

INDIVIDUAL SUB-LEASE CONTRACT

(Individual Sub-lease of Individual Lease Contract)

Phone # _____

SUB-LEASE of Individual Lease Contract by and between _____, hereinafter called Sub-tenant and _____, hereinafter called Tenant, and HOLTON MOUNTAIN RENTALS, (HOLTON MANAGEMENT Inc.) as agent for owner _____, hereinafter called Landlord.

FOR GOOD CONSIDERATION, IT IS AGREED BY AND BETWEEN THE PARTIES THAT:

1. TERM: Tenant hereby sublets, transfers and delivers to Sub-tenant all of Tenant's rights in and to a certain Individual Lease Contract between Tenant and Landlord for certain premises known as _____
(Unit #) (Complex or Building)

(Address)

under the Individual Lease Contract made as of the ____ day of _____ 20__.

Sub-tenant's right of possession and the term of this Individual Sub-lease Agreement shall begin at 3:00 pm on the ____ day of _____, 200__, and shall end at 10:00 am on the 28 day of July, 200__, but not including July 29, 200__.

2. MONTHLY RENT: Sub-tenant agrees to accept said Individual Lease Contract, pay all rents and punctually perform all of Tenant's obligations under said Individual Lease Contract accruing on and after the date of delivery of possession to the Sub-tenant as contained herein. Sub-tenant further agrees to indemnify and save harmless the Tenant from any breach of Sub-tenant's obligations hereunder.

3. POSSESSION: The parties acknowledge that Tenant shall deliver possession of the leased premises to Sub-tenant on the ____ day of _____, 200__: TIME BEING OF THE ESSENCE. All rents and other charges accrued under the Individual Lease Contract prior to said date shall be fully paid by Tenant, and thereafter by Sub-tenant unless stated otherwise in this sublease form.

4. ADDITIONAL RENT: Prior to taking occupancy and possession of the dwelling unit, Sub-tenant agrees to pay an additional rent of \$_____. This is in addition to Sub-tenant's regular monthly rent as stated in (Article I, Section 4) of the Individual Lease Contract and is deemed earned upon execution of this Individual Sub-lease Contract. **ADDITIONAL RENT IS NOT REFUNDABLE AND LANDLORD CAN USE IT FOR WHATEVER HE WANTS, JUST LIKE THE MONTHLY RENT.**

5. SUBLETTING AND GUESTS: Sub-tenant shall not assign, sublet, be released from or otherwise transfer his interest in this Individual Sub-lease Contract, or any part thereof, without the prior written consent of Landlord. Such consent may be withheld in the sole and absolute subjective discretion of Landlord. For more details see "Assignment" (Article II, Section 4) of Individual Lease Contract. If Sub-tenant desires to sublet, but is unable or unwilling to locate a suitable Sub-sub-tenant who is willing to pay the original monthly rental amount provided herein, Landlord may assist Sub-tenant in finding a Sub-sub-tenant at Sub-tenant's sole cost and expense. However, Landlord does not guarantee that one can or will be found, or that a suitable Sub-sub-tenant will pay the full rental amount. Sub-tenant authorizes Landlord to negotiate rental amounts with the Sub-sub-tenant. If a Sub-sub-tenant is found, Tenant will nevertheless continue to be liable for the full rent as stated in the original Individual Lease Contract and Sub-tenant will nevertheless continue to be liable for the rent as stated in the Individual Sub-lease Contract. Both Tenant and Sub-tenant remain responsible for all other lease obligations throughout the remaining term of this Individual Sub-lease Contract. Landlord will continue to hold Tenant's and or sub-tenant's security deposit on account regardless of whether or not Sub-sub-tenant is required to pay a security deposit. Sub-sub-tenant's security deposit will be used first and then Sub-tenant's to cover any damages, etc... done by the Sub-sub-tenant that remain unpaid and sub-tenant is liable for any damages in excess of any security deposits. To simplify monthly rental payments, Landlord reserves the right to accept rent payments directly from the Sub-sub-tenant rather than requiring Sub-tenant and/or Tenant to collect rent from the Sub-sub-tenant and then pay the required rent to Landlord. Sub-tenant and Tenant is responsible for any default by the Sub-sub-tenant and for collecting any monies owed by them.

The Bedroom and dwelling unit shall be used for residential purposes only and occupants of the Bedroom shall be limited to **ONE** occupant. Sub-tenant shall not allow or permit the Bedroom and/or dwelling unit to be occupied or used as a residence by any other person other than those parties Landlord has specified in Individual Lease Contracts for each Individual Tenant, leasing a bedroom in dwelling unit. If the Bedroom is occupied as a residence by other than the person authorized, then **Sub-Tenant agrees to pay \$100.00 per day extra rent, per additional person** as stated in "Overnight & Long-Term Guests" (Article II, Section 41) and can be held in default of this Individual Sub-lease Contract.

6. UTILITIES AND SERVICES: Landlord will pay all charges for expanded basic cable tv service, internet access, water, sewer, trash pickup at dumpster, and up to Sub-tenant's electricity utility allowance used in the Bedroom and/or dwelling unit during the term of this Individual Sub-lease Contract. **However, Sub-tenant shall for each four month period in which the total of such charges exceed the electricity utility allowance established by Landlord pursuant to written notices served upon Sub-tenant, immediately reimburse Landlord as other rent Sub-tenant's pro-rata share of such excess utility charges for electricity.** Landlord agrees to bill Sub-tenant after the end of each four month period for any such amount of excess utility charges and Sub-tenant agrees to pay said other rent for such excess utility charge, the first of the month following such billing. Landlord further agrees to make available utility bills and all calculations determining Sub-tenant's pro-rata share in Landlord's office for a month following said billing. For Kensington Meadows, the only two utilities that Landlord will bill Sub-tenant for is propane gas for the gas logs and electricity if Sub-tenant exceeds the utility allowance for electricity as listed on the Individual Lease Contract. See the section "Gas Logs" in Article IV, Individual Lease Contract Addendum for details on how Sub-tenant pays for propane gas for gas logs.

7. SECURITY DEPOSIT: Sub-tenant agrees to pay Landlord a security deposit of \$_____ and Landlord shall hold this for Tenant as security during the term of this Individual Sub-lease Contract or until Sub-tenant terminates occupancy. Said deposit may be used for any of the purposes as are set forth in North Carolina General Statutes § 42-51. Landlord agrees to refund to Sub-tenant the security deposit in full, less any damages or costs, within thirty (30) days after the termination of this Individual Sub-lease Contract. This Individual Sub-lease Contract is made, delivered and accepted with the understanding that should damages, or costs for repairs exceed the amount of the deposit, then and in that event Sub-tenant does hereby agree to pay such additional damages or costs within thirty (30) days after vacating the dwelling unit.

Sub-tenant understands that the entire security deposit and/or any prepaid rent can and will be held and may be used for any of the purposes set forth in North Carolina General States § 42-51. After damages are assessed, Sub-tenant will receive whatever balance is owed to Sub-tenant. Also, Sub-tenant understands that if there is any breakage or damage during the course of Sub-tenant's occupancy and the item(s) need to be repaired, Sub-tenant is then responsible for the cost of repair or replacement at that time.

8. DEPOSITS: SUB-TENANT AGREES THAT LANDLORD HAS SUB-TENANT'S AUTHORIZATION TO PLACE SUB-TENANT'S SECURITY DEPOSIT IN AN INTEREST BEARING ESCROW ACCOUNT AT BB&T BANK, 971 BLOWING ROCK ROAD, BOONE, NORTH CAROLINA 28607 WITH ALL INTEREST ACCRUING FOR THE BENEFIT OF LANDLORD AND/OR HIS ASSIGNS AND MAY BE WITHDRAWN BY LANDLORD AT ANYTIME. ALSO SUB-TENANT AGREES THAT LANDLORD HAS THE SAME AUTHORIZATION FOR ANY SUB-SUB-TENANT OF THE SUB-TENANT.

9. LANDLORD'S AGREEMENT TO SUBLEASE:

Landlord hereby assents to the sublet of Individual Lease, provided that:

- a) Assent to the sublet shall not discharge Tenant of its obligations under the Individual Lease Contract in the event of breach by Sub-tenant.
- b) In the event of breach by Sub-tenant, or its successors, Landlord shall provide Tenant with written notice of same and Tenant (or Landlord on behalf of Tenant) shall have full rights to commence all actions to recover possession of the Leased premises (in the name of Landlord, if necessary) and retain all rights for duration of said Individual Lease Contract provided it shall pay all accrued rents and cure any other default.

10. This agreement shall be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives.

11. EQUAL HOUSING OPPORTUNITY: Landlord shall conduct all rental activities in regard to this agreement without respect to the race, color, religion, sex, national origin, handicap or familial status of any Sub-tenant.

12. RECEIPT: Each of the parties acknowledges receipt of a copy of this Individual Sub-lease Lease Contract and the original Individual Lease Contract. Further, Sub-tenant(s) agrees to comply with the Individual Lease Contract (Article I), the Rules & Regulations in Article II, and the Individual Lease Contract Addendum in Article IV copies of which are provided with this Individual Sub-lease Contract and made a part hereof as if fully set out herein. Sub-tenant also agrees that, if the dwelling unit he lives in is governed by a condo or property owners' association, that he will also abide by any rules and regulations they have. This Individual Sub-lease Contract shall be binding upon and inure to the benefit of Tenant, Landlord, his heirs, and his successors in interest and assigns.

13. ADDITIONAL TERMS AND OR CONDITIONS: _____

14. DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS:

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. The tenants must also receive a federally approved pamphlet on lead poisoning prevention.

LANDLORD'S DISCLOSURE (initial)

- Ruff* (a) Presence of lead-based paint and/or lead based paint hazards (check one below):
- Known lead-based paint and /or lead-based paint hazards are present in the housing.
(explain) _____
 - Landlord has no knowledge of lead based paint and/or lead-based paint hazards in the housing.
- Ruff* (b) Records and reports available to the Landlord
- Landlord has provided the Tenant with all available records and reports pertaining to lead-based paint and /or lead-based paint hazards in the housing.
 - Landlord has no reports or records pertaining to lead-based paint/ or lead based paint hazards in the housing.

SUB-TENANT'S ACKNOWLEDGEMENT (Initial)

- _____ c) Sub-tenant has received copies of all information listed above.
- _____ d) Sub-tenant has received the pamphlet Protect Your Family from Lead in Your Home.

AGENT'S ACKNOWLEDGEMENT (Initial)

Ruff e) Agent has informed the Sub-tenant of the Landlord's obligations under 42 U.S.C. 4582(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy. The following parties have reviewed Section 14, the Disclosure of Information on Lead-Based paint and Lead-Based paint Hazards, above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Also, in testimony whereof, said parties hereby certify that they have read and agree to the terms and conditions of this Individual Sub-lease Contract, the original Tenant's Individual Lease Contract, Article I, and the Rules & Regulations, Article II, dated January 1, 2004 and a copy of the Individual Lease Contract Addendum, Article IV and all other applicable written addendum that are part of the terms and conditions of this Individual Sub-lease Contract.

Signed under seal this _____ day of _____, 200_____.

Landlord: _____ Owner(s) by: _____
Holton Management, Inc., d.b.a. Holton Mountain Rentals,
Agent for the Owners and authorized to sign Individual
Sub-lease Contract on behalf of Tenants or Successors.

NOTICE: THIS IS A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, SEEK COMPETENT LEGAL ADVICE.

1. _____ (Sub-tenant) (SEAL) _____ (Date)

DWELLING UNIT BEING LEASED MAY BE OWNED BY A NORTH CAROLINA REAL ESTATE BROKER

Leasing Agent's Initials _____