

## **HOUSING AGREEMENT**

This Housing Agreement is entered into on, betwee LLC ("Owner") and is binding only when signed by Owner	
Start Date: August 22, 2016 End Date: August 3, 2017	Housing Rate: \$0.00 Prepaid electricity allowance: \$0.00
Unit Type:	Payment Schedule: 12 installment payments of \$\frac{0.00}{2}\$ each, due on the first calendar day of each month from
Security Deposit: \$0.00	August 1, 2016 through July 1, 2017  Total Rent: \$0.00

This Housing Agreement grants a limited license to Resident to access and make personal residential use of one assigned bedroom space in an apartment, together with its standard installed fixtures, plus shared use of accompanying unit common areas, fixtures and appliances in the assigned apartment, at the property known as "The Hills of Harrisonburg / Stonegate" in Harrisonburg, Virginia (the "Property") between the Start Date and End Date listed above. Resident is initially assigned to the bedroom space and apartment identified above (see floor plan available in the management office or at live-thehills.com for designation of bedroom spaces); if the space is identified as "to be assigned," "TBA" or "TBD," this Housing Agreement is binding and Owner will assign an apartment and bedroom matching the identified unit type prior to move-in. Only the named Resident may occupy the assigned space. Resident will occupy only the assigned bedroom space and no other bedroom within the apartment. This Housing Agreement is for one bedroom located within a multiple-bedroom apartment, in which multiple occupants share bathroom(s) and one common area. Owner will attempt to assign any other bedroom(s) to person(s) requested by Resident but may contract with others of Owner's choosing for the other bedroom(s) within the apartment, without notice to Resident. This Housing Agreement includes the terms below and continuing through page 8.

**Note:** Resident agrees to provide either of the following within 30 days after signing <u>and</u> prior to move-in: (1) a signed Guaranty by an acceptable Guarantor; or (2) prepayment of the final two installments indicated above. Failure to provide one of the above will not release Resident from financial responsibility but will entitle Owner, at its option, to deny move-in or terminate for non-performance, upon written notice.

I have carefully read, fully understand and voluntarily sign this Housing Agreement. This is a legal document and is intended to be enforceable under its terms. I have had the opportunity to seek independent legal advice. I acknowledge that upon execution by Owner (through its authorized agent), this Agreement will be effective and binding upon me and all permitted successors.

	ACCEPTANCE OF OWNER:	
Signature of Resident	Hills Stonegate Apartments LLC	
	By:	
Date	Authorized Agent	date

## This Housing Agreement (this "Agreement") includes the following terms:

- 1. <u>Term</u>. Resident will have access to the Property and the assigned bedroom space and apartment as of 1:00 pm on the Start Date, and this access will end as of 12:00 Noon on the End Date (the "Term"), unless early arrival or late departure is approved by Owner in writing, at additional cost to the Resident.
- 2. Payment. Resident accepts financial responsibility for the full Term of the Agreement, regardless of whether the assigned bedroom space is occupied for the full Term or at all. Resident agrees to make full and prompt payment to Owner according to the payment schedule specified above, without demand of Owner, together with all additional charges or fees applicable under this Agreement. The Total Rent stated above is a fixed price for the entire Term and is payable in equal installments for convenience; there is no proration or adjustment for any partial month of occupancy. Payment may be made by personal check, money order or cashier's check, or in Owner's discretion by credit card, check card, electronic check, or by direct bank transfer, provided that Owner reserves the right to charge processing fees as appropriate for such payment methods. Cash will not be accepted. If any payment is returned unpaid, Owner may require Resident to make future payments by certified funds. Payment (including by mail) is deemed made only when actually received by Owner or its agent, subject to clearance of

funds. Resident's payment obligation is a promise by Resident which is independent from all of Owner's and its agent's promises, duties and obligations. To cover Owner's added costs for late payment, each payment will be increased by \$30 as a late charge if not received by the close of business within four calendar days following the date due, and will be increased by an additional \$5 per day (for up to 25 days) thereafter until paid in full. At Owner's option and without notice to Resident, any amounts owed by Resident, including but not limited to late charges, returned check fees, utility overages, damage or replacement costs, and any amount owed by Resident to Owner under a separate agreement, will be considered Rent under the terms of this Agreement. In the event any payment is past due, Owner may take legal action for possession and payment. To cover Owner's added costs for processing of payments that are dishonored or returned due to insufficient funds, each such payment will be increased by \$50 as a returned payment charge and will not be considered paid until valid payment has been received. Payment should be mailed or delivered to The Hills of Harrisonburg / Stonegate, 1820 Putter Court, Harrisonburg, VA 22801. Acceptance by Owner of any payment shall not constitute a waiver of Owner's right to terminate this Agreement and/or claim any damages. Unpaid charges past due more than 30 days will also bear additional interest at 12% per annum, as allowed by law, from such date through the date of payment in full.

- 3. Owner; Agent. The Owner of the Property is Hills Stonegate Apartments LLC. Owner has appointed The Scion Group LLC as its property management agent, authorized to act on behalf of Owner, including for purposes of service of process and receiving and receipting for demands and notice. Written correspondence to Owner or its agent should be mailed to: 1820 Putter Court, Harrisonburg, VA 22801.
- 4. Assignments. Apartment and bedroom space assignments are made, and may be changed, only by Owner or its agent. Change requested by Resident: Resident may request to change assignments to a different apartment. Such change requests by the Resident are only effective upon written approval by Owner in its discretion, subject to the following preconditions: (a) Resident must be in good standing under the Agreement; (b) Resident must prepay a \$200 reassignment fee (refunded if the request is declined); (c) Resident and Owner must sign a written confirmation of the change in assignment, including Resident's agreement to pay the prevailing rate for the new assignment, pro-rated to the date scheduled for relocation; (d) Resident must pay a new security deposit for the new assignment, and Resident's prior security deposit balance will be refunded within 30 days following move-out from and inspection of the original unit; and (e) relocation must be completed within 48 hours or charges will apply on both units. Change by Owner: Owner reserves the right to relocate Resident to another equivalent bedroom space or apartment at the Property for any reason (e.g., roommate conflict, urgent maintenance, etc.) upon at least three days' notice. In such case, if the new Owner-assigned space carries a lower rate, Resident's charges will be prorated and reduced accordingly; if the new Owner-assigned space carries a higher rate, Resident will continue to pay the rate under this Agreement and will not be charged the higher rate. Failure to relocate within the time provided by Owner may result in charges applying for both units.
- Termination; Subletting/Delegation. Once this Agreement is signed by Owner and Resident, Resident can terminate occupancy by providing written notice to Owner and by fully vacating the premises, provided that in all cases Resident will remain fully responsible for the Total Rent that would have accrued under this Agreement, through the end of the full original Term, accelerated and payable at the time of termination. No exception can be made for financial hardship, academic changes, family matters, medical issues, roommate conflict or any other reason. Any charges associated with damage to a bedroom space, apartment or the Property or Resident's failure to vacate completely upon termination, will be payable in addition to the foregoing amount. After such termination, Owner will use its commercially reasonable efforts to contract with other individuals for the use of available bedroom spaces, including the bedroom space vacated by Resident; if and when all such available bedroom spaces at the Property are fully assigned and occupied and no bedroom spaces remain vacant, Resident will receive a refund or credit equal to the charges that would have accrued under this Agreement, prorated from such date through the end of the original term hereof. Resident understands that due to the nature of student housing, successful mitigation is highly unlikely; therefore, Owner may accelerate remaining rent at the time of termination. Resident may not assign or transfer Resident's interest in this Agreement, or any part hereof, nor sublet Resident's right to use the Property, apartment or bedroom space, or any part thereof; however, in Owner's sole discretion Resident may delegate his or her right to use the Property to another person pursuant to Owner's approved delegation form, signed by all parties, if Resident is in good standing under the Agreement and pays a \$200 delegation fee to Owner.
- 6. Move-in; Inspection; Delay. Before Resident may access or occupy the premises, all required security deposits and installments must be paid in full with cleared funds and guaranty requirements satisfied. Prior to Resident taking possession of the assigned bedroom space (and any re-assigned bedroom space), which possession will constitute Resident's tender of the applicable security deposit with respect to that space, Resident will conduct an inspection of the assigned bedroom space and apartment and will note on the Check-In/Check-Out Inspection Report ("Inspection Report") any defects, damage or other conditions observed, if not already identified by Owner on such report; upon completion and approval by Owner, the Inspection Report will become part of this

Agreement. At the time of move-out, Resident is encouraged to inspect the bedroom space and apartment with Owner's representative by making an appointment during business hours at least 48 hours in advance. Within three business days following Resident's move-out (or, as applicable, following the move-out of all residents of an apartment) at the termination of this Agreement, or within a reasonable time if Resident moves out without notifying Owner, Owner will note the then-present condition of the assigned bedroom space and apartment, including all appliances and fixtures, and any damages incurred and/or extraordinary cleaning deemed necessary by Owner or extraordinary wear as determined by Owner. Within five business days following move-out, Resident may inspect the premises to determine the accuracy of Owner's list and, if Resident fails to dissent to such list within such time, Owner's list will be deemed conclusive to the extent permitted by law. Resident will promptly pay all costs of restoring the bedroom space and apartment to the same condition upon move-in, less normal wear. Resident acknowledges that except as provided in the Inspection Report, each bedroom space and apartment are being delivered in "as-is" condition, and Resident's acceptance of the assigned bedroom space and apartment at the beginning of the Term constitutes Resident's acknowledgment that the bedroom space and apartment and all fixtures are in good repair and condition. Owner will not be responsible for any damages or consequences suffered by Resident as a result of Owner's inability to timely deliver possession of the apartment or assigned bedroom space to Resident on the anticipated Start Date; in such event, the rent payable will be abated until Owner renders possession and such delay will not extend or decrease the term or change the End Date.

Utilities. The following utilities are included in the Total Rent set forth in this Agreement: Internet access, satellite television, water/sewer and trash disposal. Resident will pay as additional Rent a pro-rata share (based on the number of actual contracted residents of the apartment) for the apartment's usage of electricity, applied prorata to any partial billing cycle and, if applicable, subject to a monthly credit up to the prepaid electricity allowance in the amount indicated on page 1 above, if any. Resident will be responsible for his or her pro-rata share of electricity charges during the term of this Agreement, regardless of actual date of move-in or move-out. No refund or credit will be provided for usage below the applicable allowance levels. In connection with the administration of utility billing during the term of this Agreement, Resident will pay prior to occupying the assigned apartment (or on the first utility bill, at Owner's discretion), a single up-front billing service fee of \$54 (or alternately, at Owner's option, a service fee of \$4.50 per monthly bill) for administration, billing, overhead and similar expenses and charges incurred by Owner for providing electricity allocations and billing services. Upon Resident's request, Owner will provide copies of applicable electricity bills. At Owner's option, to the extent permitted by law, Resident may be pre-billed for the estimated amount of charges for any electricity bills anticipated to be received during the final 30 days of the term or after the end of the term of this Agreement, calculated based on historical electricity charges for the apartment and pursuant to applicable utility billing laws and regulations. As part of each electricity bill, Resident may be charged and agrees to pay promptly to Owner late payment fees and/or NSF fees, as may be applicable, in the amounts stated in paragraph 2 of this Agreement, as liquidated estimates of costs incurred in connection with the administration and collection of late payment. Owner may elect to use one or more third-party service providers for providing, billing and/or servicing electricity accounts; Resident acknowledges that such third-party providers are not utility providers. Owner makes no representations and hereby disclaims any and all warranties, express or implied, with respect to any utilities provided, including but not limited to those warranties concerning merchantability and fitness for a particular purpose or use, whether made allegedly by Owner or its representatives or agents, whether in writing or otherwise, except as otherwise expressly stated in this Agreement. Owner does not warrant or guarantee the protection of Resident's privacy during operation of utilities, that such utilities will satisfy Resident's requirements, or that the operation of utilities will be uninterrupted or error free. Resident acknowledges and agrees that neither Owner nor its affiliates, agents, employees or representatives will be responsible to Resident for any non-economic, consequential, incidental, indirect or special damages, including incidental, economic or punitive damages, arising from breach of warranty, breach of contract, negligence or any other legal ground of action, or by reason of the use, discontinuation or modification of any utilities or the termination of any utilities, whether arising from Resident's use of (or inability to use) utilities, or otherwise, even if Owner has been advised of the possibility of such damage. In the event that any utility service proves defective, or is discontinued or terminated, Owner's and Manager's entire combined liability and Resident's exclusive remedy will be limited to a reimbursement of the approximate cost of that utility incurred by Resident, prorated by the day for each day the utility service proved defective, or was discontinued or terminated, for more than 24 hours. Resident agrees to indemnify, defend and hold harmless Owner and its employees, affiliates and agents, from any and all losses, claims, damages, expenses, other liabilities and causes of action of every nature, including attorney fees, which arise directly or indirectly in connection with: (i) violation by Resident of any laws, ordinances, regulations or rules regarding the utilities; or (ii) illegal or inappropriate use of the utilities. Any damage or loss to any utility devices during Resident's occupancy will be charged to Resident (and the other resident(s) in the apartment, as applicable) at the replacement cost.

- 8. Personal Property. Neither Owner nor any of its employees, representatives or agents assumes any liability, directly or indirectly, for loss or damage to the personal property of Resident or others by fire, theft or any other cause. Residents are urged to obtain personal property insurance coverage. Any personal property remaining in the bedroom space and/or apartment at the end of the Term or after earlier termination of this Agreement will be considered abandoned by Resident and may be disposed of by Owner at the risk and expense of Resident, with Owner maintaining a landlord's lien for unpaid rent as provided by law. Owner will not be liable or responsible for storage or disposition of the Resident's personal property.
- 9. Responsibility for Damage. Resident will be solely responsible for any damage, defacement or loss within the assigned bedroom space. All assigned residents of an apartment will be jointly and severally responsible for any damage, defacement or loss to common areas, fixtures or appliances. Resident will be fully responsible for the conduct of his or her guests, visitors, licensees and invitees ("Guests"), including without limitation harm to individuals or damage or defacement of any part of the Property or its fixtures or property of third parties (including other residents) by such Guests.
- 10. Prohibitions. Illegal drugs, firearms, weapons or explosives of any kind are strictly prohibited anywhere on or about the Property, including individual apartments and bedroom spaces. No gas or charcoal grill, nor any other open flame cooking or heating device, may be stored or used on any balcony, deck and/or patio at the Property, except permanently installed community grills provided by Owner. Resident will, and will cause Guests to: (a) comply with all federal, state, county and city laws, ordinances and/or regulations, including without limitation those relating to the consumption of alcoholic beverages; (b) not act in any way that endangers the Property or the safety of any person, or that is intended to facilitate criminal activity; (c) not engage in disruptive behavior or conduct or allow any noise loud enough to be heard outside the apartment or in neighboring apartments assuming doors and windows were closed; (d) not place or keep any trash outside of the apartment, including on any balcony, deck or patio; (e) not damage, take or possess any property belonging to others without express consent; (f) not tamper or interfere with smoke detectors, sprinklers or fire alarms; (g) not injure the reputation of the Property or its residents, (h) not act or fail to act in any way that would cause an increase in the rate of insurance at the Property; (i) not engage in any activity which interferes with or decreases the use and enjoyment of the Property by other residents; and (j) otherwise obey all rules and regulations applicable to the Property. Any single violation of any of the foregoing will be considered a material breach of this Agreement and will be good cause for immediate termination of the Agreement with all charges due.
- 11. Cleanliness and Safety; Entry. Resident agrees to maintain the assigned bedroom space, the apartment and the common areas of the Property in a clean, safe and sanitary condition, to exercise all due care in the use of same, and to cooperate fully with the Property pest control program as requested. Resident will place all trash in provided receptacles and will be responsible for the cost of cleaning the interior or exterior of the apartment if not kept in sanitary condition. When outdoor temperatures are below 40 degrees Fahrenheit, Resident will keep the apartment's heat turned on to prevent frozen or burst pipes, including during vacations. temperatures exceed 85 degrees Fahrenheit, Resident will keep the apartment's air conditioning turned on and set to a reasonable temperature to prevent mold or mildew growth, including during vacations. Owner and its agents, employees and contractors may enter any apartment and bedroom space to perform routine maintenance, application of pesticide or insecticide, inspections, showings and other ordinary functions, provided that Owner will provide 24 hours advance notice to residents of an apartment before such entry to the extent practical. Owner may enter an apartment and any bedroom space without prior notice (including a passkey and/or disarming the alarm or other means of entry if locks have been changed) for emergency maintenance or repair purposes, when one or more residents of an apartment have requested maintenance, or when there is reasonable cause to believe that a situation exists that could cause danger to life, safety, health or property. Owner may confiscate any item deemed to cause a danger, and is under no obligation to pay compensation for or to return such items.
- 12. Residential Use; Pets. The bedroom space and apartment may be used solely for private residential purposes and for no other purposes. Resident may not carry on any business or other enterprise from the bedroom space or apartment, nor use any Owner-provided Internet connections for business purposes. Resident may place no signs, placards or other advertisement of any character in the bedroom space or apartment, nor display anything in an apartment or bedroom space that is visible from outside the Property or the apartment. Pets are permitted in or about the Property only in specified buildings as Owner may in its discretion allow residents to maintain, in each case only following Operator's signature on a Pet Addendum for a single dog or cat per designated apartment, which requires payment of a mandatory fee. All other pets are prohibited anywhere at the Property, except fish in small tanks to the extent approved by Owner in its sole discretion. Violation of the pet policy will subject Resident to deep-cleaning and daily administration fees in Owner's discretion, and may be considered as a termination of this Housing Agreement by Resident with fees due and accelerated as provided in paragraph 5.

- 13. Guests; Occupancy Limits. No more than one person may occupy a bedroom space, except for an immediate family member of Resident (further subject to apartment occupancy limits) that has been registered in writing with Owner. If Resident desires to have an Overnight Guest (any person staying in the Resident's assigned bedroom space or apartment for more than three total nights in any 30-day period), then Resident must register the Overnight Guest(s) with Owner. Resident may not have Overnight Guest(s) for more than three consecutive nights, nor for more than six total nights in any 30-day period. In the event any unregistered or unauthorized Overnight Guest(s) are identified to be in or using an apartment or bedroom space, Owner may assess against the Resident a fee of \$60 per night, in addition to the right of Owner to declare Resident in material breach of this Agreement and pursue other available remedies. Although Resident may have Guests from time to time, Owner reserves the right to restrict the number of persons permitted in or about an apartment at any time in Owner's discretion, to protect safety and the quiet enjoyment of other residents. Guests may park only in designated guest parking areas, if any, and no Guest's vehicle may remain at the Property for more than three days.
- 14. Parking. Owner grants to Resident a non-exclusive, undivided limited permit to use any one marked parking spot at any given time in the Property's parking lot (subject to handicap and reserved parking restrictions) for the sole purpose of parking one personal, non-commercial vehicle, and for ordinary access to and from such parking lot over marked driveways. The parked vehicle must be properly registered and licensed, and may not create a safety hazard. Vehicles improperly parked or appearing abandoned may be towed at the vehicle owner's expense. This paragraph creates a limited use license and not a bailment. Resident assumes all risk and responsibility for damage to the vehicle and any personal property contained in it, and the vehicles or other personal property of others, in connection with any use of parking areas. Owner is not responsible for any damage to vehicles or property contained in vehicles. Owner reserves the right to revoke or restrict parking rights in the event Resident violates this paragraph or the Agreement.
- 15. Smoking. Smoking inside any apartment, breezeway, stairwell or other indoor area by Resident or his or her guest(s) is prohibited. In the event that Resident or any guest smokes, burns candles, burns incense or engages in any other activity which could result in particles and/or smoke which tend to cause staining or odor on walls, carpets or other portions of the premises, soiling of ductwork that could require duct cleaning or a persistent odor in the apartment that necessitates the removal of carpet and padding despite an apparent clean appearance, all such damage and repair cost will be considered extraordinary damage beyond normal wear and tear and is the responsibility of the Resident. Therefore, Resident agrees that <a href="mailto:any">any</a> smoking in an apartment will subject the resident(s) to a minimum deep-cleaning fee of \$250, plus any additional costs of cleaning or repair in connection with smoking or other smoke-related damage.

## 16. Maintenance, Alteration and Repair

- (a) Resident is responsible for and agrees to take good care of the premises, fixtures and all common areas. Resident may not remove any of Owner's property and will not perform any repairs, upgrades, painting, wallpapering, electric changes or other alterations of the premises without prior written consent from Owner. Resident will be responsible for damage from waste stoppages caused by foreign or improper objects or improper use in lines serving bathrooms, damage to fixtures, appliances, doors, windows, screens, damage from water faucets left on or from doors left open, and repairs or replacements to alarm devices necessitated by misuse or damage by Resident and/or guests. Extraordinary appliances or furnishings such as satellite dishes, hot tubs, pool tables, water beds or high utility-consuming devices may not be installed or placed on the premises or anywhere at the Property without Owner's prior written consent, in its sole discretion.
- (b) In the case of a malfunction of any utilities or damage by fire, water or similar cause, or any water leak, electrical problem, broken glass, broken lock or any other condition that Resident reasonably believes poses a material hazard to health and safety, Resident must promptly notify Owner in writing. Owner will act with reasonable time and diligence in making repairs and reconnections; Resident may not withhold or reduce payment of rent or other charges during such time. Maintenance and repair requested by Resident will generally be performed between 8am and 8pm, unless the work is considered an emergency, in which case work may take place at any time. Owner may temporarily disconnect equipment or utilities to avoid property damage and/or to perform repairs requiring such interruption, in Owner's sole discretion. Owner will not be liable for any inconvenience, discomfort, disruption or interference with Resident use of the premises because of ongoing repairs, alterations or improvements to the premises, the apartment or the Property.
- (c) Following move-in, Resident is responsible for providing and changing all light bulbs and batteries (for smoke detectors and remote controls) in the assigned apartment. A written maintenance report requesting assistance in changing these items may be submitted for maintenance staff assistance, with extra charges payable by Resident as applicable per Owner's published rates. From time to time, maintenance staff may enter the assigned apartment with or without notice to inspect and change furnace filters and to provide pest control.

- 17. Management; Community Policies. Owner may retain employees and management agents from time to time to manage the Property, and Owner's agent may retain other employees or contractors. Resident, on behalf of himself or herself and his or her Guests, agrees to comply fully with all directions from Owner and its employees and agents, and the rules and regulations (including all amendments and additions thereto, except those that substantially modify the Resident's bargain and to which Resident timely objects) as contained in this Agreement and the Community Policies of the Property. The Community Policies are available at <a href="http://live-thehills.com/policies.pdf">http://live-thehills.com/policies.pdf</a> or on request from the management office, and are considered part of this Agreement.
- 18. Breach by Resident. Upon any breach by Resident of this Agreement, including community policies, Owner may without separate demand or notice (except notice and opportunity to cure to the extent these are required by applicable law), and in addition to other lawful remedies, do any one or more of the following: (i) collect any charge under this Agreement or community policies, including reimbursement of costs of collection; (ii) sue to collect past due charges; (iii) terminate this Agreement and Resident's right to occupy the premises and/or institute an action for eviction; (iv) sue to collect all unpaid rent and other charges which would become due through the End Date or until the bedroom space and all other bedroom spaces at the Property have been filled, with recovery by Owner of any discrepancy in rent rate and any expense incurred in obtaining the new resident contract; (v) report any information to credit reporting agencies. Without limitation, Owner may terminate this Agreement for non-payment of rent or other charges, or upon any conduct by Resident that is prohibited by or in breach of this Agreement, or if, in the reasonable judgment of Owner, continued residency will or may be detrimental to the educational process or the health, safety and/or welfare of the other residents of the Property or any of the Property's personnel. Upon any termination as described in this paragraph: (a) Resident must fully vacate the bedroom space and apartment (including removing all personal belongings) within the time provided in the written notice given by Owner, and will have no further use of or access to the Property, the assigned apartment or bedroom space; and (b) Resident will be fully responsible for all rent and other charges as if the Agreement had been terminated by Resident as described in paragraph 5. Owner's termination for breach will not limit Owner's claim for damages resulting from Resident's breach of the Agreement. Owner's acceptance of rent or other payment following notice to vacate or during the pendency of a legal action will not waive or diminish Owner's rights under this Agreement or statutory law unless separately and expressly agreed by Owner.
- 19. Assumption of Risks; Liability. Resident ASSUMES ALL RISKS associated with use of the Property, and to the full extent permitted by law, agrees to hold harmless, release, defend and indemnify Owner and its affiliates, members, partners, officers, agents, management company and its and their respective employees ("Released Parties") from all liabilities and/or claims for injury or death to persons or damage or theft to property arising from the use, occupancy, presence at or other interaction with the Property or any part or contents thereof by Resident or his or her Guests including without limitation: (i) the negligent acts, omissions or intentional wrongdoing of Resident or his/her Guests; and (ii) those injuries and damages caused by a Released Party's alleged or actual negligence or by breach of any express or implied warranty. The Released Parties will not be liable for injury, damage or loss caused by criminal conduct of other persons, including theft, assault, vandalism or other acts of third parties. Resident agrees to indemnify each Released Party for any injuries to Resident or any Guest or other person or property that arises in connection with occupancy or use by Resident or any Guest of Resident. Resident further agrees to reimburse, indemnify and hold harmless Released Parties from any and all claims, lawsuits, actions, costs, damages (including liquidated damages as specified) or losses, including reasonable attorneys' fees and costs and expenses, that a Released Party incurs or may incur as a result of any breach of this Agreement by Resident. The forgoing will be binding to the fullest extent permitted by law but will not apply to liability of Owner to Resident the extent expressly arising under law.
- 20. Safety Precautions. Resident acknowledges that neither Owner nor any of its agents, employees or representatives has made any representations or warranties, either written or oral, concerning the safety of the Property, the bedroom space or any apartment, or the effectiveness or operability of any security devices or security measures in the Property, the bedroom space or any apartment. Resident acknowledges that Owner neither warrants nor guarantees the safety or security of residents or their Guests against any criminal or wrongful acts of third parties. Resident and his or her Guests are responsible for protecting their own respective person and property and hereby release Owner and its agents, employees and representatives for any and all damage to person and property. Owner's safety measures are neither a warranty of safety nor a guaranty against crime or of a reduced risk of crime. Resident acknowledges that security devices or measures may be changed or removed by Owner without notice or compensation, and/or may fail or be thwarted by criminals or by electrical or mechanical malfunctions. Therefore, Resident acknowledges that he or she should not rely on such devices or measures and should take steps to protect himself or herself and his or her existing property notwithstanding these devices. Resident agrees to immediately notify Owner's representative of any malfunctions involving locks and life-safety building components. Should

Resident become seriously injured or imperiled at the Property, Resident authorizes Owner and its agents to call 911 Emergency at Resident's expense, without legal obligation to do so.

- 21. Abandonment. If the assigned bedroom space or an apartment is abandoned or Resident's right to use them has been terminated, Owner may, without notice, secure the bedroom space and/or apartment with new locks, store or dispose of any personal property left in the bedroom space or apartment by Resident or Resident's Guests, and reassign the bedroom space and/or apartment to others for use. Any such abandoned property or personal possessions shall be stored and disposed of by Owner in accordance with Virginia law. Owner, in its sole reasonable discretion in accordance with applicable law, will determine when a bedroom and/or apartment is abandoned, which may take into consideration any one of the following: the removal of personal property from the bedroom space other than in the usual course of continuing use, the failure to pay housing charges or other charges, discontinuance of any utility service, and failure to respond to any notices, phone calls, or correspondence from Owner or its representatives.
- 22. Vacating at End of Term; Renewal. This Agreement does not automatically renew and Owner is not obligated to renew it. Owner reserves the right to contract with others for the premises at any time, for occupancy commencing after the End Date. Upon termination or expiration of this Agreement for any reason, Resident will immediately vacate and relinquish the bedroom space and entire apartment, and all of Owner's fixtures, in a clean and sanitary condition, including removing all trash. Resident will pay all utility and service bills to the bedroom space and apartment (except those provided by Owner as specified in this Agreement) and cancel all utility accounts in the name of Resident. Resident will return to Owner all keys issued to Resident by Owner. If all keys issued to Resident are not returned promptly to Owner, Resident will pay all costs associated with re-keying or reprogramming locks for the bedroom space and/or apartment, along with the cost of replacement of all keys. If Resident fails to vacate the bedroom space and apartment by the end of the Term or upon earlier termination of the Agreement, Resident will pay agreed holdover charges equal to three (3) times the daily pro-rated housing charges during the Term (but not more than the amount provided by law), plus associated expenses, including attorneys' fees. In no event after termination or expiration of this Agreement will it be deemed to have been renewed or extended.
- 23. Security Deposit. As security for Resident's full performance of this Agreement, Resident will deposit with Owner the Security Deposit amount identified above. The Security Deposit, if any, is held in an escrow account at Blue Ridge Bank, 563 Neff Ave., Harrisonburg, Virginia. Should charges be made against the Security Deposit because of damage to the Property, apartment or bedroom space or to any fixtures or equipment, or for any unpaid utility charges paid by Owner on behalf of Resident, Resident agrees, within three days after notice, to deposit additional amounts as required to restore the Security Deposit to the original amount. When the bedroom space and apartment are properly vacated and Resident has turned in all keys and after inspection by Owner, the Security Deposit balance will be refunded to Resident, less any unpaid rent and any other amounts due under this Agreement, including any charges (including labor cost) for damage or loss and any cost of special cleaning beyond reasonable wear and any unpaid utility charges paid by Owner on behalf of Resident. The Security Deposit is not intended as prepayment of rent and Resident may not withhold rent at any time based on the existence of the Security Deposit. Owner's retention of part or all of the Security Deposit will not limit Owner's right to all damages resulting from Resident's breach of the Agreement. Resident agrees to provide a valid forwarding address upon termination or expiration of occupancy. Owner will return any unused portion of the Security Deposit to Resident at such address within one month after the latter of the expiration or termination of this Agreement, or surrender by Resident and acceptance by Owner of the premises, all as provided by applicable laws.
- 24. <u>Casualty Loss</u>. If in Owner's reasonable judgment the premises or the Property is materially damaged by fire or other casualty, Owner may terminate this Agreement within a reasonable time after such determination, by written notice to Resident, in which case Owner will refund prorated, pre-paid rent and all deposits less lawful deductions unless Resident and/or Resident's guest(s) caused the casualty, in which case all funds on account will be applied to all applicable charges related to the damages and Resident will be responsible for the balance of all charges for repairs. If following a fire or other casualty Owner does not elect to terminate this Agreement, Owner will rebuild the damaged areas within a reasonable time, and during such reconstruction, Resident will be provided a reasonable rent reduction for the unusable portion of the premises unless Resident and/or Resident's guest(s) caused the casualty.
- 25. Release of Information, Notice. Resident consents to the following: (a) Owner may notify Resident's Guarantor of information about Resident and any action taken or notice given with regard to Resident under this Agreement; (b) if Resident or Guarantor has supplied information by means of an application for residency, guaranty of payment or other documentation, Resident and Guarantor, as the case may be, represent that such information is true and correct and given voluntarily and knowingly; and (c) Owner and its management agent may release any such information and/or Resident's account history to law enforcement, government officials, lenders, prospective purchasers of the Property, or to the court in any legal proceeding.

- 26. <u>Claims</u>. All claims, including without limitation claims for injury and/or death, will be governed by the internal laws of the State of Virginia with respect to contracts made and events occurring therein, and that exclusive jurisdiction will be in the courts of Rockingham County, Virginia. In any action for breach or other enforcement of this agreement, the prevailing party may recover all costs or fees incurred in connection with such matter, including reasonable attorneys' fees, as part of any judgment, in accordance with applicable law.
- 27. Miscellaneous. Failure of Owner to insist upon strict compliance with the terms of this Agreement will not constitute a waiver of Owner's rights to act on any violation. Owner's rights are cumulative and the exercise of any remedy by Owner will not exclude or waive the right to exercise any other right or remedy. Time is of the essence in the performance of this Agreement. Owner and its agents and affiliates make no representations or warranty as to the character or standing of any other residents of the Property. The lien of Owner's lender(s), if any, on the Property may be superior to Resident's rights as a resident and this Agreement may be made subject to the rights of such lender(s). This Agreement and any attached and signed addenda constitute the entire agreement between the parties and no oral statements will be binding. If any provision of this Agreement requires the permission or consent of Owner, such written permission or consent may be granted or withheld in the sole discretion of Owner or its designated agent or representative, or may contain such conditions as Owner deems appropriate and will be effective only if Resident complies with such conditions. Moreover, any written permission or consent given by Owner to Resident may be modified, revoked or withdrawn by Owner at any time, at Owner's sole discretion, upon written notice to Resident. Any amendment to this Agreement, other than a change to the Community Policies, must be in writing and signed by Resident and Owner or its authorized agent. Notwithstanding anything to the contrary in this Agreement, to the extent Resident is obligated to pay attorneys' fees or to indemnify Owner, or to the extent Owner's liability hereunder is limited, such obligations and limitation remain subject to and apply only to the extent not prohibited by applicable law. If any provision of this Agreement is found to be unenforceable or inapplicable, then the remaining provisions will not be voided and will remain in full force and effect.

[signatures on page 1]

The Hills of Harrisonburg is an Equal Opportunity housing provider.

