave. The Park facilities are primarily for the use and enjoyment of the residents. Except when designated for exclusive use by Park residents, guests will be allowed to use the Park facilities, however, guests under the age of eighteen (18) must be accompanied by the resident host at all times.

7.3. All overnight guests or guests who will be using Park recreational facilities, must be registered by their resident host at the office during normal office hours. Guests arriving on weekends or holidays may be registered during office hours the last day prior to their arrival. Guests who are not overnight guests may use recreational facilities no more than four (4) days within each month. Failure to register your guest will subject the guest to immediate removal from the Park. Guests must notify the office upon departure.

7.4. All guests must comply with these rules and regulations. Guests shall not be permitted to reside or stay in the Park in the absence of the resident. Seasonal occupants are requested to notify the Park Manager of the period during which the mobile home is vacant. Guests must be signed in and out upon arrival in the Park. Guests will not be allowed to bring a dog or any other animal into the Park with them at any time, even for a daily visit. Seeing-eye dogs are permitted for the sight impaired. Any guest staying with a mobile home owner in excess of fifteen (15) consecutive days or thirty (30) total days per year shall be considered an applicant for permanent residency in the Park, and shall be subject to these rules and regulations, including but not limited to the obligation to make application for residency within the Park and be approved for residency by Park Management (such approval will not be unreasonably withheld). If Park Management, in its sole discretion, determines that a guest has violated a requirement or provision set forth in this rule, and in response to such violation Park Management so requests, a guest must vacate the Park within 24 hours of delivery to the resident or to the guest of a written demand to vacate.

8. MAINTENANCE OF EXISTING MOBILE HOMES

Home Owners who commence occupancy in the Park, whether by purchase or other transfer of title of an existing home or by installing a home, must meet Park Standards, together with these requirements. The Park Owner or Park Manager is in the continual process of maintaining these Park Standards and reserves the right to require Home Owners to comply with Park Standards in effect at the time of those Home Owners' entrance into the Park. These requirements may be modified by the Park Owner or Park Manager due to space limitations, design considerations, or such other reasons as may be sufficient in the sole discretion of the Park Owner or Park Manager. The Park Owner or Park Manager reserves the right to remove and/or replace, at the Home Owner's expense, any alterations or modifications to the mobile home which were installed in violation of these rules and regulations. Commercial lawn mowing and power washing of homes and driveways is not allowed on Sundays without Management approval.

8.1 All mobile homes must be kept in good repair, including utility buildings. Home Owners must immediately contact Park Management to arrange for repair of any water leaks in or from pipes or fixtures in, on or under the mobile home or lot. Broken windows, peeling paint, dull exterior of a mobile home, or dirt, grime or mildew visible from a Park roadway or an adjacent lot must be corrected. The exterior surfaces of the mobile home including the eaves and trim shall be kept free of mildew or discoloration. Mobile homes must be washed at least annually. Peeling, fading, or damaged exterior surfaces must be restored to the condition of a well-maintained home in the Park. Changes from the original material and color of a screened area must be approved by the Park Manager prior to installation. All exterior materials used in upgrading must be approved in writing by the Park Manager prior to their use on the home. The materials used must be consistent with the types of materials used on well-maintained homes in the Park. Upon failure of Home Owner to take appropriate corrective action after receipt of notice, Park Management may, but has no obligation to have the necessary work performed, and shall have the right to charge Home Owner the actual cost and expense incurred for materials, equipment and labor. This amount shall be collectable in the same manner as lot rental amount.

8.2. Obsolescence: As the appearance of the mobile home ages, or is damaged or otherwise altered in appearance, if deemed necessary or appropriate by Park Owner, housing or health code enforcement personnel, the mobile home shall be modified so as to be brought to the state of cleanliness and repair of a well-maintained home. While homes may not be required to be brought to an overall "as new" condition, repairs and maintenance may be required to repair or replace damaged, dilapidated or discolored components of the home visible from the street or from an adjacent home including resurfacing, re-siding, re-roofing, lap-siding or similar modifications.

8.3. Any mobile home which does not have skirting maintained in a neat and proper condition, in the opinion of Park Management, must have the skirting replaced with Management-approved skirting. If the present skirting is destroyed by windstorm, by an act of God, or by any other means, replacement skirting must be of the approved type.

8.4. Should the Home Owner's mobile home be destroyed by fire, windstorm, an act of God, or any other means, the Home Owner must remove the salvage from the lot within thirty (30) days from date of such event or from date of mailing of written notice from Park Owner to Home Owner to remove same, whichever is earlier.

8.5. Alterations/Additions: Home Owners are encouraged to upgrade their mobile homes. To ensure that individual actions are aesthetically compatible with other homes in the Park and in accordance with Park standards, all improvements, additions, and alterations, including replacement of existing air-conditioning units other than window air conditioners, garages, screened-in areas, awnings and utility buildings, must be approved by the Park Owner or Park Manager prior to commencement of work. Window air conditioning units shall not be located in the front window of the mobile home or front wall of any mobile home, or any wall facing a street. Each Home Owner is responsible for the submission of complete plans or permits for anticipated alterations showing compliance with Park Standards, county building and zoning codes, and other restrictions of record. All improvements must be completed within thirty (30) days of approval by the Park Owner or Park Manager. For additional information on Park Standards, please see "Improvements to be Installed by Home Owners".

8.6. Antennas. No exterior antennas of any kind, nor satellite dishes shall be permitted, except those which are designed to receive video programming through direct broadcast satellite service or multi-point distribution service or those which are designed to receive over the air broadcast signals from local broadcast television stations and do not extend more than twelve feet above the crest of the roofline. If an outdoor reception device (satellite dish, antenna, or any other device) is reasonably necessary to receive an acceptable signal of reasonable quality, it must not exceed one meter (39") in diameter and must be installed in a manner that complies with all applicable codes, city and state laws and regulations and manufacturer instructions. To the extent allowed by federal, state or local law, Management reserves the right to prohibit any specific type of antenna or satellite dish and to regulate the placement of any device. Outdoor reception devices must be installed on Home Owner's home or on the ground of Home Owner's mobile home lot in a location which is not visible from the street, or if such placement sufficiently impairs the quality of reception, it must be installed on the home or lot in the most inconspicuous location possible and must be attractively landscaped and shielded from view to the greatest extent feasible. Generally, allowable devices must be installed at the rear of the home or as close to the rear of the home as possible, in the most inconspicuous location possible and must be painted in an appropriate color to match the surrounding environment. Management must give written approval prior to the installation of any antenna or satellite dish.

8.7. Storage: To avoid fire hazards and to promote safety, the space immediately underneath a mobile home shall not be used for storage. Patios may not be used for storage and storage on lots is prohibited unless approved by the Park Owner or Park Manager.

8.8. All requests for Park maintenance must be: (1) submitted to Park Management in writing at the Park Office; (2) reflect the date of submission; (3) state the nature and location of the maintenance activity requested; and (4) be signed by the submitting resident(s). Requests not submitted in conformance with this rule might not be acted upon by Park Management.

9. IMPROVEMENTS TO BE INSTALLED BY HOME OWNERS

The improvements listed below are required to be installed by all Home Owners of the Park if disclosed in the Home Owner's prospectus. All plans for new improvements must be approved by the Park Owner or Park Manager in writing prior to commencement of work and all necessary permits obtained and displayed. All work must be completed within thirty (30) days of approval by the Park Owner or Park Manager and work to be done must be disclosed to any prospective purchaser of Home Owner's home.

9.1. Each Home Owner must install a mobile home which has been constructed by a company whose products have been approved by the Park Manager. The mobile home must be at least 1,200 square feet, 24 feet minimum in width and 36 feet minimum in length unless a variance is granted. The mobile home must have a roofing and siding approved by the Park manager. The home must be anchored in compliance with the manufacturer's installation manual, Brevard County, the State of Florida and all other applicable laws. The mobile home must be skirted with materials approved in advance by the Park Manager. Management reserves the right to approve all home selections in order to ensure quality of materials, integrity of construction, and design compatibility within the Park. Design standards and required improvements must meet the specifications as established by the Park Owner. The following improvements are required:

9.2. Required improvements shall be maintained by the Home Owner. If a required improvement becomes damaged or destroyed, for whatever reason, it shall be the Home Owner's responsibility to ensure that the required improvements are repaired or replaced within ninety (90) days. All improvements must have the Park Manager's prior written approval.

10. ENTERING MOBILE HOMES

10.1. Size and Age: The minimum size and age of a mobile home entering the Park must be approved by the Park Owner or Park Manager prior to the time the home is brought into the Park.

10.2. Set-Backs and Placement: Prior to installing a mobile home on a lot, placement must be approved by the Park Owner or Park Manager. Home Owner shall observe all local governmental building and zoning codes.

11. MOBILE HOME LOTS

11.1. Alterations: Any alterations or modifications to the mobile home lot, including, for example, attachments, driveways, landscaping, trees, or sidewalks, must have the written consent of the Park Owner or Park Manager prior to commencement of work. Each Home Owner is responsible for the submission of complete plans or permits for anticipated alterations showing compliance with Park Standards, city and county building and zoning codes, and other restrictions of record. The Park Owner or Park Manager reserves the right to remove and/or replace, at the Home Owner's expense, any alterations or modifications to the mobile home lot which were installed in violation of these rules and regulations.

11.2. Maintenance: Resident is responsible for the overall appearance of the mobile home lot. Lot must be kept clean, orderly, and free of litter and debris. Trees, while still the responsibility of the Home Owner, may not be trimmed or removed without having first obtained all required permit(s) and having obtained the express written consent of the Park Manager. Mobile home lots not maintained to satisfactory Park Standards will, after proper notice, be maintained by the Park Owner or Park Manager and the cost thereof will be charged to the resident.

11.3. Landscaping: Additional landscaping (including trees and shrubs) may be planted by the Park Owner or Park Manager or by the Home Owner, with the Park Owner's or Park Manager's prior approval of type and location. Resident is responsible for maintaining and trimming any landscaping, including trees, on the home site. Regular edging and trimming of the grass on the mobile home lot and around the mobile home are also the resident's responsibility. Trees may not be removed without the express written consent of the Park Owner or Park Manager.

11.3.1 Each resident is responsible for keeping his respective trees, plants, and flower boxes trimmed and attractively maintained. Mobile home lots are to be kept free of dead limbs and weeds and shall not be permitted to become overgrown. The planting of trees, shrubbery, and flowers is encouraged; however, to protect underground utilities, it is necessary to receive written approval from Park Management prior to planting. All trees, shrubs and plants on the lot are the property of the Park and are not to be moved by the Home Owner or by other residents. Nonetheless, plants and shrubs planted by Home Owner may be removed when vacating the lot with Management's approval. Sod must be replaced by Home Owner where planting is removed. Existing trees or shrubs must not be damaged or removed by Home Owner without prior written permission of the Park Manager. Home Owner is responsible for any trimming and maintenance and/or removal of any tree and/or shrub located on the mobile home lot. For purposes of this rule, any tree the trunk of which is entirely within the boundary of Home Owner's lot is considered to be "on the mobile home lot." Any tree the trunk of which is on a boundary line of Home Owner's lot is the shared responsibility of the adjacent Home Owner (if the trunk is located on a shared boundary line between two mobile home lots) or of Park Owner (if the trunk is on a boundary line separating Home Owner's lot from a common area of the Park or from an unoccupied lot). Trees that are the property of the Park (those the trunk of which is located entirely within a common area of the Park) may be trimmed or removed by consent of Park Management with costs shared equally by Home Owner and Park Owner. Dead trees, or trees and shrubs located on the mobile home lot and damaged by high winds, or any other act of God, must be removed by Home Owner, at Home Owner's expense, within seven (7) days of occurrence of death or damage of the affected tree or shrub. Vegetable gardening is not permitted on any lot. Trees and shrubs must be kept well groomed

at all times. Home Owner must cure any default under this paragraph within two (2) weeks of written notice as provided herein.

11.4. Equipment: Lawn care equipment, tools, etc. and other equipment must be stored out of sight when not in use. No articles are to be stored beneath mobile homes or on patios. Only standard lawn or patio furniture, will be permitted on patio, lawn or driveway. The patio and driveway are not to be used for storage of any items, including household furniture and appliances.

11.5. Furniture: Only furniture specifically designed for outside use is allowed outside the home.

11.6. Laundry Lines: No one is permitted to hang towels, rugs, rags, or any wearing apparel on the mobile home, on or in the screen room, awning, storage shed, or on any other appurtenance to the home or fixture on the homesite. Outdoor clothes drying devices (umbrella clotheslines, drying racks or any other type of clotheslines or device) may only be installed on Home Owner's lot in a location which is not visible from the street, or if such placement is not possible, the device must be placed in the most inconspicuous location possible and must be shielded from view to the greatest extent feasible.

11.6.1. "T" clotheslines, and clotheslines which are not installed or designed to be stored at the end of each day of use, are not allowed on any homesite in the Park.

11.6.2. No clothesline or other clothes drying device may be placed so as to obstruct a driver's view of any street, driveway, sidewalk or intersection, nor may they be installed on or encroach upon any common area or restrict access to property located within the Park. Additionally, outdoor clotheslines and devices shall not be installed nearer to a lot line than the height of the device. Written approval of the specific location of a clothesline or other clothes drying device must be obtained from Park Management prior to the installation of that clothesline or clothes drying device in order to ensure that the device is located in conformance with the aesthetic standards of the Park.

11.6.3. Any clothesline or other outdoor drying device must be removed and stored before sunset on each day of use.

11.7. Fencing: No fences or structural partitions are permitted on any lot.

11.8. Posts, Poles, and Stakes: No posts, poles, stakes, or the like are to be driven into the ground without consulting the Park Owner or Park Manager due to the danger of interfering with or damaging underground utilities. Home Owner will be liable for any expense incurred by the Park resulting from violation of this Rule.

11.9. Trespass: The Park Owner or Park Manager considers each lot space within the Park to be absolutely private to the demised Home Owner, and it shall be a violation of these rules and regulations for anyone to trespass through or upon the lot of another. The Park Owner or Park Manager, its employees, or other persons under the direction of the Park Owner or Park Manager may enter the mobile home lot at any reasonable time for purposes of repair and replacement of utilities and protection of the mobile home park, so long as such entry does not interfere unreasonably with the mobile home owner's quiet enjoyment of the lot.

11.10. Place of Residence Only: Mobile home lots may be used as a residence only and are not to be used for business. A business is defined as any commercial enterprise which: (i) is required to be licensed by local or state law; (ii) requires traffic from outside the Park to enter for the purpose of dealing with said business; (iii) uses any type of sign or advertising to publicize its existence; (iv) includes door-to-door canvassing of Park residents for commercial purposes; (v) interferes with the safe, pleasant, and enjoyable use of the Park by any of its residents; or (vi) involves the purchase of a mobile home or of any interest in a mobile home for the purpose of resale, leasing, renting or other business use.

11.10.1. Babysitting or childcare for compensation is a commercial enterprise and is prohibited within the Park. Babysitting or childcare which is performed occasionally or sporadically and which does not involve numerous additional vehicle trips within the Park is allowed; however, if complaints about such babysitting activities are received by Park Management, Management reserves the right, in its sole and exclusive discretion, to prohibit future babysitting by the offending resident(s).

11.10.2. Garage Sales: No "Garage Sales, Yard Sales, Estate Sales or Tag Sales" are allowed at any time.

11.11. Signs: One "For Sale" sign, no larger than 11 inches x 13 inches, is allowed in the home window only. No signs are allowed in yards. Each "For Sale" sign must be approved by the Park Manager in writing. The Park Owner is specifically exempted from this sign regulation for model and new home sales. Violations of this restriction may subject resident to eviction pursuant to section 723.061, Florida Statutes.

11.12. Storage: To avoid fire hazards and to promote safety, the space immediately underneath a mobile home shall not be used for storage. Patios may not be used for storage and storage on lots is prohibited unless approved by the Park Owner or Park Manager. Storage sheds, if present, must allow for two (2) cars to park in the driveway. Sheds must be constructed of the same material and color as that of the home. The shed may be located elsewhere only with prior written consent of Park Management.

11.13. Residents may display one portable, removable, cloth or plastic United States flag, not larger than 4½ feet by 6 feet, in a respectful manner in or on their home. On Armed Forces Day, Memorial Day, flag Day, Independence Day, and Veterans Day, residents may also display in a respectful way portable, removable official flags, not larger than 4½ feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard. No other flags may be displayed on the home or in the yard. (Gnomes, yard/garden signs, advertisement signs and other flags are prohibited).

11.14 Residents who are going to be absent from the Park for more than thirty (30) days must notify the office as to what arrangements have been made for the necessary grounds care as well as any security arrangements. Park Management reserves the right to do the necessary work so that the lot will meet the standards of the Park during resident's absence from the Park. The costs will be charged to the resident as set forth in the Prospectus. Residents are required to furnish Management with a current address and telephone number, as well as the name and telephone number of the person responsible for the maintenance of their home and space during their absence.

11.15 The only material approved for burning is wood from a natural source. Wood that has been painted, stained or treated is not allowed. Burning of leaves, needles, grass or other materials is not allowed. Outside burning of any kind is not allowed without prior written consent of Park Management.

12. VEHICLES AND PARKING

12.1 Inasmuch as the Park is maintained as a private enterprise, its streets are private and not public thoroughfares. Only individuals having a current and valid driver's license may operate a motor vehicle (including a golf cart) in the Park. The term "vehicle" shall have the same meaning as the term "motor vehicle" as defined in section 320.01, Florida Statutes, which includes, but is not limited to, a "trailer" that is without motive power and is designed to be pulled by a vehicle with a motor. A "personal vehicle" shall mean a resident's non-commercial car, truck, SUV, station wagon, minivan, or passenger van which is used for personal transportation which does not exceed a 1 ton capacity and is without advertising logos, signage, decals, and stickers. All vehicles must have liability insurance in the minimum amount required by state law. Only personal vehicles licensed and used for daily transportation will be allowed to be operated in the Park. All other vehicles, including but not limited to, any commercial vehicle, any vehicle exceeding 1 ton, large trucks, cargo vans, step vans, semitrailers, motorhomes, recreational vehicles, buses, campers, boats, off-road vehicles, utility trailers of any type, boat trailers, motorcycle trailers or any similar vehicles, must be removed from the Park or stored in the Park's storage area, if it is a qualifying vehicle for storage and if prior written approval is obtained from Park Management. Park Management will ban from the Park any vehicles that, in its sole judgment, interfere with

the peace, privacy, and/or general welfare of other residents or with the appearance of the Park. Personal vehicles where more than 30% of the vehicle is covered with decals or stickers of any kind are deemed unsightly and are prohibited from being parked or stored in the Park.

12.2. Residents must park their vehicles on their own lot unless prior written approval for an additional vehicle is obtained from Management, in Management's sole discretion. The resident is permitted a total of two (2) vehicles per lot, provided there is adequate room on the driveway. Without prior written consent of Park Owner, no vehicle shall be parked in or on Park common areas, other than those areas specifically designated for parking. All vehicles must have liability insurance in the minimum amount required by Florida law. As a security measure, all automobile doors should be locked. The street right-of-way may not be used for parking except for guests, provided they do not remain more than five (5) hours. In the event there is not sufficient space, it is the responsibility of the resident to locate parking or storage outside the Park parking lot and not on other residents' lots. Parking on roadways within the Park or on lawns, swales, green areas or vacant lots or on undeveloped portions of the Park is strictly prohibited. Vehicles are not to be parked on the grass at any time. Park Management will ban from the Park any vehicles which, in its sole judgment, interfere with the peace, privacy, and/or general welfare of other residents or with the appearance of the Park. Vehicles in violation of these rules and regulations may be towed away without notice at the vehicle owner's expense, payable to the towing service and not to Park Owner. Residents are responsible for their guests' vehicles.

12.3. Mechanical or other repair of vehicles, boats or trailers is not permitted at the mobile home lot or elsewhere within the Park. Vehicles without current licenses and tags, or which are inoperable or in a state of disrepair, including but not limited to those which are rusted, dented, or unpainted or which are missing external parts, are not to be stored on the lot or in any other area within the Park. Washing of resident's personal vehicles is permitted subject to any rules or regulations promulgated by any local, state or federal agency.

12.4. Except for service vehicles required by the Park, no truck larger than three-quarter (3/4) ton with pickup bed will be permitted in the Park. All commercial trucks, boats, trailers, off-road vehicles, campers, motor homes, step vans, or other large vehicles are not permitted in the Park unless stored in a designated area when and if such area is available and storage fees as applicable are paid. Campers, motor homes, boats or delivery vehicles will be permitted reasonable time for loading and unloading, but never overnight. No person may remain overnight or to otherwise reside in the Park in any camper, motor home or similar vehicle.

12.5. Motorcycles, mopeds, and scooters, if properly licensed, may be operated by a resident only as transportation on Park streets. No joyriding will be permitted within the Park by resident or guests. ATV's, dirtbikes, minibikes, go carts, and any other type of off-road vehicles are strictly prohibited within the Park.

12.6. All permitted vehicles must have factory type quiet mufflers which are to be in place while the vehicle is being operated in the Park. Prior to storing, parking and/or driving any motorcycles, mopeds or motor scooters in the Park, it is the resident's obligation to confirm with Park Management that said vehicle(s) are properly muffled. Park Management reserves the right to prohibit any motorcycle, moped and/or motor scooter from being stored, parked and/or driven in the Park if, in Park Management's sole discretion and opinion, said vehicle(s) are unreasonably loud and/or will disturb the health, safety, property, welfare or quiet enjoyment of Park residents. It is the resident's responsibility to ensure that their guests', visitors' and/or invitees' vehicles are in compliance with this rule prior to entering the Park.

12.7. Speed bumps, if installed, are a safety factor. Park Owner or Manager is not responsible for any damage or personal injury resulting from contact with a speed bump.

12.8. Speeding in excess of posted limits is prohibited. All autos, motor-cycles, mopeds and any other vehicle must observe the posted speed limits of fifteen (15) miles per hour and obey all "stop signs" or other posted warnings. A FULL STOP must be made at all stop signs. This rule will be enforced as this is for the safety of our Park residents. Residents must inform all of their guests and visitors about the speed limit and the aforementioned rules regarding vehicles and speeding.

12.9. Roller skating and skateboarding are prohibited within the Park.

12.10. Bicycles and pedestrians have the right of way.

12.11. Only individuals having a current and valid driver's license may operate a motor vehicle (including a golf cart) in the Park.

12.12. The building of boats in the Park is prohibited.

12.13. Bicycle riding in the Park after dark is permitted only if bicycles are equipped with front lights in working order and reflectors on the rear of the bike. Bicycle riders must obey all street signs.

12.14. Upon payment of the Storage Area User Fee, resident shall have a non-exclusive right of access to and use of the Park storage area for the purpose of storing the resident's travel trailers, boats, trailers, and recreational vehicles on a first come, first served basis. If the storage lot is full, resident may have to find accommodations outside the Park.

13. PARK PET AND ASSISTANCE ANIMAL RULES

Residents may have one (1) registered "domesticated" pet per household with Management's prior written approval. No pet may not weigh more than 20 pounds at full maturity. Certain breeds of dogs [including but not limited to Doberman Pinschers, German Shepherds, Rottweilers, Staffordshire Terriers, Presa Canarios, Boerboels, Cane Corsos, Akitas, certain bulldog breeds (including pitbulls), wolf breeds and chows] are not permitted in the Park due to their size and/or aggressive natures.

Pets are permitted only with prior written permission of the Park Management and payment of the applicable pet fee (as defined in the Prospectus). Residents are required to formally apply for permission to bring a pet into the Park before the pet is allowed to be brought into the Park.

Completion of a written application form by the resident shall be required before approval of any pet will be considered. All information required on the application shall be provided with complete detail as requested. Such items requested shall include but not be limited to the name of the pet, the breed, the adult size of the pet (height and weight), the pet license tag number, the veterinarian for such pet, the length of time that said pet has been with the resident and any history of the pet as it pertains to barking, attacking, growling or biting. The application shall be signed and dated by the resident. Any false or incomplete information on the application, including that of the mix or breed of the pet, will be deemed absolute grounds for rejection of the pet, and shall constitute a violation of these rules and regulations if the pet is not immediately removed.

When a written application is submitted, the resident shall bring to Park Management proof that the pet has a valid and current pet license (if a license is required by law), and that the pet has received all required vaccinations and inoculations. Resident shall also bring the pet to Park Management for a visual assessment. Resident shall annually be required to provide to Park Management proof of a current pet license and of vaccinations and/or inoculations as are required. This documentation shall be copied and presented to the Park within fifteen (15) days of the renewal date of any pet license and/or vaccination and inoculation requirement.

All cats and dogs must be neutered prior to being approved for entry into the Park. A copy of a veterinarian's statement to that effect shall be filed by resident with the written application for approval of the pet. If the pet is too young to have been neutered, a veterinarian's statement must be tendered to Park Management showing the age and date when neutering is first possible, and, thereafter resident must show proof that the pet was neutered within thirty (30) days of that date as established by the veterinarian.

Pets belonging to overnight visitors of residents must be boarded outside of the Park if such pets do not conform to the requirements for pets in the Park as set forth in these rules and regulations.

Failure to abide by these rules and regulations may result in demands for removal of pets, loss of pet privileges, and/or eviction pursuant to section 723.061, Florida Statutes.

13.1 Where required, a current rabies tag must be worn by the pet.

13.2 Dangerous or aggressive pets are not allowed. Any animal that displays dangerous or aggressive behavior, as determined by Management in its sole and unfettered discretion, must be removed from the premises. Aggressive behavior may include, but is not limited to, lunging, growling, biting and/or barking at residents or other pets.

13.3 Residents are required to clean up their pet's defecation on their lot and while walking their pet. Pet waste should not be disposed of in stormwater inlets or on-site stormwater facilities or other piping systems throughout the Park.

13.4 When outside, all pets must be kept on a hand-held maximum 6' leash.

13.5 Pets may not be tied up and left unattended outdoors.

13.6 Management may require removal of pets that cause excessive noise or disturb other residents.

13.7 Management reserves the right to exclude dogs of certain breeds including, but not limited to those commonly referred to as Doberman, Rottweiler and Pit Bull (including Staffordshire terriers, Staffordshire bull terriers, and American pit bull terriers), as well as dogs that have physical characteristics of one or more of those breeds, or that have a wolf-like appearance. The decision whether a dog meets any of the above criteria lies in the sole and unfettered discretion of Management.

13.8 "Beware of Dog" signs are not permitted.

13.9 Management reserves the right to reject any pet, including exotic pets such as snakes, wild animals or other animals which, in Management's sole discretion, appear dangerous to others and/or inappropriate to house within the Park.

13.10 Legitimate assistance animals may be accommodated with proof of disability (as defined by the law) and written verification from a health care provider. The Park Manager can provide you with the Service Animal policy and required forms).

Management disclaims any responsibility for the occurrence of harm, injury or death to a pet caused by agents or employees or by residents.

14. RECREATION AND OTHER FACILITIES

Recreational facility hours are from 7:00 a.m. to 9:00 p.m., Monday through Saturday. Park Management has discretion to extend or modify these hours for special functions. Special hours will be posted to allow for cleaning and maintenance of all facilities. All recreational facilities and equipment are used at the resident's own risk. No pets are allowed in the recreation areas.

14.1 Alcoholic Beverages: Loud parties and excessive drinking will not be tolerated anywhere in the Park. "Alcoholic beverages" as defined in section 561.01(4)(a), Florida Statutes, may not be used or consumed in the Park.

14.2 Participation in the Park's sponsored activities and the use of all Park facilities is restricted to residents and their guests only.

14.3 Improper Use of Facilities: The resident and any guests of the resident shall be responsible for using the facilities of the Park in a reasonable manner. Destruction, vandalism or otherwise causing damage to any Park facility

may result in the initiation of legal action by Park Management against resident, including but not limited to, eviction of the resident pursuant to section 723.061, Florida Statutes, or, if Park Owner so elects and resident accepts, suspension of resident's privileges to use the common area or recreational facility to which such violated rule applies. Acceptance of the suspension of privileges must be acknowledged by the resident in writing and provided to Management no later than three (3) days from receipt of the notice of violation. If resident elects suspension of privileges, such suspension shall be for a minimum of ninety (90) days. Any subsequent violation of common area and/or recreational facilities rules within a twelve (12) month period will unequivocally be grounds for eviction in accordance with section 723.061, Florida Statutes, without the option of suspension of privileges. In the event that there is a dispute with Park Owner concerning the limitation of use of the facilities, Park Owner and resident agree that the matter will be submitted to mediation from a list of mediators selected and approved by the Florida Supreme Court for use in the Circuit Court where the Park is located, and the Park and the resident will each pay one-half cost of the cost of the mediation of this dispute.

15. RESIDENT CONDUCT

15.1 Noise or conduct which Park Management finds objectionable, which disturbs the peaceful enjoyment of the Park by neighbors, or which constitutes a nuisance to other residents or which constitutes a breach of the peace, is prohibited. Loud noises, annoying parties, or abusive or profane language shall not be permitted at any time in the Park. Yelling, screaming, other noise-making, or the use of profanity outside the mobile home or inside the mobile home if audible outside the home, are not permitted in the Park. All residents and their invitees and guests must conduct themselves in an orderly fashion and must ensure that their pets behave in such a manner as not to annoy, disturb or interfere with other Park residents. Residents are requested to keep noise levels from whatever source to a minimum, especially between the hours of 10:00 p.m. and 8:00 a.m. Noise which can be heard outside of your lot will be considered too loud. Complaints filed with Park Management by other residents concerning noise or disturbances caused by another resident or such resident's guests shall be considered as evidence of a violation of these rules and regulations.

15.2. Residents will be held responsible for their guests' conduct. The head of each family shall be continually responsible for the actions of his or her own children, guests and their guests' children, making full restitution for any damages occurring to another resident's property or that of the Park Owner's property. Guests may not sleep in vehicles.

15.3. Illegal drugs will not be permitted.

15.4. Criminal activity in Park.

15.4.1 Resident, members of resident's household, resident's guests or other persons under resident's control or on the lot with resident's permission or consent, shall not engage in criminal activity, including drug-related criminal activity, anywhere in the Park. "Drug-related activity" means the illegal manufacture, sale, distribution, use, or possession with the intent to manufacture, sell, distribute, or use a controlled substance.

15.4.2 Resident, members of resident's household, resident's guests or other persons under resident's control or on the lot with resident's permission or consent, shall not engage in any act intended to facilitate criminal activity, including drug-related activity, on or near said leased lot.

15.4.3 Resident, members of resident's household, resident's guests or other persons under resident's control or on the lot with resident's permission or consent, will not permit the dwelling unit to be used for, or to facilitate criminal activity, including drug-related activity, regardless of whether the individual engaging in such activity is a member of the household or a guest.

15.4.4 Resident, members of resident's household, resident's guests or other persons under resident's control or on the lot with resident's permission or consent, shall not engage in the unlawful manufacturing, selling, using, storing, keeping or giving of a controlled substance, at any location, whether on or near the dwelling unit, lot or otherwise.

15.4.5 Resident, members of resident's household, resident's guests or other persons under resident's control or on the lot with resident's permission or consent, shall not engage in any illegal activity, including prostitution, criminal street gang activity, assault (including threatening or intimidating other persons in the Park), battery, including but not limited to the unlawful discharge of firearms or use of illegal fireworks on or near the leased lot, or any breach of the lot rental agreement that jeopardizes the health, safety or welfare of the landlord, his agent(s), or other resident(s), or which involves imminent or actual property damage.

15.4.6 VIOLATION OF THIS RULE REGARDING CRIMINAL ACTIVITY IN THE Park SHALL BE A MATERIAL AND IRREPARABLE VIOLATION OF THE LOT RENTAL AGREEMENT AND SHALL CONSTITUTE GOOD CAUSE FOR TERMINATION OF TENANCY PURSUANT TO SECTION 723.061, FLORIDA STATUTES. A single violation shall be good cause for immediate termination of the lot rental agreement. Unless otherwise provided by law, proof of violation shall not require criminal conviction, but shall be by a preponderance of the evidence.

16. DANGEROUS INSTRUMENTALITIES

Residents and their guests must obey all federal, state and local laws regarding the ownership and possession of firearms. Pursuant to section 790.053, Florida Statutes, open carry of firearms is not permitted anywhere on Park grounds, including, but not limited to, the clubhouse and Park office. Violators of this rule shall be immediately reported to local law enforcement. The display or use of other dangerous instrumentalities, including but not limited to BB guns and air guns, sling shots, and bows and arrows, is not permitted in the Park. The hurling of rocks, knives, eggs, sticks, and any other missiles is strictly forbidden. Fireworks are also strictly forbidden.

17. REFUSE

All trash, garbage, and refuse must be placed in plastic trash bags and tied securely for pick-up. Trash is to be placed in curbside for pick-up no later than 7:00 a.m. the morning of trash pick-up. Garbage and rubbish must be kept in the garbage hide or utility room until the morning of pickup.

Grass cuttings, leaves, and trimmings must be placed in refuse bags adequate for pick-up. Burning of trash, leaves, or other material is not allowed. If in doubt about large trash disposal, ask the Park Owner or Park Manager. No garbage or refuse shall be dumped on vacant lots, around recreational areas, or across fences around the perimeter of the Park.

18. UTILITIES

18.1. Utility Hook-Ups: All electrical and plumbing hook-ups must be completed by licensed and Park approved service people. Any fees for installation or hook-up of utilities are the Home Owner's responsibility.

18.2. Utility Repairs: All utility problems must first be reported to the Park Owner or Park Manager before any repairs are initiated by the resident. The cost for repairs made by resident without notice to the Park Owner or Park Manager, including any damages incurred by the Park as a result of these repairs, will be the resident's responsibility. The Park Owner or Park Manager is not responsible for the failure, default, improper act, or omission by any utility supplying such services to resident.

18.3. Damage and Costs: Residents should not dispose of any items via the toilet which are not specifically designed for toilet disposal. Residents will be financially responsible for cleaning and clearing out a blockage caused by a violation of this provision.

19. SOLICITING

All solicitation, commercial or otherwise, is banned with the exception that Park residents have the right to canvass and solicit as allowed pursuant to Section 723.054, Florida Statutes.

20. RIGHTS

Park Owner or Park Manager shall have the right of access to Home Owner's mobile home to prevent imminent danger to an occupant of the mobile home or to the mobile home itself. Park Owner or Park Manager shall have the right of entry onto the lot, at all reasonable times, for purposes of repair and replacement of utilities and protection of the Mobile Home Park.

Specific variances to these rules and regulations may be granted by the Park Owner or Park Manager due to space limitations, design considerations, in cases where the intent of a Rule or Regulation is met but not the specific requirement, or in such other circumstances as to not disturb residents' quiet enjoyment of the Park and where the basis for the variance is deemed sufficient in the discretion of the Park Owner or Park Manager.

The rights of the Park Owner or Park Manager contained herein are cumulative and failure of either a past or current Park Owner or Park Manager to exercise any right shall not operate to forfeit that or any other rights of the Park Owner or Park Manager. The failure of the Park Owner or Park Manager to insist, in any one or more instances, upon a strict performance of any of the provisions of the lot rental agreement or rules and regulations, or to exercise any right or option contained herein, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver or relinquishment for the future of any such provisions, options or rights, but such provisions, options or rights shall continue and remain in full force and effect. The receipt by the Park Owner or Park Manager of any monies due hereunder, with knowledge of the breach of any Park rule or provision of the lot rental agreement, shall not be deemed a waiver of such breach, and no waiver by the Park Owner or Park Manager of any provision hereof shall be deemed to have been made unless in a writing, expressly approved by the Park Owner, and not by any agent thereof, including the Park Manager.

Park Owner's or Park Manager's acceptance of late payment(s) in any one or more instances shall not constitute a waiver of its right to evict home owner pursuant to section 723.061, Florida Statutes, for late payment or non-payment of lot rental amount in the future.

21. EVICTION

A mobile home owner, tenant, or occupant, or a mobile home may be evicted from this Park only on one or more of the grounds listed in Chapter 723, Florida Statutes, or its successor statute. The grounds applicable on the Filing Date are summarized below:

21.1. Nonpayment of Lot Rental Amount;

21.2. Conviction of a violation of a federal or state law or local ordinance, which violation may be deemed detrimental to the health, safety, or welfare of other residents of the Park;

21.3. Violation of a park rule or regulation, the lot rental agreement, or the provisions of Chapter 723, Florida Statutes;

21.4. Change in use of the land comprising the mobile home park, or the portion thereof from which mobile homes are to be evicted, from mobile home lot rentals to some other use, provided all affected home owners are given at least six (6) months' notice of the projected change of use and of their need to secure other accommodations;

21.5. Failure of the purchaser, prospective tenant, or occupant of a mobile home situated in the mobile home park to be qualified as, and to obtain approval to become, a tenant or occupant of the home, if such approval is required by a properly promulgated rule.

22. INSURANCE

Home Owner shall at his expense, obtain and keep in force during the term of his lot rental agreement a policy or policies of comprehensive liability, fire, windstorm and flood insurance insuring Park Owner and Home Owner against perils arising out of the ownership, use, occupancy or maintenance of the mobile home lot and all areas appurtenant thereto. This shall also include coverage for market value of the home and for the removal of the mobile home after a fire, windstorm, flood or Act of God. The limit of said insurance shall not limit the liability of Home Owner hereunder. The Park Owner reserves the right to waive the requirement for Home Owner to have one or more types of insurance coverage specified above if such insurance, as determined by Park Owner in its sole and exclusive discretion, is not reasonably available for purchase by Home Owner. Home Owner may carry said insurance under a blanket policy, providing however, said insurance by Home Owner shall have a Park Owner's protective liability endorsement attached thereto. If Home Owner fails to procure and maintain said insurance, Park Owner may, but shall not be required to procure and maintain same and charge Home Owner for the expense of the policy or policies. Any such insurance obtained by the Park Owner shall be at the expense of the Home Owner. Insurance required hereunder shall be in companies rated A+, AAA or better in the "Best Insurance Guide." Prior to occupancy of lot, Home Owner shall deliver to Park Owner copies of policies required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Park Owner. No policy shall be canceled or subject to reduction of coverage except after ten days prior written notice to Park Owner. At the request of Park Owner at anytime during the tenancy, Home Owner shall provide a copy of the aforementioned policies.

23. SOLAR ENERGY DEVICES

23.1. All solar energy devices (including solar powered devices and solar panels) must be approved by Park Management in writing prior to installation and must be constructed and installed in accordance with applicable state and local regulations and shall be installed only after all required permits, if any, are obtained.

23.2. Solar powered devices and solar panels should be placed so as to have the least possible visible impact in the Park. Solar panels must be installed on Home Owner's home or on the ground of Home Owner's mobile home lot in a location which is not visible from the street, or if such placement sufficiently impairs the function of the panels or other solar powered device, the panels or device must be installed on the home or lot in the most inconspicuous location possible and must be shielded from view to the greatest extent feasible. Solar powered lights and similar self-contained solar powered devices, (and solar panels which cannot otherwise be located on the roof of the home) must be placed on the lot so as to not interfere with the operation of lawn mowers or utilities, or interfere with the quiet enjoyment of the Park by other residents. The design, size and color of any such device or panel must be consistent with the Park standards for well-maintained homes in the Park as set forth in these rules and regulations. No solar panel or solar powered device may be placed so as to obstruct a driver's view of any street, driveway, sidewalk or intersection, nor may they be installed on or encroach upon any common area or restrict access to property located within the Park. Due to safety concerns posed by winds and the risk of falling panels and in order to avoid damage to Park residents or to adjacent property or to the panels themselves, solar panels may only be installed or placed at a height no greater than is necessary to ensure reasonable function. Solar devices must be painted an appropriate color to match the surrounding environment. The color must be approved in writing by Park Management prior to painting the device.

23.3. Home Owner is responsible for the maintenance of any solar panels or other solar devices located on his or her lot, and is liable for all injuries, losses or other damages to any person or property caused by the installation, maintenance, or use of the panels and other solar devices.

24. SECURITY

Park Owner and/or Management does not promise, warrant, or guarantee the safety or security of any resident, occupants or guests or their personal property against the criminal or negligent actions of other residents, occupants, guests, invitees, contractors or third parties. Crime can and does occur in any Park. Each resident and occupant has the responsibility to protect himself/herself and to maintain appropriate insurance to protect his/her belongings including items within or on the premises and vehicles from criminal acts, negligent acts, fire, windstorm, hurricanes, plumbing leaks, smoke or any acts of God. Residents should contact an insurance agent to arrange appropriate insurance for their vehicle, personal property insurance and liability insurance.

Park Owner and/or Park Management does not guarantee or warrant that any security or security measures will reduce or eliminate all risks, and Home Owner acknowledges that (i) the actions of Management in providing any security do not increase or expand the duties or responsibility of the Park to Home Owner, or any to any other person(s) residing in Home Owner's home or in the Park with permission of Home Owner, under the lot rental agreement and (ii) security devices or measures may fail or be thwarted intentionally or unintentionally by third parties, criminals, or by electrical or mechanical malfunction. Home Owner acknowledges that Home Owner and local law enforcement agencies are responsible for the safety and security of Home Owner and for any other person(s) residing in Home Owner's home or in the Park with permission of Home Owner, and Home Owner will advise any guests of any security issues. Home Owner agrees to promptly notify Park Management of any condition or event that Home Owner believes creates a dangerous situation. Home Owner further agrees to promptly notify Park Management of any crime at or around the Park of which Home Owner becomes aware.

25. DRONES. For purposes of this rule a drone is a powered, unmanned, aerial vehicle that (1) uses aerodynamic forces to provide vehicle lift; (2) can fly autonomously or be piloted remotely; and (3) is designed to be recoverable, and is also referred to as an "unmanned aerial vehicle" or an "unmanned aircraft system." A resident or guest shall not be permitted to fly a drone within the Park unless such drone (a) is registered with the Federal Aviation Authority to the extent required by law; (b) is operated by an individual duly licensed by the Federal Aviation Authority to the extent required by law; (c) is only flown and utilized in accordance with Federal Aviation Authority and/or other applicable governmental requirements; (d) is flown within the Park in a manner not to interfere with any other resident's reasonable expectation of privacy with respect to such resident's person or property; (e) is not utilized in any fashion to spy or otherwise peer into the home of another home owner; or (f) is not utilized to harass any Park resident or guest including with respect to private property; and (g) is utilized in a manner not to cause injury to person or property. The operator of a drone shall be solely responsible for any injury to person or property which results from use of such drone. An owner's failure to comply with this rule shall constitute a nuisance under this rule. Upon discovery, the Park shall deliver written notice of such violation of the subject owner, and the owner shall immediately cease and desist all such offensive activity. In no manner shall the Park owner be deemed to be a guarantor or protector of an individual's right to privacy with respect to any drones that are flown within the Park, and Park management shall only undertake any action under this rule (a) upon Park management's direct knowledge and evidence of a violation; or (b) following receipt of a written claim from an offended owner and subsequent inspection by Park management and determination of a violation. This rule shall in no way limit the right of a Home Owner's private right to damages for any violation.

26. ELECTRIC MOTOR VEHICLES. Electric motor vehicles (defined as a vehicles requiring registration with the Florida Department of Highway Safety and Motor Vehicles) are permitted within the Park, provided that any such vehicle shall only be charged while parked within the garage or carport contained within or as part of the home.

27. All of the Park Owner's rights and remedies are cumulative and not in lieu of each other, and the failure of the Park Owner to exercise any right or remedy shall not operate to waive or forfeit such right or remedy in the future or any other rights or remedies of the Park Owner at any time. Forbearance by the Park Owner to enforce one or more of its rights or remedies or these rules and regulations shall not be deemed to constitute a waiver of any default or violation of Home Owner nor operate to permit the repetition or continuation of such default or violation.

28. SPECIAL EXCEPTIONS

Park Management reserves the exclusive, unrestricted right to grant special exceptions to these rules and regulations when, in the exclusive opinion of Park Management, special circumstances warrant the granting of special exceptions or written waiver of a particular provision as it applies to a particular resident or residents, so long as such exception or waiver does not interfere with the general welfare, health and safety of the other residents of the Park. For example, variances to these rules and regulations may be granted by the Park Manager due to space limitations, design considerations, in cases where the intent of a rule or regulation is met but not the specific requirement, or in such other circumstances where the exception will not disturb the quiet enjoyment of the Park by other residents, or when the basis for the variance is deemed sufficient in the discretion of Park Management.

Violations, infractions, breach, or default of these rules and regulations will be grounds for termination of Home Owner's lot rental agreement and eviction from the Park pursuant to section 723.061, Florida Statutes.

The Park Owner reserves the right, as permitted and in accordance with Chapter 723, Florida Statutes, to change, delete, amend or add to these rules and regulations.

site plan

EXHIBIT C

STORAGE AREA USER FEE AGREEMENT

1. Merritt Country Mobile Home Park, LLC ("Park Owner") hereby grants _____ ("Tenant") the non-exclusive right of access to and use of the storage facility located at Merritt Country Mobile Home Park ("the Park") for the purpose of storing the items listed below for the period beginning on _____, 20____, and ending on _____, 20____, (hereinafter "the Contract Term"). By his (their) signature below, Tenant(s) indicate acceptance of the terms for storage as set forth herein.
2. Storage Fee:
 - a. Boat Storage at \$ _____ per month.
 - b. RV Storage at \$ _____ per month.
 - c. Automobile/Machinery Storage at \$ _____ per month.
 - d. Other (_____) at \$ _____ per month.
3. Fee Due on Signing Storage Fee Agreement \$ _____

In all cases, rent for the contract term is to be paid as follows: _____.

Additionally, Tenant will be billed for the above-described service(s) along with the monthly billing for lot rental amount, and payment is due at the same time as is the monthly lot rental amount.
4. In consideration for the rent paid, Park Owner gives the Tenant the right to store his or her personal property in the Park's storage area, subject to all of the rules and regulations concerning the storage area, which rules are attached hereto. For purposes of this Agreement, "personal property" includes recreational vehicles, trailers, boats, cars, trucks, and motorcycles (admitted to Park only upon written permission of Park Owner as described in the Park's Rules and Regulations), lawn furniture, and similar large items which cannot be stored inside the mobile home. The personal property to be stored under this agreement is identified as follows:

_____.
5. This Agreement shall automatically renew unless prior written notice of termination herein is given by either party within 30 days of the end of the current contract year, and thus Tenant agrees that if he or she does not remove the personal property from the storage area at the end of the Contract Term, Park Owner may properly invoice Tenant for storage for an additional successive period equal to the Contract Term with the rent payable thereunder at the prevailing rental rate at the time, which rate may be higher than the rate charged in this storage agreement.
6. The personalty shall be stored at the specific space designated therefor by Park Owner.
7. If space is available, guests may park their personal motor vehicles in the storage area for a period not to exceed 24 hours. After 24 hours, a fee of \$ _____ per day will be charged.
8. Park Owner reserves the right to cancel this agreement upon ten days written notice to Tenant and to refund a pro-rated portion of the user fee paid if the attached rules are not followed by Tenant.

9. Park Owner shall provide at least 30 days written notice prior to the implementation of any increase in the amount of the any of the fees specified in this Agreement. Increases in the amount of the fees for any of these services shall be implemented, in the sole discretion of Park Owner, based on the prevailing market.
10. This Agreement is binding on any successor to Tenant including Tenant's heirs, assigns or purchasers of Tenant's mobile home. Nonetheless, such a successor may terminate this Agreement upon full payment for storage services rendered as of the date of written notice of termination being provided to Park Management.
11. This is not an exclusive right of use or access. OWNER may have unlimited access to its storage facilities for all purposes and may allow similar rights of access and storage to such other persons as it may see fit. The right of access and storage granted herein is granted to Tenant personally and Tenant shall have no right to store or permit storage of property of another, or to permit, empower or designate any other person whomever to enter in his stead or to accompany him without OWNER'S express consent in writing, and such entry or storage shall constitute a trespass.
12. In consideration of Park Owner's grant of the non-exclusive use of the storage area, Tenant hereby agrees to hold Park Owner, its officers, directors, partners, agents and employees, harmless from, and hereby releases any claim he or she may have against the Owner, as the result of any damage (including without limitation, theft, vandalism, malicious mischief, fire, hail or windstorm damage) to Tenant's property arising from or occurring while the property is stored in or at the Park pursuant to this Agreement, regardless of whether such loss or damage may have been caused or contributed to in full or in part by any act, error or omission of Park Owner or Park Owner's officer, directors, partners, agents, or employees. Tenant further agrees to maintain property and liability insurance on all property stored at the Park pursuant to this Agreement and to be liable for any damages caused to Tenant's property stored in the Storage Area, and as to any other property stored in the Storage Area damaged by Tenant.

Signature of Tenant

_____, 20____

STORAGE AREA RULES

1. Name, address, and telephone number must be displayed on all items kept in the storage area.
2. Please keep storage area clean.
3. Park Owner is not responsible for vandalism, theft or loss to Tenant's property stored in the Storage Area.
4. Tenant is fully responsible for his or her own personal property in the Storage Facility. If Tenant desires insurance protection for his property in the Storage Area, Tenant must obtain such insurance at his own expense.
5. All personal property is stored at Tenant's own risk.
6. No major repairs are to be done in the Storage Area.
7. All RV's in the Storage Area must have current registration.
8. No objects may be stored under or around the item approved for storage.
9. All tires must be properly inflated.

10. All stored items must be insured and validly licensed.
11. Should a Tenant neglect to properly maintain property stored in the storage area, that property must be removed within seven (7) days from notification by the Park Manager. If not removed, the Manager reserves the right to have it removed at the Tenant's expense.

_____, 20____

JULY 1, 2001 ADDENDUM TO PROSPECTUS

Notwithstanding anything to the contrary in this prospectus, including the rental agreement, rules and regulations or any other exhibits to the prospectus, the homeowner's proportionate share of pass-through charges shall be defined as:

"Proportionate share" for calculating pass-through charges is the amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.