

LEASE AGREEMENT
with
BLUEGRASS RENTAL HOMES, LLC

This Lease Agreement ("Lease") is made and entered this ____ day of _____ 20__ by and between Bluegrass Rental Homes, LLC, with an address of Bluegrass Rental Homes, LLC, P.O. Box 481, London, KY 40743-0481 ("Landlord") and _____ (singularly or collectively referred to as "Tenant") jointly and severally.

WITNESSETH:

In consideration of the mutual covenants herein contained, and based on Tenant's representations, if any, (which are made to Landlord) set forth in Tenant's Rental Application to Landlord, which by this reference are incorporated herein as if set forth at length, and for other good and valuable consideration, the receipt, mutuality and sufficiency of which are hereby acknowledged, Landlord and Tenant agrees as follows:

1. **Lease of Premises.** Landlord hereby demises and leases to Tenant, and Tenant hereby leases and accepts from Landlord, for the Rent as provided for herein, those premises ("Premises") described as _____ Avenue, Apt #____, Lexington, Kentucky 40504.

2. **Lease Term.** The term of this lease ("Lease Term") shall commence at 12:01 am on the 1st day of August, 20__ ("Commencement Date") and shall end at 10:00 am on the 31st day of July, 20__ ("Termination Date").

3. **Rent.** During the Lease Term, Tenants, jointly and severally, shall pay a total rent to Landlord in the amount of \$____. Said total rent shall be paid by Tenant to Landlord in equal monthly installments of \$____ ("Rent") to Landlord, at Landlord's address set forth above, in advance and shall be received in hand or postmarked on or before the first (1st) day of each calendar month during the Lease Term and without demand, delay or offset for any reason and without a grace period. If the Rent is not received in hand or postmarked on or before the 1st day of each month, the Tenant is in default of this said lease. Time is of the essence for each and every monthly Rent payment and for all other monies due and owing under this Lease, including security deposit, damages, invoices or other costs or expenses chargeable by law by Landlord to Tenant.

Tenant shall submit all rental payments in full and acknowledges that, in the event there is more than one Tenant, then Tenants agree that all separate payments will be paid at the same time in the same envelope. Landlord reserves the right to refuse individual or partial payments.

Tenant acknowledges that Rent amount for Premises specified herein may vary from similar Premises within the building and that such variation is due to either a discount granted to other Tenants for longevity of leasing with Landlord or water usage by double occupancy of any bedroom (Example: 2 tenants occupying a 1-bedroom apartment, 3-4 tenants occupying a 2-bedroom apartment, or 4-6 tenants occupying a 3-bedroom apartment)

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Tenants, shall jointly and severally, immediately pay to Landlord a late fee of Fifty Dollars (\$50) for any monthly payment of Rent not received in hand by Landlord on or before the first (1st) day of each calendar month, and an ongoing \$5 per day late fee after the 5th day that Rent has not been received in hand by Landlord. It is Tenant's responsibility to ensure that Landlord receives said Rent.

Tenants jointly and severally shall pay to Landlord a fee of Fifty Dollars (\$50), or any amounts charged by Landlord's bank if greater than \$50, for each check of Tenants jointly or severally returned by a banking institution for insufficient funds or for any other reason. If Landlord receives a returned check issued jointly or severally by Tenants from a banking institution, Landlord may require that Tenants make all future payments to Landlord in the form money order or certified cashiers check only.

Landlord will first deduct all fees, damages, costs and charges, including late fees, NSF fees, and other damages and costs set forth herein, from all amounts received from Tenant on a monthly basis before applying said amounts to the Rent due.

4. **Renewal.** This Lease has no automatic renewal provision. Lease renewal is subject to the terms set forth below:

- a) If this Lease expires at the end of July and Tenant desires to renew Lease for an additional one-year term, then Tenant shall sign a new Lease or Lease Extension Agreement by March 15th. If Tenant fails to sign a new Lease or Lease Extension Agreement by March 15th, then Landlord shall assume that Tenant intends to vacate at the end of the Lease term and market the property to prospective renters.

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- b) Landlord has no obligation whatsoever to renew the Lease for an additional one-year term. If Landlord decides to not extend or renew this Lease, Landlord shall give Tenant written notice of such decision at least thirty (30) days prior to the expiration of the Lease.
- c) If Tenant decides not to renew this Lease, Tenant shall give Landlord written notice of such decision, which must either be received in hand by Landlord or postmarked at least ninety (90) days prior to the expiration of the Lease. Tenant acknowledges that giving Landlord ninety (90) days is critical to marketing the property and obtaining another tenant, and failure to do so will result in forfeiture of entire security deposit.

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5. **Good Faith Deposit.** Tenant shall pay to Landlord a good-faith deposit in the amount of \$____. Parties agree that this entire lease agreement is null and void until good-faith deposit is paid to Landlord. This good-faith deposit shall be retained by Landlord as damages if Tenant (a) fails to submit a properly executed & notarized co-signer responsibility form by an income-earning adult family member or friend within seven days of signing this lease agreement

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and (b) fails to follow through and lease the Premises according to the terms of this lease agreement.

After the 1st month's rent is paid, the good-faith deposit of \$___ shall be apportioned in the following manner:

(a) \$___ or \$___ shall be applied / convert to Tenant's Security Deposit (*The greater amount is applicable when Option A in Paragraph seven (7) is selected, while the lesser amount is applicable when **Option B** in Paragraph seven (7) is selected*). Landlord shall hold security deposit as security for the protection of the Premises from any damages, to be deposited into an account at US Bank, 2020 Nicholasville Road, Lexington, KY 40503 in account #14580-9604526 and as security for Tenant's other obligations under this Lease ("Security Deposit"). Tenant shall not be entitled to any interest that may accrue on the Security Deposit. Landlord shall be entitled to co-mingle the Security Deposit with Landlord's other funds in said account above.

(b) \$150 shall be applied / convert to an Advance Cleaning Fee as thoroughly detailed in Paragraph six (6) below.

(c) \$___ shall be applied / convert to an Advance Painting Fee as thoroughly detailed in Paragraph seven (7) below **ONLY IF Tenant selects Option B in Paragraph seven (7) below**—this is completely optional / at the sole discretion of Tenant

If the Premises is rented to more than one person, Tenants agree to work out the details concerning division of any refund among themselves. Landlord may pay the refund to any individual identified as "Tenant" on page 1 of this lease, and in doing so, satisfies its legal obligation for return of the deposit.

Once Tenant notifies Landlord of intent to not renew lease agreement, Tenant agrees to show Premises to prospective renters for Landlord over the last 90 days of the lease agreement. Tenant gives Landlord authorization to share contact information (e-mail and/or phone number) to prospective renters for the purpose of arranging a time to show Premises. Over the last 90 days of lease agreement Tenant agrees to set aside 15 minutes one day / week show Premises to prospective renters.

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Any unpaid late fees, return-check charges, or other fees or charges accumulated over the period of this or any prior Lease on this property by this Tenant, at Landlord's sole discretion, and without notice by Landlord and without Landlord waiving the right to collect such fees monthly or at the termination of the Lease, may be deducted by Landlord from the Security Deposit at the termination of the Lease instead being collected monthly from Tenant. Tenant authorizes the release of the Security Deposit to Landlord for satisfaction and payment of any and all expenses incurred by Landlord due to Tenant's non-compliance with the terms and conditions of this Lease, as well as any late fees not paid in advance by Tenant.

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No portion of the deposit may be applied as Rent by Tenant for payment of any rent due

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to Landlord and the full monthly Rent shall be received in hand on or before the 1st day of every month including the last month of occupancy.

Tenant must return all apartment & mailbox keys to Landlord. There is a \$50 charge per key that is not returned upon moving out.

At least seven (7) days prior to the Termination Date, Tenant shall schedule a move-out walk through with Landlord, which shall occur after Tenant has vacated the property. Failure to schedule such walk through or appear for the move-out walk through shall be deemed a waiver of Tenant's right to object to Landlord's assessment of damages or costs against Tenant and assessment of the security deposit against such damages or costs; and Tenant shall accept Landlord's decision of the deposit refund or forfeiture according to the provisions stated herein.

If the Premises (excluding general maid-service type cleaning & professional carpet cleaning, which are exempt from this lease provision per Paragraph 6 below, AND excluding interior paint, which is exempt from this lease provision per Paragraph 7 below) are *not* left in the same or substantially the same condition as reflected in the move-in inspection form, Tenant shall be responsible to Landlord for all charges set forth herein for administrative work and other damages to the Premises at the end of the Lease Term, which shall be due and payable by Tenant to Landlord at the end of the Term and payable out of the remainder of the Security Deposit. If Tenant fails to perform as stated above, and Landlord is forced to repair premises and/or to restore the Premises to a rentable condition, then Landlord shall have the right to charge reasonable fees and amounts to repair and/or restore the Premises, and to retain Tenant's Security Deposit according to the fee schedules set forth herein. Although Landlord may assess these charges against the Security Deposit, nothing in this section shall prohibit landlord from fixing or otherwise repairing damage caused by Tenant and invoicing Tenant for said amounts, plus reasonable charges for Landlord's time and expense, on a monthly basis. Should Tenant be responsible for damage and or loss of value to the premises greater than the value of the Security Deposit, Tenant agrees to make payment to Landlord for such loss within fourteen (14) days after presentation of a bill or said damage and/or loss.

Tenant shall submit to Landlord a forwarding address within seven (7) days after vacating the premises for the purpose of returning the deposit or for any other reason that might occur.

The Security Deposit, less any charges if applicable as set forth above and herein, less rent or other late fees or other charges due and owing, and less any unpaid utilities, is to be refunded within thirty (30) days after Tenant vacates the Premises, provided no damage occurs, the Premises have been left in good condition, appearance and repair, and all of the terms of this Lease have been fulfilled.

6. **Advance-Cleaning Fee.** Tenant shall pay to Landlord an advance-cleaning fee of \$150, which shall represent a non-refundable charge for cleaning the Premises upon expiration of Lease. Tenant acknowledges and agrees that the advance-cleaning fee is *not* a security deposit. The cleaning fee is for normal maid service and normal professional carpet cleaning as well as for "little things" such as replacement of stove drip pans, replacement of dirty window blinds, and replacement of burned-out light bulbs. Any additional services needed to clean / sanitize /

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deodorize the Premises further shall be taken out of the Security Deposit.

The purpose of the advance-cleaning fee is to free Tenant from the burden of having to clean Premises upon departure and to give Landlord the resources to professionally clean Premises to a uniform standard for incoming residents.

Landlord and Tenant recognize that the word “clean” is a concept often disputed at the end of a lease for the simple reason that everybody has their own definition of what constitutes a state of cleanliness. Simply put, what some folks view as clean, other folks view as filth. In order to avoid potential dispute between Landlord and Tenant regarding this matter and to facilitate a quick, worry-free departure, a departure whereby Tenant does not have to lift a finger to clean Premises (other than removing all debris / rubbish / trash from Premises and placing it the dumpster), Tenant agrees to pay to Landlord the advance-cleaning fee specified above.

7. **Advance-Painting Fee.** Tenant acknowledges that the Uniform Residential Landlord and Tenant Act (“Act”) (Fayette County Ordinance #98-84 / KRS 383), in its definition of *security deposit*, makes mention of “damage” and “ordinary wear and tear” but does not explicitly define either concept. Landlord and Tenant further acknowledge that the Act fails to even offer examples of what findings constitute “damage” and “ordinary wear and tear.” In light of such ambiguity / lack of clarity, Landlord and Tenant desire to avoid potential dispute at the end of the lease term, specifically with respect to the Premises’ interior paint, regarding what findings fall within the undefined concept of “ordinary wear and tear” and what findings cross the threshold beyond “ordinary wear and tear.” Thus, Landlord and Tenant agree in advance that, specifically with respect to the Premises’ interior paint, this lease shall have an optional non-refundable advance-painting fee provision rather than painstakingly trying to determine room by room and wall by wall what conditions constitute “ordinary wear and tear” at the end of the lease.

Tenant has the option of paying to Landlord a non-refundable advance-painting fee per the schedule as set forth herein. Tenant shall indicate the option desired by initialing either Option A or Option B below:

_____ **Option A.** Tenant declines to pay the advance-painting fee. Tenant agrees to take / accept Premises “as is” and Landlord shall have no obligation to paint Premises. At the expiration of the lease agreement or any extension thereof, Landlord shall not deduct any portion of Tenant’s security deposit for anything related to painting apartment (so long as Tenant has not acted without Landlord’s consent and painted walls with an unapproved color, in which case Landlord would be forced to restore Premises to its original color scheme).

_____ **Option B.** Tenant agrees to pay the advance-painting fee. Landlord shall have Premises painted prior to Tenant taking occupancy. Tenant acknowledges and agrees that the advance-painting fee is *not* a security deposit. At the expiration of the lease agreement or any extension thereof, Landlord shall not deduct any portion of Tenant’s security deposit for anything related to painting apartment (so long as Tenant has not acted without Landlord’s consent and painted walls with an unapproved color, in which case Landlord would be forced to restore Premises to its original color scheme).

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| Premises | Advance-Painting Fee |
|---------------------|-----------------------------|
| 1-bedroom apartment | \$150 |
| 2-bedroom apartment | \$200 |

8. **Condition of Premises—move in.** Tenant acknowledges that Landlord has made no representations, promises or warranties (actual or implied) respecting the condition of the Premises other than its interior paint as set forth in Paragraph 7. At the time of move-in, Tenant shall thoroughly inspect and note in writing any defects or damage to the Premises on the “Move in/Move out” inspection form; otherwise, the Premises shall be deemed to be in clean and good condition, and the taking of possession of the Premises by Tenant shall be conclusive evidence as against Tenant that the Premises were delivered in good order and in a satisfactory, clean, and habitable condition. Tenant agrees to surrender to Landlord the Premises at the Termination Date of this Lease or at the end of any extension thereof, in the same condition as of the Commencement Date, reasonable wear and tear excepted. Reasonable wear means wear which occurs without negligence, carelessness, accident or abuse. Tenant shall make no alterations or modifications to the Premises contents without the prior written permission of Landlord.

Tenant and Landlord agree that the Premises are free from damages or defects of any kind, except as set forth in writing by Landlord and Tenant in the “Move in/Move out” inspection form, which is attached hereto and incorporate herein as a part of this Lease and that Tenant accepts the Premises “AS-IS.” The failure to describe any such damage on said “Move in/Move out” inspection form shall constitute evidence that Tenant takes the property in good and satisfactory condition.

Tenant acknowledges that the nature of apartment turnovers relative to property in / around the campus of the University of Kentucky is such that timing is frequently very tight / limited with outgoing residents often not able to depart until the last minute of their lease terms and incoming residents often needing to move in right at the start of their lease agreements. If Tenant’s time frame for moving into the Premises is such that possession of Premises is taken immediately at the Commencement Date of this lease and Landlord has not had time to sufficiently clean the Premises due to outgoing resident not departing the Premises until the last minute, then such an occurrence shall not exempt Tenant from the obligation of paying the advance cleaning fee per Paragraph 6 of this lease, nor shall such an occurrence entitle Tenant to a refund of the advance cleaning fee.

9. **Maintenance and Repairs.** Tenant agrees to maintain the Premises in reasonably good condition and to *immediately* notify Landlord should any minor or other repairs be needed. Tenant shall be responsible for monitoring the working order of all smoke detectors and fire alarm systems in the Premises; and shall promptly advise Landlord in writing of any part if said system becomes inoperable. Major repairs necessary to the Premises shall be reported promptly by Tenant to Landlord in writing and shall be performed by Landlord within a reasonable time. Tenant shall notify Landlord immediately of any emergency repairs necessary to the Premises. If in Landlord’s judgment there is substantial damage to the Premises, Landlord may terminate this lease by giving written notice to Tenant and the Rent shall be prorated and the balance refunded to Tenant, less lawful deductions. Tenant shall pay Landlord for any property damage and/or cost of repairs to the Premises or appliances therein caused by the negligence or improper use by Tenant, Tenant’s guests

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or other occupants. Without limitation, the disposal of women's feminine hygiene products, coffee grounds, rice, cooking grease, or any other object that does not constitute normal material in the waste/sewer system at the Premises shall be negligent/improper use of the Premises. Tenant shall maintain Premises' good appearance, insure safety on the Premises, and inform the Landlord if any safety problems arise that Tenant cannot quickly and reasonably remedy as Tenant. Tenant shall be responsible to reimburse and pay Landlord for the costs of any repair/service calls that are scheduled with Tenant and for which Tenant at the time of such repair/service call, and for forty-five (45) minutes thereafter are unavailable at the Premises for such repair/service call.

Without limiting the generality of the foregoing, Tenant shall:

- Be completely responsible for payment of all necessary treatments to eradicate bed bugs if found at the Premises and if their presence, as solely determined by a pest-control professional, was likely due to the action(s), intentional or unintentional, of the Tenant or any person associated with Tenant (family member, friend, etc...)

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- Be solely responsible for payment of all non-termite pest control services outside of the Premises' normal monthly pest-control sprayings if, as solely determined by a pest-control professional, that the probable cause for the presence of pests is Tenant's excessive dirtiness. Landlord shall have no obligation whatsoever to pay for non-termite pest control services at the Premises other than the regular pest-control sprayings.
- Keep all windows, glass, window coverings, doors, locks and hardware in good, clean order and repair;
- Not obstruct or cover the windows or doors;
- Not leave windows or doors in an open position during any inclement weather;
- Keep all lavatories, sinks, toilets, and all other water and plumbing apparatus in good order and repair and shall use same only for the purposes for which they were constructed. Tenant shall not allow any sweepings, rubbish, sand, rags, ashes or other substances to be thrown or deposited therein. Any damage to any such apparatus and the cost of clearing stopped plumbing resulting from misuse shall be borne by Tenant;
- Deposit all trash, garbage, rubbish or refuse in the locations provided therefore and shall not allow any trash, garbage, rubbish or refuse to be deposited or permitted to stand on the exterior of any building or within the common elements;
- Reimburse Landlord for any damages that are a result of Tenant's negligence, carelessness, fault, intentional act, or misconduct;
- Promptly file a police report if the Premises is damaged in any way by an unknown person. Failure to file a police report and provide a copy to Bluegrass Rental Homes, LLC in a timely manner will result in the Tenant being charged for the damage to Premises
- Keep inside of the Premises at a temperature sufficiently high enough to prevent freezing of water in the pipes and fixtures inside the leased Premises

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- Not create or maintain or allow others to create or maintain any nuisances including be not limited to loud noises, sound effects, offensive odors, smoke or dust on or about the leased Premises, and that Tenant will commit no waste.

10. **Use and Occupancy of Premises.** The Premises shall be occupied and used solely as a private dwelling by Tenant, and for no other purpose. Tenant agrees to abide by all governmental laws, orders, and regulations and to avoid disruptive behavior or conduct. Tenant shall not permit any nuisance to be created on the Premises. Boats, trailers, and recreational vehicles are prohibited on the Premises. The maximum number of motor vehicles that Tenant may routinely park at the Premises is equivalent to the number of bedrooms in the Premises. Tenant shall not post any advertisements or posters of any kind on the exterior of the Premises. Tenant shall avoid unnecessary noise or the use of any musical instrument, radios, televisions and amplifiers that may disturb residents of other properties surrounding the Premises. No inoperable, unlicensed or abandoned motor vehicle of any type shall be parked or stored upon the Premises, and the Premises shall not be used for the repair, overhaul, painting or work of a similar nature of any motor vehicle. The Premises shall not be used for any unlawful, immoral or improper purpose. No activity shall be done or maintained in or on the Premises which will increase the rate of insurance for the Premises, or which shall result in the cancellation of insurance thereon. Tenant shall obey and abide by all Landlord's Rules and Regulations, now or hereafter in effect (except as limited by applicable law) and all by-laws, ordinances and zoning and other governmental rules and regulations affecting the Premises. The Premises shall only be occupied by Tenant.

Each Tenant must complete a Rental Application and be approved by Landlord. There shall be no other person(s) residing in the Premises without the PRIOR written consent of the Landlord. It shall be presumed that any guests who occupy the Premises for more than seven (7) total days shall be considered as illegal resident(s) and this Lease will be declared in default. Tenant will be responsible for any and all fees associated with processing the application for approval and review by Landlord.

Tenant agrees not to permit roomers or lodgers to reside in the Premises. Guests are permitted, but Landlord reserves the right to request proof of domicile if it is suspected that a guest is an unauthorized resident of the Premises. Such suspicion may arise whenever an adult person is making recurring visits or one continuous visit for seven (7) days and/or nights within a 31-day period. Should the Tenant not provide the requested information needed to confirm other domicile for the guest, or should the facts be sufficient to evidence domicile in the unit, the Landlord may consider such person to be an unauthorized resident of the Premises, and may proceed to either (a) terminate the tenancy and recover possession of the Premises, with the Tenant to be responsible and liable for all resultant damage(s) caused by the Tenant's breach of Lease or (b) increase monthly rent for the Premises by two hundred fifty dollars (\$250.00) for each occupant of the Premises other than Tenants who executed this lease agreement residing at the Premises for any period in excess of seven (7) days or for lesser periods aggregating to fifteen (15) days during any calendar month of the lease term.

Landlord shall not be liable for any personal conflict of Tenant with co-tenant(s), Tenant's guest or invitees. Therefore, a conflict between Tenants does not constitute grounds for

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termination of the Lease.

11. **Utilities:** Tenant shall be responsible for payment all utilities (including without limitation water, gas, electric, trash removal, internet, cable, telephone) on the premises, **except for any of the following that are checked, which shall be the responsibility of Landlord:**

| | |
|---------------|---|
| Water | <u> X </u> |
| Electric | <u> </u> (except 535 South Upper) |
| Gas | <u> </u> (only applicable Waller Ave / Royalty Ct) |
| Trash removal | <u> X </u> |
| Internet | <u> X </u> |
| Cable TV | <u> X </u> |
| Telephone | <u> </u> |

In addition to the security deposit as detailed in section 5 above, Tenant shall pay to Landlord a completely refundable “internet & cable equipment” deposit in the amount of \$125 prior to taking occupancy of the Premises. The purpose of this deposit is to (a) provide incentive to Tenant at the termination of lease to leave equipment in the Premises in good working order for the next, incoming resident and to (b) defray the cost Landlord will incur to replace any equipment that is not left by Tenant at departure. Landlord shall refund this entire deposit to Tenant upon move out so long as all internet & cable equipment gear is left in the Premises and is in good working order upon move out. Tenant shall pay this deposit to Landlord via a check separate from the rent check.

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All utilities that are the responsibility of Tenant hereunder shall be transferred to the Tenant within three (3) working days of executing this Lease or before taking possession, whichever shall occur last. Failure to comply with this provision shall be a material breach of this Lease and entitled Landlord to immediately terminate this Lease, recover possession of premises, and to recover reimbursement for any utility expenses paid, the cost of which shall be borne by the Tenant. In the event Landlord pays such utility(ies) for one or more months, such payment shall not be considered a waiver of Landlord’s rights under this section. If Tenant fails to transfer utility(ies) into Tenant’s name within the time frame specified above, then there will be a \$50 penalty payable to Landlord in addition to reimbursing Landlord for utility expenses incurred from start of lease agreement.

Landlord shall not be liable for any claim of damages or charges of any kind whatsoever in the event of interruption of any utility (including without limitation, supply of water, heat, electric current, gas service, or refrigeration) caused by failure of power supply, nonpayment of resident, or any other cause. Any loss or reduction in services shall not terminate this lease or reduce the amount of rent due to Landlord, except as provided by law.

12. **Assignment and Subletting.** Tenant shall not assign this Lease, or otherwise sub-let or grant any license to use the Premises or any part thereof without the prior written consent of Landlord. Consent by Landlord to one such assignment, sub-letting or license shall

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not be deemed to be a consent to any subsequent assignment, sub-letting or license. An assignment, sub-letting or license without the prior written consent of Landlord or an assignment or sub-letting by operation of law shall be absolutely null and void and shall, at Landlord's sole and exclusive option, terminate this Agreement.

13. **Insurance.** Tenant shall be responsible for any insurance covering their personal property and shall provide a copy of any insurance policies to Landlord upon request. Tenant understands that Tenant is not insured under Landlord's insurance coverage and agrees that Landlord is not responsible for fire, theft, or damage to Tenant's personal effects, including vehicles on the premises. Landlord strongly recommends Tenant secure renter's insurance with carrier of Tenant's choice. Tenant has examined the premises to the extent necessary to ascertain its condition. The premises is leased in the condition found and Landlord shall not be liable to Tenant or anyone on the premises with consent or at the invitation of Tenant, for property damage or personal injuries caused by or arising out of the condition of the premises, it being understood that Tenant, and all others, take the premises as they found them.

Landlord shall not be liable for any personal injury to Tenant or damage or loss to Tenant's property, including but not limited to any injury, loss or damage caused by burglary, assault, vandalism, theft, or any other crimes. All personal property placed or kept in the Premises, or in any storage room or space, or anywhere on the adjacent property of the Landlord shall be at Tenant's sole risk and Landlord shall not be liable for any damages to, or loss of, such property. Tenant is required to purchase renter's insurance at his or her own expense to cover such potential losses.

14. **Liability and Indemnity.** Tenant hereby jointly and severally agrees to indemnify, compensate and forever hold Landlord harmless from any and all claims, damages or liability whatsoever, including without limitation litigation costs and attorneys' fees, resulting from or arising out of injury to or death of any guest, agent, employee, licensee or invitee of Tenant in or about the Premises, or damage or destruction of any property owned by Tenant or any guest, agent, employee, licensee or invitee of Tenant, unless such injury, death or damage solely and directly results from the intentional or grossly negligent acts of Landlord. Should Landlord become liable to Tenant as a result of any breach by Landlord of the terms of this Lease or as a result of any act or omission by Landlord or any person or entity acting on behalf of Landlord, Tenant shall look solely to the ownership interest of Landlord in the Premises for the recovery of any damages incurred by Tenant.

In no event shall Landlord be liable for damages or injury to persons or property caused by wind, rain, fire, or other acts of nature or God, and Tenant hereby expressly waives all claims for such injury, loss, or damage.

15. **Casualty.** If the Premises are damaged or destroyed by fire or other casualty to an extent that the use of the Premises is substantially impaired, Tenant may immediately vacate the Premises and may terminate the lease upon written notice to the Landlord given within fourteen (14) days of Tenant's vacation of the Premises. In the event the Premises are damaged by fire or other casualty or in the event the building of which the leased Premises are a part is damaged by fire or other casualty (whether or not the leased Premises are damaged) and Landlord elects to not

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restore, repair, and rebuild, Landlord may terminate this lease by giving written notice to Tenant, whereupon Tenant shall promptly vacate the Premises. Rent shall be paid through the date the Tenant vacates.

16. **Pets.** No pets shall be allowed, even temporarily, anywhere on the Premises without the express prior written permission of Landlord and without payment in advance of a non-refundable pet fee in the amount of \$150 per pet. If a pet is or has been kept by Tenant, or with Tenant's consent or acquiescence, on the Premises, at any time during the Lease, with or without Landlord's permission, a non refundable deduction from the Security Deposit in the amount of \$150 shall be made for defleaing and shampooing, and/or excessive wear and tear of, the Premises. In addition to all other remedies available to Landlord hereunder, at law or in equity, Tenant shall pay to Landlord as additional rent a charge of Ten Dollars (\$10) per day for violating the pet prohibitions of this Lease. Payment of the nonrefundable pet fee and additional rent does not relieve the Tenant from responsibility for any damages done to the premises by animals/pets. In the event a problem arises with fleas and pest control services are needed, Tenant shall bear complete responsibility for payment of such services in full.

17. **Portable space heaters.** Tenant acknowledges that use of a portable space heater is a serious fire hazard and agrees not to use any such device. Use of any portable space heater for any amount of time for any reason whatsoever is strictly prohibited on the Premises. If Premises' heating system malfunctions, it is the Tenant's responsibility to immediately notify Landlord of the situation so that the problem can be addressed.

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18. **Inspection and Entry by Landlord.** Tenant acknowledges that Landlord shall have an absolute right to inspect the Premises for cleanliness or otherwise, to do all necessary or agreed repair, decorations, alterations or improvements, to supply necessary or agreed services, or to exhibit the Premises to prospective or actual purchasers, mortgagees, tenants, workmen or contractors, without liability, at any time after having given Tenant two (2) days written notice. of the intention to do so, without notice in the event of emergency, reasonable suspicion of illegal activity within the Premises, or if notice is not practical otherwise. THIS WILL BE STRICTLY ENFORCED.

19. **Abandonment and Absence.** Tenant must notify Landlord of any anticipated absence from the Premises that shall be in excess of seven (7) days. It is agreed that if the Leased Premises shall be abandoned or become vacant during the term of this lease, Owner/Landlord shall have the right, at its option, to take possession of the Leased Premises, and let or re-let the same, and apply the proceeds received from such letting toward the payment of the rent due under this lease; and such re-entry and re-letting shall not discharge Tenant from liability for rent, nor from any other obligations of Tenant under the terms hereof. Tenant shall be deemed to have abandoned the Leased Premises if Tenant is absent from the Leased Premises for thirty (30) days or more without payment. The Tenant's nonpayment of rent for fifteen (15) days past the rental due date, together with other reasonable factual circumstances indicating the Tenant has permanently vacate the premises, including, but not limited to, the removal by the Tenant of substantially all of the Tenant's possessions and personal effects from the premises, or

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the Tenant's voluntary termination of utility service to the premises, shall also be prima facie evidence of abandonment.

At the option of the Owner/Landlord and upon the default of the Tenant, the rent for the entire term shall at once become due and payable, and Owner/Landlord may proceed to the collection of rent for the entire term as if by the terms of this lease the rent for the entire term should be made payable in advance.

If Tenant shall at any time be in default hereunder, and if Owner/Landlord shall deem it necessary to engage attorneys to enforce Owner's/Landlord's right hereunder, Tenant shall reimburse Owner/Landlord for the reasonable expenses incurred thereby, including but not limited to court costs, collection costs, and reasonable attorney fees.

20. **Application.** The application of the Tenant is an important part of this lease and is part of consideration incorporated herein by reference. Any misrepresentations, misleading or false statements made by the Tenant which are later discovered by the Landlord, automatically grants the Landlord the right to terminate this lease at Landlord's option.

21. **Default By Landlord.** Upon the breach by Landlord of the terms and conditions of this Lease, Tenant may terminate this Lease, provided that (i) all Rent and other charges due and payable to Landlord have been paid by Tenant to Landlord; and (ii) Tenant shall make written request for performance or cure of any such obligation or default and allow Landlord a period of fourteen (14) days after receipt of such notice to commence to cure the breach. If performance or cure of the default has not been commenced or completed after such reasonable notice period, providing the nature of the default and the availability of materials, labor and utilities or other resources permit Landlord to commence cure of the default during such reasonable notice period, then Tenant may terminate this Lease by giving Landlord written notice of Tenant's election to do so, and Landlord shall thereupon refund Tenant's Security Deposit, less proper charges, together with any unearned portion of any Rent pre-paid by Tenant.

If owner is unable to deliver possession of the premises at the commencement of hereof, Landlord shall not be liable for any damage caused thereby, nor shall this Lease be void. Tenant shall not be liable for any rent until possession is delivered.

No failure of Landlord to enforce any term hereof shall be deemed a waiver, nor shall acceptance of partial payment be deemed a waiver of Landlord's right to the full amount thereof. This Lease superseded any other lease on the premises during the term stated herein.

22. **Default By Tenant.** If Tenant shall default in the prompt payment of Rent or any other sums due hereunder, abandon the Premises, or otherwise violate any of the terms of this Lease, Landlord may pursue any and all rights or remedies to which it may be entitled as a matter of law or in equity, including without limitation (i) the right to specific performance of Tenant's obligations under this Lease, and (ii) the greater of the amount equivalent to (A) the accelerated amount of all Rent for the unexpired portion of the Lease Term, or (B) two times the amount of the monthly Rent provided for in paragraph 3 hereof as liquidated damages to compensate Landlord for its costs incurred in repainting and preparing the Premises for reletting

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and costs and time incurred in reletting the Premises (in this regard the Tenant and Landlord agree that it would be difficult at this time to precisely establish the damages sustained by Landlord by reason of Tenant's default and that such amount is a fair and reasonable amount of the damages Landlord will have sustained by reason of Tenant's default hereunder). All rights and remedies of Landlord under this Lease and otherwise shall be cumulative and non-exclusive.

23. **Required Standard of Conduct on Premises.** Tenant acknowledges that Tenant is entering into a lease for a property that focuses on its study environment. Tenant agrees to respect that image and adhere to such a standard at all times. Tenant shall conduct himself or herself and require other persons on the premises, including family, friends, invitees to conduct themselves in a manner that will not disturb the peaceful enjoyment of the Premises by his or her neighbors. Tenant agrees he or she will not permit said Premises to be used for any improper, illegal or immoral purposes, nor will he or she permit or engage in any conduct which is noisy, boisterous, dangerous, offensive, illegal, or otherwise improper. Tenant shall also maintain the Premises in a clean and sanitary condition at all times. Tenant shall not make or permit any offensive odors or otherwise disturb other residents.

Tenant acknowledges that Premises are subject to the Public Nuisances article within the Housing chapter of the Lexington Fayette Urban County Government (LFUCG) Code of Ordinances—specifically Article II of the Chapter 12. If the actions of Tenant (or any of Tenant's family members, guests, visitors, etc...) result in the designation of the Premises as a public nuisance, then Tenant acknowledges that Landlord could be assessed a civil penalty of not less than \$500. If the aforementioned occurs, then Landlord has the right to terminate this Lease without further obligation, cause, or warranty and demand reimbursement from Tenant for all penalties, fines, attorney fees, court fees, etc... related to such occurrence.

24. **Rules, Regulations and Policies.** Tenant and Tenant's family members, guests, employees and agents are subject to the Rules and Regulations included in this Lease, and such other and further reasonable rules and regulations as Landlord may adopt from time to time. Tenant is responsible in all aspects for the actions of any of the above people. The Rules and Regulations are hereby made a part of this Lease and incorporated into it as terms hereof and any violation of these Rules and Regulations by Tenant and/or Tenant's family members, guests, employees, and agents shall constitute a substantial and material violation of this Lease by Tenant thereby affording Landlord the remedies at Landlord's option set hereinabove. The following rules, regulations and policies are in place for the Premises:

24. a. No personal belongings of any type are to be left on the lawns, walks, parking areas, stairs, landings, patios, public halls, or in any common area(s). Tenant will be responsible for keeping his/her own breezeways, patios, and stairways clean and free of debris. Tenant shall not obstruct the driveways, sidewalks, courts, entryways, stairs and/or halls, which shall be used for the purposes of ingress and egress only.

24. b. Loud and boisterous noise or any objectionable, abusive or threatening behavior by any resident or guest towards the management or other residents or guests is not permitted. Tenant shall keep all radios, television sets, stereos, etc., turned down to a level of sound that does not annoy or interfere with other residents

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24. c. Use of foil and other similar unsightly materials, including but not limited to neon or flashing lights, signs, advertising etc. over or in windows is strictly prohibited. Windows and doors shall not be obstructed. In residential properties where Landlord provides blinds on the windows, such blinds shall not be removed, damaged, or destroyed. If Tenant installs draperies over the blinds, any damage will be repaired or removed by Tenant or at Tenant's expense. Damage to property, including but not limited to, paint, plaster, cabinets, carpets, floors, furniture or damage to any part of the Premises caused by leaving windows or doors open during inclement weather will be the responsibility of Tenant

24. d. Locks or electronic security systems may NOT be added or changed without prior written permission from Landlord. Locks and the appropriate keys and /or chains added must be left in place upon vacating the Premises. All keys must be returned to Landlord upon termination of tenancy or Landlord may impose a reasonable charge.

24.e. Tenant must keep designated utilities turned on for the duration of the Lease term in order to maintain appliances in operating order and to provide a minimum temperature of 60 degrees in cold months. From the date utilities are turned off by cancellation or otherwise, it is presumed that the Tenant has abandoned the Premises and the Landlord may enter the Premises and take possession. Any damages from the utilities being turned off until Landlord gains possession shall be Tenant's responsibility. If disconnected utilities are turned over to the account of the Landlord, the Landlord has the right to bill an equal share of such charges, plus reasonable management overhead to Tenant.

24. f. If Tenant is convicted of a criminal offense including, but not limited to, injury or attempted injury to person or damage to property, the Tenant is subject to the termination of tenancy.

24. g. No contact paper, adhesive fasteners, or any other object whatsoever shall be attached to the roof or exterior of the building, or in any position in which such item could be seen from the outside.

24. h. Automobiles, motorcycles, including motorbikes or minibikes, bicycles shall not be parked on the patios, sidewalks, or grass.

24. i. Tenant must compensate Landlord for any damages to the grounds, trees or shrubs in the complex caused by Tenant or Tenant's guests. Any act of destruction or vandalism shall be reported to Landlord immediately. Tenant shall be responsible for the cost of damage(s) done to the Premises due to vandalism or any other crime.

24. j. No alterations, additions, fixtures, fences, etc. are to be placed or constructed in or about the Premises without prior written consent of Landlord.

24. k. Tenant agrees that Landlord reserves the right at any time to make reasonable changes to the Rules and Regulations as Landlord shall in its judgment determine to be necessary for the safety, care and cleanliness of the Premises and for the preservation of good order,

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comfort and benefit of the Tenants in general and for the efficient operation of the property, provided the Landlord notifies Tenant in writing within fifteen (15) days.

24. l. No cars, trucks, campers, boats, motorcycles, recreational vehicles, or similar vehicles, regardless of the owner, are to be stored in the parking areas. Inoperable vehicles or vehicles which are unlicensed or not currently licensed, or which are left on the Premises for a period of seven (7) days unmoved, are not permitted. No semi trucks are to be parked or stored in the parking lot, except for immediate loading and unloading purposes. Any motor vehicle of Tenant or their guests or visitors parked in violation of terms hereof, or any other unauthorized motor vehicle, boat or trailer parked on the Premises, will be removed at the expense of the owner of the vehicle pursuant to KRS 182.725.

24. m. No vehicle maintenance of any type, including washing, is permitted within the complex or on the property. All vehicles must be fully licensed and operable.

24. n. Dumpsters are provided by Landlord. All trash, garbage, and refuse of any type must be placed in appropriate bags, sealed and placed in dumpsters.

24. o. Yard or auction sales are prohibited within the community without the prior written consent of Landlord.

24. p. Solicitation or distribution of printed materials, except by management, shall not be permitted on the premises, either by Tenant or outside solicitors. Landlord is to be immediately contacted upon such instance.

24. q. Tenant is required to maintain the leased premises in a clean, safe and sanitary condition at all times, including disposing of all garbage and other waste promptly by placing it in plastic trash bags in the dumpster provided. Resident is required to undertake such cleaning and efforts as is necessary to maintain the kitchen and bathrooms in an absolutely clean and sanitary manner such that mold is not allowed to form or reproduce.

24. r. Tenant shall immediately notify Landlord in writing of the observation of any electrical problems, heating and air conditioning malfunction, crack in plaster or stucco, moisture in the ceiling, buckling sheetrock or siding, leaky roof, spongy floor, leaking water heater, termite activity, water leakage or flooding, any unusual coloration or discoloration or deterioration of the walls, ceilings, floors, or other areas, any evidence of water intrusion, through leaking faucets, or other wise, any mold or mildew that is seen on tiles or other surfaces in the bathrooms, any odor or other evidence of an unusual nature that may indicate the presence of mold, and any other conditions that may pose a hazard to property, health or safety.

24. s. Tenant shall not hang any laundry, clothing, sheets, etc from any window, rail, porch or balcony nor air or dry any of same within any yard area or space.

24. t. The use of fuel-burning appliances using flammable liquids for cooking or for any other purpose is prohibited without express prior written consent of Landlord.

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24. u. Tenant agrees not to keep any liquid-filled furniture in this dwelling without first obtaining Landlord's written permission.

24. v Should Tenant lock himself / herself out of the Premises and be unable to gain access through their own resources, they must call upon a professional locksmith to let them in. Tenant shall be responsible for payment for the charges and/or damage involved.

25. **Lead Paint Disclosure:**

 X Tenant acknowledges that Landlord has informed Tenant that the Premises was constructed prior to 1978, and that the Premises may contain lead based paint; that Landlord has disclosed to Tenant information on lead based paint and lead based paint hazards; and that Landlord has furnished to tenant a federally approved pamphlet on lead poisoning prevention.

26. **Release:** Tenant hereby expressly authorizes, permits, allows, consents, directs and agrees that all his/her prior landlords may be contacted, be communicated with and discuss Tenant's leasing other real property from such landlords with the Landlord herein, and such contact, communication and/or discussion may include, without limitation, timeliness of Tenant's prior payment of rent, whether Tenant defaulted under such prior lease, the length and terms of such prior lease, whether a forcible detainer action was filed and if so the results of same, and the circumstances of termination of such prior lease.

27. **Parking.**

27. a. Parking is handled on a "first come, first serve" basis at Royalty Court.

27. b. All vehicles must be currently registered, licensed and be in good, operable condition or the vehicle will be towed at the owner's expense, without liability to Management. All towing is handled through Metro Towing located at 855 Angliana Drive. Their phone number is (859) 255-4395.

27. c. In order to obtain a parking permit tag, Tenant shall provide to Landlord a copy of his/her driver's license AND provide proof (current certificate of registration) that the vehicle to be parked is actually owned by Tenant or an immediate family member of Tenant—**such proof shall be furnished to Landlord no later than August 25th**. If the requirements cited herein are not furnished to Landlord before the deadline specified, then Tenant shall not be guaranteed a parking spot on the Premises for the entire lease term. Furthermore, if Tenant's ownership, licensure, registration, and operability are not maintained throughout the Tenant's residency, then Landlord shall have the right to revoke the parking permit tag assigned.

27. d. The parking permit tag must be hung from Tenant's vehicle's rearview mirror or otherwise prominently displayed. Tenant acknowledges that failure to do so may result in Tenant's vehicle being towed at Tenant's expense.

27. e. Tenant acknowledges that all unauthorized vehicles may be towed at the automobile owner's expense and that Landlord holds absolutely no liability for cost, storage, damages, or any other dispute. UNAUTHORIZED vehicles shall be as follows:

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1. Invalid or no parking permit.
2. Parking permit displayed in incorrect position on vehicle.
3. A motorcycle, bicycle, or similar form of transportation parked in a space.
4. Campers, boats, trailers, recreational vehicles, or similar vehicles on property.
5. Vehicles parked in a fire lane, traffic lane, entrance/exit, or other No Parking area.
6. Vehicles parked in a handicap space without proper tag/identification.
7. Vehicles double parked.
8. Vehicles parked on a painted or unpainted curb.
9. Vehicles blocking a dumpster.
10. Vehicles parked on the landscape, lawn, or sidewalk.
11. Inoperable vehicles or vehicles with broken windows, flat or no tire(s), or vehicles with expired tags.

27. f. Tenant shall park in a manner that allows other cars easy access in and out of the lot. Tenant agrees to keep assigned space clean of oil drippings. Only those motorcycles, which have exhaust muffling comparable to that of a passenger car are allowed. Tenant agrees to not repair vehicle on the Premises if such repairs will take longer than a single day.

27. g. If Tenant's parking permit is lost or stolen, Tenant must immediately report such occurrence to Landlord. All lost or stolen permits will be discontinued and become invalid. Tenant agrees to pay Landlord a \$100 fee for a replacement permit.

27. h. Tenant agrees to return assigned permit(s) to Landlord upon vacation of the Premises. Should all permits not be returned upon the designated vacation date, Tenant agrees to have a \$100 fee per permit subtracted from the Security Deposit. Tenant acknowledges that such permit(s) would become immediately invalid.

27. i. Tenant acknowledges that parking is a privilege and may be denied upon Tenant's failure to adequately and satisfactorily uphold all Lease terms.

28. **Appliances.** Tenant acknowledges receipt of appliances furnished by Landlord for use by the Tenant during the term of this lease, as follows:

| | | | |
|-----------------|-------------|-----------|-------------|
| Refrigerator | _____X_____ | Range | _____X_____ |
| Dishwasher | _____ | Microwave | _____ |
| Washing machine | _____ | Dryer | _____ |

29. **Miscellaneous.** This Lease contains the entire understanding and agreement of the parties hereto, and no other understanding, undertaking, agreement, representation or warranty shall alter or modify this Lease unless in writing and duly executed and signed by the parties hereto. Time shall be of the essence in the performance of all terms and conditions of this Lease. Landlord and its agents shall have the right to enter and inspect the Premises at reasonable times. Judicial declaration of the invalidity of any part of this Agreement or any

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attachment hereto shall not invalidate the remainder of the terms of this Lease. In any legal proceeding pursuant to this Lease, including a suit to enforce this Lease or to collect damages for its breach, the prevailing party shall be entitled to recover attorneys' fees, costs of court and interest at the rate of 18% per annum upon all sums due from due date from the nonprevailing party, to the extent allow by law. This Lease shall be construed under and in accordance with the laws of the Commonwealth of Kentucky; and jurisdiction and venue for litigation of any matters concerning this Lease shall be with the Courts of the Commonwealth of Kentucky sitting in Laurel County, Kentucky. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns. All sums not paid when due hereunder shall accrue interest at the rate of eighteen percent (18.0%) per annum, or the maximum rate of interest allowed under applicable law, whichever is less.

It is hereby understood that this is a Lease, after being executed by Tenant, is an offer to rent by Tenant and is not enforceable by either party until executed by Landlord. Landlord expressly reserves the right to reject this offer to rent by Tenant, if upon evaluating eligibility of Tenant, Landlord determines Tenant is not eligible.

30. **Recording of Lease.** Tenant shall not record this Agreement on the Public Records of any public office. In the event that Tenant shall record this Agreement, this Agreement shall, at Landlord's option, terminate immediately and Landlord shall be entitled to all rights and remedies that it has at law or in equity.

31. **Governing Law.** This Agreement shall be governed, construed and interpreted by, through and under the Laws of the Commonwealth of Kentucky.

32. **Severability.** If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

33. **Binding Effect.** The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

34. **Heading.** The descriptive headings used herein are for convenience of reference only and they are not intended to have any effect whatsoever in determining the rights or obligations of the Landlord or Tenant.

35. **Construction.** The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.

36. **Non-Waiver.** No indulgence, waiver, election or non-election by Landlord under this Agreement shall affect Tenant's duties and liabilities hereunder.

37. **Modification.** The parties hereby agree that this document contains the entire agreement between the parties and this Agreement shall not be modified, changed, altered or

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amended in any way except through a written amendment signed by all of the parties hereto.

38. **Notice.** Any notice required or permitted under this Lease or under state law shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

Bluegrass Rental Homes, LLC
P.O. Box 481
London, KY 40743-0481

If to Tenant to:

_____ Avenue, Apt. #
Lexington, KY 40504

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

This Lease is a legally binding contract. If Tenant does not understand any terms of this lease, an attorney should be consulted

This Lease contains the entire agreement between Landlord and Tenant. Tenant hereby acknowledges that he/she has read this Lease and understands all of the terms and conditions herein contained and is not relying on any verbal statement made by Landlord or any other party associated with the preparation of this lease, and agrees with the statements and representations of the terms and conditions contained herein. All notices called for in this lease are to be in writing.

In witness whereof, Tenant and Landlord have executed this lease on this _____ day of _____, 20__

LANDLORD: Bluegrass Rental Homes, LLC

TENANT

By:

(signature)

Its:

(printed name)

Date

(date)

TENANT

Tenant initials _____

(signature)

(printed name)

(date)

TENANT

(signature)

(printed name)

(date)

Tenant initials _____