

THIS LEASE AGREEMENT for military members (“Lease Agreement”) is made on the “Lease Agreement Date” listed on Page 1 Number 1, between Forest City Southern Group, LLC, owner of the subject Premises (the “Owner”), and the housing eligible party or parties who signed as Resident on Page 1 Number 2 of this Lease Agreement (referred to as “Resident”, whether one or more). The provisions of this Lease Agreement include the provisions of a separate Community Handbook dated as shown on Page 1 of this Lease Agreement and the provisions of any addenda to this Lease Agreement executed by the parties.

THE PARTIES AGREE AS FOLLOWS:

1. **Parties to Lease Agreement.** Subject to the terms and conditions of this Lease Agreement, Owner rents to Resident and Resident rents from Owner, the Premises referenced on Page 1 Number 6 of this Lease Agreement. The property is managed by Forest City Residential Management, Inc. (“FCRM”), whose address and phone numbers are specified on Page 1. FCRM is authorized to manage the Premises on behalf of Owner and to receive rents, execute leases, enforce leases, and give and accept notices, demands and service of process on behalf of, and as Agent of Owner. Resident may authorize a representative with a valid power of attorney to act on Resident’s behalf, to include executing this Lease Agreement.
2. **Premises.** The property to be rented is located on the military installation specified on the Page 1 header (the “Installation”), in the neighborhood specified on Page 1 Number 5 (the “Neighborhood”), at the address specified on Page 1 Number 6 (the “Premises”), and includes the housing unit and front and back yards, and may include a garage, driveway, designated parking, and/or a carport, as applicable, plus any outside storage located in the yard. The Premises has been designated as authorized housing for a certain military grade or grades (each, a “Housing Category” and collectively, the “Housing Categories”).
3. **Term/Automatic Renewal.** This Lease Agreement shall be for a term of twelve (12) months, and shall begin on the Lease Commencement Date specified on Page 1 Number 4a and terminate on the Lease Expiration Date specified on Page 1 Number 4b (the “Term”).

After expiration of the Term, this Lease Agreement will automatically continue on a month-to-month tenancy if the Lease Agreement has not been terminated by either party or the parties have not renewed the Lease Agreement for another Term. Either party may terminate the month-to-month tenancy by providing written notice at least thirty (30) days before the end of the Term. Either party may end or renew this Lease Agreement at the end of the original Term by a thirty (30) day written notice to the other party.

4. **Rent.** The Monthly Rent shall be equal to the Basic Allowance for Housing (“BAH”) with dependent rate of the highest ranking military member residing in the Premises, minus a utility allowance, if applicable, provided that the Resident’s military pay grade is within the Housing Category for the Premises. The Monthly Rent for foreign military personnel shall be equal to the BAH with dependent rate of the U.S. military pay grade most equivalent to the foreign military member’s rank or pay grade at the time that the foreign military member accepts the Premises, minus a utility allowance, if applicable.

If Owner provides Resident a Premises in a Housing Category higher or lower than Resident’s military pay grade, then the Monthly Rent will be based on the BAH with dependent rate for the Resident’s military pay grade. If Resident elects to reside in a Premises that is in a Housing Category higher or lower than Resident’s military pay grade, then the parties shall execute an addendum that states the basis and amount of the Monthly Rent.

Payment for Monthly Rent shall be made to Owner by payroll allotment/deduction through a third-party BAH processor. If third-party action is not available, then Resident shall personally establish and maintain an allotment for the Monthly Rent. In multiple service member households, the allotment shall be made by the senior service member. Resident BAH allotments shall be payable on the first day of the month for the current month’s rent. Monthly Rent for any partial month at the beginning of the Term shall be prorated based on a thirty (30) day month and payment shall be made by check or money order. The method of payment for Monthly Rent by foreign military members will be on a case-by-case in accordance with the nation-to-nation support agreement.

The Monthly Rent shall be increased/decreased when increases/decreases take effect in the Resident's BAH rate. Resident must make notification of promotion or demotion in accordance with the Community Handbook. In multiple service member households, the senior service member's military pay grade shall be used in establishing the Premises and determining the Monthly Rent. The Monthly Rent for foreign military members shall not change for any reason during the entire Term of this Lease Agreement.

Monthly Rent includes the utilities provided by Owner pursuant to Section 7. All other utilities/services are at Resident's own expense. No security deposit is required to be paid to Owner.

Payment for electric and/or gas utilities (when applicable) and any charges or fees incurred as provided in Section 5 and/or itemized in the Community Handbook ("Additional Rent", which together with Monthly Rent is referred to as "Rent") shall be made directly to Owner. Rent not paid by allotment will be paid by personal check, certified check, cashier's check, electronic funds transfer (EFT) or money order.

Resident is responsible for executing additional documents with the Installation finance office, if required, to commence the Monthly Rent allotment and to remedy any situation that prevents the commencement of the allotment. Resident's designated representative with a power of attorney may initiate or modify the Monthly Rent allotment. If the Monthly Rent allotment is terminated or reduced below the amount of the Monthly Rent by action of Resident or Resident's designated representative while Resident is in possession of the Premises without written permission of Owner, Resident will be considered in material breach of this Lease Agreement.

After the end of the Term or earlier termination and move-out, Owner shall refund any monies due to Resident, less any monies owed to Owner, within twenty (20) business days of Owner's receipt of the BAH allotment applicable to the month of termination.

5. **Late Fees and Returned Checks Charges.** If any Monthly Rent is not paid by the fifth (5th) day of the month, unless paid by allotment, Resident must pay a late fee of \$50.00 which is deemed Additional Rent.

Resident will, within fifteen (15) days notice of a dishonored check, pay a returned check fee of \$35.00, plus any late fees, if applicable, which are deemed Additional Rent. If at any time during the Term, two (2) of Resident's checks have been returned to Owner by the bank, all future payments must be paid by allotment, cashier's check, certified check or money order only.

Acceptance of any late or partial Monthly Rent or waiver of any Additional Rent is not a waiver of Owner's right to enforce other terms of the Lease Agreement.

6. **Condition of Premises upon Commencement Date.** Resident has examined the Premises and is satisfied with its physical condition, order, and repair. Resident accepts the Premises "as is" as of the Lease Commencement Date specified on Page 1 Number 4a. Owner has inspected and inventoried the Premises and provided Resident with a Move-In/Move-Out Unit Inspection and Inventory Report (the "Inspection Report"). Within five (5) days of Lease Commencement Date, or upon occupancy by Resident, Resident shall complete and return to Owner the Inspection Report detailing any deficiencies noted with the Premises. Owner and Resident will sign the Inspection Report and Owner will provide a copy to Resident. If Resident does not return the Inspection Report to Owner, Resident accepts the Premises without exception. Any additional damage or deficiency noted by Owner at move-out will be charged to Resident.
7. **Services and Utilities.** Owner shall be responsible for the payment of the following utilities at all times during the Term of this Lease Agreement: water, sewer, trash collection and recycling. Until the time that the Premises is individually metered for electricity and natural or LP gas, Owner shall be responsible for the payment of such utilities and Resident shall receive no utility allowance. (During this period of time, the Monthly Rent shall be equal to the BAH at the with dependent rate). After the Premises is metered, (i) Owner will provide Resident with the amount of the monthly utility allowance to be deducted from the BAH to determine the Monthly Rent, and (ii) Resident shall pay for the actual amount of electricity and/or gas used monthly.

Resident shall be responsible for the payment of telephone, cable, internet, or any other services directly contracted by Resident with a service provider. Additional information on responsibilities for telephone lines are specified in the Community Handbook. Resident acknowledges that interruptions in the delivery of utilities do occur and Owner will make every effort to notify Resident in advance of any interruptions in utility services resulting from scheduled outages or work elsewhere in the Neighborhood.

8. **Occupants and Permitted Use.** Resident will use the Premises as a residence for Resident and the other occupants listed on Page 1 Number 3 (collectively, the “Occupants”), except as otherwise provided herein. The Premises is to be used for residential use only, with exceptions permitted *solely* upon written approval of Owner. Resident acknowledges that the residence is a single-family dwelling and will be used for occupancy by one family only and for no other purposes, including any business purposes, except as otherwise provided herein. Occupancy by more than one family is prohibited. Procedures and requirements governing Occupants and permitted use are further specified in the Community Handbook.
- a. Resident, Occupants, and guests will not commit any acts or use the Premises or common areas in such a way as to (i) violate any law or ordinance, including laws prohibiting the use, possession, or sale of illegal drugs; (ii) commit property damage; or (iii) create a nuisance by annoying, disturbing, inconveniencing or interfering with the quiet enjoyment, business, or peace and quiet of any other Resident, FCRM staff, contractors or other persons engaged in lawful activity in the area.
 - b. After the Lease Commencement Date, if another person comes to reside in the Premises, the Resident must provide the name of the person to the Owner to be added to the list of Occupants. If the new Occupant is over the age of eighteen (18) and does not have unrestricted and unsupervised base access, then the new Occupant must be able to meet the Installation’s access requirements and FCRM’s screening criteria.
 - c. Social visits are limited to thirty (30) days, except that social visits by anyone residing within a twenty (20) mile or sixty (60) minute commuting area of the Installation (whichever is longer) is limited to no more than two (2) days. Resident must register and obtain written approval from Owner for guests staying at the Premises longer than thirty (30) days. For a live-in care provider staying more than twenty-one (21) days in the Premises, Resident and the care provider will enter into an addendum with Owner and must be able to meet FCRM’s screening criteria. Visits by relatives of the Resident are discussed in the Community Handbook. All visitors, guests, relatives and/or live-in care providers must be able to meet the Installation’s access requirements.
 - d. Resident or an adult Occupant may conduct a business in the Premises of a type permitted by Government regulations governing the conduct of business activities in military family housing; provided that Resident obtains the written permission of Owner, which permission shall not be unreasonably withheld, and executes a Home Based Business Addendum. Residents conducting a residential business (e.g. child care) will also be required to comply with appropriate city, county, state or federal agency, office or department standards and are subject to inspection by the Government or any of these agencies. Owner’s granting of permission is not a warranty that the Premises is suitable for the conduct of Resident’s business. No door-to-door soliciting will be allowed and no advertising signs shall be posted on the Premises and no interior or exterior structural modifications or additions shall be made to accommodate Resident’s business. Resident is responsible for obtaining the necessary permissions and/or licenses and will indemnify, save, and hold Owner harmless for any failures to obtain the necessary permissions and/or licenses and for any damages to the Premises or to third parties arising from the conduct of Resident’s business. Additional rules on home based businesses are provided in the Community Handbook.
 - e. Under Government policy, no sex offender (according to a conviction and/or registered or required to be registered on a national or state sex offender registry) may reside in the Premises without the express written approval of the Installation Commander. If Resident or any Occupant becomes a convicted or registered sex offender after the Lease Commencement Date, then Resident shall immediately take the actions required by Government regulations, including the submission of any required reports.

- f. Resident, Occupants and guests will use, store and dispose of environmentally hazardous materials/waste in accordance with the Community Handbook.
 - g. Resident, Occupants and Guests will comply at all times with any military standing orders of the Installation and applicable laws and ordinances of the State and City in which the Premises is located.
9. **Absence from Premises.** Resident shall notify FCRM in writing of any absences from the Premises in excess of fourteen (14) consecutive days. Resident shall make arrangements for a representative to have access to and take responsibility for the Premises and shall notify Owner of the name and contact information of such representative. Resident shall assume all liability for the representative's behavior. Owner shall not be responsible for any damages resulting from Resident's absence from the Premises due to Resident's negligence, recklessness and/or intentional conduct. Additional provisions regarding absence from the Premises can be found in the Community Handbook.
10. **Pets.** No pets are permitted in the Premises at any time except by prior written consent given by Owner in a Pet Addendum signed by both parties. A maximum of two (2) authorized pet mammals may be permitted with Owner's consent. Keeping a pet for any duration without written consent from Owner or a signed Pet Addendum will be considered a material breach of the Lease Agreement.

A refundable pet deposit will be required, which will be used by Owner as necessary for any cleaning and/or damages caused by the pet(s) after Resident vacates the Premises. If damages caused by the pet(s) exceed the amount of the pet deposit, then Resident will be responsible for the additional cost to remedy the Premises. If none or only some of the pet deposit is required for cleaning and repair, then Owner shall remit the balance of the pet deposit to Resident within thirty (30) days after Resident vacates the Premises.

Only certain types of animals may be kept as pets:

- a. The following breeds of dogs (and dogs that have any of the following breed lineage) are deemed aggressive or potentially aggressive and will not be permitted to be boarded in the Premises or allowed in the Neighborhood: Pit Bulls, Rottweilers, Chow Chows, Doberman Pinschers, Siberian Huskies, Perro de Presa Canario, and wolf hybrids. Exceptions to this rule can be made only for (i) a certified military working dog that is being boarded by its handler/trainer or (ii) a specific dog that has been approved by the Installation Commander in writing.
- b. Exotic animals are prohibited, including, but not limited to: monkeys, pot-bellied pigs, hedgehogs, skunks, raccoons, squirrels, ferrets, rodents (including mice and rats but excluding hamsters, gerbils and guinea pigs).
- c. Reptiles, arachnids and insects are prohibited.
- d. Farm, ranch, and wild animals are prohibited.
- e. Caged birds, fish and authorized rodents (hamsters, gerbils and guinea pigs) in cages may be boarded in the Premises in addition to the two authorized pets, and do not require a Pet Addendum or pet deposit.

Residents are responsible for informing guests that guests' pets are not allowed in the Premises or common areas. Residents will not be permitted to use the Premises to care for pets belonging to other persons without the written consent of Owner. Additional information on the pet policies and pet care is provided in the Community Handbook.

11. **Community Handbook and Rules/Regulations.** Resident acknowledges receipt of the Community Handbook in effect as of the date of this Lease Agreement, the provisions of which are incorporated into this Lease Agreement. Resident agrees to comply with all occupancy rules and regulations contained in the Community Handbook whether now in effect or subsequently issued by Owner. Violation of the occupancy rules and regulations contained within the Community Handbook may be considered a violation of this Lease Agreement. Owner will provide thirty (30) day advance notice to Resident of a revision to the

Community Handbook and then deliver the revised Community Handbook to Resident. Occupancy rules and regulations adopted after Resident enters into this Lease Agreement are not valid if such rules and regulations substantially modify Resident's bargain and, after receiving notice of the substantial modification by any means including the revised Community Handbook, Resident objects in writing to Owner within thirty (30) days of receiving such notice.

12. **Parking.** Resident will operate and park all vehicles in accordance with guidelines stated in the Community Handbook. All vehicles must be licensed with current license plates and must be in operating condition. Unauthorized or illegally parked vehicles will be towed by Owner at Resident's expense. Owner assumes no responsibility or liability whatsoever for loss of or damage to any vehicle while parked in the Neighborhood. Boats, trailers, and oversized vehicles are not permitted in the Neighborhood except for loading and offloading activities unless Owner has granted permission in writing.
13. **Repairs/Alterations/Liens.** Resident will not alter or repair the interior, exterior, or the structure of the Premises in any way without express written consent of Owner. Alteration includes, but is not limited to, painting, wallpaper, fixtures, modification of electrical appliances, or installation of telecommunication devices, including satellite dishes and/or antennae. No mechanical, electrical, plumbing or structural equipment or major appliances or configuration on any part of the Premises may be repaired, altered, modified, installed or removed without express written consent of Owner. Resident is liable for the cost to restore any alterations or repairs made by Resident, unless Owner approves that the alteration may remain in place on the Premises. Additional information on alterations, decorating and satellite dishes are provided in the Community Handbook.

Resident may not encumber the Premises or permit any person to claim or assert any lien for the improvement or repair of the Premises made by Resident. Resident shall notify all parties performing work on the Premises at Resident's expense that the Lease Agreement does not allow any such liens to attach to Owner's interest.

14. **Maintenance.** Owner will maintain the Neighborhood and the mechanical and electrical devices within the Premises in a clean, safe, and workable condition. Resident will report all needed repairs to Owner. Service requests during regular working hours are to be reported to FCRM or other designated service request location. Repairs shall be made within a reasonable time following notification during normal business hours. Emergency maintenance service is available after hours to handle requests of a true emergency nature that cannot wait until normal business hours. If such repairs are of an emergency nature, the repairs shall be addressed within a reasonable time under the circumstances. Additional information on Owner-provided maintenance may be found in the Community Handbook.

Owner is not responsible for any inconvenience or loss caused by necessary repairs to the Premises, the Neighborhood, appliances or any other equipment, provided that, to the extent allowed by law, neither Owner nor any of Owner's contractors or agents are responsible for the damage through negligence or willful misconduct. Temporary suspension of services within the Premises and in the Neighborhood is not a basis for ending this Lease Agreement or abating Rent if Owner is actively effecting repairs.

Resident shall maintain the Premises in a neat, clean and undamaged condition, in accordance with the Community Handbook. Resident agrees to (a) dispose of all fireplace ashes, rubbish, garbage, and waste in a clean and safe manner; (b) use all plumbing, electrical, sanitary, ventilating, air conditioning facilities, if applicable, and appliances in a safe and reasonable manner; and (c) not deface, damage, or otherwise harm any part of the Premises. Any damage(s) to glass on the Premises or in any common area caused by Resident, Occupants or guests shall be paid by Resident. Resident has inspected and tested all smoke detectors and carbon monoxide detectors and determined them to be in workable condition. Resident shall be responsible for testing smoke detectors and carbon monoxide detectors on a monthly basis, and replacing batteries. Resident, Occupant or guests shall not tamper with, or adjust or disconnect any smoke detectors or carbon monoxide detectors. Violation of this provision is a material breach or default of this Lease Agreement and shall entitle Owner to exercise all remedies available under state/local law. Resident shall notify Owner of all repair needs promptly. Resident shall be liable for any damages resulting from Resident's failure to promptly notify Owner.

Owner will perform an annual physical maintenance inspection of the Premises to ensure housing maintenance quality standards. Owner will schedule the inspection with Resident at least five (5) days in advance of the date of the inspection. The inspection will be conducted during normal duty hours.

Resident is responsible for grounds maintenance of the backyard of the Premises, if fenced, and snow removal for individual entry walks, as further specified in the Community Handbook. Resident is responsible for mowing, trimming and edging the area within the fenced backyard in accordance with grounds maintenance standards. A list of the responsibilities and standards regarding grounds maintenance is provided in the Community Handbook. Failure to maintain grounds is a material breach of this Lease Agreement. Owner may waive this requirement in certain circumstances including, but not limited to, deployment of Resident.

15. **Damage to the Premises.**

- a. If, by no fault of Resident, Occupant or any guest, the Premises is totally or partially damaged or destroyed by fire, earthquake, accident or other casualty that render the Premises totally or partially uninhabitable, either Owner or Resident may terminate this Lease Agreement by giving the other written notice within fourteen (14) days after the date of such damage, which shall be effective retroactively to the date on which the Premises became totally or partially uninhabitable. If either party elects to terminate the Lease Agreement, then Owner shall relocate the Resident according to Section 18(b). If Resident terminates, Resident shall not be subject to the Early Termination Fee noted in Section 29(c). Monthly Rent shall be abated as of the date the Premises becomes totally or partially uninhabitable. The abated amount shall be the current Monthly Rent prorated on a thirty (30) day period. If this Lease Agreement is not terminated by either party and Resident remains in the Premises, then Owner shall promptly repair the damage and Monthly Rent shall be reduced based on the extent to which the damage interferes with Resident's reasonable use of the Premises.
- b. If the damage to the Premises is a result of a negligent, reckless or deliberate action of Resident, Occupant or guests, only Owner shall have the right to terminate this Lease Agreement, and no reduction in Monthly Rent shall be made. Resident will be responsible for payment of the repair and damages to the Premises caused by Resident, Occupant or guest and to restore the Premises to its original condition, less ordinary wear and tear. Failure to pay such amount is a material breach or default of this Lease Agreement.

16. **Waiver.** If Owner does not exercise any of its rights immediately, Owner may exercise these rights at a later date, provided it is within the Term.

17. **Joint and Individual Liability.** If there is more than one Resident (i.e. multiple service members in the same family), each of them shall be jointly and individually responsible for the performance of all obligations of Resident under this Lease Agreement, including, but not limited to, any damage caused to the Premises or Neighborhood by Residents, Occupants or Residents' guest, jointly with every other Resident, and individually, whether or not in possession.

18. **Right to Relocate.** Owner reserves the right to relocate Resident due to (i) construction, renovations or demolition, or (ii) habitability conditions. Prior to Owner exercising such right, Owner will give Resident no less than a thirty (30) day advance notice and Owner and Resident will enter into a Relocation Addendum.

- a. For a relocation due to construction, renovation and/or demolition, Owner will attempt to offer Resident another Premises in the same Housing Category. If Resident accepts another Premises, then this Lease Agreement will continue and be amended as necessary for the new Premises. If Owner cannot provide a suitable Premises or Resident declines to remain on the Installation, then Resident shall be responsible for securing housing outside the Installation and Owner may terminate this Lease Agreement as provided in Section 30(b). Whether Resident moves to another Premises or moves off of the Installation, the relocation will be at no cost to Resident. Additional information on relocation can be found in the Community Handbook.

b. If the Premises becomes uninhabitable for any reason not caused by Resident, then Owner may relocate Resident either temporarily or permanently. In either case, Owner shall be responsible for the cost of the relocation. If the relocation is temporary, then Resident can expect to move back into the Premises. If the relocation is permanent, Owner will attempt to offer Resident another Premises in the same Housing Category. If Resident accepts another Premises, then this Lease Agreement will continue and be amended as necessary for the new Premises. If Owner cannot provide a suitable Premises or Resident declines to remain on the Installation, then Resident shall be responsible for securing housing outside the Installation and Owner shall pay the cost of the relocation, whereupon this Lease Agreement will be terminated. If Resident or his/her Occupants or guests causes the Premises to become uninhabitable, then Owner, in its sole discretion, may offer Resident another suitable Premises. Whether Resident relocates to another Premises or has to move off of the Installation, Resident will be responsible for the relocation and will pay for relocation expenses in addition to the cost to repair any habitability deficiencies that Resident, Occupants, or guests caused in the Premises.

19. **Entry onto the Premises.** Owner or anyone allowed by Owner, including but not limited to a licensed exterminator for the purpose of pest control, may enter the Premises during the hours of 9:00 a.m. - 6:00 p.m., Monday through Saturday, after giving Resident forty-eight (48) hours advance notice. If there is an emergency, Owner may enter the Premises without giving Resident advance notice. Upon notice by either party of intent to terminate tenancy, Resident agrees to permit Owner to show the Premises to prospective residents during the hours of 9:00 a.m.—6:00 p.m. Monday through Saturday after giving Resident forty-eight (48) hours advance notice. Owner may also enter the Premises after a forty-eight (48) hour notice has been posted if the Premises appears to have been abandoned by Resident and Owner has not received notice of absence from Resident.

20. **Locks and other Entry Devices.** All devices (access cards, codes, keys, garage door openers, etc.) issued to Resident for access to common areas, garages, units, etc. are the property of Owner to be utilized solely by and held in possession of Resident and authorized Occupants. These devices are subject to the provisions in the Community Handbook and may be subject to additional rules and regulations as issued by Owner. If Resident provides an entrance device to any person without first obtaining written permission from Owner, other than a key to Resident's Premises, it shall constitute a material breach of this Lease Agreement and Owner may terminate tenancy.

Locks shall not be changed, altered or replaced nor shall new locks be added by Resident without the written permission of Owner. Any locks so permitted to be installed shall become the property of Owner and Resident must promptly provide a key to Owner.

21. **Abandonment.** Any personal property left in the Premises after Resident has vacated or has been evicted is considered abandoned. If Owner determines the personal property to be of value, Owner will mail a notice to Resident at Resident's forwarding or last known address. If Owner does not receive a response and/or the abandoned property is not claimed within fourteen (14) days, Owner has the unilateral right to dispose of said property.

22. **Assignment and Sublet.** Resident shall not sublet all or any part of the Premises, or assign or transfer this Lease Agreement or any interest in it. Any assignment, transfer or subletting of the Premises or this Lease Agreement by voluntary act of Resident, operation of law or otherwise, shall be null and void and, at the option of Owner, terminate this Lease Agreement.

23. **Breach by Resident.** Each obligation of the Lease Agreement is material and violation of any obligation or misrepresentation of any information is a breach of the Lease Agreement. Owner may, at its option, enforce the performance of this Lease Agreement and/or may give notice to Resident of its election to terminate the Lease Agreement.

If Resident does not pay Rent when due, then Owner may give Resident written notice demanding payment. If Rent is not paid within the time period specified in the notice (but not less than three [3] days after receipt of the notice), then Owner may take any or all actions regarding collections as stated in the Community Handbook. Owner may employ an attorney or collection agency to obtain the overdue Rent, or

Owner may terminate this Lease Agreement. If Owner employs an attorney or collection agency, Resident must pay the fees and costs of that attorney or collection agency.

If Resident fails to comply with any of the non-monetary terms of the Lease Agreement, including damaging the Premises or violating any of the rules and regulations contained in the Community Handbook, or other restrictions, Owner will give Resident written notice ("Notice of Violation/Breach") of the violation/breach and that the Lease Agreement will terminate upon a date not less than fourteen (14) days from the receipt of written notice, if the breach is not remedied within that time period.

If Resident fails to comply with South Carolina law materially affecting health and safety (Section 27-40-510 of South Carolina Code), and that non-compliance can be remedied by cleaning or by the repair and/or replacement of a damaged item, and Resident fails (i) to comply as promptly as conditions require in case of emergency or (ii) within fourteen (14) days after written notice by Owner specifying the breach and requesting that Resident remedy it within that period of time, then Owner may enter the Premises and cause the work to be done and Resident shall reimburse Owner for its cost. In addition, Owner shall have all the remedies available to it under the law.

If Resident fails to comply with South Carolina law materially affecting health and safety (Section 27-40-510 of South Carolina Code) other than as set forth above, and Resident fails (i) to comply as promptly as conditions require in case of emergency or (ii) within fourteen (14) days after written notice by Owner specifying the breach and requesting that Resident remedy it within that period of time, then Owner may terminate this Lease Agreement.

If the breach of the Lease Agreement is due to Resident's, Occupants' and/or guests' use of the Premises for unlawful purposes, or if Resident, Occupants or guests cause or threaten to cause injury to any person, Owner may terminate the Lease Agreement.

Neither Owner nor Resident shall forfeit or waive any existing or future right or remedy by pursuing a lawsuit. Resident's eviction by a court or other breach of this Lease Agreement or Owner's Service of a Notice of Termination of Tenancy on Resident shall not release Resident from liability for payment for the balance of the Term of the Lease Agreement.

24. **Security**. Resident acknowledges that Owner has not made any written or oral representations concerning safety of the Neighborhood or the effectiveness/operability of any security devices or security measures.

Resident acknowledges that Owner does not warrant or guaranty the safety or security of Residents, Occupants, and their guests or invitees against criminal or wrongful acts of third parties. Each Resident, Occupant, guest and invitee is responsible for protecting his or her own person and property.

Resident acknowledges that security devices or measures may fail or be thwarted by criminals or by electrical or mechanical malfunction. Therefore, Resident acknowledges that they should not rely on such devices or measures and should protect themselves and their property as if these devices or measures did not exist.

25. **Estoppel Certification**. Resident will, at any time and from time to time, not less than fifteen (15) days after request by Owner, execute, acknowledge and deliver to Owner a statement in writing, executed by Resident, certifying (a) that this Lease Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Lease Agreement is in full force and effect as modified, and setting forth such modifications) and the dates to which the Rent and other sums payable hereunder have been paid; (b) that there is no existing default hereunder or specifying each such default of which the signer may have knowledge; and (c) that Resident does not have any actual or pending claim against Owner.

26. **Hold Harmless**. Unless the injury or damage is due to the specific negligence of Owner, to the extent allowable by and not inconsistent with state and federal law, Owner will not be liable for any injury to any person or damage or loss to any property of Resident, any Occupant, guest or invitee. Except as otherwise provided by and allowable by law and not inconsistent with law and this Lease Agreement, Owner will not be liable for the loss or damage to Resident's personal property from theft, vandalism, fire, water damage,

smoke, Owner supplied appliances, operating systems, interruption of utility services, or other cause, unless due to the specific negligence of Owner. If for any reason Owner agrees to render services such as handling furniture, cleaning, delivering or accepting packages or providing access, Resident specifically agrees to hold Owner harmless from all liability in connection with such services to the extent not prohibited or inconsistent with state and federal law.

To the extent allowable by state and federal law and not inconsistent with such, the Owner shall not be liable to Resident for any lack of access to the Premises, the Neighborhood, or any other land under the control of the Federal Government.

27. **Delivery of Premises.** Owner will make a good faith effort to make the Premises available to Resident on the Lease Commencement Date. If any delay does occur, Monthly Rent will not be due until the Premises is available to Resident. Resident may terminate this Lease Agreement if Owner is not able to deliver the Premises to the Resident within five (5) days after the Lease Commencement Date, and any payment(s) made under this Lease Agreement will be refunded.
28. **Resident's Obligations Upon Vacating the Premises.** Resident has certain obligations prior to termination of the Lease Agreement and vacating the Premises. The obligations include:
- a. Resident shall (i) give Owner all copies of all keys or opening devices to the Premises and any common areas; (ii) vacate and surrender the Premises to Owner, empty of all persons; (iii) vacate any and all parking and/or storage space; (iv) clean and deliver the Premises to Owner in the same condition as it was delivered upon Lease Commencement Date, less ordinary wear and tear, following the cleaning requirements for move-out in Exhibit A of the Community Handbook; (v) remove all debris; and (vi) give written notice to Owner of Resident's forwarding address.
 - b. Any alterations made to the Premises by Resident (including painting and wallpapering) must be restored to its original condition, unless Owner has given written approval for the alteration to remain in place. All alterations/improvements left by Resident at termination and that are made by or caused to be made by Resident, without Owner's consent, shall be deemed abandoned and may be disposed of or retained by Owner upon termination. Owner may charge Resident for restoration of the Premises to the condition it was in prior to any alterations/improvements by Resident unless Owner approved in writing for the alteration to remain.
 - c. Owner shall perform a pre-move out inspection and inform Resident in writing of any potential move-out charges that may be assessed. At Resident's option, Resident may attend such pre-move out inspection. Resident shall be given an opportunity to remedy identified deficiencies prior to termination, consistent with the terms of this Lease Agreement. Deficiencies identified in the pre-move out inspection and not remedied by Resident will be remedied by Owner and the cost of the remedies will be the responsibility of Resident.
 - d. Owner shall perform a final move out inspection at the time Resident vacates the Premises. Resident or a Resident appointed representative with power of attorney must attend such final move out inspection. Resident will be charged a cleaning fee if the Premises is not properly cleaned. Resident will be assessed charges for any damages to the Premises, except ordinary wear and tear. If Resident or Resident representative with power of attorney does not schedule and attend an inspection of the Premises, Resident will accept Owner's assessment of damages as permitted.
 - e. Move-out requirements are further specified in the Community Handbook.
29. **Termination by Resident Prior to Expiration of Term.**
- a. Resident shall have the right to terminate this Lease Agreement if he/she: (i) retires, (ii) is released from active duty, (iii) is transferred via permanent change-of-station (PCS) beyond a twenty-five (25)-mile radius of the Installation, (iv) receives orders for deployment for more than ninety (90) days, or (v) is ordered to occupy public quarters. In such cases, Resident will furnish Owner a copy of his/her official orders not less than thirty (30) days before such termination date unless such notification

cannot be made at no fault of Resident (i.e. short notice assignment). This Lease Agreement may also terminate on Resident's death, at the option of the surviving spouse or other immediate family member as provided in Section 34 below. Notwithstanding the above, Resident shall have the right to terminate this Lease Agreement as provided in the Servicemembers' Civil Relief Act, as shall Resident's dependents as provided in the Servicemembers' Civil Relief Act.

- b. In order to terminate this Lease Agreement under Section 29(a) above, Resident (or, in the case of death, the surviving spouse or personal representative of the estate) shall provide Owner a written thirty (30) day notice of intent to vacate (accompanied by appropriate forms/documents evidencing the circumstances giving rise to such right). The foregoing thirty (30) day period can be reduced or waived by Owner under special circumstances, and will be waived if such notification cannot be made at no fault of Resident (i.e. short notice assignment). If Resident terminates this Lease Agreement early under Section 29(a) above, then Resident will not be assessed a penalty for early termination. However, Resident is still responsible to turn over the Premises in accordance with the terms of this Lease Agreement and the Community Handbook. The surviving non-military spouse residing in the Premises at the time of death of Resident shall have the right to elect to either terminate the Lease Agreement as set forth above or remain in the Premises under this Lease Agreement for a maximum period of twelve (12) months from the month of Resident's death, with Rent paid directly to Owner.
- c. If Resident terminates this Lease Agreement prior to the Lease Expiration Date as shown on Page 1 Number 4b for any reason not specified herein, Resident must provide notice to Owner at least thirty (30) days prior. Resident will be required to pay an Early Termination Fee equal to one month's Monthly Rent, together with any outstanding Additional Rent or other amounts owed to Owner as of the date of termination. Resident shall not be required to pay the amount of Monthly Rent owed for the remainder of the Term. The Community Handbook contains additional details on the move out process for early termination.

30. **Termination by Owner Prior to Expiration of Term.**

- a. If Resident or Resident's family member is debarred from the Installation by the Commander in accordance with the authority provided in 18 U.S.C. § 1382, and the debarment voids Resident's status as a Resident, Resident shall vacate the Premises no later than thirty (30) days from the date of the loss of status as a Resident. It shall then be lawful for Owner to enter into said Premises, and again have, repossess, and enjoy the same as if this Lease Agreement had not been made, and thereupon this Lease Agreement and everything contained therein shall cease and be void. However, Owner shall have the right of action for arrears of rent or breach of covenant, and the commencement of a proceeding or suit in forcible entry and detainer or ejectment, after any default by Resident, shall be equivalent in every respect to actual entry by Owner. In the case of any such default and entry by Owner, Owner may relet the Premises for the remainder of said Term and recover from Resident any deficiency between the amount so obtained and the Rent herein required to be paid.
- b. Owner may, at its sole discretion and after providing thirty (30) days written notice to Resident, terminate this Lease Agreement because of construction, renovation, demolition or habitability issues affecting the Premises. If Owner terminates for any of these reasons, Owner shall provide for Resident's relocation according to Section 18(b).
- c. Owner may terminate this Lease Agreement if Resident is in default under any of the covenants, terms or conditions of this Lease Agreement including the rules and regulations contained in the Community Handbook.
- d. In addition, Owner may terminate this Lease Agreement for the following reasons:
 - (i) Misuse or illegal use of the Premises, or conduct of Resident, Occupants and/or guests which is detrimental to Neighborhood safety and health; use of the Premises for commercial transactions not permitted in advance in writing by Owner;
 - (ii) Unacceptable care of or damage to the Premises;

- (iii) When Resident, in the act of apparent abandonment and as a result of voluntary action, ceases to reside personally in the Premises;
- (iv) For criminal activity by any Resident, Occupant, guest or any other person under Resident's control as permitted by federal, state, and local laws. Criminal activity includes, but is not limited to, felonies and misdemeanors; or
- (v) If the Government determines that Resident is no longer eligible for housing.

Notwithstanding the above, if Resident is no longer eligible for housing due to Resident or other Occupant being denied eligibility by the Installation Commander due to sex offender status, then Owner shall terminate this Lease Agreement.

31. **Insurance.** Owner shall maintain insurance that covers the Premises and contents provided by Owner. Resident acknowledges that neither Owner nor the Government has any liability whatsoever for any loss or damage to Resident's personal property or leasehold improvements. Resident may have rights and remedies under the Military Personnel and Civilian Employees Claims Act (MPCECA). Resident should contact the Installation's legal office for additional information regarding MPCECA.

Owner shall, at its sole cost and expense, make Renter's Insurance available to Resident. Resident must apply through Owner for such coverage and will be insured, upon acceptance for coverage by Owner's insurer. Resident shall not be unreasonably refused insurance coverage. The insurance policy shall be a \$250 deductible comprehensive, named-peril replacement cost value policy with a replacement cost endorsement valued at no less than \$20,000 per eligible military member and his/her family. The policy shall cover Resident's personal property in the Premises including, without limitation, any property removable by Resident under the provisions of this Lease Agreement and all leasehold improvements installed in the Premises by or on behalf of the Resident, against loss or damage caused by the following: theft, fire or lightning, windstorm or hail, explosion, riot or civil commotion, aircraft or vehicle damage, smoke damage, vandalism or malicious mischief, loss breakage, glass breakage, falling objects, damage caused by weight of ice, snow or sleet, water damage from an accidental discharge from plumbing or Heating, Ventilating and Air Conditioning (HVAC) system, sudden and accidental tearing apart, cracking, burning, or bulging of an HVAC, fire prevention or sprinkler system or an appliance for heating water, freezing damage to plumbing, HVAC or household appliances, and electrical surge damage. The policy shall provide \$100,000 in liability coverage for Residents and their families. Owner shall not be responsible for paying the deductible or providing supplemental coverage or costs for coverage provided by a different policy. Resident shall pay the \$250 deductible, if required, at the time of a claim. Resident is encouraged to carry additional insurance for high value personal property. Waterbeds and aquariums in excess of thirty-five (35) gallons are not permitted without providing Owner with a valid water damage insurance policy.

32. **Weapons and Guns.** The possession of personal firearms, government-owned arms, ammunition and any other weapons will be in accordance with state, county and local laws and any applicable regulations or policies on the Installation. All firearms must be registered with FCRM using a Weapons Registration Form within three (3) days of occupancy or procurement of firearms. Firearms must also be registered as required by the Installation's security forces. Firearms and ammunition must be stored separately in safe, locked locations. Loaded firearms in the Premises are prohibited, but Resident may engage in the hand loading of ammunition. Potentially explosive components such as primers and powders must be stored in separate locked boxes. Displaying or discharging a weapon in the Neighborhood is prohibited. Hand grenades, bombs, and blasting explosives are also prohibited. Failure to adhere to this provision or other provisions within the Community Handbook regarding weapons and guns is a material breach of this Lease Agreement and may result in immediate eviction from the Premises.

33. **Resident Consent to Relocate.** In addition to any relocation pursuant to Section 18 or any Relocation Addendum, Resident consents to comply with the following relocations, if applicable:

- a. The Installation Commander shall have the authority to restrict the general public from occupancy of nonseverable housing units and designated historical housing units. In the event of vacancies in such

housing units, the Installation Commander may require a Resident residing in a severable housing unit be relocated to nonseverable or designated historical housing units. The Government shall pay all costs of such relocation.

- b. If Resident is occupying a Premises with special accessibility or readily adaptable features, and Resident and Occupants do not require such features, then Resident agrees to relocate when Owner informs Resident that another family having a person with a disability requires the Premises. Resident's relocation will be at Owner's expense. Resident and Owner shall sign an Accessible/Adaptable Unit Relocation Addendum acknowledging this consent at the time this Lease is executed.

34. **Change in Resident's Status.** Resident shall notify Owner within thirty (30) days of a change in housing eligibility status (e.g. loss of dependents, divorce or separation).

Resident may request a move to a Premises in another Housing Category: (i) for the Resident's rank in the event of promotion or demotion, or (ii) if the Resident's bedroom qualification changes. In either case, the move would be voluntary and at the Resident's expense.

If Resident should die, Resident's spouse or another adult Occupant in Resident's immediate family who is residing in the Premises at the time of the death has the right to either terminate this Lease Agreement or extend it, at the same Monthly Rent, for a maximum period of twelve (12) months from the month of the Resident's death.

If any other change of status or condition causes Resident to lose housing eligibility or for an Occupant to remain in the Premises without Resident, then Resident or Occupant, as appropriate, must submit a request for retention of the Premises to the Installation Commander or delegated authority within fifteen (15) days of the change in status. If retention is denied, then the Premises must be vacated within thirty (30) days from receipt of denial. If retention is approved:

- a. The determination of Rent shall be in accordance with Section 4 of this Lease Agreement.
- b. If Resident is still receiving BAH, then Monthly Rent shall continue to be paid by allotment. If Resident is no longer entitled to BAH, then all Rent will be paid directly to Owner when due. If the Premises is retained by an Occupant(s) without Resident, then all Rent will be paid by the Occupant directly to Owner when due. The amount of Monthly Rent will continue to be the BAH rate with dependents of the Resident who vacated the Premises.
- c. All other terms and conditions of the Lease Agreement shall remain in full force and effect.

35. **Installation Commander's Rights Not Impaired.** Nothing contained in this Lease shall be construed to diminish, limit, or restrict any right, prerogative, or authority of the Installation Commander as established in law, regulation, military custom, or elsewhere. The Installation Commander has the inherent authority and obligation to ensure good order and discipline on the Installation. The Military Rules of Evidence recognize the power of the Installation Commander to authorize searches of military property and property situated on a military installation. All of the Installation (including, without limitation, any housing unit located on the Installation) is under military control and is subject to the Installation Commander's authority. The authorities of the Installation Commander include, but are not limited to, the following:

- The authority to provide force protection and police protection services in accordance with 10 U.S.C. §2872a at levels deemed appropriate by the Government for on-base privatized housing.
- The authority to promulgate and enforce security regulations and restrict public access to the Installation, to include regulations delineating parameters for authorized entry to or exit from the Installation, pursuant to 50 U.S.C. §797. Such rules shall accord privatized housing employees of Owner and its affiliates who have passed an agency background check unescorted access (with escort privileges) to the Installation.

- The authority to conduct background checks utilizing the Installation's access requirements with respect to contractor employees, privatized housing employees, and privatized housing applicants and residents.
- The authority to bar individuals, to include individuals residing in any privatized housing Unit, from the Installation pursuant to 18 U.S.C. §1382 and Department of Defense Instruction 5200.8.
- The authority to conduct inspections or searches of individuals entering, leaving, or present on the Installation pursuant to Military Rule of Evidence 314, 10 U.S.C. §802 et seq. and 50 U.S.C. §797.
- The authority to issue search authorizations based on probable cause on the Installation pursuant to Military Rule of Evidence 315, 10 U.S.C. §802 et seq. and 50 U.S.C. §797.
- The authority to conduct disaster preparedness exercises and/or emergency recovery operations on the Installation in accordance with 50 U.S.C. §797 and Department of Defense Instruction 5200.8 Exercises with the potential to disrupt privatized housing operations will be pre-coordinated with Resident at least twenty-four (24) hours in advance.
- The authority to exercise emergency health powers on the Installation pursuant to Department of Defense Directive 6200.3 in the event of a public health emergency due to biological warfare, terrorism, or other communicable disease epidemic.
- The authority to (i) approve or disapprove applications from persons seeking to rent privatized housing when either an applicant or another prospective occupant of the rental unit is a sex offender, (ii) issue barment orders to anyone living in a privatized housing unit or any visitor who is found to be a sex offender, and (iii) establish procedures for the mandatory disclosure of information regarding sex offender status from housing applicants, Resident, and Occupants.

Any references to statutes, directives, regulations, or instructions set forth above shall be deemed to refer to both those authorities in effect at the date of lease signing and to those authorities as they may subsequently be amended, revised, superseded, rescinded, or repealed.

36. **Dispute Resolution.** This Lease Agreement is an agreement only between Resident and Owner, and is not an agreement between Owner and any Government entity. Resident and Owner agree to resolve any differences between themselves informally to the best of their ability. If Resident has a particular dispute pertaining to the Premises that Owner has not resolved to Resident's satisfaction, then Resident will follow the dispute resolution procedures specified in the Community Handbook. If Owner and Resident still cannot resolve the dispute after completing the dispute resolution procedures, then Resident must seek independent legal advice.
37. **Notices.** All notices must be in writing. Any notices to Owner will be delivered to FCRM as listed on Page 1 of the Lease Agreement and to Resident at the Premises. Delivery of a notice to the Resident or any adult Occupant is notice to all Residents and Occupants of the Premises. If Owner cannot deliver a notice to the Resident or any adult Occupant, Owner may post the notice in a conspicuous place on the Premises. The notice will be deemed received when delivered or posted on the Premises.
38. **Change in Ownership/Subordination.** This Lease Agreement and Resident's rights under this Lease Agreement are subordinate to all existing and any future financing, loans, or leases on the building or land.
39. **Severability.** If one or more of the paragraphs of this Lease Agreement are determined to be invalid, the remainder of this Lease Agreement will remain in effect.
40. **Controlling Document.** In the event of any ambiguity, conflict, inconsistency, or incongruity between the provisions or references of this Lease Agreement and the Community Handbook or any exhibits or attachments to this Lease Agreement, then the provisions of this Lease Agreement shall, in all respects, govern and control. In the event of a conflict between any addenda to this Lease Agreement and any provision within the Lease Agreement or Community Handbook, the addendum shall govern and control.

[Signatures of parties on first page of Lease Agreement]