Farren Property Management, LLC Lease Agreement

Long-term House Rentals Lynda Farren, President

THIS IS A LEGALLY BINDING CONTRACT, YOU ARE ADVISED TO SEEK THE ADVICE OF LEGAL COUNSEL PRIOR TO SIGNING IT IN THE EVENT YOU FEEL IT TO BE NECESSARY FOR COMPLETE UNDERSTANDING AND COMPLIANCE. THIS PROPERTY IS OWNED OR MANAGED BY A LICENSED REAL ESTATE BROKER REPRESENTING ITS INTEREST AS LANDLORD. NO LEASING AND OR MANAGEMENT FEES WILL BE DUE BROKER FROM TENANTS FOR THIS TRANSACTION. LYNDA FARREN IS THE CURRENT ACTING BROKER OF FARREN PROPERTY MANAGEMENT, LLC

1. THE PARTIES John and Jane Doe (Tenants)

agree to rent from

Sandra Smith (Landlords) the dwelling, located

12345 Main Street, Anywhere, USA (Premises)

Farren Property Management is a 3rd party beneficiary under this agreement acting as the Management.

2. THE TERM Rent will start at 12 noon on the 1st day of January 2022

and shall run through 12 noon the end of May 2022

If Tenant takes possession of the premises prior to said commencement, Tenant shall be subject to all the covenants and conditions herein and shall pay rent at the monthly rate prescribed for the first month of the term prorated on the basis of the 30-day month.

LEASE RENEWAL

At the anniversary Date, and subsequent Anniversary Dates, this Lease shall automatically renew for one year.

IF YOU DO NOT WISH TO RENEW YOUR LEASE

If Tenant <u>does not wish to renew</u> the current lease, Tenant must give Farren Property Management written notice at least sixty (60) days prior to the anniversary date of the current lease. Written notice can be in the form of an email, text or through the US postal service, we WILL NOT accept notification via phone. If written notice is not received at least sixty (60) days prior to the anniversary date, Tenant acknowledges they have authorized Farren Property Management to renew the lease for another year. Tenant also acknowledges if written notification <u>not to renew the lease</u> is received less than sixty (60) days prior to the anniversary date, it is deemed Tenant is requesting early termination of the <u>renewed lease</u> and must follow the steps outlined in #34 EARLY TERMINATION

RENT INCREASES

3. NOTICE

Upon the first day of the calendar month following the twelve (12) month anniversary of the lease start date, and every twelve (12) months thereafter, the rent will automatically increase 3% over the immediately preceding rental rate, rounded up to the next \$5.00 increment. Landlord shall have the right to increase the rent above this percentage upon notice being given to Tenant at least ninety (90) days prior to the end of the then applicable least term or renewal term. Upon the receipt of such notice, Tenant shall have thirty (30) days thereafter to notify Landlord of Tenant's decision either to: (1) terminate the lease effective upon the end of the current term of the lease; or (2) accept the increase in the rent above the percentage increase set forth elsewhere in the lease. If Tenant fails to timely respond to the notice of rent increase above the percentage increase set forth elsewhere herein, then Tenant shall be deemed to have accepted the increase in rent for the subsequent renewal term. After the expiration of four (4) renewal terms, the lease shall automatically become a month-to-month lease if not otherwise terminated. All other terms and conditions of this lease, including the notice provisions, shall remain the same and in full force and in effect.

Farren Property Management, LLC is the agent for service of notice on this property and may be contacted by mail at: P.O. Box 802, Hayesville, NC 28904

4. **RENT AMOUNT** The amount of the rent will be \$1,500.00 and due in advance, prior to 2 PM, the first of every month.

Neither Landlord nor Management is required to accept rent if not received by 2 pm on the first of the month. In the event Landlord or Management accepts late rent, Tenant agrees to pay a late fee of:

[N/A] North Carolina - 5% of monthly rent (after the 5th day of the month)

[YES] Georgia - \$50.00 (after the 1st day of the month)

If rent payment has not been paid in full by 5 pm on the tenth of the month Tenant agrees to pay an additional Service Fee of:

[N/A] North Carolina - \$50.00 [YES] Georgia - \$50.00 If Tenant pays by check and the check is returned for any reason Tenant will be charged \$50.00. Tenant will be charged \$35.00 for each letter that is hand delivered for nonpayment. Landlord may accept payment, even though there was a late fee or additional charge that was not included in the rent payment. Each Tenant is individually responsible for paying the full amount of rent any other money owed to Management. Roommates must pay Management one payment for rent. Management will not accept multiple rent payments.

Rent payment is critical! No excuses will be accepted for non-payment, including ill health, accident, loss of job, financial problems, family emergencies, etc! FAILURE TO PAY RENT WHEN RENT IS DUE WILL RESULT IN IMMEDIATE TERMINATION OF THIS RENTAL AGREEMENT AND EVICTION.

5. CHECK POLICY All payments for rents and other charges shall be paid by EFT (Electronic Funds Transfer software. Tenant agrees to provide their bank account information when Bank and or Account information changes. Rent shall be credited as paid only when actually received by the Landlord. Tenants agree to pay a failed transaction fee of \$50.00-GA/\$25.00-NC each time Landlord's bank account is debited for returned items, or for a notification of change (i.e. Tenant's bank account has been closed without Landlord receiving new bank account information). In the event Tenant does not provide Broker with an account to automatically deduct their rental payment on the first of each month, Broker shall charge Tenant a fee each month of \$25.00 for requiring Broker to process a check rather than using the EFT.

6. MAILING OF RENTS

All payments for rents and other charges shall be paid by EFT (Electronic Funds Transfer software. Tenant agrees to provide their bank account information when Bank and or Account information changes. Rent shall be credited as Paid only when actually received by the Landlord. Tenants agree to pay a failed transaction fee of \$50.00-GA/\$25.00-NC each time Landlord's bank account is debited for returned items, or for a notification of change (i.e. Tenant's bank account has been closed without Landlord receiving new bank account information). In the event Tenant does not provide Broker with an account to automatically deduct their rental payment on the first of each month, Broker shall charge Tenant a fee each month of \$25.00 for requiring Broker to process a check rather than using the EFT.

7. PETS

Pets are never allowed on the Premises unless written permission has been obtained in advance from the Landlord. If permission is given, no more than (2) pets are ever allowed unless agreed upon and stated in this lease, excluding tropical fish. Tenant is required to provide proof of Insurance Coverage, per Addendum "A", paid for entire term of lease. If Tenants have pets, they must be listed, and by listing them Tenant agrees to be fully liable for damages and injuries they might cause to both property and people. Any pets not listed below, which are found on the property will be presumed to be strays and will be disposed of by the appropriate agency as described by law. Permission is hereby given for tenants to have the following pets on the premises. This section is only applicable if initialed by management below:

Name: Moloko
Breed: Cat
Age: 10
Weight: 18

Name: N/ABreed: N/AAge: N/AWeight: N/A

Tenants specifically understand and warrant:

- A. Dogs and cats under the age of 1(one) year are not accepted
- **B.** All dogs and cats must be either neutered or spayed.
- C. That the pets, if they are dogs, have not been attack trained nor are they known to be vicious, nor do they have a history of biting people or animals, or of causing property damage.
- **D**. That Tenants are solely responsible for any and all damage or loss to the Landlord's property caused by their pets including, but not limited to, the premises, carpeting, draperies, wall coverings, furnishings, appliances and landscaping including the lawn and shrubbery.
- E. That at Tenant's expense, to rid the property of all fleas, or other pests and restore carpet to its original condition removing all evidence of pets including pet odors, even if it means replacing the carpet and pad at Tenant's expense, regardless of the carpet condition at time of move-in.
- **F.** If Management discovers a pet on the property, whether or not owned by Tenant, Management shall assume pet has been there from the date of possession and Tenant agrees to pay additional rent of \$75.00 per month per pet beginning the date Tenant took possession. In addition to this rent, undisclosed pets may result in default in the Lease at the sole discretion of Management.
- **G.** That all pets, when outside, must be kept on a leash or caged and under full control of Tenant at all times. All pet waste shall be removed and disposed of properly.
- **H.** All pets shall be maintained so as not to cause annoyance or irritation to others.
- I. A refundable Pet Deposit has been submitted in the amount of \$N/A. The Pet Deposit will be returned with no damage. Upon vacating, carpets are to be professionally cleaned, by an approved vendor of management and paid by

tenants. Premise must be treated for ticks and fleas by a professional exterminator upon vacating and paid by tenants. Proof of both carpet cleaning and tick and flea treatments must be provided for the return of Security Deposit. J. That proof of vaccination of pet, where required by law, including but not limited to rabies, must be provided.

PET POLICY AND PET SCREENING

Farren Property Management requires ALL tenants, whether they have pets or not, must set up a Pet Screening Profile and renew their Pet Screening Profile annually. Tenant WILL NOT be allowed to occupy the property until the Pet Profile has been set up. Tenants are required to have all dogs and cats vaccinated against rabies and must upload vaccination certificate to their profile. Tenant must keep the rabies vaccinations up to date and upload any renewed certificate to their profile. Per section #2 above, your lease automatically renews at the anniversary date, but if you do not renew your Pet Screening Profile annual, you are in default of your lease and your lease could automatically be terminated. Please see #7 under Addendum B for more information.

8. TENANTS

The house will be used only as living quarters for **2** adults and **1** children or adult dependents named as follows: John and Jane Doe and child Jill

9. TENANT **OBLIGATIONS**

- NC & Georgia require the tenants to meet certain obligations. The following are made a part of this rental contract, which the tenants swear to be bound by.
- A. Tenants promise that nothing will be done which might place the Landlord in violation of the applicable building, housing, occupational, zoning, health codes, laws, or neighborhood covenants.
- B. Tenants certify that Tenants, their family, invitees or guests will not engage in any illegal activity while on The premises.
- C. Tenants agree to keep the dwelling clean and sanitary, to remove garbage and trash before they can attract pests, to maintain the plumbing in good working order to prevent leaks, stoppages, discharges from pipes, faucets,
- **D.** Tenant agrees to operate all electrical, plumbing, sanitary, heating and cooling, mechanical and ventilating systems and other equipment properly, safely and reasonably to prevent damage or harm to the equipment or to the Tenants or their guests.
- E. Tenants assure Landlord that Landlord's property will be safeguarded against damage, loss, removal or theft and maintained as required to keep it in good working order.
- F. Tenants pledge that their conduct and that of their families, friends, guests and visitors will not disturb or endanger others.
- G. Tenants agree to grant access at all times for protection of the premises or property in accordance with the North Carolina/Georgia statutes and upon reasonable notice, to give the Landlord or Landlord's agent access to the premises for inspecting, repairing or showing the property. Tenants specifically authorize the Landlord or Landlord's agent to enter the premises for the purpose of serving legal notices any time the rent has not been received and is overdo or the contract has been terminated. Tenant further grants the Landlord or Landlord's agent permission to enter the premises at any time to protect the Landlord's equipment or to make repair estimates.
- H. Tenants promise to pay the agreed-upon rent promptly, as spelled out in paragraph four, including any Pets, extra visitor, and or late charges, plus failed transaction fees, when requested by the landlord.
 - **NOTE**: Failure to perform the above obligations will be grounds for termination of this contract and loss of all rights and benefits provided for hereunder!
- I. No nails, screws, or adhesive hangers except standard picture hooks, shade brackets and curtain rod brackets may be placed in walls, woodwork or any part of Premises, unless the Premises can be returned to the original condition as of the date of this tenancy.
- J. Tenants shall not cause or permit the presence, use, disposal, storage or release of any hazardous substances on or in the property. Tenants shall not do, nor allow anyone else to do anything affecting the property that is in violation of any environmental law. The preceding two sentences shall not apply to the presence, use or storage on the property of small quantities of hazardous substances that are generally recognized to be appropriate for normal residential uses. Tenants agree to remove all such hazardous substances when they vacate the property.
- **K.** No waterbeds are allowed in Premises without written consent of Landlord.
- L. No space heaters or window air conditioning units shall be used to heat or cool Premises except with the Written consent of Landlord.
- M. Repairs and Maintenance: Tenant acknowledges that Tenant has inspected Premises and that it is fit for Residential occupancy. Tenant shall promptly notify Landlord of any dangerous condition or need for maintenance existing in Premises or on Property. Upon receipt of notice from Tenant, Landlord shall, within a reasonable time period thereafter, repair the following: (1) all defects in Premises or Property which create unsafe living conditions or render Premises untenable; and (2) to the extent required by state law, such other defects which, if not corrected, will leave Premises or Property in a state of disrepair. Except as provided above, Tenant agrees to maintain Premises in the neat, sanitary and clean condition, free of trash and debris, reasonable wear and tear expected. Tenant will be responsible for repair charge if nothing is found to be wrong or if repair is caused by damage or negligence of Tenants.
- N. Missed Appointments: From time to time it will be necessary for management, Owner or other authorized Parties including, but not limited to, maintenance contractors, appraisers and real estate agents to gain access to the property for the purpose of inspecting the property, performing repairs, or showing the property to prospective purchasers or Tenants. If Tenant fails to keep a pre-arranged, mutually agreed appointment allowing access to the Property, then Tenant agrees to pay \$50 per event as liquidated damages

to management and such amount shall become due as additional rent under this agreement.

3

O. Lawn and Maintenance: (Select one, the selections not marked shall not be a part of this lease.)

[YES] 1. Tenant shall keep the lawn mowed and edged, beds free of weeds, shrubs trimmed, gutters cleaned out, trash and grass clippings picked up on a regular basis (minimum of once every two weeks in growing season and fall leaf season) and shall keep Property, including yard, lot, grounds, Premises, walkways and driveway clean and free of rubbish

[N/A] 2. Partial maintenance by Tenant – Tenant shall maintain the following: N/A

[N/A] 3. Landlord or Landlord's designated agent shall provide all yard/exterior maintenance.

P. Occupancy and Use: Only the persons listed above as Tenants may live in the Premises. Persons not listed as Tenants may live in the Premises only with the prior written consent of Management. Tenants may use the Premises and utilities for normal residential purposes only. A guest staying longer than two weeks is no longer a guest but a roommate. This person and anyone else who will be added to the lease, will need approval from Management, must fill out an application, pay an application fee, be screened and pay a Hundred dollars (\$100.00) administration fee. Tenant agrees to pay Fifty dollars (\$50.00) per month for each additional person not originally on the lease. Failure to do so may result in termination of this lease. By initialing, tenant(s) agree they have read and understand the term stated in this section.

10. UTILITIES

The Tenants are responsible for payment of the following utilities and or charges incurred during their tenancy through the last month of their lease, and until such services are terminated: gas and electricity, water, sewage, trash collection, cable TV, satellite TV, telephone and any other service contracted for by the Tenants. Tenant agrees to either have a telephone installed on the premises and to provide the number to the Landlord within three days of installation, or to provide an e-mail address. If Tenant does not provide either a land phone or an email address within 7 days of possession, Tenant will pay an additional \$25.00 a month to Farren Property Management, LLC. Until either land phone or email address is provided.

11. INSURANCE AND HOLD HARMLESS AGREEMENT

NO RIGHTS OF STORAGE ARE GIVEN BY THIS AGREEMENT! Under paragraph 21 and 22 of this agreement, the Tenants agree to report any hazardous conditions to the Landlord. Following this, Tenants agree to accept full responsibility for any injury, damage or loss regardless of the cause unless said mishap directly results from negligence of the Landlord in remedying a prior hazardous condition, which had been reported in writing. Injury, damage or losses may result from, but not be limited to: fire, breakage, burglary, water, snow, windstorm and/or electrical failure, associated with any portion of the land or improvements thereto especially with regard to any pipes, fittings, electrical or gas lines, equipment and/or appliances.

Tenants agree that the hot water heater setting shall never be set higher than 120°F and warrants that the hot water temperature will be checked immediately upon taking possession of the premises. If the hot water heater needs adjustment, this will be communicated to the Landlord in writing within three days. Thereafter any adjustments shall be presumed to have been made by the Tenants and the Landlord shall be liable or responsible in any manner for the damage or injury to Tenants, the Tenants' family members, guests or others.

The Tenants hereby covenant and agrees to purchase needed insurance, in the amount \$100,000 as stated in Addendum "A" which is attached and is part of this lease, to protect themselves, their family, their guests and their personal property. Tenant must add Farren Property Management, LLC as an ADDITIONAL INSURED to the insurance policy. The insurance policy is to be prepaid for the term of this lease.

As part of this tenancy, Tenants shall maintain smoke detector(s) and carbon monoxide detector(s). Tenants agree to test smoke detectors and carbon monoxide on a regular basis and to change batteries as necessary. The Tenants agreed to make a diligent effort to report any hazardous conditions to Landlord in writing as soon as they are discovered and to enable them to be a remedied at once.

12. LEAD BASED PAINT WARNING

Houses built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose PAINT WARNING health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. The property was built [N/A] or was not built [YES] before 1978. Tenants acknowledge that they have received the federally approved pamphlet on lead poisoning prevention and have been given the opportunity to read it prior to executing this rental contract Tenants also acknowledge that they have received from Landlord a complete copy of the North Carolina or Georgia approved lead-based paint disclosure form. Landlord certifies this form was completed based upon Landlord's knowledge of the property when Landlord completed the form. (The above referenced booklet and the disclosure form received by Tenants before they first rented this property).

13. PROTECTING THE LANDLORD'S PROPERTY

Any removal of the Landlord's property without express written permission shall constitute default in the terms of this contract and may be construed by the Landlord as voluntary termination without notice by the Tenants. The Landlord shall have the option of accepting the return of the premises as full liquidated damages for said unauthorized removal, or of filing formal criminal charges for theft and unlawful conversion against the Tenants. All property belonging to the Landlord that is installed or is in storage on the premises shall be returned to Landlord in the same condition received unless a formal report of failure has been made and Landlord has removed the item(s). The Tenants agree to keep the house locked when they are absent to protect the premises.

14. INSPECTION AND

The Tenants have previously inspected the property upon move-in and warrant that the dwelling apartment and all furnishings supplied are currently in good and safe condition unless a written exception is noted in the Move in

INVENTORY

Inspection Form. The absence of such notice shall be conclusive proof that there was no defective or hazardous equipment or conditions existing as of the start of this contract. A Move-In Inspection and Inventory report was provided when Tenants first moved into the property and another will be provided whenever requested by the Tenants or required by the Landlord. TENANTS ARE ENCOURAGED TO REPORT EVERYTHING ON OR ABOUT THE PROPERTY REQUIRING REPAIR NO MATTER HOW SLIGHT. Tenants should immediately report any dangerous or deteriorating situations such as any sign of termites, loose electrical or gas connections, gas leakage, moisture or mold, landscaping which slopes towards the foundations, or gutters which do not drain properly. Landlord has the right to perform inspections of the property quarterly and more often if there is a need.

15. ACCOUNTABILITY

The Tenants agree not to permit any deterioration of the premises during the period of this tenancy including woodwork, floors, walls, fixtures, appliances, furnishings, windows, screens, doors, plumbing, electrical, cooling and heating, mechanical systems, lawns, landscaping, fences, utility sheds, shrubbery, patios, etc. The Tenants understand and agree that lawns, shrubs, and trees are to be watered by the Tenants on a regular basis throughout the year, but must agree to comply with any state or county regulations regarding outdoor water usage. Also, lawns must be fertilized two times per year. Tenants agree to clean out the gutters once a year after the leaves have dropped in the fall. Failure to do so can cause severe foundation problems for which the Tenants may be liable. Further, that Tenants will pay for damage done by rain, hail, wind, snow and rising water resulting from leaving windows and doors open, failing to perform maintenance, or from neglect, overflow of appliances, sewer or septic tank, failure to fertilize and water lawns and failure to remove all hoses from exterior faucets and properly shut down and drain any existing sprinkler systems prior to any freezes. Tenants agree to keep area under refrigerator free from all dust and debris and to change the furnace filter on a monthly basis during those months when the heating system or air conditioning system is in use. Further, if the property has a wood burning stove or fireplace which the Tenants plan to use, they agree to have chimney cleaned before using and annually thereafter and to use a fire screen to protect premises from fire damage when any wood burning stoves or fireplaces are used. Tenants agree to service the furnace annually using an approved HVAC vendor. The Tenants promise that no cars, trucks, RVs, commercial equipment or trailers will be parked on the lawn or other unpaved areas and specifically authorizes the Landlord to have any vehicles in violation removed and placed into storage at the Tenant's expense.

16. LOCKS

If the property being rented has keys, the Landlord suggests that Tenants have all locks to the property re-keyed for their protection. Tenants agree that if done, one key should be made to operate all locks on the premises and Tenant warrants that a copy of this key shall be provided to Landlord within 3 days from the date the locks were changed. If no keys are given to Landlord at that time, there will be a \$100.00 a month charge until key is given. If the property being rented has a keyless entry, the code is **N/A**. If Tenants change the code, Tenants warrant that the code shall be provided to Landlord within 3 days from the time the code was changed. If the code isn't provided within that time, there will be a \$100.00 a month charge until the code is provided.

17. ASSIGNMENT AND/OR SUBLEASING

Assignment of any portion of this contract or subleasing the premises without first obtaining written permission of the Landlord will result in termination. Covenants contained in this rental contract, once breached, cannot afterward be performed and unlawful detainer proceedings may be commenced at once without further notice to remove the Tenants from the premises.

18. LEGAL COSTS

If Tenant desires to continue to rent premises after being in default or after being served for eviction or with notice of termination, they agree to reimburse the Landlord for actual costs incurred to enforce collections of rents, to serve notices, for filing fees, etc., including costs of collectors, deputies, marshals, police, constable's, etc. prior to regain entry or reinstatement of their status as Tenants. In the event of any legal dispute involving the courts, in consideration of the mutual covenants expressed herein, both Tenants and the Landlord warrant that they will each pay their own legal costs and expenses of lawyers and court costs, etc. and hereby hold the other harmless for such costs.

If Tenant fails to pay the unpaid charges demanded within ten (10) days, Tenant shall be required to pay (in addition to the sums demanded) an amount equal to thirty percent (30%) of the above-described unpaid charges, in addition, Tenant hereby agrees to pay any and all costs of collection of any unpaid charges, rent or damages owing under this Agreement including, but not limited, to the costs of a collection agency and/or the costs of an attorney if such sums are collected by an attorney-at-law. Tenant shall also pay any and all costs, including mediation and arbitration fees, attorney's fees and costs, and any fees and costs awarded by a Court, if such sums are collected through a legal proceeding.

If Tenant breaches this Lease, Tenant agrees to pay any unpaid charges (including charges allowed under this Lease and including damages to the premises) to Management within ten (10) days of the time Tenant is notified of the breach. If Tenant fails to pay the unpaid charges demanded, Tenant shall be required to pay (in addition to the sums demanded) an amount equal to ten percent (10%) of the above described unpaid charges *including charges allowed under this Lease and damages to the Premises caused by Tenant) as an administrative collection fee.

19. RENT ADJUSTMENT

Failure of the Tenants to pay all rents, late charges, failed transaction fees, pet and visitor charges, maintenance and repair charges and other fees assessed under the terms of this contract upon demand shall give Landlord the right to immediately adjust rents to reflect market rates and costs of administration caused by said failure to pay as required. Partial rents will not be authorized (except for special emergencies which the Landlord must approve in writing).

20. HOLD OVER RATE

The daily rate for holding over (staying beyond lease expiration) beyond the expiration or termination of the lease is \$125.00.

21. ABANDONMENT

Formal written notice, with provision for timely rent payment is required if there will be an extended absence. If the premises are left unoccupied for 15 days while rent is due and unpaid, the Landlord is authorized to take immediate possession. He will place the Tenants' property into storage at a site of the Landlord's choosing at the Tenants' expense, not to exceed \$20.00 per day. Property left unclaimed more than 15 days shall be presumed to have been abandoned. The Tenants herein give the Landlord specific authority to dispose of the abandoned property in any manner the Landlord chooses that does not violate applicable statutes, without any recourse whatsoever on the part of Tenants, as full liquidated damages for lost rent or damages sustained by the Landlord because of said abandonment.

22. BANKRUPTCY

If Tenants become insolvent, or if bankruptcy proceedings should be initiated by or against the Tenants during the above tenancy, the Landlord is hereby irrevocably authorized at his option to immediately cancel rental contract. No receiver, trustee or other judicial officer shall have any right, title or interest in or to the above-described property by virtue of this contract or of the claims of the Tenants or any third-party claims.

23. GOOD FAITH PLEDGE AND UNDERSTANDING

By signing this rental contract, you stipulate and warrant that all questions have been answered and that you thoroughly understand all provisions as to the rights, duties, and obligations of all parties. Further, you swear to pay the rent on time, maintain the property, and fulfill all your obligations hereunder or face the full financial and legal consequences of default and termination. You expressly warrant that you have the right to bind all occupants and to sign for them in committing yourself and them to the rental contract.

24. COUNSEL

READ THIS CAREFULLY! THIS IS NOT AN AVERAGE RENTAL CONTRACT! It requires a far higher level of Tenant responsibility. By signing this document, you warrant that you understand all the terms and conditions under which the Landlord has agreed to entrust his property to you.

25. HEADINGS AN GENDER USAGE

The headings of the paragraphs contained herein are for convenience only and does not define, limit or construe the contents of such paragraphs. Whenever used herein the plural number shall include the singular, the singular the plural, and the use of any gender shall be applicable to all genders.

26. COUNTERPARTS

This agreement may be executed in any number of counterparts, each of which, when executed, shall be an original and all of which together shall constitute one and the same agreement.

27. FAX, EMAIL, ETC.

All parties agree that copies of this contract sent and received via fax or email shall be treated as originals.

28. SECURITY DEPOSIT

A. Amount of Security Deposit: Tenant agrees to pay Farren Property Management, LLC \$1,500.00 as a Security Deposit for fulfillment of Tenant's obligations under the terms of this lease.

B. Deposit of Security Deposit: The Security Deposit shall be deposited within five business days of the Binding Agreement Date by the holder thereof ("Holder") into the type of account listed below or in such other escrow/trust account of which Holder has given notice of the bank to all parties and interest earned on such account shall belong to Holder.

(Select one. The section not marked shall not be a part of this Agreement.)

[X] 1. Security Deposit to be held in Escrow/Trust Account. The Security Deposit shall be deposited into the following escrow/trust account of

[] Landlord OR

[X] Broker at United Community Bank.

[YES] GA United Community Bank, Main St., Hiawassee, GA Acct #2015164086

[N/A] NC United Community Bank, Hwy 64 Bypass, Hayesville, NC Acct #2102235021

- [] 2. Security Deposit to be held in Landlord's General Account (This section should not be marked if Landlord is a real estate licensee, or if Landlord or Landlord's spouse or minor children own more than ten rental units.) Tenant's Security Deposit will not be kept in a segregated or escrow/trust account but shall be co-mingled with other funds of Landlord. Tenant acknowledges that Broker shall owe no duty or obligation whatsoever to Tenant with regard to any Security Deposit held by Landlord including but not limited to ensuring that the Security Deposit is properly deposited, applied or returned.
- C. Security Deposit Check Not Honored: In the event any Security Deposit check is not honored, for any reason, by the bank upon which it is drawn, Holder shall promptly notify all parties to this agreement. Tenant shall have three business days after notice to deliver good funds to Holder. In the event Tenant does not timely deliver good funds, Landlord shall have the right to terminate this lease upon written notice to Tenant.
- D. Return of Security Deposit: The Security Deposit shall be returned to Tenant by Holder within 30 days after the termination of the agreement or the surrender of Premises by Tenant, whichever occurs (hereinafter "Due Date") after all applicable deductions as allowed by Section 27E have been deducted.
- E. Deductions from Security Deposit: Holder shall have the right to deduct from the Security Deposit: 1) the cost of repairing any damage to Premises or Property caused by the negligence, carelessness, accident or abuse of Tenant, Tenant's household or their invitees, licensees and guests; 2) unpaid rent, utility charges of pet fees; 3) cleaning costs if Premises is left unclean; 4) the cost to remove and dispose of any personal property; and 5) late fees and any other unpaid fees and charges referenced herein.

- F. Move-Out Inspection: Holder shall provide Tenant with a statement (Move-Out Inspection) listing the exact reasons for the retention of the Security Deposit or for any deductions there from. If the reason for the deduction is based upon damage to Premises, such damages shall be specifically listed in the Move-Out Inspection. The Move-Out Inspection shall be prepared within three business days after the termination of occupancy. If Tenant terminates occupancy without notifying the Holder, Holder may make a final inspection within a reasonable time after the termination of occupancy in order to ascertain the accuracy of the Move-Out inspection. If Tenant agrees with the Move-Out Inspection, Tenant shall sign the same. If Tenant refuses to sign the Move-Out Statement, Tenant shall specify in writing, the items on the Move-Out Inspection with which Tenant disagrees within 3 business days. For all purposes herein, a business day shall not include Saturday. Sunday or federal and state holidays.
- G. Delivery of Move-Out Inspection: Holder shall make available the Move-Out Inspection, along with the balance, if any, of the Security Deposit, before the Due Date. The Move-Out Inspection shall either be delivered personally to Tenant or mailed to the last known address of Tenant via first class mail. If the letter containing the payment is returned to Holder undelivered and if Holder is unable to locate Tenant after a reasonable effort, the payment shall become the property of Landlord 90 days after the date the payment was mailed.
- H. After notice to vacate is received, Management and authorized agents have the right to enter the Premises at any responsible time (9:00 AM to 5:00 PM Monday through Friday) to show the unit to prospective renters and make repairs. Management will try to contact Tenant before we show the Premises; however, reasonable notice during this period can be less than 24 hours. During this period, Tenant agrees to keep the Premises clean at all times.
- I. Security Deposit Held by Broker: If Broker is holding the Security Deposit, Broker shall be responsible for timely preparing the Move-Out Inspection and delivering the same to Tenant along with the balance of the Security Deposit, if any, prior to the due date. In fulfilling its obligations hereunder, Broker shall reasonably interpret the Lease to ensure that the Security Deposit is properly disbursed. Notwithstanding the above, if there is a bona fide dispute over the Security Deposit, Broker may, (but shall not be required to) upon notice to all parties having an interest in the Security Deposit, interplead the funds into a court of competent jurisdiction. Broker shall be reimbursed for and may deduct from any funds interpleaded its costs and expenses including reasonable attorneys' fees actually incurred. The prevailing defendant in the interpleader lawsuit shall be reimbursed for and may deduct from any funds interpleaded its costs and expenses including reasonable attorneys' fees actually incurred. The prevailing defendant in the interpleader lawsuit shall be entitled to collect its attorneys' fees and court costs and the amount deducted by Broker from the non-prevailing party. All parties hereby agree to indemnify and hold Broker harmless from and against all claims, causes of action, suits and damages arising out of or related to the performance by Broker of its duties hereunder. All parties covenant and agree not to sue Broker for damages relating to any decision of Holder to disburse the Security Deposit made in accordance with the requirements of this Lease or to interplead the Security Deposit into a court of competent jurisdiction. Tenant has inspected and accepts the property AS-IS except for conditions materially affecting the safety or health of ordinary persons or unless expressly noted otherwise in this Lease. By initialing, tenant(s) agree they have read and understand the term stated in this section.

29. NOTICE OF FLOODING

Landlord hereby notifies Tenant as follows: Some portion or all of the living space or attachment thereto on Premises has [N/A] OR has NOT [YES] been flooded at least three times within the last five years immediately preceding the execution of this Lease. Flooding is defined as the inundation of a portion of the living space caused by an increased water level in an established water source such as a river, stream, or drainage ditch, or as ponding of water at or near the point where heavy or excessive rain fell.

30. DESTRUCTION OF PROPERTY

- A. If flood, fire, storm, mold, other environmental hazards that pose a risk to the occupants' health, other casualty or Act of God shall destroy (or so substantially Damage as to be uninhabitable) Premises, rent shall abate from the date of such destruction. Landlord or Tenant may, by written notice, within 30 days of such destruction, terminate this Lease, whereupon rent and all other obligations hereunder shall be adjusted the parties as of the date of such destruction.
- B. If Premises is damaged but not rendered wholly untenable by flood, fire, storm, or other casualty or Act of God, rent shall abate in proportion to the percentage of Premises which has been damaged, and Landlord shall restore Premises, as soon as is reasonably practicable whereupon full rent shall commence.
- C. Rent shall not abate nor shall Tenant be entitled to terminate this Lease if the damage or destruction of Premises, whether total or partial, is the result of the negligence of Tenant or Tenant's household or their invitees, licensees, or guests.

31. HANDBOOK

The **2021 Tenant Handbook** (hereinafter "Handbook") is hereby included as part of this lease agreement. We try to keep the handbook current at all times but in the event of any conflicting information between this lease agreement and the Handbook, the lease shall control. The handbook is on the Farren Property web page under the Tenant tab. Tenant acknowledges he/she is aware of this and by doing so, it is deemed Tenant has received a copy before signing this lease agreement.

32. VEHICLES

A total of $\bf 2$ operable and currently tagged, motorized vehicle(s) may be parked on the property. No repairing of motorized vehicles will be allowed on property and no incapacitated or stored boats, motor or travel homes, trailers, or RVs shall be on the property without written permission from Farren Property Management.

33. DISCLOSURE

Owner's Property Disclosure Statement is not attached to this lease.

34. END OF LEASE

When it is time to end your lease, the following must be done:

A. Pay water bill in full through the end of your lease and submit receipt



- B. Shampoo carpet using Bulldog (828-557-1758) and submit receipt
- C. Bomb the house with 7 canisters if you have a pet

Early termination by Tenant

- A. Give Farren Property Management written notice no less than 30 days prior to the termination. Written notice can be in the form of an email, text or through the US postal service, we **WILL NOT** accept notification via phone.
- B. Comply in ALL respects with the requirements set out in paragraph 28 of your lease.
- C. Pay one (1) month additional rent not later than 3 days from the date notice to terminate is received.
- D. Pay an early lease Termination Administrative fee equal to one (1) month rent not later than 3 days from the date notice to terminate is received.

Please review section #2 THE TERM of this lease for further clarification.

Early termination by Landlord

Landlord shall have the right to terminate the lease early upon not less than sixty (60) days notice and upon such termination and Tenant vacating the premises, Landlord shall credit Tenant with the sum of \$0 (zero) (*Early termination fee to Tenant) which shall first be applied against any monies owning from Tenant to Landlord with the balance there after being paid to Tenant by Landlord.

36. RIGHT OF ACCESS

A. Management shall have the right of access of Premises for inspection and maintenance between 9 a.m. and 6 p.m. daily, except in the case of emergency, as defined at the sole discretion of Management. Courtesy calls will be attempted but are not required. Management may enter at any time to protect life and prevent damage to the property. During the last sixty (60) days of Tenant's occupancy, Management, its agents, or any licensed real estate agent shall have the right to place yard signs on the Premises and shall have the unrestricted right of entry to Premises via a code between the hours of 9 a.m. and 6 p.m. daily for the purpose of showing the property. Tenant agrees to use prudent judgment in securing jewelry and other valuables and agrees to hold Management harmless for any loss thereof. Courtesy calls will be attempted but are not required. Should Tenant refuse to allow said entry during these stated times, Tenant shall be in default of this Lease and Management may retain Security Deposit as liquidated damages as the parties agree that it would be impossible to accurately estimate actual damages resulting from such breach and that the security deposit is reasonable compensation. Landlord shall have the right of access to the premises for inspection, repairs, and maintenance during reasonable hours with notices. If tenant does not respond to notice Farren Property Management will enter as noted in notice. In the event an inspection is made of property and property fails inspection, there will be a re-inspection made and tenant will be charged a \$45.00 re-inspection fee.

37. OTHER PROVISIONS

A. Time is of the essence of this Lease.

- B. Certain types of signatures are originals. A facsimile signature shall be deemed to be an original signature for all purposes herein. An e-mail notice shall be deemed to have been signed by the party giving the same if the e-mail is sent from the e-mail address of that party and is signed with a "secure electronic signature" as that term is defined under GA/NC law.
- C. If the dwelling is located in the state of Georgia all references to North Carolina and North Carolina law are inapplicable. If dwelling is located in the state of North Carolina all references to Georgia and Georgia law are inapplicable.

D. In the event Tenant breaches lease and Landlord does not insist on compliance this will not preclude Landlord from insisting on strict compliance for future violations.

38. ATTORNEY AND COLLECTION COSTS

- A. If Tenant breaches this Lease, Tenant agrees to pay an amount equal to fifteen percent (15%) of any unpaid rentals or damages as attorney's fees and all costs of collection, if any rent or damages owing under this Agreement is collected by an attorney at law.
- B. If Tenant desires to continue to rent the Premises after being in Default or after being served for eviction or with notice of termination, he/she agrees to reimburse Management for the costs incurred to enforce collection of rents, for service notices, for filing fees, etc. including costs of collectors, deputies, marshals, police constables, etc. prior to regaining entry or reinstatement of his/her status as Tenant. Our standard fees are \$250.00 for filing with the eviction company or attorney. If the eviction is filed and a writ of possession is given an additional cost of \$254.00 will apply plus any additional costs.

39. LEASE RENEWAL FEE

Tenant agrees to pay a \$50.00 Administration Fee at each Anniversary Date for a 12-month extension or renewal, or \$100.00 for a shorter-term renewal i.e. anything less than 12 months. Either party may terminate this lease at the end of the term by giving the other party a 60-day notice prior to the end of the term.

40. MAINTENANCE CHARGE-BACKS/ STAND-UP FEES

Tenant obligation to maintain the Premises includes, but not limit to, replacing any light bulbs, which fail during the Lease Term, and regularly changing HVAC filters. Tenant shall be responsible for any clogged plumbing within the premises. Landlord shall be responsible for all other plumbing issues between the Premise and the street or the Premises and the septic tank or in any plumbing line outside of the Premises, which exclusively serves the Premises. Tenant shall be responsible for any damages to the Premises and/or Property caused by Tenant's abuse or neglect of the Premises/Property. Any expenses incurred by Landlord to remedy any violation of this provision shall be paid by Tenant to Landlord as additional rent within fourteen (14) days of the receipt of an invoice from Landlord. If Tenant submits a service request or repair request to Landlord, and the contractor responding to this request on behalf of the

Landlord determines that the item is working correctly, Tenant agrees to reimburse Landlord for the amount of the contractor's invoice.

Should maintenance be done on the Premises which servicing contractor reports was caused by the abuse or misuse of Tenant or their guests, Management shall provide the invoice for such repair to Tenant and Tenant agrees to pay such sum no later than the first of the following month, which sum shall be deemed additional rent. Should Tenant fail to pay said sum by the first of the month following receipt of the payment request, Tenant may be deemed to be in default of the terms of this Lease. Should an appointment be scheduled with Tenant for any purpose and Tenant not show up, Tenant agrees to pay management \$75.00 for the missed appointment. If tenant submits a work order and the vendor states that there was nothing wrong or it was something as simple as flipping a circuit breaker then tenant will pay for yendor's bill.

41. AGENCY BROKERAGE: PROPERTY MANAGEMENT In this Lease, the term "Broker" shall mean a licensed GA/NC real estate AND broker or brokerage firm and, where the context would indicate, the Broker's affiliated licensees and employees. No Broker in this transaction shall owe any duty to Tenant or Owner/Landlord greater than what is set forth in their brokerage engagements and the Brokerage Relationships in Real Estate Transactions

- 1. Listing Broker. Broker working with the Owner/Landlord is identified on the signature page as the "Listing Broker;" and said Broker is NOT representing Owner/Landlord.
- 2. Leasing Broker. Broker with working the Tenant is identified on the signature page as "Leasing Broker"; and said Broker is NOT representing Tenant.
- 3. Property Management. Broker is the authorized agent of Landlord for the purposes of managing property in accordance with a separate management agreement. If there is an agreement between Landlord and Broker to manage Property, the termination of the management agreement shall not terminate this Lease.

42. INDEMNIFICATION

Tenant releases Management from liability for, and agrees to indemnify Management against all losses incurred by Tenant as a result of: (a) Tenant's failure to fulfill any condition of this Lease; (b) Any damage or injury happening in or about the Premises to Tenant, Tenant's invites or licenses of such person's property, (c) Any judgment, lien or other encumbrance filed against Premises as a result of Tenant's action unless it results from the sole negligence of Management.

43. BUYING THE PROPERTY

Tenant acknowledges that Management has an exclusive brokerage relationship with the owner of the Premises, which includes the payment by owner to Management of a real estate commission if Tenant purchases the Premises. Tenant agrees to communicate solely with Management regarding any interest or offers to purchase said Premises. Should Tenant contract with another Real Estate Agent to represent him/her in the purchase of this property Tenant agrees to pay their agent personally and not look to the seller for their agent's compensation. Should Tenant t breach this stipulation, and buy the premises around Management, Tenant agrees to pay Management for damages, including but not limited to the real estate commissions seller owes Management, collection costs and attorney fees.

44. LEGAL NOTICE

Should Management be required by this Lease, or the law, to send a legal notice to Tenant, Tenant agrees to pay a \$35.00 administrative fee.

45. ADDENDUMS

Any attached addendums become a legal part of this lease.

In Witness Whereof, the parties hereto have set their hand this day of	2022.
Farren Property Management, LLC Brokerage Firm License #: [GA 75164] [NC 26775] Agent's Real Estate License #: [GA 51146] [NC 13392]	John Doe
	Jane Doe

Landlord, Sandra Smith By Lynda Farren, Broker

Addendum "A" Farren Property Management, LLC REQUIRED INSURANCE ADDENDUM TO RESIDENTIAL RENTAL AGREEMENT

This Addendum is attached to and becomes a part of the Residential Rental Agreement.

	1		
	For the duration of the Rental Agreement, Tenant i minimum required insurance coverage. This insura prior to occupancy:	s required to maintain and provide the following nee must be prepaid for the entire term of the lease	
	\$100,000 Liability Insurance for Tenant's legal liability for dama smoke, explosion, backup or overflow of sewer, drain or sump, a	age to the Property for no less than the following causes of loss: fire, nd water damage ("Required Insurance").	
	Tenant is required to furnish Management with proof required ins occupancy of the Property and at the time of each lease renewal preceiving the proof of insurance being paid in full. If at any time Rental Agreement and Management shall have, in addition to an Required Insurance coverage and seek reimbursement from the T	period. There will be no move-in date scheduled without our Tenant does not have Required Insurance, Tenant is in breach of the y other rights under the Rental Agreement, the right to purchase	
		nent at P.O. Box 802 Hayesville, NC 28904 as an Additional insurance company adds Farren Property Management as	
	*	If your insurance company doesn't add additional insured, below	
	American Family Insurance American National Aspen Insurance Century National CSE Insurance Group	First American P+C Liberty Mutual National General State Farm USAA	
1.	Tenant may obtain Required Insurance from an insurance agent or insurance company of Tenant's choice. If Tenant furnishes evidence of such insurance and maintains the insurance for the duration of the Rental Agreement, then nothing more is required.		
2.	If Tenant does not maintain Required Insurance, the insurance requirement of this Rental Agreement will be satisfied by Management, who will schedule the Tenant's Property for coverage under the Landlord's Required Tenant Liability insurance policy ("LRRL").		
3.	The coverage provided under the LRRL will provide the Required Insurance coverage listed above. An amount equal to the total cost to Management for the LRRL coverage shall be charged to Tenant by Management. Some important points of this coverage, which Tenant should understand are:		
4.	LRRL is designed to fulfill the insurance requirement of the R not the insured under the LRRL policy.	ental Agreement. Management is the Insured under the LRRL. Tenant is	
5.	Tenant's personal property, additional living expenses or liab	insurance. Management makes no representation that LRRL covers the oility arising out of bodily injury or property damage to any third party. If contact an insurance agent or insurance company of Tenant's choice.	
6.		the cost of Required Insurance obtainable by Tenant elsewhere. At any or insurance options to satisfy the Required Insurance under this Rental	
7. 8.		LRRL policy. n dollars and fifty cents Dollars (\$14.50) per month. In addition, an 50) per month will be retained by Management for processing and	
		nay purchase Required Insurance from an insurance agent or insurance RRL policy will be terminated by Management at the end of the month in	
John Doe	Date		

Date

Jane Doe

Addendum "B" Special Stipulations of Lease

1. Work orders

All non-emergency work orders <u>MUST</u> be submitted via emailed to <u>Repairs@FarrenPM.com</u> and <u>MUST</u> include the following information.

A work order will not be processed if the request isn't completed with the following:

- 1. Your name
- 2. Complete address of the property
- 3. A phone number you can be reached during the day
- 4. Your email address
- 5. Please indicate the problem and what steps you have taken to solve it
- 6. Please indicate the best way to gain access to your property
 - a. You will make arrangements to meet the vendor
 - b. You will have someone else meet the vendor
 - c. You will let the vendor know where the key is
 - d. You will let the vendor know the access code
 - e. Other please indicate

ONLY ONE REPAIR REQUEST PER SUBMISSION. If you have multiple items needing repair, please submit a request for each item. If you include more than one item on a request, only the first item will be accepted.

Before submitting a request, please make sure you have checked all breakers, made sure item is plugged in and turned on if that is necessary. If you submit a work order and the vendor states that there was nothing wrong or it was something as simple as flipping a circuit breaker then you will be responsible for paying the vendor's bill.

It is your responsibility to accommodate the Farren Property Management maintenance vendor's schedule. If you request an appointment with a vendor but fail to show up, you will be charged the vendor's trip fee of \$100.00. Therefore, be certain to call the vendor with whom you made the appointment as soon as possible if you are unable to keep an appointment.

2. Renewal of Lease

Please read section #2 – TERMS of this lease carefully as your lease will automatically renew for one year on the anniversary date.

3. Early Termination

Farren Property Management does not encourage early termination, but we understand situations can arise that are out of your control. If you must terminate early, make sure you read and understand both section #2 – TERMS and section #35 -EARLY TERMINATION of this lease before giving notice.

4. Carpets

- a. Carpets must be professionally cleaned by Management's approved vendor after move-out but before move out inspection. Property Manager shall provide contact information of vendor upon receipt of move out notice.
- b. Receipt must be provided at move out inspection.
- c. If the carpets weren't cleaned, or if they weren't cleaned by an approved vendor, a \$90 administration fee will be charged in addition to the actual cost of the cleaning.

5. Lawn care

- a. If after 3 days from receipt of written notification to tenant that they are in violation of their lease for any lawn care item(s) (cutting grass, etc), and if the violation has not been corrected, Management shall have a professional lawn care company correct the situation at tenant's expense plus a \$90 administrative fee.
- b. After two such violations, Management shall permanently add lawn care service and rent shall be increased by the cost of bi-weekly maintenance, and this will become non-cancelable part of the lease.

6. Pets and smoking

- a. If any unauthorized pets or smoking, either by Tenant or guest of Tenant, is found on the property notice will be given to Tenant.
- b. If Tenant fails to correct the situation within 3 days of being given notice by management, Tenant shall pay additional rent equal to two month's rent and notice to terminate the lease shall be given.
- c. Cleaning, painting and damage specific to smoking will be treble-billed to tenant.

7. Pet Screening

ALL tenants, whether you have pets or not, are required to set up a pet screening profile. You will not be given occupancy of the property without the Pet Profile being set up.

- a. Make sure you have read and understand the Pet Screening policy. You can review the Pet Screening policy at www.FarrenPM.com under the TENANT tab.
 - ➤ If you are renewing your lease and haven't set up your Pet Profile, you will need to do so by going to https://FarrenPM.Petscreening.com
 - ➤ If you are renewing your lease and already have a Pet Profile, you will need to renew the Pet Profile in order to renew your lease.
- b. See Section #7 PETS under you lease for more information

8. Appliance

a. If applicable, should appliances need to be repaired and it is determined that repair is not feasible or cost effective, replacement will be made, however, it may not be of the same make, model, size or features.

9. NSF

a. If Tenant has a NSF and a demand for payment letter is delivered, there will be an additional \$35 charge will be added and will be due with the next rental payment.

10. ACH Draft

a. If for any reason tenant is unable to pay rent by ACH on the day the rent is due, the tenant will be required to pay, by cashier's check or money order, the rent amount plus the late fee plus as spelled out in paragraph 4 of this lease plus a \$25 charge to process the check.

John Doe	Date
Jane Doe	Date

Addendum "C"

Person to notify and person you authorize to take possession of your personal property* in case of emergency, incarceration, or untimely death.

Name		
Relationship		
Address		
City		
State		
Zip		
Main Phone #		
Cell Phone #		
Work Phone #		
	is <u>not</u> responsible for damage to Tenants' property unless caused by negemployee of management. Tenants are strongly advised to obtain renter to their property.	
John Doe	Date	
Jane Doe	 Date	

Addendum "D"

TENANTS:

- 1) This form MUST be copied on to the Electric Company's Official Letterhead
- 2) The form must be completely filled out and signed by a representative of the electric power company
- 3) Tenant is responsible for obtaining this completed form from the electric power company AND presenting it to our office at the time of the Move-In Appointment.

Date	
Address for Service:	
Meter Number:	
This is to confirm that service will go in the name of (
Name(s):	
Effective date:	·
Name of person completing this form (please print)	Title of person completing this form\