About the Lease Contract and Rules & Regulations

Holton Mountain Rentals' Lease Contract, which includes the Rules & Regulations, is very detailed. We try to set out in writing what the expectations are for both the Landlord and the Tenant. Hopefully you will find it helpful. We want our Tenants to be good neighbors and roommates. Many of our Tenants are living on their own for the first time and we have found it is helpful to spell out what is acceptable and unacceptable behavior. Experience has shown that it is important to be able to let Tenants know when their behavior or actions are causing problems for the neighbors, neighborhood, community, Landlord or even their own roommates.

If you are just looking for a place to party, do illegal drugs, or drink excessively, **do not rent from us!** If you are not considerate of your neighbors or roommates, we do not want you as a Tenant. Please rent elsewhere. We are proud of the dwelling units we manage and want to provide our Tenants with a home that is a nice comfortable place to live.

Please read the Lease Contract, Rules & Regulations, and other pertinent information thoroughly and if you have any questions, please ask. As a condition of occupancy, the Tenant agrees to abide by these when signing the Lease Contract. The Tenant needs to realize the importance of following these and to modify his or her behavior accordingly if necessary to do so. As Landlord, we try to talk to Tenants about any problems and/or violations. We want our Tenants to have a pleasant and enjoyable stay living in their new home and we ask that they respect the rights of everyone.

If you decide to rent from us we will try our best to make your stay an enjoyable one.

Thanks for considering us.

HOLTON MOUNTAIN RENTALS



WWW.HOLTONMOUNTAINRENTALS.COM

RULES & REGULATIONS

JANUARY 1, 2004

264-3644

Regular Hours

264-4422

Emergency Number (after hours)

ARTICLE II LEASE CONTRACT (SECTIONS 1-69)

PHONE DIRECTORY

Emergency	911
Ambulance	
Fire	
Police	911
Watauga Medical Center, Emergency Department	262-4399
Doctor Office:	
Home:	
Other Helpful Numbers	
Cable TV Charter Communication	264-9411
Internet Access Charter Communication	
Cable Internet Access ProvidedCall	Landlord
Oil:	
Appalachian Oil/G&B Energy	264-4036
Propane Gas:	
Appalachian Energy/G&B Energy	262-3637
Phone:	
Bell South	780-2355
Skyline	297-2603
Power:	
New River Light & Power	264-3671
Blue Ridge Electric	264-8894
Trash Pick-up:	
GDS	264-3689
Water and Sewer:	
Town of Boone	262-4550
Other Frequently Used Numbers	
Directory Info	411
Post Office, Boone	264-3813
Post Office, Blowing Rock	295-3589
Post Office, Banner Elk	
Voter Registration	265-8061

PHONE DIRECTORY (continued)

Landlord:	Holton Mountain Rentals							
Address:	480 Hwy. 105 Ext. Boone, NC 28607							
Mailing Address:	PO Box 3075 Boone, NC 28607							
Phone Numbers:	Mon. – Fri. 9am to 5pm 264-3644 Emergency Line							
My Phone Number	:							
My New Address:								
My Meter Number:								

Website: For a copy of this Rules & Regulations Booklet and other forms, policies and procedures, and information about rentals, check out our web site at:

www.HoltonMountainRentals.com

CONTENTS

Section

1.	AGENT'S AUTHORITY
2.	ALTERATIONS
3.	AMENDMENT TO LEASE CONTRACT
	AND RULES & REGULATIONS
4.	ASSIGNMENT
5.	AUTO REPAIRS
6.	BALCONIES & WALKWAYS
7.	BREAKING YOUR LEASE
8.	CABLE INTERNET ACCESS
	AND/OR OTHER INTERNET ACCESS
9.	CARPET & FLOOR COVERINGS
10.	COMMON AREAS
11.	CURTAINS, DRAPES, BLINDS & SHADES
12.	DAMAGE AND SECURITY DEPOSIT
13.	DEFINITION OF RENT
14.	DISCLAIMER
15.	DOMESTIC VIOLENCE/ABUSE
16.	EMERGENCIES
17.	EMINENT DOMAIN & CASUALTIES
18.	FIRE PROTECTION & CO EQUIPMENT
19.	FIXTURES, APPLIANCES, ETC
	FORM
21.	FROZEN PIPES
22.	GAS LOGS
23.	GOOD HOUSEKEEPING
24.	HOLD HARMLESS
25.	HOLD OVER RENT
26.	HORNS AND ALARMS
27.	ILLEGAL DRUGS
28.	INSPECTION / RIGHT OF ENTRY
	INTERRUPTION OF SERVICE
30.	INVENTORY & INSPECTION / CHECKING IN
31.	KEYS AND LOCKOUT
32.	LANDLORD'S DEFAULT, LIMITATION OF
	REMEDIES AND DAMAGES
33.	LANDLORD'S LIABILITY

CONTENTS (continued)

Section

	LEGAL EXPENSE / LANDLORD'S LIEN
	LIGHT BULBS
36.	MAINTENANCE
	MISCELLANEOUS CHARGES
	MISREPRESENTAION
	MOLD & FUNGI
	NOISE
41.	
	PAINTING
	PARKING
	PARTIAL PAYMENTS / MONEY PAID
	PARTIES AND/OR GATHERINGS
	PAYMENTS
	PETS
	PICTURES & POSTERS
	PLUMBING SYSTEM
	POSSESSION
	PROHIBITED
	RECEIPTS
53.	RELOCATIONS
	RENEWING YOUR LEASE
	RENT
	RENTAL AND CREDIT APPLICATION
57.	RENTER'S INSURANCE
58.	REPAIRS
59.	
60.	
61.	SUBORDINATION
62.	TENANT'S DEFAULT
63.	TENANT'S OBLIGATIONS
64.	TERMINATION OF NEW LEASE OR RENEWAL
65.	TRANSFER OF INTEREST
66.	TRASH & RECYCLING
67.	
	VACATING & CHECKING OUT
69.	VISITORS

1. AGENT'S AUTHORITY

Holton Management, Inc., dba Holton Mountain Rentals, as agent for Owner(s) shall have the authority under this Lease Contract to act as Landlord on behalf of Owner(s). The agent or his employees shall not be held liable to Tenant for any nonperformance of any obligation or promise of Landlord contained in this Lease Contract or imposed by Law. Upon termination of such agency, Holton Management, Inc., dba Holton Mountain Rentals, shall be relieved of all responsibility under this Lease Contract and any successor agent shall succeed to the authority to act as Landlord previously held by Holton Management, Inc., dba Holton Mountain Rentals, unless limited by Owner(s). The law of agency prevailing in North Carolina shall apply.

Tenant understands agent is being compensated in this transaction by the property owner and is contractually obligated to protect the interests of said property owner.

2. ALTERATIONS

Tenant shall not paint, paper or make any alterations, installations, repairs or redecorations of any kind to the dwelling unit without written permission by Landlord. **No wallpaper borders or wallpaper of any kind are to be installed by Tenant.** Tenant may not alter any lock, doorknob or install a new lock without the written consent of Landlord. Landlord will retain a key to the dwelling unit and any room within a dwelling unit. Tenant shall pay Landlord \$55.00 per lock for reimbursement of the cost of re-keying the lock(s) if tenant changes lock(s). It is further understood that any alterations or additions become the property of Landlord; except at the option of Landlord, Tenant may be required to return the property to its original condition.

3. AMENDMENT TO LEASE CONTRACT AND RULES & REGULATIONS

Landlord reserves the right at any time and, from time to time, to amend the Lease Contract and/or Rules & Regulations and to make such further reasonable changes as in the judgment of the Landlord may be necessary or desirable for safety, care, reputation, cleanliness and/or for any other reasonable desirable purpose. Such amendment changes and/or rules and regulations shall be binding upon Tenant and effective upon Tenant's receipt of a copy thereof. This amendment process is an exception to the requirement in "Entire Agreement" (Article I, Section 19) that all changes, additions or deletions hereto must be signed by all parties.

Waiver by Landlord of any breach of any provision of the rules and regulations by Tenant, or the waiver of the application of any rules and regulations with regard to Tenant or other tenants shall not be deemed to be a waiver of such rules and regulations in the future.

4. ASSIGNMENT

Tenant shall not assign, sublet, be released from or otherwise transfer his interest in this 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. If Tenant desires to have his dwelling unit leased to replacement tenant, sub-tenant, etc.... but is unable or unwilling to locate a suitable replacement tenant, sub-tenant, etc... who is willing to pay the original monthly rental amount provided herein, Landlord may at Landlord's option assist Tenant in finding a replacement tenant, sub-tenant, etc... at Tenant's sole cost and expense. However, Landlord does not guarantee that one can or will be found, or that a suitable replacement tenant, sub-tenant, etc... will pay the full rental amount. Tenant authorizes Landlord to negotiate rental amounts and periods with replacement tenant, sub-tenant, etc.... If a replacement tenant, sub-tenant, etc... is found, Tenant will nevertheless continue to be liable for making sure the full rent is paid as stated in the original Lease Contract and for all other lease obligations throughout the remaining term of the Lease Contract, and Landlord can continue to hold Tenant's security deposit on account regardless of whether or not the replacement tenant, subtenant, etc... is required to pay a security deposit. Landlord shall apply either or both of replacement tenant's, sub-tenant's, etc...security deposit and/or Tenant's security deposit at his discretion to cover any damages etc...done by them. Tenant and replacement tenant, sub-tenant, etc...are 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 replacement tenant, sub-tenant, etc...rather than requiring Tenant to collect rent from the replacement tenant, sub-tenant, etc...and then pay required rent to Landlord. Tenant is responsible for any default by the replacement tenant, sub-tenant, etc...and for collecting monies owed by them unless Tenant has been released from the Lease Contract.

If after finding a suitable replacement tenant, and Landlord agrees in writing to release Tenant from Lease Contract, then Tenant's release is conditioned upon Tenant paying any damages, fees, charges, fines, rents, etc...that are due and meeting all responsibilities under this Lease Contract. If replacement tenant, sub-tenant, etc...leased dwelling unit at a lower rental rate than stated on Tenant's Lease Contract, then Tenant is responsible for paying the difference between the lower monthly rental amount and Tenant's regular monthly rental amount for the remainder of the Lease Contract term before any agreement to release Tenant from Lease Contract is effective.

5. AUTO REPAIRS

No auto repairs are allowed at any of the dwelling units. This includes changing oil, filters, lubricating, washing your car, or putting in anti-freeze. (Exception: if the dwelling is a single-family house, car washing is permitted.) Drainage of any automotive fluids in or on the common areas is strictly prohibited.

Any vehicle including motorcycles parked on the premises or property that is unlicensed, inoperable, abandoned or lacking any required permit may be towed away and stored at the vehicle owner's expense without Landlord incurring any liability to anyone for any reason.

All vehicles must be kept in proper operating condition so as not to be a hazard or a nuisance by reason of noise, emissions, appearance or otherwise.

6. BALCONIES AND WALKWAYS

Tenant agrees not to create any health or safety hazards in common areas such as walkways, hallways, balconies, porches, decks, stairways or parking areas.

- 1) Do not dry or air clothes, rugs, mops, etc...on balconies, decks, porches or walkways. Also they are not to be used as storage areas, or under any conditions, for cookouts.
- 2) Do not use barbecue grills on the balconies, decks, porches or walkways or near/next to anything made of wood. Barbecue grills must be placed at least twenty feet from buildings.
- 3) No garbage is to be placed or stored on balconies, decks, porches or walkways.
- 4) Do not sit on the railings for safety reasons.
- 5) Do not overload balconies, decks, porches or walkways with too many people.
- 6) Recycling bins must be kept inside dwelling unit, not outside.
- 7) Outdoor lawn furniture is allowed on patios, balconies, and decks with Landlord's permission as long as it is designed for outdoor use. It must meet with Landlord's approval. Type and amount of furniture may vary depending on location. No inside furniture such as upholstered couches, chairs, etc. are allowed outside. All outdoor furniture must be maintained in a neat and orderly manner and look good.
- **8)** Do not let any trash, cans, bottles, food, etc... be blown or thrown off decks, porches or patios. See "Common Areas" (Article II, Section 10).

If you violate the terms of this Lease Contract in regards to any of the above items, you are in default of the Lease Contract. At Landlord's option, Landlord can take steps to terminate your Lease Contract as stated in "Tenant's Default" (Article II, Section 62). You are also subject to a **fine** that can range from a **minimum of \$50.00 up to \$150.00**. The exact amount of the fine is set at the discretion of Landlord and is payable to Landlord for each violation. Each day or partial day is considered a separate violation.

7. BREAKING YOUR LEASE

The Lease Contract Tenant signed with Landlord is a legal, binding contract that runs for a specified period of time. Tenant is expected to live up to the Lease Contract.

Breaking a Lease Contract can be expensive, especially if Tenant is unable to find someone to take Tenant's place.

If Landlord is not paid all monies that Tenant owes him, then Landlord can go to court and get a judgment. A court ordered judgment is enforceable for ten years to start and may be extended for another ten years, and it can become a lien on property that Tenant owns now or in the future. In addition, if Tenant is reported to a credit bureau, Tenant will have a mark on Tenant's credit record for seven years. Think twice before you do something that might ruin your credit rating because a bad credit rating stays with you a long time. A bad credit rating can keep you from getting a loan to borrow money, buy a car or a house.

Tenant will not abandon or vacate the dwelling unit during the term of the Lease Contract. Tenant will be deemed to have abandoned or vacated the dwelling unit if Tenant removes substantially all of any of the following: your clothes, food, dishes, cooking utensils, furnishings, or other possessions from the dwelling unit. In addition, if Tenant is absent from the dwelling unit for seven (7) consecutive days while a rental payment is delinquent, Tenant will be deemed to have abandoned or vacated the dwelling unit effective the first day of such seven (7) day period of absence. If Tenant has the electric power turned off, Tenant will be considered to have abandoned or vacated the dwelling unit.

If, however, Tenant decides to break Tenant's Lease Contract, Tenant should do the following:

- 1) Notify Landlord in writing as far in advance as possible of the day Tenant plans to move and fill out an Authorization and Request by Tenant To Sublet and/or Assign Lease Contract.
- 2) Read "Term" (Article I, Section 1) of this Lease Contract.
- 3) Go through the checkout procedure with Landlord and comply with "Vacating & Checking Out" (Article II, Section 68) of this Lease Contract.

If Tenant abandons Tenant's dwelling unit, legal action may be taken to see that Tenant fulfills Tenant's Lease Contract obligations with Landlord.

THINK ABOUT IT BEFORE YOU DO IT!

8. CABLE INTERNET ACCESS AND/OR OTHER INTERNET ACCESS (IA)

If your dwelling unit is equipped for Cable Internet Access and/or other Internet Access (IA) provided by Landlord, please request the information sheet from Landlord. The information sheet explains IA service, what your responsibilities are, the rules and regulations regarding IA service and what you need to do to hook your computer up to the data jack in your dwelling unit. Tenant agrees to abide by Landlord's rules and regulations regarding IA service. These Rules & Regulations are subject to change by Landlord at anytime. **DISCLAIMER:** IA speeds vary depending on many factors beyond Landlord's control. Service can be slow at times and may be subject to interruptions. This service is provided by a third party service provider over which Landlord has no control. Tenant agrees that Landlord is not responsible for any slowdown or interruption of IA service and Landlord WILL NOT discount, abate or prorate Tenant's rent for any reason related to IA. Please read the Landlord's information sheet on IA for further details. Tenant agrees he is responsible for paying any service calls for IA that is caused by problems with his computer setup or software. Tenant agrees that Landlord has advised him that security is a problem with IA and that Tenant should take whatever steps necessary to protect his computer including installing a firewall.

In order to help prevent computer virus problems, Tenant agrees Landlord may require that each Tenant that has a computer and is connected to the Internet Access provided by Landlord sign a statement that Tenant's computer is protected with a virus protection

software and is updated on a regular basis. If Tenant refuses to sign statement and /or Tenants computer is known to be a problem to the network Landlord will disconnect the computer from the Internet and will not reconnect it until it is certified as virus free and proves to be so.

Tenant agrees not to run or host a web site using the IA data connection in his dwelling unit. Tenant agrees that Landlord is not responsible for any lightning damage to Tenant's computer and/or accessories. Tenant agrees that Landlord has the right to disconnect Tenant's IA service if Tenant fails to abide by the rules and regulations regarding its use and Landlord will not discount, abate or prorate Tenant's rent if Tenant's IA service is disconnected for these reasons.

9. CARPET AND FLOOR COVERINGS

CARPET: If the dwelling unit you are leasing has carpet, then you are responsible for taking care of it while you live there. You are required to have a vacuum cleaner in your dwelling unit if it has carpet. It is your responsibility to vacuum it on regular basis (meaning at least once a week).

Landlord has the carpet steam cleaned when you move in (unless it has just been replaced). The carpet has been inspected after the previous tenant moved out, just prior to you moving in, by Landlord, his agent, or subcontractor. If you request, Landlord will provide a copy of that inspection report for you and it will be put in your Tenant file so Landlord can compare the condition of the carpet prior to you moving in to the condition it is when you vacate the dwelling unit.

Tenant is responsible for inspecting the carpet and floor coverings within four days of moving in or the carpet being cleaned. Tenant is to make a list of any damages, room by room and give Landlord a copy. If Tenant fails to make a list of any damages to the carpet or floor coverings, then Tenant unconditionally accepts them in the condition that Landlord shows them to be at move in and agrees not to dispute their condition later. Landlord wants the carpet and floor coverings in your dwelling unit to be in good condition. Please let the Landlord know if they are not.

You are responsible for any damages to the carpet and padding that occur during the term of your Lease Contract except for normal wear. This is whether you or a sub-tenant is living in the dwelling unit. The following is a list of the more common damages that occur to carpet and are not considered normal wear:

- 1. Pet odor and stains Pet odor and/or stains in carpet caused by the pet going to the bathroom on the carpet. Pet odor cannot normally be gotten out.
- <u>2. Bleach marks</u> Caused by a variety of products from bleach, laundry detergent, acne medication, some cleaning products, etc.
- 3. Red marks Caused by Kool Aid, wine or products with red dye in them.
- 4. Furniture or rust stains Caused by feet or legs of furniture getting wet from carpet being cleaned, etc. and stain from furniture or rust from where feet are pushed into carpet.
- <u>5. Carpet tears and pulls</u> Caused by pets clawing or scratching and tearing the carpet, furniture, vacuum cleaners, etc.
- <u>6. Burns</u> Normally caused from fireplace, cigarettes, ironing on floor without ironing board, etc.

- 7. Black Marks Normally caused by grease, soot, bikes, cigarette ashes, etc....
- 8. Spills Can be anything from beer to food etc....
- 9. Damage from chair rollers Desk chairs rolling back and forth will break the fibers and carpet backing. Please get a floor mat to go under the desk chair to protect the carpet.
- <u>10. Wax</u> From candles dripping on carpet.
- 11. Extreme Wear and Tear worn spots, dark spots, discolored areas compared to rest of carpet can be caused by spills, lack of vacuuming, cigarette ashes, excessive traffic, parties, etc...

These are just the most common types of damage that occur to carpet. There are many other ways carpet can be damaged. None of these types of damages are considered normal wear and tear and Tenant will be charged and responsible for paying for any damage not caused by normal wear either when it occurs or at time of vacating the dwelling unit at Landlord's option.

Life of carpet and floor coverings varies depending on many circumstances, but for other than normal wear, if you abuse, damage or ruin the carpet and/or floor coverings, then you will pay the cost of the damage up to the cost of replacing it, less a deduction the Landlord makes for the condition carpet was in when Tenant's lease contract started. Normal wear of carpet varies depending on many factors. The living room carpet will usually last much longer in a one bedroom apartment than a four bedroom apartment because there is normally less traffic. Landlord replaces carpet and padding when it wears out or is excessively damaged. Landlord does not amortize the value of the carpet by its age because if carpet is properly taken care of it will last a long time. If the carpet is excessively damaged by Tenant, then Landlord will charge Tenant the full cost of replacing the carpet less a deduction the Landlord will make for the condition carpet was in when Tenant's Lease Contract started. Landlord will take into account the condition of the carpet including any carpet damage that was prior to Tenant moving in, when deciding what to charge Tenant for damages he has done. Damages such as cigarette burns are charged out at \$20.00 per burn unless the number of burns is excessive and then Tenant could be charged for replacing the carpet. Other damages such as bleach or red marks depend on their size, number, severity, and location when determining the damage amount. Pet damage usually requires replacing the carpet. Any time a carpet is damaged, its life is usually shortened. Tenant agrees that Landlord at Landlord's sole discretion will make the decision whether and when to replace damaged carpet and floor coverings.

OTHER TYPES OF FLOOR COVERINGS

VINYL: Damage is usually caused by cuts and cigarette burns or sliding something heavy across the vinyl like a washer or refrigerator.

TILE: Damage is usually caused by dropping something on it and either chipping or cracking it.

WOOD: Damage is usually caused by getting it wet, dropping something on it or sliding furniture on it. Please be careful when watering plants.

10. COMMON AREAS

Tenant is renting the interior of Tenant's dwelling unit, not the exterior. The exterior of your dwelling unit, which may consist of walkways, stairways, hallways, porches, decks, balconies, parking lots, roads, yards, recreation areas and grounds are considered limited common areas. You have limited access and authority in these limited common areas. For example: You may use the limited common areas for access (ingress and egress), in other words, going to and from your dwelling unit. You may also use the grounds for recreation, sunbathing and relaxation as long as you do not disturb the neighbors or violate the terms and conditions of your Lease Contract. Unless you have express written permission from Landlord, you have no right to have gatherings, parties, etc. in any of the limited common areas and any people attending any such get-togethers will be considered to be trespassers on Landlord's property and subject to being treated as such.

Exclusive Common Areas: If you have a deck, porch, patio, carport or garage that is exclusive to your dwelling unit, then you may use it under the same terms and conditions as you do the interior of your dwelling unit. PARTIES ARE STRICTLY PROHIBITED! If you rented a house, duplex or triplex, you may have certain responsibilities for yard care and grounds maintenance for the common areas in addition to the ones stated here.

All Tenants of all dwelling units within a building or complex are jointly and severally liable for and agree to keep the common areas, including all walkways, stairways, hallways, porches, decks, balconies, parking lots, recreation areas, yards and grounds clean and free of rubbish, trash, litter, garbage, bags, bottles, cans, papers, cigarette butts, etc. and in a presentable condition at all times. If it can be determined which dwelling unit is responsible for said trash, etc...then only that dwelling unit will be charged for trash cleanup at the rate of \$35.00 per hour, prorated for partial hours with a minimum charge of \$20.00. Do not set the garbage outside your front door to be disposed of later. If it can not be determined which dwelling unit(s) in a complex or building is causing the trash problem A MINIMUM TRASH CLEANUP CHARGE OF \$5.00 PER INDIVIDUAL TENANT, PER OCCURANCE MAY BE CHARGED TO ALL TENANTS OF ALL DWELLING UNITS WITHIN A BUILDING OR COMPLEX SHOULD SUCH TRASH CONTINUALLY BE UNSIGHTLY OR UNSANITARY. Tenant agrees that any damages to hallways or stairways shared in common with other Tenants or damage to the exterior of the building and/or grounds will be assessed and charged equally among all the dwelling units within that building unless it can be determined exactly which Tenant was directly responsible for the damage. (The next four sentences apply to apartment, duplex, triplex, townhouse and condo tenants only.) You understand that you are renting the interior of the dwelling unit and not the exterior. You hereby authorize the Landlord to confiscate and take any items found outside the dwelling unit immediately to the county dump. This includes, but is not limited to, such items as grills, tires, trash, torches, garbage, refuse, towels, rugs, brooms, unauthorized furniture outside and wastebaskets. Tenant also understands that Tenant is responsible for paying for the time and equipment it takes to have said items removed from the dwelling unit, grounds or premises and agrees to pay that cost.

11. CURTAINS, DRAPES, BLINDS AND SHADES

Tenant is responsible for providing curtains, drapes and/or blinds. Landlord does not supply any of these unless the dwelling unit is listed as having them on the Inventory and Inspection Checklist. Most dwelling units, but not all, will have mini-blinds, and you are welcome to use any curtains, blinds or shades that are in the dwelling unit when you move in. Any curtains, drapes and/or blinds must meet with Landlord's approval. To get Landlord's approval they must be a neutral color and blend in when viewed from the exterior of the dwelling unit: sheets, blankets, towels, or bedspreads will not get approval when used as curtains or drapes. Any blinds, shades, or curtain rods installed by you must be with the permission of Landlord. Also any blinds, shades or curtain rods installed by you become the property of Landlord, since removing them will leave holes in the walls or window and door moldings.

12. DAMAGE AND SECURITY DEPOSIT

The Security Deposit shall be held in the manner set forth in the Lease Contact, "Security Deposit" (Article I, Section 8). Upon any termination of the Lease Contract herein created, Landlord may deduct from the Security Deposit amounts sufficient to pay (1) any damages sustained by Landlord as a result of your nonpayment of rent, or nonfulfillment of the initial term or any renewal periods including your failure to enter into possession; (2) any damages to the dwelling unit, premises and grounds for which you are responsible; (3) any unpaid bills which become a lien against the dwelling unit due to your occupancy; (4) any costs of re-renting the dwelling unit after a breach of this Lease Contract by you; (5) any court costs incurred by Landlord in connection with terminating the Lease Contract; (6) any other damages of Landlord for which Security Deposit may be used for under the laws of this State. After having deducted the above amounts, Landlord shall, if he knows Tenant's address, within thirty (30) days after the termination of the Lease Contract, refund to Tenant at Tenant's last known address, the balance of the Security Deposit along with an itemized statement of any deductions. If Tenant's address is unknown to Landlord, Landlord may deduct the above amounts and shall then hold the balance of the Security Deposit for your collection for a six-month period beginning 30 days after the termination of the Lease Contract. If you fail to make demand for the balance of the Security Deposit within the six-month period, Landlord shall not thereafter be liable to you for a refund of the Security Deposit or any part thereof.

If more than one person rents the dwelling unit, Landlord at its option may pay the refund to any Tenant or Tenants named on the Lease Contract, and Tenants agrees if one or all Tenants names are on the refund check that they are responsible for dividing any refund of the security deposit or other monies among themselves. However, Landlord at its option may divide the refund between the Tenants in any manner Landlord feels is fair and issue a separate check or checks. All Tenants agree to hold Landlord harmless for whichever way Landlord chooses to issue refund checks.

The Security Deposit is not intended to be prepaid rent; please do not ask Landlord to apply it toward your rent.

13. DEFINITION OF RENT

Rent is defined as payments from Tenant to Landlord required under the terms of this Lease Contract, including, but not limited to Monthly Rent (Article I, Section 4) Additional Rent (Article I, Section 6), Extra Rent (this section), Other Rent (this section), and Holdover Rent (Article II, Section 25). **EXTRA RENT** is defined as extra rent that Tenant is charged and agrees to pay in addition to the normal monthly rent if Tenant chooses to engage in certain activities. For example if Tenant chooses to have a party (Article II, Section 45), or a pet (Article II, Section 47), or an unauthorized person or persons living in dwelling unit (Article II, Section 41) then Tenant will be charged extra rent. These activities, other activities and the amount of extra rent for engaging in these activities are spelled out elsewhere in this Lease Contract. Tenant by his own free will decides whether he wants to pay extra rent by choosing to allow, engage or participate in those activities that incur extra rent at or around his dwelling unit or premises. **OTHER RENT** is defined to include all payments due or paid to Landlord from Tenant under the terms of this Lease Contract other than monthly rent, additional rent, extra rent, and holdover rent. Other rent includes utility and service charges (whether unpaid by Tenant to utility, landlord or service provider, or paid on Tenant's behalf by Landlord), fines, fees, fines charged by property owners associations that Tenant caused to be incurred, administrative fees, court costs, damages, services, trash cleanup charges, lawn care charges, repairs, maintenance or replacements. An administrative fee is charged to cover the Landlord's office costs of re-renting if Lease Contract is broken, if Tenant wants to cancel Lease Contract and/or occupancy is terminated. This is to help pay for Landlord's time and trouble to find a new Tenant and to process the paperwork.

14. DISCLAIMER

Information disseminated to Tenant by Landlord prior to Tenant signing this Lease Contract is believed to be accurate and reliable. Rental offerings are made subject to errors, omissions, price changes, prior sale/rental, or withdrawal without notice. Landlord and Tenant agree that Landlord has the right prior to the signing of this Lease Contract to change any information that has been disseminated to Tenant prior to the signing of this Lease Contract. That includes but is not limited to: the right to change prices, correct errors and omissions, change information, etc...

Types of media in which such changes in information could occur includes but is not limited to: writing or handouts, advertisements of any type, verbally given or contained on Landlord's Internet Website. By signing this Lease Contract Landlord and Tenant agree that all prior representations or information of Landlord are not a part of this Lease Contract.

Any floor plans on information sheets or web sites are for visualization purposes only. All measurements including dimensions and square footage are approximate and Tenant agrees to hold Landlord harmless for any such errors.

15. DOMESTIC VIOLENCE/ABUSE

No Violence or Abuse is allowed. This includes physical violence and or verbal abuse by anyone at the dwelling unit or on the premises at anytime. It is Tenant's responsibility to report it to the proper authorities and to the Landlord.

16. EMERGENCIES

In case of a dwelling unit emergency, please call the emergency number 264-4422 after normal business hours. The emergency number is also listed in the phone book and should be on a magnet on your refrigerator. During normal business hours call the Landlord's office at 264-3644.

What is an emergency?

1) Fire 5) Refrigerator not working

2) Flooding 6) Electrical short

3) No heat or power during winter 7) etc...

4) No water at all

If something else comes up, keep in mind that an emergency situation is something that is hazardous to health or property. Anything else can wait until normal business hours.

17. EMINENT DOMAIN AND CASUALTIES

Landlord shall have the option to terminate this Lease Contract if the dwelling unit, or any part thereof is condemned or sold in lieu of condemnation or damaged by fire or other casualty. Also see "Relocations" (Article II, Section 53) for other alternatives.

18. FIRE PROTECTION & CO EQUIPMENT

Tenant is provided with a smoke detector(s) and most dwelling units also have a fire extinguisher. It is your responsibility to check the smoke detector(s) approximately every month to make sure they are working properly. Also it is your responsibility to check the fire extinguisher approximately every month to make sure it is charged. If the smoke detector is not working properly or the fire extinguisher is not charged, then it is your responsibility to let the Landlord know as soon as possible. Tenant agrees not to allow the smoke detector to be obstructed or tampered with for any reason, and agrees not to disable the smoke detector. If a fire extinguisher is provided, it is for your protection. If a fire should break out, you should use the fire extinguisher, if possible, and call the fire department and Landlord immediately, even if you think the fire is extinguished. If the fire extinguisher is discharged, it is your responsibility to notify Landlord in writing that it needs to be recharged.

Tenant is required to have one or more carbon monoxide (CO) detectors in any dwelling unit that has a garage, gas logs, or any heat source other than electric heat. This is for Tenant's protection. In some dwelling units Landlord provides them; however it is Tenant's responsibility to provide CO detector if Landlord does not. Regardless of whether Tenant or Landlord provides CO detector it is Tenant's responsibility to make

sure it is working properly on at least a monthly basis and to keep any batteries replaced as needed. If Carbon Monoxide Detector goes off, Tenant should immediately open doors or windows for fresh air and air out dwelling unit, as well as taking appropriate actions including calling 911 if necessary and finding out what caused it to go off. If Tenant suffers headaches, dizziness or flu-like symptoms, it could be Carbon Monoxide poisoning. Carbon Monoxide detectors should be plugged in between one and two feet off the floor near or in bedrooms. Carbon Monoxide can KILL. It is odorless and colorless. Be careful and look on the Landlord's website or ask Landlord for a Carbon Monoxide information sheet.

19. FIXTURES, APPLIANCES, ETC...

Tenant agrees that any fixtures, appliances, furnishings or equipment that are shown on Tenant's inventory list for Tenant's dwelling unit, at the beginning of the term of Tenant's Lease Contract, are to be considered part of the dwelling unit and premises.

Tenant is responsible for any damage that occurs to the fixtures, appliances, furnishings or equipment during the term of Tenant's Lease Contract except ordinary wear and tear. The condition of the fixtures, appliances, furnishings or equipment are as stated on the inventory list at beginning of the term of your Lease Contract. See "Inventory & Inspection / Checking In" (Article II, Section 30) for more details.

It is further understood that, if damages occur to the fixtures, appliances, furnishings or equipment, Tenant is responsible for paying the cost of restoring the damaged item(s) to the condition they were in at the beginning of the term of the Lease Contract. This means either making needed repairs or, if it is not practical to repair, then you are responsible for paying the cost of replacing the item(s) damaged. If the item(s) needing repair or to be replaced are part of a matched set and if there is not a repair that can be made locally or a replacement to be found locally that matches the damaged item(s), then you are responsible for paying the cost of replacing the entire matched set so that the Landlord will continue to have a matched set. Ordinary need for maintenance is not considered as damage unless caused by abuse. This means Landlord will pay the cost of keeping any fixtures, appliances, or equipment in good working order and for their replacement when they wear out.

You further agree that you will not remove any furnished fixtures, appliances, furniture or equipment from dwelling unit or take any of them outside. If they are taken outside and damaged, you will be responsible for replacement costs. You are required to install a mattress cover on any furnished bedding. Failure to do so may result in charges for mattress replacement.

20. FORM

Landlord and Tenant hereby acknowledge that their agreement is evidenced by the Lease Contract in Article I, Rules & Regulations in Article II, and the Roommate Responsibility Agreement in Article III (if applicable) and other applicable addenda to the Lease Contract, any of which may contain some minor inaccuracies when applied to the particular factual setting of the parties. Landlord and Tenant agree that the courts shall liberally and broadly interpret this Lease Contract, ignoring minor inconsistencies and inaccuracies, and that the courts shall apply the Lease Contract to determine all disputes

between the parties in which the manner most effectuates their intent as expressed herein. The following rules of construction shall be applied: (1) handwritten and typed additions or alterations shall control over the preprinted language when there is an inconsistency between them; (2) the Lease Contract shall not be strictly construed against either Landlord or Tenant; (3) section headings are used only for convenience of reference and shall not be considered as substantive part of this Lease Contract; (4) words in the singular shall include the plural and the masculine shall include feminine and neuter genders, as appropriate; and (5) in this Lease Contract use of the pronoun "you" and "your" shall mean and refer to "Tenant" and "Tenant's".

This Lease Contract shall be governed by and shall be interpreted in accordance with the law of the State of North Carolina. This Lease Contract shall be treated as though it was executed in Watauga County, North Carolina and is to be performed in Watauga County, North Carolina. Any action relating to this Lease Contract shall only be instituted and prosecuted in courts in North Carolina. Tenant and any co-signer(s) specifically consent to such jurisdiction and to extraterritorial service of process.

21. FROZEN PIPES

The winter weather can be hazardous to your water pipes. Pipes can freeze and burst causing water damage to your property and Landlord's. If the temperature drops below freezing, as it usually does here during the winter, turn your heat up. Don't ever run out of fuel or let the power, heat or breakers get cut off during the heating season, which runs from October 15 through April 15. Tenant is required to always leave the heat on in all rooms and set on at least 50 to 55 degrees or higher if necessary, so it is high enough to keep the dwelling unit warm and pipes from freezing. Christmas vacation is a common time for pipes to freeze. So to help prevent freezing pipes when it is time to go on a visit for the holidays, make sure the heat is on and open up the cabinet doors below the sinks in the kitchen and bathroom(s) for heat circulation. If you are renting a house or a duplex, make sure the vents under the house or duplex are closed along with any doors to the basement or crawlspace areas to help keep your pipes from freezing. Many houses and duplexes also have heat strips in the crawlspace areas (which are included as part of your electric bill) to help keep the pipes from freezing, so make sure the electric breakers and thermostats are cut on.

If the pipes do freeze, locate the cut-off valves at the base of the fixture or where the water line comes into the dwelling unit (may be next to hot water heater) and turn the valve clockwise to cut the water completely off. Then call Landlord as soon as possible.

Tenant understands that if Tenants plumbing and/or plumbing fixtures leak or burst because Tenant did not have Tenant's heat or electricity set high enough to prevent the plumbing or fixtures from freezing in Tenant's dwelling unit and/or building, then Tenant is responsible for paying to have the plumbing or fixtures repaired and for any damage that occurs due to the plumbing or fixtures leaking or bursting from freezing, including damage to the building, other dwelling units in the building, water lines and wells.

22. GAS LOGS

If your dwelling unit has gas logs, you may be required to have your account set up with the gas company or Landlord (whichever applies) and your gas logs hooked up when you move in. Tenant may be required to use at least a certain amount of gas each year, or pay a minimum charge to the gas company or Landlord if Tenant's usage is less. Tenant may also have to pay a meter-reading fee and a tank rental fee to the gas company or Landlord as part of his bill. See gas log information sheet for additional information concerning your gas logs. Tenant agrees to abide by any rules and regulations concerning gas logs that are part of the information sheet on gas logs.

23. GOOD HOUSEKEEPING

Tenant shall keep the dwelling unit including, but not limited to, all plumbing fixtures, facilities, floors and appliances, and any common areas, recreation areas, parking lots and yards used by Tenant in connection with the premises, in a clean, safe, sanitary and presentable condition.

Tenant agrees that the Landlord may conduct an inspection at any reasonable time and Landlord may require you to clean the dwelling unit if, in the Landlord's sole opinion, it is dirty. You agree if Landlord gives you notice that the dwelling unit needs to be cleaned, that you have three (3) days to complete such cleaning and have a re-inspection. If you fail to clean the dwelling unit to the condition it was when you moved in, the Landlord has the right to have the dwelling unit cleaned by a maid at your expense. You are responsible for paying the bill for such cleaning promptly.

You are required to have a vacuum cleaner in your dwelling unit if it has carpet and to use the vacuum cleaner at least once a week.

24. HOLD HARMLESS

Tenant covenants and agrees to release and indemnify Landlord, hold it and defend it, its agents and employees harmless from, against: any action arising from enforcement of this Lease Contract, death, injury, claim, cost, remedy, expense, damage, loss, liability or cause of action to or of anyone for Tenant's, Tenant's employees, family, roommates, friends, servants, guests, visitors, invitees, agents and anyone claiming under them or to the public from any cause, act or omission whatsoever resulting from the use, nonuse or condition of the dwelling unit, grounds, parking lots, common areas and premises during the term of this Lease Contract.

Landlord is not liable for accidents, illnesses or the treatment thereof directly or indirectly related to Tenant's occupancy of the dwelling unit or on the premises.

25. HOLD OVER RENT

If you shall hold over past 10:00 AM after the expiration of the term or other termination of this Lease Contract, such holding over shall not be deemed to be a renewal of this Lease Contract but shall be deemed to create a **tenancy-at-will.** By such holding over, you will be deemed to have agreed to be bound by all the terms and conditions of this

Lease Contract except those as to the term hereof and except that, during such tenancyat-will you shall pay hold over rent at the rate of one hundred twenty dollars (\$120.00) per day or part of a day until the premises are vacated.

If the Tenant does not surrender the dwelling unit at the end of the Lease Contract term or any renewal or extension thereof, Tenant will reimburse the Landlord for all of the damages which the Landlord suffers as a result thereof, and will further indemnify the Landlord against all claims made by any succeeding tenant against the Landlord founded upon delay by the Landlord in delivering possession of the dwelling unit to said succeeding tenant, so far as such delay is caused by the failure of Tenant to surrender the dwelling unit.

26. HORNS AND ALARMS

Tenant agrees that if the horn or alarm in Tenant's vehicle, while it is parked, is activated and Tenant is not available to cut it off, that Landlord has Tenant's express permission to turn off said horn and/or alarm by whatever means is necessary. This includes disconnecting the vehicle's horn, alarms, and/or battery, by cutting or disconnecting the wires or, if all else fails, having the vehicle towed. Tenant agrees to hold Landlord and/or his agents, including employees and subcontractors, harmless from any such action, including, if necessary, breaking and entering into said vehicle, for these purposes.

Tenant also agrees not to honk horn or let their ride honk their horn to alert Tenant that they are waiting on him. This can disturb other Tenants and neighbors. Also Tenant agrees not to let the horn or vehicle alarm make a sound when turning on or off the Vehicle Alarm such as when a Tenant locks his car and turns the car alarm on.

27. ILLEGAL DRUGS

If Tenant, Tenant's friends, employees, agents, invitees and/or guests, engage in, permit or facilitate any drug-related criminal activity on or about the dwelling unit and/or premises, Tenant will be deemed to have substantially and materially breached this Lease Contract, with such breach being grounds to terminate Tenant's occupancy of the dwelling unit. The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, dispensing, storage, use or possession of a "controlled substance" as defined under Section 102 of the Comprehensive Drug Abuse Prevention and Control Act (21 USC802(6), as amended), or to attempt, endeavor or conspire to manufacture, sell, distribute, dispense, store, use or possess a controlled dangerous substance or controlled substance, under relevant North Carolina statutes. Tenant is also in violation if in possession of drug paraphernalia such as water pipes, bongs, etc. Proof of violation of illegal drugs shall be by a preponderance of the evidence.

Tenant agrees to sign and abide by Landlord's DRUG-FREE HOUSING addendum.

28. INSPECTION / RIGHT OF ENTRY

Landlord reserves and shall at all times have the right to re-enter your dwelling unit to inspect for your compliance with terms of this Lease Contract, make sure damage is not occurring, stop waste, clean, exterminate, turn off alarms, stop noise, alter, improve, maintain, repair the dwelling unit and premises, inspect or break up a party or gathering,

do any type of maintenance and/or repair, enforce any provision of this Lease Contract, show the dwelling unit to prospective tenants, purchasers, inspectors, appraisers or lending institutions and in the event of an emergency affecting the health, safety or welfare of Landlord or any tenant or any property thereof and any other reasonable purpose. You agree to allow access and occupancy of the dwelling unit to workmen or anyone performing redecorations, painting, steam cleaning, replacing carpet(s) or repairing or remodeling as Landlord may deem appropriate and for such time as necessary without discount, abatement or prorating of rent. All such work shall be done, so far as practicable, in such manner to minimize interference with Tenant's use of the dwelling unit. Entrance to the dwelling unit shall not be denied to Tenant except in police, fire, medical and other emergencies, crime scenes, etc... as allowed by law. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant, any loss of occupancy or quiet enjoyment of the dwelling unit and premises and any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in. upon or about the dwelling unit. Landlord shall have the right to use any and all means Landlord may deem necessary or proper to open such doors in an emergency in order to obtain entry to any portion of the dwelling unit. Any entry to the dwelling unit or portions thereof obtained by Landlord by any of such means, or otherwise, shall not under any circumstance be construed or deemed to be a forcible or unlawful entry into or a detainer of, said dwelling unit and premises, or an eviction, actual or constructive, of Tenant from the dwelling unit or any portion thereof. Landlord may display "For Sale" or "For Rent" signs on the dwelling unit.

This right of entry and inspection as spelled out above also applies in the event that the Tenant abandons the dwelling unit or is required to vacate dwelling unit due to Landlord exercising his rights upon Tenant's breach of Lease Contract.

29. INTERRUPTION OF SERVICE

Tenant will receive no reduction, discount, abatement or pro-ration of Tenant's rent, nor will Landlord be liable to Tenant due to repairs or interruption of services: to utilities, services, appliances, plumbing or equipment in or about the dwelling unit; due to defects in the dwelling unit; or due to the inability of Landlord to obtain proper fuel, utilities, or repair/replacement parts. In case it shall become necessary at any time, from accident or repairs, or to improve the condition or operation of the dwelling unit, or any equipment or utilities appertaining thereto, for Landlord to stop or curtail the operation of said equipment or utilities, Landlord may do so, but in such case due diligence shall be used to complete the work.

30. INVENTORY & INSPECTION / CHECKING IN

Before Tenant moves into Tenant's dwelling unit, it will be cleaned and inspected thoroughly. Landlord makes sure that the dwelling unit is in good condition and ready for you.

When you move in, there will be an Inventory and Inspection Checklist provided within ten (10) days of the date your Lease Contract starts. Normally you will find it lying on

the kitchen counter next to the sink. It will list the condition of the dwelling unit. Also it will list any furnishings or appliances and their condition. If you should find the condition of the dwelling unit, furnishings or appliances listed incorrectly or not in the condition stated, a written statement of the discrepancy shall be delivered to Landlord within four (4) days after taking possession or within (4) days of the date listed on the Checklist, whichever is later. Otherwise, the inventory and conditions will be considered to be correct as stated on the Inventory and Inspection Checklist. It is your responsibility to make sure you get a copy of the Inventory and Inspection Checklist. This means you must request a copy if there is not one in your dwelling unit when you move in.

31. KEYS AND LOCKOUT

Each Tenant is provided with a dwelling unit key and (if needed) each dwelling unit is provided a bedroom key, a laundry room key and/or a key for the mailbox. Please try to keep up with your key(s). If you lose them, Landlord may have to change locks at your expense. You agree to return all keys plus any copies that have been made to Landlord upon vacating the dwelling unit.

If you lock yourself out, please do not tear off or bend the screens on the windows, break windows, pry the door open or try to break in. Come by the Landlord's office during normal business hours and borrow a key. Replacing the screens is costly and you will need them when it gets warm outside. You are responsible for any damage that happens to screens, windows, window frames, doors, doorframes, or locks.

If you lock yourself out and need Landlord to come out to let you in, you will be charged a minimum of \$30.00 and more if it is after hours, for each time you are locked out. If you come by Landlord's office during normal business hours and borrow a key, there will be no charge.

BE CAREFUL WITH YOUR KEYS!

32. LANDLORD'S DEFAULT, LIMITATION OF REMEDIES AND DAMAGES

No default by Landlord in the performance of any of the promises or obligations herein agreed to by it or imposed upon it by law shall constitute a material breach of this Lease Contract, and you shall have no right to terminate this Lease Contract for any such default or suspend your performance hereunder until you notify Landlord in writing of the alleged default and afford Landlord a reasonable amount of time within which to cure the default. In no event and regardless of its duration shall any defective condition or failure to repair, maintain or provide any common area, fixture or facility used in connection with the dwelling unit, including but not limited to: parking lots, club houses, recreation areas, bus stop, tennis courts, walking track, volleyball court, basketball court, pool, hot tub, internet access, etc. constitute a material breach of this Lease Contract, and you shall not have the right to terminate this Lease Contract or to suspend your performance hereunder and Landlord will not discount, abate, or prorate your rent. You hereby agree that in any legal action instituted by you against Landlord, whether for partial or material breach of this Lease Contract or any obligation imposed by law upon Landlord, your damages shall be limited to the difference, if any, between the rent reserved in this Lease Contract and the reasonable rental value of the dwelling unit taking into account Landlord's breach. In no event shall you collect any consequential or

secondary damages resulting from the breach, including but not limited to the following items: Injury or destruction of furniture or other personal property of any kind located in or about the dwelling unit, moving expenses, storage expenses, alternative interim housing expenses and expenses of locating and procuring alternative housing.

33. LANDLORD'S LIABILITIES

Landlord shall exercise ordinary care, but shall not be held liable for or responsible in any way for injury to any person, or for loss or damage to your property or that of your guests or other persons. Landlord shall have no responsibility or liability to you for: any damage, act or negligence of any other tenant(s) or any noncompliance by any other tenant(s) of the building or complex of buildings in regard to that tenant's Lease Contract. Failure or delay in enforcing Lease Contract covenants of other tenants shall not be deemed negligence on the part of Landlord. Tenant shall indemnify Landlord from any claim or liability. This Lease Contract does not give Right of Storage to Tenant. Any personal property at the dwelling unit shall be removed from the premises on vacating. In the event such property is not removed, Landlord may dispose of the property at his discretion, without any liability to Tenant. Tenant shall pay for all costs of removal of such property.

34. LEGAL EXPENSE / LANDLORD'S LIEN

Tenant shall pay and discharge all costs, expenses, and Agent's and/or Attorney's fees which shall be incurred or expended by Landlord due to breach of the covenants, terms and conditions of this Lease Contract by Tenant. Tenant understand that this means, if Tenant is taken to court to collect back rent, damages or property damage over and above Tenant's security deposit, Tenant will pay the Landlord's Agent or Attorney for their time and effort. The cost will be \$250.00 in Small Claims Court (Magistrate's Court) and a minimum of \$750.00 or more in District Court. Landlord shall also have a lien pursuant to North Carolina General Statutes Chapter 44A on all Tenant's personal property that remains in the dwelling unit and/or on the premises after Tenant's abandonment of the dwelling unit and premises or termination of the Lease Contract or termination of occupancy as herein provided.

35. LIGHT BULBS

Landlord furnishes working light bulbs in each light socket when you move in. It is your responsibility to replace all bulbs in the proper sizes as needed, and to leave a working light bulb in each light socket when leaving. You will be charged a \$1.00 per regular interior incandescent light bulb that is burned out or missing at checkout. Specialty light bulbs and florescent light bulbs will be more expensive.

36. MAINTENANCE

You agree to maintain the dwelling unit, common areas, parking lots, grounds and property in as good a condition as you find them, reasonable wear and tear excepted, and will be responsible for paying for repairs at your expense for any damage beyond that of reasonable wear and tear or caused by negligence.

TENANT AGREES AND UNDERSTANDS THAT LANDLORD IS NOT RESPONSIBLE FOR SNOW AND ICE REMOVAL.

YOU AGREE TO KEEP TUB, SHOWER, SINK, AND LAVATORY DRAINS, COMMODES, AND SEWER LINES OPEN AT YOUR OWN EXPENSE. (All drains will be considered to be open and in good working order if not reported within four (4) days of the occupancy date stated in this Lease Contract.)

You are responsible for all damage to: windows, doors, locks, light fixtures, screens or glass at your dwelling unit, caused by negligence, abuse, vandalism, or an accident. This includes, but is not limited to, damage to items such as storm windows, storm doors, screens, windows, doors, locks and interior or exterior light fixtures.

If Tenant has oil or kerosene heat, Tenant is responsible for paying for all service calls (labor and materials) that are a result of having oil or kerosene put in the tank when it is low and as a result the furnace or heater gets clogged up from sediment in the tank. To prevent this from happening, keep the furnace or heater off for several hours so the sediment can settle to the bottom of the tank, before starting it.

37. MISCELLANEOUS CHARGES

In addition to said rent, Tenant agrees to pay, when due, electricity, telephone, internet, cable, cost of heating, oil, gas, propane gas, water, sewer, trash and other charges accrued or payable in connection with Tenant's dwelling unit that Tenant is responsible for paying under the terms and conditions of this Lease Contract.

38. MISREPRESENTATION

Any statements made by Tenant to Landlord in Tenant's application to rent are considered as inducements to execute this Lease Contract. Misrepresentations shall entitle Landlord to terminate this Lease Contract and/or terminate Tenant's right of occupancy and possession at anytime and to collect from Tenant any damages as stated in "Tenant's Default" (Article II Section 62).

39. MOLD & FUNGI

Fungi and/or mold can grow wherever there is excessive moisture. Spores that cause fungi and mold are present both inside and outside and are part of the air we breathe daily and are part of everyday life wherever we live. They do not commonly cause problems unless excessive moisture and/or spores are present. Excessive moisture can be caused by a variety of causes such as: leaks from a variety of sources, not running the bathroom fan, not running or emptying a dehumidifier, storing stuff against an outside or basement wall without leaving an air gap, stopped up gutters, stopped up dryer vent, insufficient heat, and many other causes.

If Tenant(s) windows and/or doors in dwelling unit sweat in cold weather, Tenant agrees that Tenant is responsible for keeping them and the surface areas near them clean of moisture and fungi and/or mold growth.

Notwithstanding anything contained in this Lease Contract to the contrary, Tenant agrees to use Tenant's best efforts to prevent any conditions in the dwelling unit, such as excessive moisture, that could create an environment conducive to fungi and/or mold growth. In the event such conditions develop, Tenant agrees to remedy such conditions. Landlord is not responsible for the consequences of any Tenant conduct that leads to or exacerbates fungi and or mold growth, and Tenant shall indemnify and hold Landlord harmless from any such conduct of Tenant. Tenant further agrees to promptly report to the Landlord in writing, any actual or potential fungi and/or mold problem, regardless of what may have caused such problem. Failure to make a prompt written report of any potential fungi and or mold problem constitutes a breach of this Lease Contract and an unconditional waiver and release of any and all claims for any relief, including any alleged damages, whether accrued, contingent, just beginning to exist or coming to notice, or otherwise suspected or unsuspected, raised affirmatively or by way of defense or offset, related to or occurring or arising from or out of the unreported conditions.

Tenant further agrees that, in the event Landlord provides notice to Tenant of Landlord's intention to remediate fungi and or mold in Tenant's Unit, Tenant will provide immediate access to Tenant's dwelling unit to permit Landlord to remediate any problem. In the event Landlord determines, at its sole discretion, that Tenant should vacate the dwelling unit during remediation, Tenant will relocate (at Landlord's expense) to another dwelling unit within the same complex as Tenant's dwelling unit for the period of time necessary to complete such remediation. In the event no other dwelling unit within the same complex is available for such a relocation, as determined by Landlord in its sole discretion, Landlord shall provide Tenant, at Landlord's sole discretion, either (a) relocation at Landlord's expense to another, nearby dwelling unit owned or operated by Landlord (this means Landlord will help pay for moving Tenant's belongings), or (b) termination of the Lease Contract without penalty for such termination and without any financial obligation beyond the date of such termination. Tenant's refusal to relocate in accordance with these provisions, or any other interference with Landlord's remediation efforts, shall constitute a breach of this Lease Contract and an unconditional waiver and release of any and all claims for any relief, including any alleged damages, whether accrued, contingent, inchoate or otherwise, suspected or unsuspected, raised affirmatively or by way of defense or offset, related to or occurring or arising from or out of exposure to or the presence of fungi and/or mold. Landlord may terminate the Lease Contract and/or evict immediately upon Tenant's breach of any provision of this Section, and Landlord may exercise any one or more of any other remedy available to Landlord under the terms of the Lease Contract for a breach hereof or at law or in equity.

If (a) Tenant has made a good-faith written report to the Landlord of an actual fungi and/or mold problem in Tenant's Unit, and (b) within seven days after such report Landlord has not either (1) taken any action to inspect and/or remediate fungi and/or mold in Tenant's Unit, or (2) provided Tenant with a plan of remediation for Tenant's dwelling unit, then, and only then, Tenant may terminate this Lease Contract without penalty for such termination. Nothing herein shall release Tenant from any obligation or claims related to delinquent and/or past due rent payments, fees, utility and service charges, fines, damages, services, repairs, maintenance, replacements or other charges or other amounts due and owed Landlord pro-rated to the date of such termination.

In the event of any conflict between the terms and conditions of this Mold & Fungi section of the Lease Contract and terms and conditions of the Lease Contract, the terms and conditions of this Mold & Fungi section of the Lease Contract shall control.

40. NOISE

Tenant will not make, permit, or facilitate or cause to be made any disturbing or excessive noise. This is noise that disturbs the peace and quiet of other tenants and neighbors. Excessive noise can be caused by any of a combination of sounds from many different sources. You are required to be considerate of your neighbors by not playing your stereo, radio, video game, computer, or television so loud that they are objectionable to your neighbors or Landlord. This includes making sure the bass is not too loud or a surround sound system is not played in such a way that it disturbs the neighbors. In addition, you should avoid making noises that annoy the neighbors. Such noises can be caused by: jumping up and down while exercising, table games, singing, bouncing a ball, etc.

You agree not to conduct, give or permit vocal or instrumental instruction or practice. You are not allowed to play or practice with musical instruments of any kind in your dwelling unit or on the premises without the written permission of Landlord. This includes, but is not limited to: horns, drums, electric guitars, pianos, organs, etc. Remember, your neighbor might want to study, enjoy peace and quiet or sleep even if you do not. Politely ask neighbors to refrain from being so loud if they disturb you. Should excessive noise continue, notify Landlord.

Excessive noise can occur at anytime of day or night. Sometimes noise that is not objectionable to neighbors during daytime hours of 9:00 am to 10:00 pm is objectionable during nighttime hours of 10:00 pm to 9:00 am. Please be as quiet as possible during the nighttime hours of 10:00 pm to 9:00 am. If you cause excessive noise, you may be fined a **minimum of \$50.00** per time, up to a **maximum of \$150.00** per day, per violation payable to Landlord, and you are in default of your Lease Contract. At Landlord's option, Landlord can take steps to terminate the Lease Contract as stated in "Tenant's Default" (Article II, Section 62). You agree that Landlord determines whether noise is excessive or not. Tenants receiving a noise ordinance citation from town or county are in default and violation of this Lease Contract and are subject to the terms and conditions cited above.

41. OVERNIGHT AND LONG-TERM GUESTS

If the dwelling unit is occupied by other than the parties named in this Lease Contract as Tenant or as an authorized occupant or in a written addendum, then you are subject to paying \$100.00 in extra rent to the Landlord, per extra person, for each day or partial day an unnamed person(s) occupies the dwelling unit in violation of the terms of this Lease Contract. This is in addition to the normal monthly rent. In addition Tenant is in default of the Lease Contract. At Landlord's option, Landlord can take steps to terminate the Lease Contract as stated in "Tenant's Default" (Article II, Section 62). This does not apply to a guest who spends an occasional weekend or night. If you have a guest(s) who wants to stay longer than an occasional night or weekend, please check with Landlord. Sometimes special written permission can be granted. The term "guest" includes, but is not limited to, boyfriends, girlfriends, friends, parents, spouses or children.

42. PAINTING

Landlord at its option, as needed, repaints or touches paint up at the beginning of Tenant's occupancy if Tenant's dwelling unit has painted walls. Landlord has certain standards and Landlord wants the painted walls to look good. Tenant agrees that, if they live in a dwelling unit less than one year and they: sublease, request release from their Lease Contract, or their occupancy is terminated and dwelling unit has to be repainted or the paint touched up after they vacate, Tenant will be charged as damages and be responsible for paying all of the cost of repainting or touching up the paint, since having to repaint in such a short time period is not normal wear and tear. If Tenant lives in the dwelling unit a year or more, some wear and tear such as a few scuff marks and a few small nail holes for pictures will be considered normal. If there is more wear and tear than that, then Tenant will be charged the cost of repainting or touching up the paint. In other words, if Landlord has to paint most of, or the entire dwelling unit after one year, Tenant agrees that that is excessive wear and tear and Tenant will be charged the cost of painting as damages (less a dollar amount that the Landlord determines is normal wear and tear based on the size of the dwelling unit, painted area, length of occupancy) as damages. If Tenant lives in a dwelling unit two years or more and dwelling unit needs to be repainted at the end of Tenant's occupancy, Landlord would expect more black marks, scuff marks and small nail holes and generally for the paint on the walls to be more worn. This would be considered normal wear and tear due to the length of Tenant's occupancy and Tenant would not be charged the cost of repainting or touching up paint unless the wear and tear to the walls and ceiling was excessive.

Tenant agrees, that **anytime** the wear and tear is considered excessive or abusive by Landlord, and because of this the dwelling unit needs repainted or the paint touched up when Tenant vacates, that Tenant will be charged the entire painting costs (less a dollar amount that the Landlord determines is normal wear and tear based on the size of the dwelling unit, painted area, length of occupancy) as damages. Excessive wear and tear will be defined as the walls or ceilings having: holes, excessive nail holes, have been painted a different color, wallpaper or a wallpaper border has been put up, are discolored, have a sticky or greasy residue, have places where they are damaged and have to be patched, and any other damage, etc.

43. PARKING

Landlord reserves the right to control parking in any manner it deems necessary at its sole discretion. Landlord does not want to revoke a Tenant's parking privileges, so please follow the Parking Rules & Regulations.

Each dwelling unit has a designated number of parking spaces shown on its Lease Contract. Please use only the number of spaces assigned to you. For the purposes of this Lease Contract, motorcycles are to be treated exactly like cars.

For certain buildings, due to limited parking, parking permits are issued for certain parking spaces and only for the number of vehicles designated in your Lease Contract. Tenant understands that any vehicles improperly parked, and/or without a permit, are

subject to being immobilized and/or towed at Tenant's or vehicle owner's expense. Landlord enforces the parking policies strictly in order to try to assure Tenant of the number of parking spaces assigned on your Lease Contract. This means that anyone without a permit (visitor, friend, tenant, guest, parent, etc.) is subject to being immobilized and/or towed at the Tenant's or vehicle owner's expense. It is your responsibility to notify your parents, visitors, friends, guests, etc. that the parking policies apply to them.

Tenant agrees to comply with and inform Tenant's family, visitors, friends and guests to comply with all rules and regulations relating to the use of parking lots, driveway and roads (none of such facilities are included in Tenant's rent), which Landlord either posts and/or provides in writing to Tenant. A failure to comply with said rules and regulations may result, at Landlord's option, in Landlord revoking Tenant's use of parking lots, driveways and roads. Use of parking lots, driveway, and roads, may be revoked by Landlord without affecting the remainder of this Lease Contract, and Landlord WILL NOT discount, abate or prorate Tenant's rent. THINK TWICE OR YOU MIGHT BE WALKING! LANDLORD CAN REVOKE TENANT'S PARKING PERMIT AND PARKING PRIVILEGES by notifying Tenant by certified mail (no return receipt required). Tenant agrees that if his parking permit is revoked and Tenant parks in parking lot, driveway, road, or anywhere on grounds or premises, Tenant's vehicle can be towed at Tenant's expense for illegally parking.

Tenant's parking permits and privileges can be revoked for the following reasons:

- 1) Tenant speeds through parking lot, driveways or roads of the complex that dwelling unit is in. This includes exceeding posted or safe speed limits. Tenant will get **ONE** warning.
- 2) Tenant drives recklessly on the property. Tenant will get **ONE** warning.
- 3) Tenant parks improperly on the property. For example, either in the wrong space, outside parking lines, not in a parking space, parks in a fire lane, no parking zones, blocks access to dumpster, etc. Tenant will get **NO** warnings.
- 4) Tenant has excessive parties and loses parking privileges. See: "Parties and/or Gatherings" (Article II, Section 45). Tenant will get **ONE** warning.

Due to limited parking, Landlord must also require that you park boats, campers, trailers, commercial vehicles, trucks in excess of 3/4 ton or vehicles other than cars elsewhere unless you have the written permission of Landlord.

Any vehicle, trailer or other property parked, or stored so as to block or inhibit access to any parking space, a no parking zone, dumpster, fire hydrant and/or, fire lane will be towed, immobilized or otherwise removed at Tenant's or vehicle owner's risk and expense. This also applies to ingress and egress from parking lots, roads, sidewalks and walkways.

You agree to abide by any parking policies, rules, signs and regulations that apply to your dwelling unit's parking lot(s), driveways and/or roads. Parking Policies will normally be issued with parking permits and they are subject to change. (Copies of current Parking Policies are available by request.) Please abide by the Parking Policies, Rules, Regulations and Signs. It can be expensive if you or your guest gets immobilized and/or towed. There are **NO EXCEPTIONS TO PARKING POLICIES AND SIGNS**, so do not ask for an exception to be made for you or your guest.

Landlord, at his option, may have any vehicles, trailers or other property that are improperly parked, and/or without a permit towed away, immobilized or otherwise removed, and stored at Tenant's risk and expense. Tenant does hereby further irrevocably constitute and appoint Landlord as Tenant's Attorney in Fact to: (1) remove any vehicles, trailers or other property parked or stored in violation of this Lease Contract and to store the same at the expense of Tenant in such place(s) as Landlord, at its sole discretion, may deem proper, (2) move any authorized vehicles, trailers or other property of Tenant or Tenant's guests at Landlord's expense out of the way of any maintenance, repairs, parking lot striping, snow removal, etc...if in Landlord's opinion it is in the way and Landlord has been unable to reach and/or get Tenant to move it first.

Tenant agrees that Landlord, its agents, or assignees shall not be held responsible for any loss of, damage to, or theft of any vehicle parked anywhere on the grounds or premises of the dwelling unit, or to any property left in the vehicle.

44. PARTIAL PAYMENTS / MONEY PAID

Tenant shall make all payments in full. Acceptance by Landlord of a partial payment of monthly rent, payment, fees, extra rent, utility and service charges, fines, damages, services, additional rent, security deposit, other rent, charges, repairs, maintenance, replacements or other charges of less than the amount stated in the Lease Contract or billed to Tenant shall be deemed to be nothing more than partial payment. Under no circumstances shall Landlord's acceptance of a partial payment constitute accord and satisfaction. Nor will Landlord's acceptance of a partial payment forfeit Landlord's right to collect the balance due on the account, despite any endorsement, stipulation, or other statement on any check. Acceptance by Landlord of a partial payment shall not be considered or construed to waive any right of Landlord or affect any notice of legal proceedings, unless both parties shall agree otherwise in writing. Waiver, by Landlord, of any breach or condition of this Lease Contract shall not be construed as a waiver of subsequent breaches or conditions. Landlord may accept any partial payment check with any conditional endorsement without prejudice to his right to recover the balance remaining due, or to pursue any other remedy available under this Lease Contract.

For bookkeeping purposes, Tenant authorizes Landlord to take monies paid for Tenant's down payment (Additional Rent and Security Deposit), rental (credit) application fee, rent, pet fee and pet deposit and/or other charges, and apply them in the following order: First towards Rental (Credit) Application Fee, then towards Additional Rent, Security Deposit, Pet Fee, Pet Deposit, Rent and any other monies due, in that order. Money paid in the normal course of business shall be applied to the oldest balances first and towards past due rent, then any other monies due including extra rent, holdover rent, and other rent, but lastly towards the current month's rent. This order is to be followed despite any endorsement, stipulation or other statement on any check or receipt. Any money due Tenant by Landlord may be applied first against any money due to Landlord by Tenant, including but not limited to, money from prepaid rent, etc.

For your security and Landlord's, Landlord **DOES NOT ACCEPT CASH.** All money due must be paid by one of the methods described in "Payments" (Article II, Section 46).

45. PARTIES AND/OR GATHERINGS

Large parties and/or gatherings in or near the dwelling unit or grounds will not be tolerated. Party guests very rarely respect your property or Landlord's. You are not allowed to have beer kegs at or in the dwelling unit, grounds or premises at any time. Landlord wants you to have a social life and to be able to invite a few friends over. However, for safety reasons such as fire safety, insurance and overloading, Landlord must limit you from having more than four (4) people over the number of Tenant(s) stated on your Lease Contract. This means that the number of Tenants stated on your Lease Contract plus four (4) people are all that are allowed in the dwelling unit, grounds, or on the premises at one time. NO EXCEPTION FOR BIRTHDAY PARTIES!

Block parties or large outside gatherings are prohibited. These are outside and/or inside parties and/or gatherings where guests and Tenants gather in common areas, recreation areas, grounds and parking lots in crowds of varying sizes. If people are going in and out of your dwelling unit while a block party or large outdoor gathering is going on, you will be considered one of the Tenants responsible for holding the party. Any party and/or gathering considered by Landlord or his agent or the police at their sole discretion to be a Block Party or large outside gathering is in violation and all persons who refuse to leave the common areas, recreation areas, grounds and parking lots will be considered trespassers. When a large gathering/block party is broken up, all people must leave common areas, recreation areas, grounds and parking lots. Tenant is not allowed to have more than the four people other than Tenants in his dwelling unit. If you want to avoid being blamed for the block party, do not participate in it. Contact Landlord at the emergency number or call the police when a block party/large outside gathering starts occurring. Alert Landlord to the problem and then stay inside your dwelling unit or lock up and leave the premises. Any Tenants in dwelling units who participate in said block parties or large outside gatherings are subject to paying extra rent as stated below and are in violation of their Lease Contract.

Do not have parties or let gatherings get out of hand and become obscene or objectionable to your neighbors. Underage drinking, noticeable drunkenness or intoxication will at no time be permitted or tolerated. Landlord has these requirements because of limited parking, safety, dwelling size and disturbance to neighbors. If you have a party or gathering as defined in this section on Parties and/or Gatherings, you are subject to paying an extra rent of \$200.00 per day to Landlord for each day or part of a day a party takes place at or about the dwelling unit or premises and you are in default of your Lease Contract. At Landlord's option, Landlord can take steps to terminate the Lease Contract as stated in "Tenant's Default" (Article II, Section 62). Each day is considered a separate violation. Tenant agrees that if Landlord has repeated problems with Tenant having parties, Landlord can suspend Tenant's parking privileges as explained in "Parking" (Article II, Section 43).

46. PAYMENTS

Landlord DOES NOT ACCEPT CASH for Tenant's security and Landlord's. The following are forms of payment that the Landlord accepts under the following conditions:

- 1) Checks Landlord agrees to accept your checks under these conditions. If a check(s) of yours is returned or dishonored for any reason you expressly authorize Landlord at its option to electronically debit your checking account for the recovery of the check and a bad check fee of \$25.00. There will be a TWENTY-FIVE (\$25.00) dollar handling fee (bad check fee) for any check for each time it is refused payment by any bank. Landlord also reserves the right to seek enforcement of the returned check pursuant to N.C.G.S. 6-21-3 if necessary. Check writing is a privilege that Landlord may suspend or discontinue at any time and require that Tenant make payment by other means acceptable to Landlord.
- 2) Money Order or Official Bank Check- The issuing company must be in the USA and acceptable to Landlord.

47. PETS

Tenant agrees that at no time shall any animal or pet of any kind, including but not limited to, dogs, cats, birds, spiders, reptiles, and snakes, be kept or harbored in or about the dwelling unit by Tenant or his guest(s) without written permission of Landlord. Please ask friends or guests to leave their pets at home or in their car when they come to visit. If Tenant has a pet that is to be part of this Lease Contract, a written Pet Addendum must accompany this Lease Contract. However, if a Tenant is blind/deaf or has other certified disability that requires a companion dog, Tenant may keep and maintain a dog, certified as being specially trained to aid Tenant in his handicap within the dwelling unit and on the premises and grounds in accordance with applicable laws, and Landlord's rules and regulations.

Pets take a lot of time, care and expense. If they are not supervised properly, they can damage your property and Landlord's.

If you have a pet as defined in this section on Pets and you do not have Landlord's written permission to have that pet, you are subject to paying an extra rent of \$200.00 per day for each day or part of a day a pet is on or about the dwelling unit or premises and you are in default of the Lease Contract. At Landlord's option, Landlord can take steps to terminate your Lease Contract as stated in "Tenant's Default" (Article II, Section 62). In addition you must pay for a flea spray out of your dwelling unit and adjoining dwelling units, if necessary.

You will be considered to have a pet and be in violation of your Lease Contract if: you feed visiting pets or if any of the following is found inside or near your dwelling unit: a pet, animal, reptile, bird, fleas, feeding bowl or pan, watering bowl or pan, food set out for any animal, litter box, pet bed, pet house, pet chain, any signs of scratching or gnawing on furniture, carpet or dwelling, pet odor and/or pet feces or droppings. Each day or part of a day one or more of the preceding is found will be considered a separate violation. Remember, violations of any of the terms of this Lease Contract constitute a basis for termination of your occupancy.

Also you may be unaware that when a pet lives or visits a dwelling unit, it will often leave an odor in the carpet that cannot be removed without replacing the carpet. If this

happens, then you are responsible for the cost of replacing the carpet and padding in the dwelling unit, plus the cost of repairing and replacing anything else damaged by the pet such as the replacement of floorboards and door facings.

If you are allowed to have a pet, you can be assessed a clean up fee for removal of pet feces. You are responsible for cleaning up your pet's feces. Tenant will be charged \$35.00 per hour, prorated for partial hours with a minimum charge of \$20.00 per time if Landlord has to clean up pet feces because Tenant did not.

48. PICTURES & POSTERS

To hang pictures, Landlord asks that you use a hanger-hook, which allows the nail to go into the wall at an angle, giving it the best hanging ability. On paneled walls, use only small nails driven into the groove of the paneling. Do not use the patch-type hangers that stick to the wall with adhesive. Under no condition attempt to nail, put in hooks or attach anything to the ceiling, including hanging plants or ceiling fans.

Posters should be attached to the wall with straight pins, thumb tacks or push pins (DO NOT USE A STICKY TACKY BLOB). On paneled walls put pins in the grooves of the paneling only. Do not attempt to affix posters to the wall with any type of gummed tape, especially scotch tape or with a sticky, tacky blob. If tape, tape residue or torn sheetrock paper or oily residue from a sticky, tacky blob is found, you will be charged for damages. The sticky, tacky blob leaves an oily residue, thus damaging the paint and causing the walls to have to be repainted.

49. PLUMBING SYSTEM

Leaking pipes, faucets, toilets or continuously running toilets should be reported to Landlord's office, and he will have them repaired at no cost to you. An exception is frozen pipes; see "Frozen Pipes" (Article II, Section 21). If the hot water heater should start leaking, you should cut off the (cold) water valve on top of the hot water heater, cut off the circuit breaker or unscrew the fuse for the hot water heater and call Landlord. Under no conditions are disposable diapers, tampons, sanitary napkins, paper towels or other such refuse to be placed in the sewer or drainage system. Also under no conditions are you allowed to pour oil or grease into the sink or other plumbing fixtures.

You are required to have present in your dwelling unit, a plunger for unstopping sinks and toilets.

50. POSSESSION

Landlord has not guaranteed a specific delivery date for your dwelling unit and you will only be charged rent from the latter of the beginning date specified at the first of this Lease Contract or the date Landlord renders possession of the dwelling unit to you.

If, through no fault of your own, you are unable to secure your right of possession of the dwelling unit at the beginning date of the Lease Contract, Landlord shall not be liable for any damages caused thereby, nor shall this Lease Contract be void or voidable except as hereinafter provided. You shall not be liable for any rent until you secure actual possession, unless the failure to secure possession was your fault. You or Landlord may

terminate this Lease Contract if you are unable to secure possession through no fault of your own within seven (7) days of the commencement of the term stated herein. At this point, Landlord's liability shall be limited to the return of all monies paid on account. This option to terminate the Lease Contract cannot be exercised after you take occupancy.

51. PROHIBITED

The following things are prohibited in the dwelling unit or on the premises and grounds:

THE DON'T DO / DO NOT HAVE LIST

- 1) AIR CONDITIONER: Do not install or have installed any window air conditioners without Landlord's written permission.
- 2) BONFIRES: No fires or bonfires of any kind, outside or inside, unless you have an inside fireplace or woodstove in which fires are permitted. Be careful of ash disposal and make sure ashes are put in a metal ash bucket.
- 3) CANVASSING: Do not cause the distribution in common areas of the grounds or slipped under dwelling unit doors, or attached to doors, of handbills, circulars, advertisements, papers or other matter which if discarded would tend to litter such area. Canvassing, soliciting or peddling in the common areas is prohibited. The foregoing shall not prohibit Tenant from using direct mail solicitation.
- 4) CHALKING: No chalking allowed. This includes messages, art, games, or creative uses of chalk scrawled, written, or drawn in chalk on sidewalks, parking lots, roadways, and buildings.
- 5) CLIMBING: No climbing on roofs, trees or railings.
- 6) CLOTHES LINES: Do not install, erect or utilize exterior clotheslines within common area of dwelling unit.
- 7) DARTBOARDS: No dartboards unless you get written permission of Landlord.
- 8) DAY CARE CENTER & BABY-SITTING: Do not provide, for consideration or other compensation, in or about the dwelling unit, substitute parental or guardianship care or supervision to children not related to Tenant by blood.
- 9) FIRE RISK: Do not store in the dwelling unit or any storage area, any material of any kind or description that is considered hazardous, or that would increase the risk of fire or cause an increase in Landlord's insurance premiums.
- 10) FIREWORKS: No fireworks of any kind are allowed including firecrackers, sparklers, smoke bombs, bottle rockets, etc....
- 11) GARAGE SALES: No yard, garage, tag, or rummage sales are permitted at any time.
- 12) GLASS BOTTLES: No glass bottles are allowed in common areas, recreation areas, grounds and/or parking lots. Only plastic and paper cups or aluminum cans are allowed.
- 13) GRAFFITI: No graffiti allowed. Anyone found defacing property will be charged with destruction of property and/or the violation of any other applicable law.
- 14) GRILLS: No outdoor grills, including but not limited to charcoal grills, gas grills, Coleman stoves or any other open flame cooking devices are to be used or stored on decks, balconies, and walkways at any time. No cooking is allowed on balconies, decks or patios. Tenant agrees grills are subject to confiscation and disposal by Landlord if left sitting on decks, balconies or walkways and Tenant releases Landlord of any liability for confiscation and disposal.

- 15) GUNS/KNIVES/WEAPONS: Tenant will not discharge, display, have on premises or in any way use in, on or around the dwelling unit and premises, any guns or firearm or weapon of any type. This includes but is not limited to pistols, rifles, BB guns, pellet guns, paintball guns, knives, swords, bows, etc...Kitchen and pocket knives are allowed.
- 16) KEROSENE OR PROPANE PORTABLE HEATERS: Do not store, install or operate in or about the dwelling unit, any unvented, portable kerosene-fired, propane-fired, or white gas (Coleman) heaters.
- 17) PLASTIC ON WINDOWS: No plastic is to be put up over the inside or outside of your windows or doors without the written permission of Landlord. If permission is granted, do not use staples or tape, use only a plastic sheet that goes up with a hairdryer on the inside of the windows.
- 18) SATELLITE DISH: Do not install, attach or put on a stand, any satellite dishes or TV antennas anywhere on the exterior of the premises without first getting approval and signing a written installation agreement with Landlord setting forth the terms of the installation. Check with Landlord to see if your dwelling unit can have one.
- 19) SIGNS: No signs in dwelling unit windows or on the exterior walls. This includes stickers, posters, lettering, or signs whether inside or outside. Also included are any items that are visible through your windows that are objectionable. Landlord has final say on what is objectionable.
- 20) SKATEBOARDING: No skateboarding is allowed on the grounds or premises of the dwelling unit. This includes walkways and parking lots.
- 21) SMELLS & SMOKE: No excessive smells or smoke caused by any source that originates from dwelling unit including incense or smoking and/or other sources that disturb other Tenants in building or complex. Landlord determines what is excessive.
- 22) TABLE GAMES: No table games such as pool, foosball, air hockey, ping-pong, etc...without the written permission of Landlord.
- 23) THROWING OF ARTICLES: Do not throw, or allow to be thrown, anything out the windows or doors or down the passages of the building, or from the balconies, decks or patios. This includes bottles and cans.
- 24) TORCHES: Flame type torches (TIKI torches) of any kind, whether burning or not are not allowed. Tenant agrees flame type torches are subject to confiscation and disposal by Landlord if left sitting on decks, balconies or walkways and Tenant releases Landlord of any liability for confiscation and disposal.
- 25) WATER-CONTAINING FURNITURE: Do not keep Water-containing furniture in the dwelling unit, such as waterbeds etc... without written permission of Landlord.
- 26) WINDOW SILLS: Do not place anything on the roofs or outer edges of the sills of windows such as flowerpots etc....
- 27) WEB CAMERA BROADCASTING: Tenant agrees they are not allowed to have web cameras with live or delayed video feeds broadcasting on a regular basis over a website that originates from their dwelling unit or premises. In other words, no broadcasting by the Tenant over the Internet, the happenings within their dwelling unit or on the premises are allowed. Tenant is allowed to broadcast pictures as part of normal conversations that last less than an hour.

If you violate the terms of this Lease Contract in regards to any of the above items, which are prohibited, you are in default of the Lease Contract. At Landlord's option, Landlord can take steps to terminate your Lease Contract as stated in "Tenant's Default" (Article II, Section 62). You are also subject to a **fine** that can range from a **minimum of \$50.00 up to \$150.00**. The exact amount of the fine is set at the discretion of Landlord and is payable to Landlord for each violation. Each day or partial day is considered a separate violation.

52. RECEIPTS

The Lease Contract is not a receipt for monies paid. It is a statement of what is to be paid for rent, other monthly fees due Landlord, additional rent, security deposit, extra rent, and other rent. Please ask for a written receipt whenever you make payments to Landlord's office. Your cancelled check, once it is returned to you from your bank, is the best receipt you can have. It is your responsibility to keep up with your receipts in case you ever have to prove that you paid. For your security and Landlord's, Landlord **DOES NOT ACCEPT CASH**. All money due must be paid by one of the methods described in "Payments" (Article II, Section 46).

53. RELOCATIONS

Prior to Tenant taking occupancy and moving into dwelling unit under the terms of this Lease Contract, Landlord shall have a right to substitute comparable other premises ("Other Premises") in the same complex in which this dwelling unit is located in for the premises originally named herein, or previously substituted premises. Landlord shall give Tenant at least one-day prior notice of the substitution of the Other Premises for the original or previously substituted premises, which notice shall describe the location of the Other Premises. In the event of damage to the dwelling unit by an act of God, fire, flood, etc., Landlord has the option of relocating Tenant to a comparable alternative dwelling unit, in this or another location, whether or not in same complex, until Tenant's dwelling unit is repaired or Tenant's Lease Contract expires, whichever is first.

54. RENEWING YOUR LEASE

Someone from Landlord's office will contact you in the winter about the possibilities of renewing your Lease Contract. People will start inquiring about rentals for next year as early as Thanksgiving, so Landlord needs to know if you are renting your dwelling unit for another year as soon as possible. If Tenant is interested in renewing his Lease Contract and Landlord is willing to renew to him and Tenant has not renewed his Lease Contract by February 1st of the present Lease Contract term then his dwelling unit may be subject to non-availability.

One thing to remember is that in order to rent the dwelling unit for next year, it may need to be shown to prospective tenants. Tenant agrees to allow Landlord to show the dwelling unit as necessary, at reasonable times. Please cooperate with Landlord so that he can rent it quickly.

55. RENT

Rent is due and payable as called for in the Lease Contract. If rent is late, late fees need to be paid with the monthly rent along with any payments for fees, extra rent, other rent, utility and service charges, fines, damages, services, repairs, maintenance, charges, replacements, etc., that are owed to Landlord by you. All rent will be deposited in an insured interest bearing escrow account with the interest accrued to the credit of Landlord.

In any given calendar month in which you are entitled to occupancy for twenty-eight (28) days or more, it shall be counted as a full month for the purposes of this Lease Contract, including without limitation, pro-ration of rent and other monthly fees paid to Landlord (monthly amount). In any given calendar month that Lease Contract entitles you to less than twenty-eight (28) days of occupancy, the monthly amount due Landlord will be figured by the following formula: 1) When Lease Contract entitles you to twelve (12) or less days of occupancy, or from sixteen (16) to twenty-seven (27) days of occupancy, the prorated monthly amount due is calculated by dividing the regular monthly amount due by thirty (30), multiplying that answer by the number of days of occupancy you are entitled to. The answer is what is due Landlord for that month; 2) Exception: You owe half (1/2) the normal monthly amount in any given month that your Lease Contract entitles you to thirteen (13), fourteen (14), or fifteen (15) days occupancy; 3) Late Fees, if due, are not prorated. They are always calculated on the full regular monthly rent and other monthly fees paid to Landlord.

If you are in default of this Lease Contract because of nonpayment of rent, Landlord may at his option decide not to accept any full or partial payment of rent until your occupancy is terminated and you have vacated as is stated in "Tenant's Default" (Article II, Section 62) of this Lease Contract. If Landlord agrees to accept rent after legal action has been initiated, you must:

- 1) Pay the full amount owed.
- 2) Pay for all rent, late fees, payments, fees, extra rent, other rent, utility and service charges, fines, damages, services, charges, repairs, maintenance, replacements, etc. that are owed to Landlord.
- 3) Pay the fee for filing eviction or complaint for money due papers.
- 4) Pay the Landlord's Attorney or Agent's fee of \$250.00 for Small Claims Court or at least \$750.00 or more for District Court; Please pay your rent on time.

56. RENTAL AND CREDIT APPLICATION

As a convenience to you, you may be allowed to sign a Lease Contract for a dwelling unit before your rental and credit application(s) is approved. Also you may be allowed to sign a Lease Contract before Landlord has received a rental guarantee(s) (Co-signer Agreement) (if requested). This Lease Contract becomes binding, unless you are notified by Landlord that your rental and credit application is disapproved. Landlord, at Landlord's option, can terminate this Lease Contract if he has not received any or all requested guarantee(s) or deposits. If you do not hear from Landlord, you should plan on moving in the day this Lease Contract begins. If your credit report or credit history does not meet Landlord's normal standards, then Landlord may request from you either a rental guarantee in a form sufficient to Landlord or for you to pay the last month's rent in advance of occupancy, or Landlord may require both. Landlord can also terminate this Lease Contract before you move in if your credit report or credit history does not meet Landlord's normal standards or if Tenant is arrested or charged with a crime or any violation of Local, State or Federal Law or Ordinance. You give Landlord permission to share and report information such as: credit, e-mail address, residence address, phone number(s), status of occupancy, type of tenant you are or were and whether Landlord would rent to you again, etc. to whom Landlord feels necessary at its discretion. This permission survives and continues past the end of the Lease Contract. This information would normally be given out when you use Landlord as a credit reference.

57. RENTER'S INSURANCE

Landlord pays insurance on your dwelling unit, but that insurance only covers the building and the property of the owner. It does not cover your personal property or your liability. During the term of this Lease Contract, and any extension thereof, Tenant should, at Tenant's sole cost and expense, purchase renter's form homeowner's insurance coverage providing for personal liability (bodily injury and property damage) coverage with a limit of not less than \$500,000.00 for each occurrence and \$5,000.00 in medical payments coverage; and further, providing coverage to keep Tenant's personal property located or stored in or at the dwelling unit insured for the benefit of Tenant against loss or damage resulting from broad named perils including: the risks of damage, destruction, or loss resulting from theft, fire, storm, and all other hazards and casualties. Regardless of whether you secure insurance, Landlord and his agents shall not be liable for any damage to, destruction of, or loss of any of your personal property located or stored in or at the dwelling unit regardless of the cause of such damage, destruction, or loss, including on a nonexclusive basis damages caused by flooding, water, snow, rain, backing up of water mains or sewers, frost, steam, sewage, gas or odors of any kind, electricity and electric current or by the bursting, stoppage or leakage of water pipes, hot water heaters and plumbing and fixtures in or about said dwelling unit or the building of which the dwelling unit is a part.

Whenever (I) any loss, cost, damage or expense resulting from any peril, is incurred by any party to this Lease Contract in connection with the dwelling unit, premises or any part thereof or contents therein, and (II) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured hereby releases the other party from any liability it may have on account of such loss. cost, damage or expense to the extent of any amount recovered by reason of such insurance and waives any right of subrogation which might otherwise exist or accrue to any person on account thereof; provided, however, that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage, or increase the cost thereof, unless the other party reimburses the insured for any cost increase. If TENANT fails to maintain in force any insurance required by this Lease Contract to be carried by Tenant, then for purposes of this waiver of subrogation Tenant shall be deemed to have been fully insured and to have recovered the entire amount of Tenant's loss. If TENANT, or someone acting on TENANT'S behalf or for whom TENANT is legally liable, is negligent or otherwise legally liable for any loss, cost, damage or expense, TENANT shall reimburse LANDLORD any deductible under any insurance policy providing coverage to LANDLORD.

In any event where both Tenant's and Landlord's insurance policies provide or seem to provide coverage, Tenant's policy shall be primary and Landlord's policy secondary or excess if necessary to provide full coverage for the injury or damage sustained to the party or parties sustaining such injury or damage. Any waiver, or subrogation, or indemnity clause in this Lease Contract shall not affect this provision.

If Landlord, or any agent, employee or subcontractor of Landlord's, at Tenant's request, moves, handles or stores anything or jumpstarts, pulls out, drives or parks Tenant's motor vehicle then and in every case Landlord or any agent, employee or subcontractor of

Landlord's shall be deemed Tenant's agent and Landlord, or any agent, employee or subcontractor of Landlord's shall not be liable for any loss, damage or expense in connection therewith. Tenant agrees to hold them harmless.

You can get renter's insurance through almost any insurance agency. The cost is reasonable and the insurance gives much of the same coverage as homeowner's insurance.

58. REPAIRS

Please report in writing any damage and breakage or needed repairs to Landlord's office as soon as possible. You can do this in person or by e-mail. Please call in any emergencies. Hopefully, Landlord will be able to repair it before it gets worse. If something still isn't working quite right after it has been fixed, please call, e-mail or come by the office again and let us know, so another work order can be written up. Maintenance personnel will try to repair or fix it as soon as they can. Generally, there will be no charge for repairs or adjustments unless necessitated by negligence or mistreatment by you or others for whom you are responsible. Landlord shall promptly repair all facilities and appliances, if any, furnished by Landlord as part of the dwelling unit, including electrical, plumbing, heating, and air conditioning systems, provided that Landlord, except in emergency situations, actually receives NOTIFICATION FROM YOU IN WRITING OF THE NEEDED REPAIRS OR MAINTENANCE. You should keep a copy. It is further provided that Landlord shall not be required to repair damage to any facility which is caused by your deliberate or negligent misuse or improper operation and when Landlord does repair said damages, Tenant shall promptly reimburse Landlord the costs of said repairs.

59. SECURITY

Tenant agrees to allow Landlord to take Tenant's picture for security purposes.

Tenant is responsible for showing care and caution in common areas and the dwelling unit. Landlord may at Landlord's option from time to time have the grounds patrolled by security patrols. In addition, at Landlord's option, Tenant understands that Landlord may have security cameras that can view common areas including parking lots for security purposes. Tenant gives Landlord permission to view videotape and/or electronically make a record of any events that occur in the common areas for security purposes. These security cameras and/or security patrols may or may not be present in or on the common areas of the dwelling unit you are renting. This statement, of possible security patrols or security cameras, should in no way be interpreted, by the Tenant, as an inducement to rent or as an indicator of increased security in common areas of the dwelling unit they are renting. Any Lease Contract violations observed by the security patrol or security cameras may be reported to Landlord.

Landlord, its agents and employees do not make any warranties, guarantees or representations regarding the security or safety of the dwelling unit or common areas. Any such warranties or representations, whether express or implied, are hereby disclaimed. Tenant and occupants are exclusively responsible for protecting themselves, the dwelling unit and guests from crime, fire and any other danger. Tenant releases Landlord and its agents, subcontractors and employees from any or all liability for the criminal or intentional acts of others.

60. SHOWER & TUB MAINTENANCE

Proper care should be exercised to prevent water damage to the floor and wall around the shower and/or tub. You are responsible for providing shower curtain(s) if needed. Make sure shower curtains are closed completely when showering to prevent damage to wall and floor. Fiberglass tubs and showers should only be cleaned with liquid cleansers such as Soft Scrub by Clorox or other recommended fiberglass cleansers. Powdered cleaners such as Ajax, Comet, etc., are **not** to be used on fiberglass.

61. SUBORDINATION

Tenant understands and agrees that Tenant's interests under this Lease Contract for the dwelling unit are and shall remain subject to, and subordinate to any liens, deeds of trust, security agreements, or other such liens or security interests in the dwelling unit and property. This subordination provision shall be self-operative.

62. TENANT'S DEFAULT

In the event Tenant shall: (1) fail to pay any installment of rent, payments, utility charges, additional rent, extra rent, other rent, fines, late charges, damages, fees, charges, repairs, maintenance, or replacements that are owed to Landlord by Tenant under this Lease Contract when due and payable; (2) become insolvent or bankrupt; (3) fail to perform or abide by any terms, conditions, rules, regulations, promises, duties or obligations as stated in this Lease Contract and any written addendum and agreed to by Tenant or imposed upon Tenant by law: then in any such events, as often as each of them may occur, and in addition to all other rights and remedies provided by law, Landlord may, at his option and with or without notice or demand to Tenant, either (I) terminate this Lease Contract and Tenant's right of occupancy and possession of the dwelling unit or (II) terminate Tenant's right of occupancy and possession of the dwelling unit without terminating this Lease Contract. Regardless of whether Landlord terminates this Lease Contract and Tenant's right of occupancy and possession or only terminates Tenant's right of occupancy and possession without terminating the Lease Contract, Landlord shall be immediately entitled to possession of the dwelling unit without prejudice to other remedies and Tenant shall peacefully surrender possession of the dwelling unit to Landlord immediately upon Landlord's demand.

IN THE EVENT TENANT SHALL FAIL OR REFUSE TO SURRENDER POSSESSION OF THE DWELLING UNIT, LANDLORD SHALL, IN COMPLIANCE WITH ARTICLE 2A OF CHAPTER 42 OF THE GENERAL STATUTES OF THE STATE OF NORTH CAROLINA, RE-ENTER AND RE-TAKE POSSESSION OF THE DWELLING UNIT ONLY THROUGH A SUMMARY EJECTMENT PROCEEDING.

In any action taken by Landlord against Tenant(s) to enforce this section, Tenant is to assume that Landlord is terminating Tenant's right of occupancy and possession without terminating this Lease Contract unless Landlord sends certified letter to Tenant's last

known address stating that "Tenant's Lease Contract is terminated and Tenant's right of occupancy and possession of the dwelling unit is terminated."

In the event Landlord terminates this Lease Contract and Tenant's right of occupancy and possession, all further rights and duties hereunder shall terminate except that Landlord shall be entitled to collect from Tenant all unpaid back monthly rents, extra rents, other rents, payments, utility charges, fines, late charges, damages, services, fees, charges, repairs, maintenance charges or charges for replacements that are owed to Landlord by Tenant under this Lease Contract and all rents for the remaining term of this Lease Contract and any damages resulting from Tenant's breach including but not limited to the costs incurred in redecorating the dwelling unit. In the event Landlord terminates Tenant's right to occupancy and possession without terminating this Lease Contract, Tenant shall remain liable for full performance of all the covenants, terms and conditions of Lease Contract and Landlord shall use reasonable efforts to re-let the dwelling unit on Tenant's behalf. Any such rentals received from such re-letting shall be applied first to the costs of re-letting the dwelling unit and then to the rentals due hereunder. In the event the rentals from such re-letting are insufficient to pay the rentals due hereunder in full, Tenant shall be liable to Landlord for any deficiency. In the event Landlord institutes a legal action against Tenant to enforce this Lease Contract or to recover any sums due hereunder, Tenant agrees to pay Landlord's agent or Landlord's attorney \$250.00 in fees for Small Claims Court (Magistrate's Court) and at least \$750.00 or more in District Court in addition to all other damages. Even if such legal action is dismissed Tenant is responsible for paying Court costs and any attorney or agent's fees for the time and trouble they spent.

63. TENANT'S OBLIGATIONS

Tenant is and shall remain responsible for acts or omissions of his family, roommates, servants, guests and agents, and any matter or thing which Tenant has agreed not to do or which he is prohibited from doing by this Lease Contract shall also be prohibited of such persons. If Tenant is a student at Appalachian State University or Caldwell Community College, Tenant will not violate the applicable student code of conduct. Tenant shall not violate any local ordinance or any state or federal law in or about the dwelling unit and shall not commit or permit any waste or nuisance in or about the dwelling unit. Tenant shall not make any offensive uses of said dwelling unit, any act or thing which shall or may be a nuisance, annoyance, disturbance, inconvenience, or damage to Landlord, or its tenants, or the occupancy of any adjoining house and/or apartment, or the neighborhood.

64. TERMINATION OF NEW LEASE OR RENEWAL

If you are currently renting from (HOLTON MOUNTAIN RENTALS) Landlord or another Landlord and violate the terms and/or conditions of your current Lease Contract, your credit situation changes, your roommate situation changes, and/or you or your future roommates cause problems for (HOLTON MOUNTAIN RENTALS) Landlord, then Landlord has the right to give written notice and terminate the renewal and/or new Lease Contract for this dwelling unit or any other dwelling unit managed by (HOLTON MOUNTAIN RENTALS) Landlord now or in the future. All Tenants, present or future, that are parties to a renewal or new Lease Contract with Landlord, agree and consent to the right of Landlord to terminate the renewal and/or new Lease Contract in the manner

as stated above. This includes any future Tenants (roommates) that are parties to the renewal and/or new Lease Contract but who are or are not currently tenants of Landlord and haven't violated the terms or conditions of a Lease Contract or caused problems to (HOLTON MOUNTAIN RENTALS) Landlord.

65. TRANSFER OF INTEREST

This Lease Contract shall be binding upon and inure to the benefit of Landlord, its heirs, and successors in interest and assigns. It is understood that Landlord may sell or transfer the dwelling unit and transfer this Lease Contract to any new owner. In the event dwelling unit is sold or transferred, Landlord will be released from all obligations under this Lease Contract and Tenant's sole remedy will be against Landlord's successor in rights. Upon sale or transfer of dwelling unit, Landlord may transfer or assign the Security Deposit to the new owner who then assumes the liability thereof upon transfer and Landlord's liability for the Security Deposit shall terminate.

66. TRASH & RECYCLING

If Tenant lives in a duplex, condo, townhouse, or apartment, Tenant is to put garbage and trash in the dumpster designated for his building if there is one. If your dwelling unit has recycling bins, please ask for an information sheet on recycling. PLEASE RECYCLE. Never leave trash in front of or beside dumpster. If dumpster is full, please call Landlord and take trash back to dwelling unit until the dumpster is emptied. All trash put in the dumpster (except cardboard boxes) must be in plastic garbage bags.

If you live in a house, duplex or other dwelling unit and you store trash at your dwelling unit, you are required to provide trash containers as specified by Landlord herein. The trash containers shall be made of plastic. Each required trash container shall be at least 30 gallons in size, watertight, equipped with handles and have a tight fitting or locking cover. No trash is to be placed in garages, basements, and storage rooms or outside unless it is in a trash container of the type specified above. If you live in the county outside the city limits, you are required to take your trash to the county-provided dumpsters, or landfill, or to contract with a private trash company such as GDS for regular trash pickup. No trash is to be placed on porches or decks without consent of Landlord. Landlord will charge you for trash cleanup at the rate of \$35.00 per hour, prorated for partial hours with a minimum charge of \$20.00 for removing any trash or rubbish that is placed outside dwelling that is in an improper trash container, or not in a trash container. This also includes trash left by Tenant in front of or next to dumpster and not in dumpster. Do not permit garbage to accumulate in your dwelling unit or outside your door. Garbage not removed from your dwelling unit, deck or doorways for a period of time will tend to smell, invite insects and possibly block walkways, or create a fire or health hazard. Do not subject yourself or your neighbors to such a mess. If a problem with trash happens repeatedly you are in default of the Lease Contract. At Landlord's option, Landlord can take steps to terminate the Lease Contract as stated in "Tenant's Default" (Article II, Section 62).

67. USE OF FACILITIES

Tenant agrees that all facilities at Tenant's complex, if provided by the Landlord, are for Tenant's comfort in common with others. Such facilities could include: basketball court, beach volleyball court, tennis court, walking track, trails, bus stop, softball field, football/soccer field, pool, hot tub, pond, green spaces, parking areas, driveways, roads, common areas, etc. None of such facilities are included in Tenant's rent and are all solely at Tenant's own risk. Tenant agrees that Landlord shall not be responsible for any injury to person(s) or loss of damage to property arising out of Tenant's use thereof, unless the same is caused by Landlord's negligence or intentional act.

Tenant agrees to comply with and cause Tenant's family, visitors, friends and guests to comply with, all rules and regulations relating to the use of any said facilities which Landlord either posts and/or provides in writing to Tenant. At Landlord's option, a failure to comply with said rules and regulations may result in Landlord revoking Tenant's use of any said facilities. Landlord may revoke use of any of these facilities without affecting the remainder of this Lease Contract and Landlord WILL NOT discount, abate or prorate Tenant's rent.

68. VACATING & CHECKING OUT

Upon any termination of this Lease Contract, termination of your right of possession and occupancy, or expiration of the tenancy created by this Lease Contract, whether by Landlord or by Tenant and whether for breach or otherwise, Tenant shall: (1) pay for all utilities and service for which you are responsible and have all such utility services disconnected at your sole cost and expense; provided, however, you shall not have your electricity or water disconnected for two days after the ending date of your Lease Contract for your dwelling unit so it can be inspected; (2) vacate the dwelling unit and premises and remove from there all your personal property of whatever nature; (3) properly sweep, mop, and clean the dwelling unit, including plumbing fixtures, refrigerators, stoves, and sinks, removing from there all rubbish, trash or refuse; (4) make such repairs and perform such others acts as are necessary to return the dwelling unit, premises, grounds, and any appliances or fixtures furnished in connection with the dwelling unit, in the same condition as they were at the date that your occupancy began, as stated in the Lease Contract, ordinary wear and tear excepted; (5) fasten and lock all doors and windows; (6) return to the Landlord all keys to the dwelling unit, including all copies made by you; (7) notify Landlord of the address to which the balance of the Security Deposit may be returned; and (8) when you are ready to move, Landlord will give you a list of instructions. This is an itemized sheet of all the things that were done to prepare the dwelling unit for you. Landlord expects you to be as courteous to the next Tenant. Landlord shall further have the right, without further notice or liability to Tenant to dispose of or put into storage at Tenant's expense any personal property left in or about the dwelling unit or storage area by Tenant after Tenant has vacated or abandoned dwelling unit.

CHECKOUT TIME is at 10:00 AM on the day your Lease Contract expires. This means you must be moved out and have keys turned in to Landlord by 10:00 AM. If you stay past 10:00 AM you become subject to a hold over rent of \$120.00 per day or part of a day. See "Hold Over Rent" (Article II, Section 25).

69. VISITORS

Visitors invited by Tenant(s) are welcome as long as Tenant(s) and visitor(s) comply with the terms and conditions of this Lease Contract.

Tenant will not make, permit or facilitate any unseemly conduct by Tenant, Tenant's visitors, family, roommates, girlfriend, boyfriend, friends, employees, servants, invitees, agents, guests and /or anyone claiming under them: nor shall Tenant do, permit or facilitate any illegal or immoral conduct or obstruct or interfere with the rights, comforts or convenience of other tenants or of Landlord. Tenant will not permit any pets, animals, (without a written pet addendum) or person of bad or loose character or of improper behavior to enter the dwelling unit or to remain therein. Tenant agrees that Landlord has the right, at Landlord's discretion, for whatever reasons Landlord deems necessary, to ban any person from being in Tenant's dwelling unit and in or on the common areas, recreation areas, grounds, roads and parking lots. This includes persons under the influence of alcohol or drugs. It is Tenant's responsibility to help Landlord enforce any such ban in a lawful manner. All persons who refuse to leave or stay away after such a ban will be considered trespassers. Tenant agrees to allow Landlord, its agents or any law enforcement officer to remove or have removed from the common areas any person who cannot or will not establish that he is a tenant or an authorized occupant (an authorized occupant is a person authorized by Landlord in writing). Tenant, or authorized occupant, cannot be banned from his dwelling unit unless the Landlord takes appropriate legal action under applicable North Carolina state law for violations of this Lease Contract. Tenant shall further prevent any person on common areas or in the dwelling unit with Tenant's permission from willfully or wantonly destroying, defacing, damaging, impairing or removing any part of the building or the dwelling unit or the facilities, equipment or appurtenances thereto, nor may the Tenant do any such thing.

The intent of this section is to reserve the Landlord the right at Landlord's option to keep persons off the premises that are creating problems for the Tenant, Tenant's roommates, the Landlord, and/or the neighbors.

End

Expenses	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Total	Avg
Electricity														
Phone														
Cell Phone														
Gas or Oil														
Water														
Cable														
Internet														
Car Gas														
Food														
Total Exp.														

CHECK OUT

HOLTON MOUNTAIN RENTALS WEBSITE!

FOR INFORMATION ON:

Vacation Rentals
Apartments, Duplexes,
Houses & Condos
Lease Contract
Rules & Regulations
Forms
Policies & Procedures
Maps & Other Information

www.HoltonMountainRentals.com

Holton Mountain Rentals

VACATION RENTALS LONG TERM RENTALS SAFEKEEPING MINI STORAGE

264-3644 Office

264-4422 Emergency Number (after hours)