

LEASE AGREEMENT
with
BLUEGRASS RENTAL HOMES, LLC

This Lease Agreement ("Lease") is made and entered this _____ day of _____ 2012 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").

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(s) 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 _____, Lexington, Kentucky 405____.

2. **Lease Term.** The term of this lease ("Lease Term") shall commence at 12:01 am on the 1st 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.

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

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may require that Tenants make all future payments to Landlord in the form of cash, money order, or cashiers check only. Base Rent and Pet Rent, if any, are collectively referred to herein as "Rent".

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.

Tenant may elect to receive a discount of the last month's Rent, at Tenant's option, as provided in this Section. Tenant will receive a discount on their last month's rent in the amount of \$50 provided that the discounted amount of their last month's Rent is paid and received by Landlord in full prior to or on the date of move in.

4. **Renewal.** This Lease Term shall automatically renew for another one-year Lease, except as otherwise agreed upon, in writing, by the parties, or as set forth herein:

- a) 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.
- b) 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 sixty (60) days prior to the expiration of the Lease. Tenant acknowledges that giving Landlord sixty (60) 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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- c) If neither Landlord nor Tenant gives written notice to one another within the time frames specified above in paragraphs 4.a & 4.b, then the Lease shall automatically renew for one (1) year at the Termination Date with all terms and conditions of this Lease, except for the Lease Term and Rent due, remaining in full force and effect for that renewal Lease Term. The total renewal rent due to Landlord shall increase to \$_____, and said total renewal rent shall be paid by Tenant to Landlord in equal monthly installments of \$_____; unless Landlord provides Tenant with a written waiver keeping Rent unchanged from the initial Lease Term.

5. **Security 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 fails to follow through and lease the Premises according to the terms of this lease agreement. The good-faith deposit shall convert into the Tenant's security deposit after 1st month's rent is paid. Landlord shall hold deposit as security for the protection of the Premises from any damages, to be deposited into an account at Bank of Lexington, 761 Corporate Drive, Lexington, KY 40503 in account

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#200-2922, and as security for Tenant's other obligations under this Lease ("Security Deposit"). Tenant shall be responsible to Landlord for a minimum turnover fee of \$150 in all cases, which shall be payable out of the Security Deposit. Tenant shall not be entitled to any interest that may accrue on the Security Deposit. The Security Deposit shall bear no interest. Landlord shall be entitled to co-mingle the Security Deposit with Landlord's other funds in said account above.

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.

Tenant shall clean Premises, paying particular attention to the stove, refrigerator, bathrooms, and walls. Premises must be in equal or better condition than at the time of occupancy. Move-in inspection sheet will determine condition. All debris, rubbish, and discards are removed and placed in proper containers, and placed in Herbies or other receptacles appropriate for LFUCG Division of Waste Management pickup. No stickers, scratches, or holes in walls, ceilings, or floors. Tenant shall have all carpet professionally cleaned immediately upon move out and shall provide Landlord a copy of receipt of such work—renting a wet vacuum cleaner from a retailer such as The Home Depot or Lowe's and doing it yourself is not acceptable. If Tenant fails to have all carpet professionally cleaned and provide Landlord receipt of such work, then Landlord shall have the right to contract with a professional carpet cleaner and deduct the cost of the service from the Tenant's Security Deposit. Tenant must return all keys, garage door openers, and mailbox keys (if applicable) to Landlord. There is a \$50 charge per key or garage door opener that is not returned upon moving out.

If Tenant fails to perform as stated above, and Landlord is forced to clean and/or repair premises and/or to restore the Premises to a rentable condition, then Landlord shall have the right to charge the fees and amounts specified within this lease agreement to clean, 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.

If the Premises 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, cleaning, painting, 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 (less the minimum turnover fee and minimum painting fee provided for above and herein). Landlord and Tenant acknowledge 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

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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, the following graduated painting fee schedule shall be utilized at the end of the lease term rather than trying to determine wall by wall and room by room what conditions constitute “ordinary wear and tear.” Tenant shall be responsible to Landlord for a minimum painting fee \$175 if length of tenancy is one year or less, \$350 if tenancy is between one and two years, \$450 if tenancy is between two and three years, and \$550 if tenancy is greater than three years. In all cases, the minimum painting fee as set forth above shall be payable out of the Security Deposit.

Should Tenant be responsible for damage and/or loss of value to the Premises greater than the value of the remainder of the Security Deposit, less the minimum turnover fee and minimum painting fee provided for above, Tenant agrees to make payment to Landlord for such loss within fourteen (14) days after presentation of a bill by Landlord for the damage and/or loss. The Security Deposit, less the minimum turnover fee and minimum painting fee provided for above, 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.

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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Once Tenant notifies Landlord of intent to not renew lease agreement, Tenant agrees to show Premises to prospective renters for Landlord over the last 60 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 60 days of lease agreement Tenant agrees to set aside 15-30 minutes one day / week show Premises to prospective renters. If Tenant fails to cooperate with such showing, then Tenant agrees to forfeit entire security deposit to cover lost rent Landlord will likely incur by not having a renter secured for the Premises after Tenant’s move out.

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No portion of the deposit may be applied as Rent by Tenant for payment of any rent due to Landlord and that full monthly Rent shall be received in hand on or before the 1st day of every month including the last month of occupancy.

Tenant shall submit to Landlord a forwarding address within seven (7) days after

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vacating the premises for the purpose of returning the deposit or for any other reason that might occur. 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.* Should Tenant be responsible for damage and or loss of value to the premises greater than the value of the 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.

6. **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. Prior to 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 "broom swept" clean condition and 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.

If Tenant takes possession of Premises in an unclean state and accepts a cleaning allowance payment from Landlord in lieu of having Landlord clean the Premises, then Tenant shall note in writing any defects or damage to the Premises on the "Move in/Move out" inspection form and agrees to surrender to Landlord the Premises at the Termination Date of this Lease or at the end of any extension thereof, in "broom swept" clean condition. *Tenant acknowledges and agrees that acceptance of the Premises in an unclean state at the beginning of the lease term absolutely does not release Tenant from Tenant's obligation to surrender Premises in a "broom swept" clean condition at the Termination Date of this lease agreement.*

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7. **Maintenance and Repairs.** Tenant agrees to maintain the Premises in reasonably good condition and to *immediately* notify Landlord should any minor, or other, repairs believed to 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

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said system becomes inoperable. Tenant shall be responsible for regular replacement of the Premises' furnace and air conditioner filters. 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 and during normal business hours. 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 or other occupants. Without limitation, the disposal of women's feminine hygiene products in the waste/sewer system at the Premises shall be negligent/improper use of the Premises. Tenant shall be so as to maintain a good appearance and insure safety on the Premises, or to 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 which 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:

- Keep all air conditioning filters clean and free from dirt (filters are to be replaced/changed at least once every 60 days). If Landlord discovers that filters are not being replaced every 60 days, then Landlord shall have this task performed and bill the cost for such work to Tenant. Tenant agrees to reimburse Landlord for expenses incurred with filter replacement within 7 days of notice. If Tenant fails to pay Landlord for such expenses, then Landlord may move terminate lease agreement and retain security deposit

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- 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. Landlord shall have no obligation whatsoever to pay for non-termite pest control services at the Premises
- 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

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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; and
- Keep that part of the Premises and yard that they occupy in a safe, sanitary, and clean condition at all times. Tenant is obligated to perform routine maintenance on the yard including, but not limited to, mowing the lawn, trimming trees or bushes, raking leaves, and shoveling or removing snow and ice, whenever necessary to keep the exterior in a state of good appearance and condition, upon through and including the Termination Date of this Lease. Tenant shall in all cases perform routine maintenance of the Premises during the last 7 days of the Lease. Failure to comply will result in the maintenance services being performed by the Landlord and the costs of any such services being added to the rent due on the 1st of the following month or deducted from the Security Deposit at the sole option of Landlord.

8. **Fees.** This Fees schedule sets out typical fees charged by Landlord in most situations. These fees may not preclude additional action to remedy the breach, including possible eviction. Repair prices are understood to be standard figures based on typical conditions and may be more based on specific circumstances. This list is not exhaustive.

Item	Cost
Lock-out fee – after hours	\$50
Returned check/NSF fee	\$50
Copying lost lease or other documents after signing	\$10
Turnover fee	\$150
Late Rent Fee	\$5 per day
Service call for items not landlord's responsibility	\$75 per service call + \$60/hr + parts
Changing locks	\$65 per lock
Failure to pay utility bills	\$30 + cost of bill
Any type of fines, fees, or civil penalty issued by city	\$5-100 as charged
Cleaning: Kitchen	\$100
Cleaning: Hallway	\$15
Cleaning: Bedroom (each)	\$50

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Cleaning: Additional rooms	\$25
Cleaning: Bathroom	\$75
Cleaning: Garage	\$75
Cleaning: Carpet	\$100 per room minimum
Cleaning: Storage	\$50
Repainting	\$50 per room minimum
Trash Removal	\$60
Window Glass	\$150
Replace door	\$150
Appliances	Cost
Lost Key	\$50 per key
Light bulbs	\$2 per bulb
All other repairs/replacement	Labor plus materials

9. **Use and Occupancy of Premises.** The Premises shall be occupied and used solely as a private family dwelling by Tenant, and for no other purpose. Tenant shall not permit any nuisance to be created on the Premises and Landlord may prohibit or regulate motorcycles, boats, trailers, recreational vehicles and inoperative vehicles on the Premises. The maximum number of motor vehicles that Tenant may routinely park at the Premises is two (2). 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 and Tenant's immediate family members.

MONTHLY RENT FOR THE PREMISES SHALL BE INCREASED BY TWO HUNDRED FIFTY DOLLARS (\$250.00) FOR EACH OCCUPANT OF THE PREMISES OTHER THAN TENANT OR TENANT'S IMMEDIATE FAMILY MEMBERS 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.

10. **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 _____
Gas _____

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Electric _____
Trash removal _____
Internet _____
Cable _____
Telephone _____

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.

11. **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 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.

12. **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 an 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.

13. **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

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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.

14. **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 that Tenant remains in possession of the Premises, rent shall be reduced in proportion to the impairment of use of the Premises until same are repaired. 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 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.

15. **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 \$150.00 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.

16. **Access to show Premises**. Landlord shall have reasonable access to the premises for showing prospective new tenants over the course of the sixty (60) days prior to lease termination. This allows Landlord to arrange for new tenants to move into the premises without delay. THIS WILL BE STRICTLY ENFORCED.

17. **Abandonment and Absence**. Tenant must notify Landlord of any anticipated absence from the Premises which 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

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Tenant of substantially all of the Tenant's possessions and personal effects from the premises, or 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.

18. **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.

19. **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 supersedes any other lease on the premises during the term stated herein.

20. **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

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compensate Landlord for its costs incurred in repainting and preparing the Premises for reletting 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.

21. Rules, Regulations and Policies. The following rules, regulations and policies are in place for the Premises:

- Tenant shall not obstruct the driveways, sidewalks, courts, entry ways, stairs and/or halls, which shall be used for the purposes of ingress and egress only.
- 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.
- Tenant shall not cause or permit any locks or hooks to be placed upon any door or window without the prior written consent of Landlord
- Tenant, Tenant's family, & Tenant's guests shall at all times maintain order in the Premises and at all places on the Premises, and shall not make or permit any loud or improper noises
- Tenant shall keep all radios, television sets, stereos, etc., turned down to a level of sound that does not annoy or interfere with neighbors
- Tenant shall abide by and be bound by any and all rules and regulations affecting the Premises or the common area appurtenant thereto which may be adopted or promulgated by the Condominium or Homeowners' Association having control over them.
- The use of fuel-burning appliances using flammable liquids other fuel-burning appliances for cooking or for any other purpose is prohibited without express prior written consent of Landlord.
- Vehicles—Tenant agrees to keep a maximum of 2 vehicles parked on the Premises. These vehicles must be both operable and currently licensed. Tenant agrees to park their vehicles in assigned spaces and to keep those spaces clean of oil drippings. Tenant agrees to advise their visitors about parking and to take responsibility for where visitors park. Only those motorcycles, which have exhaust muffling comparable to that of a passenger car are allowed. Only those self-propelled recreational vehicles, which are used for regular personal transportation, are allowed. Tenant agrees not to park boats, recreational trailers, utility trailers, and the like on the Premises. Tenant agrees to not repair their vehicles on the Premises if such repairs will take longer than a single day.
- Tenant agrees not to keep any liquid-filled furniture in this dwelling without first obtaining Landlord's written permission.
- Should Tenant lock themselves out of their dwelling 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.
- Tenant is solely responsible for payment of all pest control services (except for any possible termite treatments that might be necessary). Landlord shall have no

Tenant initials _____

obligation whatsoever to pay for non-termite pest control services at the Premises

Tenant initials _____

22. Lead Paint Disclosure:

Landlord represents and warrants that the Premises was built in 1978 or later, and that, therefore, the federally mandated lead based paint disclosure regulations do not apply to the Premises.

23. **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.

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

Refrigerator	<input checked="" type="checkbox"/>	Range	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>	Microwave	<input checked="" type="checkbox"/>
Washer	_____	Dryer	_____
Garage door opener	<input checked="" type="checkbox"/>		
Other	_____		

25. **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 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 Fayette 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,

Tenant initials _____

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.

26. **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.

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

28. **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.

29. **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.

30. **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.

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

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

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

34. **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

Tenant initials _____

If to Tenant to:

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.

35. **Disclosures.** Amy & Matt Jones, managers of Bluegrass Rental Homes, LLC, are also Kentucky licensed real estate agents.

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 where of, Tenant and Landlord have executed this lease on this _____ day of _____, 20____

LANDLORD: Bluegrass Rental Homes, LLC

TENANT

By:

(signature)

Its:

(print name)

Date:

Date: _____

TENANT

(signature)

(print name)

Date: _____

Tenant initials _____