

Management Services Corporation of Charlottesville
Sunchase Apartments Installment Lease Agreement

MANAGEMENT SERVICES CORPORATION OF CHARLOTTESVILLE IS A LICENSED REAL ESTATE BROKERAGE FIRM IN THE COMMONWEALTH OF VIRGINIA. MANAGEMENT SERVICES CORPORATION OF CHARLOTTESVILLE AND ITS EMPLOYEES WORK FOR THE OWNERS OF THE RENTAL PROPERTIES THAT THEY MANAGE. MANY OF THE EMPLOYEES AND OWNERS ARE LICENSED VIRGINIA REAL ESTATE SALESPERSONS AND BROKERS.

MANAGEMENT SERVICES CORPORATION OF CHARLOTTESVILLE AND THE OWNERS THAT IT REPRESENTS DO BUSINESS IN ACCORDANCE WITH THE FEDERAL FAIR HOUSING LAWS. IT IS ILLEGAL TO DISCRIMINATE AGAINST ANY PERSON BECAUSE OF RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, ELDERLINESS, OR NATIONAL ORIGIN.

THIS IS A LEGALLY BINDING CONTRACT BETWEEN RESIDENT(S) AND LANDLORD WITH AGENT, MANAGEMENT SERVICES CORPORATION OF CHARLOTTESVILLE, REPRESENTING LANDLORD; IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE BEFORE SIGNING.

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THIS LEASE AGREEMENT ("Lease"), made as of _____, by and among _____ (herein called "Landlord"), Management Services Corporation of Charlottesville, P.O. Box 5186, Charlottesville, Virginia (herein called "Agent" or "Management") and Refer to Cover Page (herein called "Resident").

WITNESSETH

1. THAT IN CONSIDERATION of the Premises, rents and covenants herein, Landlord hereby leases to Resident, and Resident hereby rents and hires from Landlord, upon the terms and conditions herein set forth, the Bedroom, Bathroom, and the Shared-Leased Premises, both defined herein and sometimes collectively referred to as the "Premises,") for the term commencing at noon on Refer to Cover Page, and ending at noon on Refer to Cover Page, and Resident covenants and agrees to pay the following rent and fees:

The first installment of rent and fees is due on the first day of the month in which the Lease begins, regardless of your Lease start date. The remaining installments are payable by the first day of each ensuing month thereafter in the amount of (Refer to Cover Page). Rent shall be deemed paid when RECEIVED by Management at the Premises' Office located at Refer to Cover Page, or such other place as Landlord may from time to time designate to Resident in writing.

For purposes of this Lease, "Bedroom" is defined as bedroom and bathroom located in Building (Refer to Cover Page), Apartment (Refer to Cover Page), and "Shared-Leased Premises" is defined as the kitchen, living room, and dining areas of the Apartment (Refer to Cover Page), which Resident will share the responsibility for, and use and occupancy of, with other co-residents of said Apartment unit. If all of the bedrooms in the Shared-Leased Premises are not leased by the deadline set by the Landlord, the parties expressly agree and acknowledge that Landlord has the expressed right to transfer said bedroom and to assign this lease to another bedroom within another apartment unit located within the community of Sunchase Apartments.

Resident hereby understands and acknowledges that he or she will be occupying the aforementioned Bedroom and Bathroom and that the Bedroom is one bedroom and one bathroom in bedroom unit located in Building (Refer to Cover Page), Apartment (Refer to Cover Page). The other bedrooms available in the unit will be leased to any qualified applicant, who may or may not be known to the Resident, and Resident further understands and acknowledges that any unleased bedroom(s) will be made available for occupancy to any qualified applicant and offered for rental in accordance with all local, state and federal laws, including the applicable federal and state fair housing laws.

In the event that Landlord's mortgagee ("Mortgagee") officially notifies Resident that rental payments shall be made to Mortgagee instead of Landlord due to an Event of Default, Resident shall then comply with such notice until further notice from Landlord, Agent, or Mortgagee, and Resident shall provide Landlord with a copy of such notice. Each such Resident shall be fully protected from all claims of Landlord in making such payments to Mortgagee (Beneficiary). In the event that an installment payment of rent, fees, and all other charges are not paid in full and received by the 5th of the month, Resident agrees to pay a late fee equal to the greater of \$15.00, or of five percent (5%) of the total unpaid rent, and a legal processing fee not to exceed \$40. Resident agrees to pay an additional charge of \$50.00, in addition to the late fees, for each check returned for insufficient funds, and reasonable attorney fees. Personal checks will not be accepted after two incidents of returned checks. ALL PAYMENTS WILL FIRST BE APPLIED TO PAST DUE RENT, THEN TO CURRENT RENT AND PAST DUE BALANCES.

PAYMENTS: Please make all checks payable to _____. We encourage Residents to make online rent payments at <http://greenville.mysunchase.com>. It is easy and convenient, and you can review your balance and see your payment on your ledger right when you make it. Using an electronic ACH transfer from your checking account to pay rent is FREE with no transaction fees. If you use a credit card, there is a transaction fee of up to 3.5%. Fees are subject to change with notification. If you do not wish to make online payments, personal checks, money orders and cashier's checks are also accepted.

2. APPLICATION DEPOSITS and FEES: In addition to the rental payment, Resident hereby deposits in advance with Landlord the following sums:

\$150.00	Refundable Deposit (<u>Refer to Cover Page</u>) due upon execution of Lease (which will become the security deposit upon the commencement date of this Lease).
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3. APPLICATION DEPOSIT: All money paid upon signing of this Lease will be deemed an Application Deposit until the commencement date of the Lease. Upon the commencement date of the Lease, money paid as a Refundable Deposit will be held and credited as Resident's security deposit. Failure to take possession of the apartment unit will result in Landlord exercising all rights and remedies available to Landlord under North Carolina law.

SECURITY DEPOSIT: Upon commencement of the Lease, Resident acknowledges receipt, in good condition, of the Premises and all its equipment, excepting the list of defects that Landlord shall deliver to Resident within five (5) days of the Lease commencement date. Resident shall deliver in writing and within (5) days thereafter any additional preexisting damages which Resident may discover or Landlord's list shall be accepted as a true and accurate description of the condition of

the Premises at the time of occupancy. Failure to return said list within 5 days from the Lease commencement date will indicate Resident's acceptance of responsibility for any and all damages, whether preexisting or not. The Security Deposit is to be held by Landlord as security for faithful performance by Resident of all the terms of this Lease and the Policies and Procedures Handbook. If Resident has fully complied with all the provisions of this Lease, including the Policies and Procedures Handbook, and has thoroughly cleaned and has completely vacated the Premises in good condition (reasonable wear and tear excepted), the Security Deposit will be administered by Landlord and/or Agent in accordance with the North Carolina Tenant Security Deposit Act. IF LANDLORD OR AGENT PLACES THE SECURITY DEPOSIT IN AN INTEREST-BEARING TRUST ACCOUNT, RESIDENT AGREES THAT ANY INTEREST THAT ACCRUES SHALL BE FOR THE SOLE AND EXCLUSIVE BENEFIT OF LANDLORD AND LANDLORD MAY WITHDRAW SUCH INTEREST AT ANY TIME. The Security Deposit will be maintained in a bank account with the following bank: Branch Banking and Trust located at the following address: 543 S. Evans St. Greenville, NC 27858. Following the termination of the lease and/or tenancy, Landlord may deduct from the Security Deposit for those items permitted under the North Carolina Tenant Security Deposit Act. In the event there is more than one Resident on the Lease, Landlord or Agent will pay any balance remaining from the Security Deposit to both Residents in the form on one check, and the other Residents agree to hold Landlord and/or Agent harmless for such action. Resident is responsible for providing Landlord and/or Agent with a forwarding address so that Landlord and/or Agent knows where to forward the final account statement and the balance of the Security Deposit. Resident may request in writing, at least 5 days prior to the final move out inspection of the premises, to be present at said inspection. Resident hereby acknowledges that the Security Deposit is being held as security for Resident's performance of the terms and conditions of the Lease. To the extent Landlord can determine any deductions from the Security Deposit within thirty (30) days after lease expiration date; Landlord will forward the balance of the Security Deposit along with an itemization of the deductions to Resident at Resident's last known address. THE DEPOSIT MAY NOT UNDER ANY CONDITIONS BE DEDUCTED BY RESIDENT FROM ANY RENTAL PAYMENTS.

4. SERVICES: Landlord shall not be responsible for or liable for delivery of messages, telephone answering service, mail or parcel delivery, nor for any service not expressly provided for in this Lease. From time to time the Landlord may accept at its place of business parcel deliveries, however, the Landlord is not responsible for any loss or damage to any parcel delivery that is delivered to its place of business. The Resident must provide the Landlord with positive proof of identification before any package will be relinquished from the Landlord's place of business. This Lease shall not be terminated because of interruption of any services, or the failure of any appliance to function properly or because of any inconvenience arising from such interruption or failure to function properly, where Landlord has been notified of any such interruption, malfunction, or failure of the above services by Resident and has made timely efforts to repair them.
5. MAINTENANCE OF PREMISES: Landlord shall be responsible for keeping and maintaining at its cost and expense the exterior walls, roofs, electric wiring, water, gas and sewage pipes, heating system, and appliances (excepting any of the above for which the municipality is responsible) in good and sanitary order, except where the damage and disrepair thereto has been caused by abuse or negligence of Resident, Authorized Occupants, Resident's family member(s), or guests, but Landlord in no way assumes liability for maintenance of areas otherwise maintained by any local municipality or by any state or federal agency, and/or not under the ownership or control of Landlord. Resident is responsible for keeping clean, clear, and unobstructed his or her own entrance and the steps and walkways, if any, leading to his or her private entrance from the parking lot sidewalk. Landlord is not responsible for repairing broken glass, window panes, screens, doors, or patio door glass broken or damaged under any circumstances, unless proximately caused by Landlord's negligence or the negligence of any of the Landlord's agents. Resident agrees to keep the Premises clean at all times, trash and garbage is to be removed at least twice a week; dirty dishes shall not be left out in order to prevent mice and roach problems; carpets are to be vacuumed and cleaned regularly; floors are to be kept cleaned.
6. FROZEN PIPES: Resident agrees not to turn heat below 60 degrees to prevent freezing of pipes. Resident agrees to allow Landlord to turn heat up to 60 degrees in the event that pipes are in danger of freezing. Resident will pay to repair all pipes that may burst, due to his or her negligence, and any resulting damages.
7. CONTROLLED THERMOSTAT: Landlord has the right to install temperature-controlled thermostats in the premises and in any common areas of the community at any time during this lease term. Landlord and/or Agent will provide Resident with thirty (30) days' prior notice of the installation of said controlled thermostat system. A controlled thermostat will allow for a maximum heating and cooling settings, specifically, a maximum heat temperature of 73 degrees Fahrenheit and a maximum cooling temperature of 72 degrees Fahrenheit.
8. INSECT AND PEST INFESTATION: Resident understands and acknowledges that he/she is responsible for keeping and for maintaining the subject dwelling unit and/or leased Premises that he/she occupies free from insects and pests, as those terms are defined under applicable North Carolina law, including but not limited to Bed Bugs, and Resident is to promptly notify the Landlord of the existence of any such insects or pests located in said dwelling unit and/or in said leased Premises. Resident further understands and acknowledges that he/she shall be held liable and responsible for any such remediation and/or treatment costs incurred by the Landlord due to any such insect or pest infestation that is either proximately caused or contributed or exacerbated by the Resident, Authorized Occupants, or by the Resident's family members or guests, as provided herein. Accordingly, the Resident does hereby further agree to reimburse the Landlord in full for any extermination charges or costs incurred by the Landlord that exceed the normal costs incurred during the regularly scheduled treatment, including but not limited to any costs incurred by Landlord due to Resident's failure to have the subject unit and/or leased Premises ready and available for the scheduled treatment.
9. COMMON AREAS, GROUNDS, AND PATIOS: Resident agrees that grounds and patios are to be kept clear and unobstructed, (i.e.) no storage accumulation or personal belongings, tires, trash, etc. No clotheslines, clothing, towels, or linens are to be strung on patios or balconies. No charcoal or gas grills are permitted on patios or balconies. No yard sales, garage sales, moving sales or the like are permitted without the written permission of the Landlord. Landlord cannot provide tools or other equipment to Resident. Resident agrees to abide by the Policies and Procedures Handbook governing common areas and parking at Sunchase Apartments. Common areas are those areas designated for the use in common by all residents including but not limited to parking lots, walk ways, clubhouses, and swimming pools.
10. VEHICLES: No vehicle with flat tires, in an unsightly state of repair; jacked up on supports, inoperable or without current state, city, or county licenses or permits shall be permitted to remain on Landlord's property without approval of the Landlord. Vehicles in violation of these requirements are subject to being towed at the owner's expense. No maintenance of any kind on any motorized vehicle shall be performed on the Premises. Trailers, boats, commercial vehicles, campers, or the like are not permitted on the Landlord's property. All cars must be fully licensed and registered or they will be towed. Landlord reserves the right to issue parking permits for parking at any time he deems necessary, or to do away with any reserved parking spaces or programs.
11. PETS AND FIREARMS: Pets are not allowed without the express written consent of Landlord, which must be obtained BEFORE the pet is brought onto the Premises. Breed and weight restrictions apply. Resident agrees to pay an unauthorized pet fine of a minimum amount of \$500 if a pet is found on the Premises without written consent of the Landlord. Resident understands that there will be additional fees charged in the event that permission for a pet is given. Firearms are not allowed on the Premises.

12. POSSESSION: Landlord agrees that in the event of the failure of Landlord to deliver possession of the Premises at the time herein agreed, then Resident shall not be liable for rent until such time as Landlord delivers possession.
13. REPAIRS: Resident agrees that he/she will take care of the Premises and fixtures and equipment therein, and upon the expiration of the rental period, or any extension thereof, will leave the Premises thoroughly cleaned and in good condition, ordinary wear and tear excepted. Resident shall be responsible for all repairs which are in excess of ordinary wear and tear. Accumulation of grease or the injuring of walls, ceiling or floors, or appliances, mattress stains or tears, or broken glass will not be considered ordinary wear and tear. RESIDENT FURTHER AGREES THAT HE WILL GIVE LANDLORD PROMPT WRITTEN NOTICE OF ANY DEFECTS IN THE PREMISES OR IN ANY OF THE EQUIPMENT, APPLIANCES OR PARTS THERETO AS SOON AS RESIDENT IS AWARE OF THEM. Resident agrees to pay for all expenses caused by his or her failure to promptly report any defect and for all necessary repairs in the Premises or in the equipment thereof caused by his or her own negligence, or that of Authorized Occupants or Resident's family, invitees, employees or agents.
14. MANAGEMENT ENTRY: Landlord may enter the Premises for the following purposes: to inspect the leased Premises; to make repairs; to show the Premises to prospective purchasers, mortgagors, and residents, and/or any other purpose permitted under North Carolina law. Such entries shall not be so frequent as to unreasonably disturb Resident's peaceful enjoyment of the Premises. Such entries shall take place with prior notice to Resident; consent shall not be unreasonably withheld. If Landlord or its Agent reasonably believes that an emergency exists which requires immediate entry, such entry may be made without Resident's consent. Resident agrees to allow access and occupancy to workmen for redecorating, repairing or remodeling the Premises.
15. FAILURE TO PAY RENT; BREACH OF COVENANTS; BANKRUPTCY: In the event of (1) Resident's material breach of this Lease, (2) Resident's abandonment of the Premises; (3) the filing of bankruptcy or insolvency proceedings by or against Resident or the appointment of a Receiver or Trustee of his or her property; (4) Landlord not receiving any payment of rent or other charge by the fifth day of the month for which it is due; (5) Resident's denial of any right reserved in the Lease to Landlord; (6) the institution of legal proceedings by or against Resident looking to a disposition of the Premises or any part thereof; or (7) the use of the Premises by Resident, Resident's family member, or guest for any illegal purpose, Landlord shall have the right as permitted under applicable North Carolina law to terminate this Lease and to file an appropriate unlawful detainer action and to pursue subsequent eviction proceedings. Landlord's chosen recourse to any of the above cited breaches shall not deprive it of any other action or remedy permitted by law. Should Landlord pursue any such unlawful detainer action, Resident shall be liable as follows:
- A. For all installments of rent and other charges for the remainder of the term of this Lease or any renewal period thereafter or until the apartment is re-rented, whichever first occurs.
 - B. For all expenses which may be incurred by Landlord in connection with re-renting the Premises, including, but not limited to, brokerage, advertising and other such administrative expenses. The parties acknowledge the impossibility of ascertaining the amount of such expenses and Resident therefore agrees to pay a liquidated amount of one full month's rent as payment in full for Landlord's expenses in connection with re-renting the Premises.
 - C. For any court costs and legal fees incurred by Landlord for collection of unpaid rent or other charges under this Lease including, but not limited to, reasonable attorney's fees.
 - D. For a collection fee not to exceed 33% of the amount sued for under this Lease, payable to the Agent for, but not limited to, the Agent's cost for processing all civil papers, research, case investigation, conferences with counsel, collection expenses, etc.
 - E. Resident expressly authorizes Landlord or Landlord's Agent (including a collection agency) to obtain Resident's consumer credit report, which Landlord or Landlord's Agent may use when attempting to collect past due rent payments, late fees or other financial charges due from Resident, both during the term of the Lease and thereafter.
16. PARTIAL PAYMENTS: Acceptance by Landlord of partial payment of rent or other charges shall not be considered nor construed to waive any right of Landlord, or affect any notice or legal proceedings, unless both parties shall agree otherwise in writing. Any payment made after initiation of court proceedings, or after Resident receives notice of material non-compliance or other breach of the Lease, will be accepted with reservation. Where Resident offers in writing reasonable cause of inability to pay the full amount of the rent when due and where Landlord agrees in writing, a schedule of timely and consistent partial payments may be utilized to enable Resident to fulfill his or her obligation to pay rent under this Lease. Landlord's agreement to such a method of payment shall not, however, operate as an acceptance of this method beyond the month for which it is utilized without the consent of Landlord to extend it to one or more additional months, and in no way constitutes a waiver of Landlord's rights under this Lease.
17. LIENS: In the event of any default by Resident in the payment of rent which would give Landlord one or more of the remedies available under Section 14 of this Lease, Landlord shall have the lien granted by the law upon all property of Resident located in or on the Premises.
18. ALTERATIONS: Resident agrees not to make alterations, installations (including installation of additional locks or chain latches), repairs or redecorations of any kind to the Premises without the prior written consent of Landlord. Such consent shall not be unreasonably withheld but Landlord may require Resident to return the Premises to its original condition when the lease term is completed and may require the payment of an additional security deposit. No electric space heaters, kerosene heaters or wood burning stoves will be permitted on the Premises. No waterbeds will be permitted on the Premises without proof of insurance acceptable to Landlord and Landlord's prior written consent. Resident agrees that any change or alteration made to the Premises shall, at the option of the Landlord, become a fixture and a permanent part of the Premises, and if this option is exercised by the Landlord, such a change or alteration shall be deemed a fixture and shall not be removed by Resident upon the expiration of this Lease.
19. RENEWAL: This Lease shall automatically terminate on the expiration date of this Lease. If the current apartment unit is not leased in its entirety by the deadline set by Landlord, the parties hereto further expressly agree and acknowledge that Landlord has the expressed right to non-renew or to transfer any renewal lease concerning said apartment unit and to assign any such renewal lease to another bedroom within a different apartment unit located within the community of Sunchase Apartments.
20. FAILURE TO VACATE: Fulfillment of the requirements of the Resident to vacate the Premises on or before the termination date is essential in order to permit Landlord

to rent and to meet the requirements of a new residency. Should Resident fail to vacate on or before the termination date, the Landlord may bring action for possession. The Resident shall be responsible for 150% of the per diem rate of monthly rent installment payments for the duration of the holdover period as well as any holdover fees assessed due to resident's failure to vacate. The Resident shall be responsible for all rental payments due for the duration of the holdover period. Resident shall be liable for any damages suffered by Landlord as a result of the Resident's failure to vacate, including but not limited to: marketing costs, relocation costs, legal costs including reasonable attorney's fees and court costs, and vendor charges.

21. VACATING: Upon termination of the Lease, Resident shall completely vacate the Premises, including the removal of all his or her property. No right of storage is given by this Lease, and Landlord has no duty to protect Resident's possessions against loss. In the event Resident's property is not removed, Landlord may dispose of same at its discretion, without any liability to Resident for damage or loss in accordance with applicable North Carolina law. Resident shall pay for all costs of removal and/or storage of such property. Any item left behind by Resident not claimed within 10 days of the Lease end date will be disposed of by Landlord in accordance with applicable North Carolina law. Before departure, Resident shall turn over to Landlord the Premises, all its fixtures and equipment in good and substantial repair; thoroughly cleaned and in sanitary condition, reasonable wear and tear excepted. Landlord will inspect the Premises, in Resident's presence if requested in writing by Resident, to verify the condition of the Premises and its contents.
22. ABANDONMENT: Vacant or apparent abandonment of the Premises (whether or not the keys are returned and accepted by the Landlord) shall give Landlord the right to possession and the option to terminate this Lease, and to remove any remaining personal effects therein and dispose of the same in a manner within its sole discretion in accordance with applicable North Carolina law. Resident is required to notify Landlord when Resident will be absent from the apartment in excess of 7 days as provided under applicable North Carolina law. Notwithstanding the foregoing, in the event of an abandonment and/or of Resident's notified absence as provided herein, Landlord shall not be responsible for nor will it assume or accept in any way the Resident's contractual and/or statutory duties and obligations relative to the leased Premises or otherwise; all such duties and obligations are to remain with and to be honored by Resident.
23. QUIET ENJOYMENT/USE OF PREMISES: Landlord covenants that Resident, on paying the rent and performing the covenants and conditions contained in this Lease, shall and may peaceably and quietly have, hold, and enjoy the Premises. The Premises shall be occupied only by Resident as a private dwelling and for no other purposes. No other persons other than those signing this Lease as Resident or listed as Authorized Occupant, whether or not such person is a member of the family of the Resident, shall occupy the Premises. Resident covenants that no use shall be made or permitted to be made of the Premises, or any part thereof, and no acts done therein that may unreasonably disturb the quiet enjoyment of any other Resident in the building of which the leased Premises are a part. To avoid disturbances from overcrowding, the maximum number of persons allowed in an apartment at any given time should not exceed 10 depending on the size of the dwelling and no more than 6 persons are permitted on balconies at one time. In the event that Resident's conduct, or that of his or her family or invitees, is unreasonably injurious or damaging to Landlord and/or to the rights, privileges or welfare of the other occupants of the apartment community, Landlord may terminate this Lease as provided for under applicable North Carolina law.
24. INJURY, DAMAGE, OR DESTRUCTION: Landlord shall be liable to Resident only for any damages to Resident's person or property by reasons of Landlord's negligent failure to keep said Premises in reasonable repair. RESIDENT IS REQUIRED TO MAINTAIN AND PROVIDE LEGAL LIABILITY INSURANCE FOR DAMAGE TO THE LANDLORD'S PROPERTY FOR NO LESS THAN THE FOLLOWING CAUSES OF LOSS: fire, smoke, explosion, backup or overflow of sewer, drain or sump pump, water damage, and falling objects. In the event of the destruction of the leased Premises by fire, explosion, the elements, or otherwise through no fault or negligence of Resident, Authorized Occupant, Resident's family or guests, or in the event of such partial destruction as to render the Premises unfit for occupancy, the term hereby created shall, at the option of either party upon notice to the other, be terminated as of the date of such damage, and the accrued rent shall be paid up to the time of such damage. Should resident remain in possession after either party exercises its rights to terminate the lease, Resident shall be considered a holdover tenant subject to immediate eviction pursuant to N.C. Gen. Stat. § 42-26(a)(1). If neither party desires to terminate the Lease, Landlord shall enter and repair the Premises with reasonable speed and, if Resident continues to occupy for the duration of such repairs, the rent will be reduced by a reasonable amount for the period during which repairs are completed.
25. REQUIRED INSURANCE: For the duration of the Lease, each Resident is required to maintain and provide the following minimum required insurance coverage:

\$50,000 Limit of Liability for Resident's legal liability for damage to the Landlord's property for no less than the following causes of loss: fire, smoke, explosion, backup or overflow of sewer, drain or sump, water damage, and falling objects ("Minimum Required Insurance").

Each Resident is required to furnish Landlord with evidence of Minimum Required Insurance prior to the first day of the month of the commencement date of their lease and prior to the first day of the month of any renewal period. In the event that evidence of Minimum Required Insurance is not so provided, the Resident will be charged under the Landlord's Required Resident Liability Insurance Policy ("LRRL"). Charges for LRRL will not be credited or removed for the current month if evidence of Minimum Required Insurance is provided after the first of the current month. If at any time Resident does not have Minimum Required Insurance, Resident is in breach of the Lease and Landlord shall have, in addition to any other rights under the Lease, the right but not the obligation to purchase Minimum Required Insurance coverage and seek reimbursement from the Resident for all costs and expenses associated with such purchase.

Resident may obtain renter's insurance, personal liability insurance, legal liability insurance or any other insurance product provided that it meets the Minimum Required Insurance provision of the Lease. Resident may obtain such insurance from an insurance agent or insurance company of Resident's choice. If Resident furnishes evidence of such insurance and maintains such insurance for the duration of the Lease, then nothing more is required. If Resident does not maintain Minimum Required Insurance, the Minimum Required Insurance provision of the Lease may be satisfied by Landlord, who may schedule the Resident or their unit for coverage under the Landlord's Required Resident Liability Insurance Policy ("LRRL"). The coverage provided under the LRRL will provide the Minimum Required Insurance coverage listed above. An amount equal to the total cost for LRRL coverage shall be charged to Resident by the Landlord. Some important points of this coverage, which Resident should understand are:

- A. LRRL is designed to fulfill the Minimum Required Insurance provision of the Lease. The Landlord's Agent is the Named Insured and Landlord is an Additional Insured under the LRRL. Resident is not the Named Insured under the LRRL policy. The Resident's rights (if any) under the LRRL policy are limited.
- B. LRRL coverage is not personal liability insurance or renter's insurance. Landlord makes no representation that LRRL covers the Resident's personal property (contents), additional living expenses, off-Premises exposures, or liability arising out of bodily injury or property damage to any third party in such amounts as might be provided under a renter's insurance or similar policy. If Resident needs any of these coverages, then Resident should contact an insurance agent or

insurance company of Resident's choice.

- C. Coverage under the LRRL policy may be more than the cost of Minimum Required Insurance obtainable by Resident elsewhere. At any time, Resident may contact an insurance agent or insurance company of their choice for insurance options to satisfy the Minimum Required Insurance provision of the Lease.
- D. Licensed insurance agents may receive a commission on the LRRL policy.
- E. The total cost to the Resident for LRRL coverage shall be eleven dollars (\$11.00) per month. This is comprised of (\$7.56) payable to the insurance company as premium, (\$0.44) in premium taxes, and three dollars (\$3.00) retained by Agent as an Administration Fee for monthly administration, reporting, processing, and handling. The total cost may be increased by not more than \$1.75 per month at any time within a 12-month period upon thirty (30) days' written notice to Resident.

Scheduling under the LRRL policy is not mandatory and Resident may purchase Minimum Required Insurance from an insurance agent or insurance company of Resident's choice at any time. Provided such coverage meets the Minimum Required Insurance provisions of the Lease, then coverage under the LRRL policy will be terminated by the Landlord. Residents who choose to obtain their own insurance are strongly advised to verify that their insurance product covers the Minimum Required Insurance. Many renter's insurance policies do not cover liability for water damage. Insurance policy limitations can be confusing and insureds often find themselves without the coverage they thought they had when they need it the most. For Residents who choose to obtain their own insurance, proof of such insurance, such as the Declaration page of their policy, must include the full name of the Resident, the address of the Premises they are leasing, and the expiration date of their policy.

26. KEYS: In the event that Resident gets locked out of the Premises during office hours, a key may be obtained from the Management office or other such place as Landlord may designate to Resident in writing. If a key is delivered after office hours, Resident agrees to pay a fee not to exceed \$82.00. Landlord makes no promise that any employee will be able to deliver a key after hours. Keys which are loaned to Resident by Landlord must be returned by the close of business that day or Resident agrees to allow Landlord to rekey the lock. Resident agrees to pay for the cost of the labor and materials to rekey the lock. POSITIVE PROOF OF IDENTIFICATION WILL BE REQUIRED BEFORE LANDLORD WILL PROVIDE ACCESS TO THE UNIT; KEYS WILL NOT BE RELEASED TO ANYONE WHO IS NOT A PARTY TO THE LEASE. On or before the expiration date of this Lease, all copies of the keys to the Premises must be returned to the offices of Management. Failure to do so will result in a charge to the Resident to replace or rekey all locks.

27. NOTICES: Notices may be served upon Resident in person, by regular mail, text, or by email, as amended, whether or not said mailing is accepted by Resident. Management will provide notice to residents as deemed necessary via electronic delivery. By providing current and accurate contact information below Resident acknowledges and agrees to this provision and will accept notice via email and text messaging (*standard text messaging fees may apply - to opt out simply respond "stop" to the text message). It is the Resident's responsibility to notify Management if the contact information listed below changes during the Lease term. Further, should Resident elect to have notice sent and received in paper form, please so notify Management in writing of this election. Management does not sell, rent, loan, trade, or lease the addresses on our lists to anyone. Written notice of termination to Landlord, as well as other written notices required in this Lease, must be presented or mailed to the Management office located at Refer to Cover Page or other such place as Landlord may designate to Resident in writing.

Phone: _____ Text: _____ Email: _____

28. RECEIPT: Each of the parties acknowledges receipt of a copy of this Lease as well as a copy of the Policies and Procedures Handbook, which shall be incorporated by reference herein. The Lease shall be binding upon and inure to the benefit of Landlord and its successors in interest.

FURTHER, EACH OF THE PARTIES ACKNOWLEDGES RECEIPT OF THE LEAD BASED PAINT AND ASBESTOS DISCLOSURE, IF APPLICABLE.

29. CONSENT AND WAIVERS: It is expressly stipulated that all covenants herein are independent. Express and implied warranties of habitability shall not extend beyond those areas or those repairs for which Landlord has assumed responsibility.

30. AUTHORITY: All Residents named herein are jointly and severally liable for all terms and conditions of this Lease.

31. UTILITIES AND EQUIPMENT: The Landlord agrees that he will furnish those utilities and equipment listed below:

<u>Utilities</u>	<u>Equipment</u>	<u>Furniture</u>
Water and Sewer	Dishwasher	Coffee Table (1)
Trash Removal	Disposal	Sofa (1)
Cable	Central Heating and Air	End-table (1)
Wireless Internet	Refrigerator	Dining Table (1)
Electricity	Range	Dining Chairs (4)
	Microwave	
	Washer and Dryer	
		Dresser (1)
		Desk and Desk Chair (1)
		Night Stand (1)

32. WATER AND SEWER RIGHT TO SUBMETER OR IMPLEMENT "RUBS": Landlord reserves the right to separately meter, sub-meter, or implement a ratio utility billing system ("RUBS") on the Premises for water and sewer/wastewater at any time during the term of this Lease and until Resident vacates the Premises. Such RUBS shall utilize a formula to be determined by Landlord. Landlord shall provide Resident with sixty (60) days prior written notice of said separate metering, sub-metering, or RUBS implementation of the Premises. Resident shall permit Landlord access to the Premises to make alterations necessary for the installation of a separate meter or sub-meter. In the event of such metering, sub-metering, or RUBS, Landlord or Landlord's Agent will bill the Resident for its water and sewer consumption based on its pro-rated share of the Landlord's total bill and any applicable administrative fees or increase in such fees upon thirty (30) days written notice to Resident.

33. **APPLIANCES:** No washer, dryer, portable dishwasher or other appliances may be installed in any unit without the written permission of the Landlord. Any costs incurred to remove these items or repair any item in the apartment caused by violation of this provision will be billed to the Resident.
34. **POLICIES AND PROCEDURES HANDBOOK:** Resident hereby acknowledges receipt of the Policies and Procedures Handbook and agrees that the Policies and Procedures Handbook is incorporated by reference into this Lease and Resident further agrees to comply with it including any reasonable modifications which Landlord may make of which Resident has notice.
35. **ORDINANCES AND REGULATIONS:** Resident and Landlord agree not to violate any county or city ordinance, or state or federal law. Resident agrees not to commit or permit any waste or nuisance in or about the Premises or keep any combustible materials in the Premises or do anything that might create a hazard or fire on the Premises. Resident acknowledges that the sale, distribution or use of illegal drugs or abuse of legal drugs, is expressly prohibited by state and federal law. Such activity engaged in by Resident, Authorized Occupants, Resident's family member(s), or guests, or any arrests for such activity in or around Agent managed Apartments, will lead to immediate termination by Landlord of this Lease pursuant to North Carolina law.
36. **ASSIGNMENT:** It shall be within the Landlord's sole discretion whether or not to provide subletting or re-rental services to Resident. Resident cannot engage in sublets, transfers, or Resident changes without written permission of Landlord in advance. Sublets and Rerentals are subject to fees. Landlord will charge a sublet or assignment fee to cover Landlord's costs associated with such sublet or assignment, Refer to the Policies and Procedures Handbook for specific details.
37. **AGREEMENT TO ARBITRATE TORT DISPUTE:** Landlord and Resident agree that, if any personal injury or property damage claim (as defined below and hereinafter referred to collectively as a "Claim") should arise between them during the course of the Resident's tenancy with Landlord as evidenced under the subject Lease Agreement, the Claim shall be resolved by mandatory and binding arbitration in accordance with the Uniform Arbitration Act, cited as Article 45 N.C. § 1-569.1, et. seq., ("RUAA"). Said arbitration shall be presided over by a single arbitrator who shall be appointed by agreement of the parties in accordance with Article 45 N.C. § 1-569.11, who shall render a written decision with separate findings of fact and conclusions of law in accordance with the applicable provisions of the RUAA. An award by the arbitrator shall be final and shall be binding on all parties to the proceeding, and the arbitrator shall apply the substantive law of the State of North Carolina. The arbitration shall be held in the jurisdiction in which the subject leased Premises is located. All arbitration remedies, fees, costs and/or expenses, including reasonable attorney's fees, shall be borne and/or awarded as determined by the arbitrator in accordance with N.C. Gen. Stat. § 1-569.21, as amended. Judgment on any award may be entered in the appropriate court as set forth under the applicable provisions of the RUAA. If any section or portion of this Arbitration Agreement is determined to be unenforceable, the remainder of the Agreement shall continue in full force and effect. This Arbitration Agreement shall survive any payment of Resident's financial obligations due and owing under the subject Lease Agreement, and it shall likewise survive any termination or cancellation of said Lease Agreement as between Landlord and Resident.
38. **CLAIM DEFINED:** Under the above mandatory Arbitration Agreement, a Claim is defined as any action or right of action or cause of action as between Landlord and Resident that arises in either law or in equity and that concerns a tort and that is proximately related to any alleged injuries to either person or to property, both real and personal, and also in cases of death. An action or right of action or cause of action that concerns matters of contract, in either law or in equity, arising from the underlying Lease Agreement or from any other contractual relationship existing between Landlord and Resident shall not be considered a Claim and shall not be subject to the foregoing mandatory arbitration.

THE PARTIES HERETO UNDERSTAND THAT THEY ARE WAIVING THEIR RIGHTS TO TRIAL BY JURY ON ALL CLAIMS.

39. **NORTH CAROLINA RESIDENTIAL RENTAL AGREEMENTS ACT:** This agreement is governed by the North Carolina Residential Rental Agreements Act. In the event any provision in this Lease or the Policies and Procedures Handbook conflicts with the requirements of that Act, the Act will control and the conflicting provisions of this Lease or the Policies and Procedures will be considered deleted.
40. **TELECOMMUNICATION SERVICES:** Resident understands and agrees that at all times during the term of the Lease, Landlord shall have the absolute right to determine who shall provide cable television service and/or wireless internet service to the Premises. Landlord may replace the then-current provider of cable television and/or wireless internet service with some other provider of such service. The absolute right of Landlord to determine who shall provide cable television and/or wireless internet service, and to replace any such provider at any time, shall not be diminished or affected by the existence or terms of any agreement between Resident and any such provider of cable television and/or wireless internet service. Resident hereby consents and gives Landlord permission to disclose Resident's name, addresses, telephone numbers, electronic mail addresses, and Lease terms to the provider(s) of network access, cable television, wireless internet, and telephone services for the Premises. Any information disclosed to said provider(s) is solely for the use of the provider(s) for the express purposes of providing telecommunications services to the Resident.
41. **SUBORDINATION:** Resident agrees that this Lease is and shall be subordinate in lien, dignity, and priority to the lien of any mortgage or deed of trust placed upon the Premises by Landlord. Resident agrees further to attorn to Landlord's successors in interest and assigns, including Landlord's mortgagees or purchasers at foreclosure from deeds of trust encumbering the Premises or grantees under deeds in lieu of foreclosure. It is understood, however, that such subordination by Resident as to any future mortgages or deeds of trusts shall only be given by Resident and become effective if, as and to the extent that Resident shall have been given in writing as agreement of quiet enjoyment and nondisturbance, in a form reasonably acceptable to Resident, by Landlord's future mortgagees, providing, in substance, that upon Resident's attorning to such parties, they will permit Resident to remain in possession of the Premises and to have quiet enjoyment thereof pursuant to the provisions of this Lease.
42. **REPRESENTATIONS IN RENTAL APPLICATION:** This Lease was entered into based upon the representations of Resident(s) contained in the Rental Application. If any of those representations are found to be misleading, incorrect, inaccurate and/or untrue, Landlord may immediately terminate this Lease and notify Resident(s) to vacate the Premises.
43. **MOLD AND MILDEW:** Resident acknowledges that it is necessary for Resident to provide appropriate climate control, keep the Apartment clean, and take other measures to retard and prevent mold and mildew from accumulating in the Apartment. Resident agrees to clean and dust the Apartment on a regular basis and to remove visible moisture accumulation on windows, walls and other surfaces as soon as reasonably possible. Resident further agrees not to block or cover any of the heating, ventilation or air-conditioning ducts in the Unit. Resident agrees to immediately report to the management office: (i) any evidence of a water leak or excessive moisture in the Apartment, as well as in any storage room, garage or other common area; (ii) any evidence of mold- or mildew-like growth that cannot be removed by

simply applying a common household cleaner and wiping the area; (iii) any failure or malfunction in the heating, ventilation, air conditioning systems or laundry systems in the Apartment; and (iv) any inoperable doors or windows. Resident further agrees that Resident shall be responsible for damage to the Premises and Resident's property as well as injury to Resident, Authorized Occupants, Resident's family member(s), and guests resulting from Resident's failure to comply with the terms of this Section.

- 44. FINAL AGREEMENT: This Lease contains the final and entire agreement between the parties hereto and no party to this Lease shall be bound by any term, condition, or representation, oral or written, not set forth or provided within it.
- 45. MODIFICATIONS: All modifications of this Lease shall be in writing and executed by both parties; NO ORAL MODIFICATIONS OR AGREEMENTS HAVE BEEN MADE OR SHALL BE MADE.
- 46. PHOTOGRAPHY: By signing below you agree to release, hold harmless and indemnify Landlord and Landlord's representatives from and against all claims, demands, costs, expenses (including attorney's fees), and cause of action arising out of or in any manner relating to any personal damage from use of photography of your apartment. The undersigned releases Management of any liability that might be associated with the use of a photograph involving the above-mentioned name(s) (See Cover Page). This photograph may be used in web or print media.
- 47. EXECUTION OF THIS AGREEMENT: In lieu of an original signature to this agreement, Landlord will accept a valid and legitimate electronic and/or facsimile signature of the Resident. In so doing, Resident hereby acknowledges his or her endorsement and acceptance of this agreement, and he or she waives any challenge to validity of this agreement based on Resident's endorsement by electronic and/or facsimile signature. THE RESIDENT HEREBY EXPRESSLY AGREES TO THE USE OF ELECTRONIC SIGNATURES FOR THIS LEASE.
- 48. ROOMMATES: Sunchase Apartments makes every reasonable effort to match roommates based on the roommate profile information provided to us by our residents and applicants. Sunchase Apartments, however, cannot and will not guarantee that any such roommate housing arrangement will ultimately be compatible in every instance. To that end, please note that neither Sunchase Apartments nor its Management will accept responsibility for mediating or responding to internal roommate disputes, unless the factual circumstances concerning the disputes are verifiable and involve or constitute a breach of the subject lease agreement, the community rules and regulations, and/or any applicable provision of local, state or federal law. Before Management can respond appropriately to any such alleged breach, it must receive timely and written notice of the alleged breach. In addition, any alleged breach that relates to unlawful or illegal activity should be reported immediately to the appropriate local, state, or federal law enforcement office, as well as to Management. Until it receives proper and timely written notice of any such alleged breach, and until it is afforded an opportunity to verify that any such alleged breach actually occurred on the property of Sunchase Apartments, neither Sunchase Apartments nor its Management will have the authority or the ability to take any action or to pursue any legal recourse in response to the alleged breach.

WITNESS THE FOLLOWING SIGNATURES:

Resident

Date

Landlord's Authorized Agent

Date

