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RESIDENTIAL LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as the "Agreement") made and entered into this _____ day of _____, 20____, by and between _____ (hereinafter referred to as the "Landlord") and _____ (hereinafter referred to as "Tenant").

WITNESSETH

WHEREAS, Landlord is the fee owner of certain real property being, lying and situated in _____ County, Tennessee, such real property having a street address of _____ (hereinafter referred to as the "Premises"); and

WHEREAS, Landlord desires to lease the Premises to Tenant, and Tenant desires to lease the Premises from Landlord, upon the terms and conditions as contained herein.

NOW, THEREFORE, for and in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

I - TERM

Landlord leases to Tenant and Tenant leases from Landlord the above described Premises together with any and all appurtenances thereto, for a term of _____ [specify number of months or years], such term beginning on _____, and ending at 12 o'clock midnight on _____. If the Premises are sold during the term, Landlord may terminate this Agreement by giving the Tenant a thirty (30) day written notice to that effect. Tenant hereby waives any recourse he may have in law or in equity against Landlord for any and all losses, damages, costs and expenses arising or resulting, either directly or indirectly, from said termination.

II - RENT

2.1 The total rent for the term hereof is the sum of _____ DOLLARS (\$_____) payable on the _____ day of each month of the term, in equal installments of _____ DOLLARS (\$_____). All such payments shall be made to Landlord at Landlord's address as set forth in Section XXIV of this Agreement on or before the due date and without demand.

2.2 Landlord acknowledges that _____ DOLLARS (\$_____) of Tenant's monthly rent will be paid by the Morristown Housing Authority Section 8 ("MHA, Section 8"). Tenant shall be responsible for the payment of the difference between the MHA Section 8 payment and the total monthly Rent payable pursuant to this Agreement.

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2.3 For the period from Tenant's move-in date of _____, 20____, through the end of the month, Tenant will pay to Landlord the prorated monthly rent of _____ DOLLARS (\$_____). This sum will be paid upon the due execution of this Agreement.

2.4 In the event that any payment required to be paid by Tenant hereunder is not made within three (3) days of when due, Tenant shall pay to Landlord, in addition to such payment or other charges due hereunder, a late charge equal to **ten (10%) percent** of the total rent for the Term. Late charges are due at the time they are incurred.

2.5 If any check offered by Tenant to Landlord in Payment of Rent or any other sum due under this Agreement is returned for lack of sufficient funds, or if a "Stop" payment is placed on any such check or if returned for any other reason, Tenant will pay Landlord a returned check charge of **Thirty-Five Dollars (\$35.00)**, plus any additional bank fees charged to Landlord.

III - SECURITY DEPOSIT

Upon the due execution of this Agreement, Tenant shall deposit with Landlord the sum of _____ DOLLARS (\$_____) receipt of which is hereby acknowledged by Landlord, as a security deposit for the faithful performance of all the terms and conditions of this Agreement, and for any damage caused to the Premises during the term hereof. Under no circumstances shall this security deposit be construed as rent, and Tenant shall not be entitled to any interest on same. The security deposit will be returned to Tenant, without interest, only upon the occurrence of all the following conditions: (a) payment of all rent due; and (b) the vacating of the Premises in clean condition; and (c) the return of all keys to Landlord; and (d) the removal of abandoned articles; and (e) upon furnishing a forwarding address to Landlord. Deductions from the security deposit shall be made for any damages done to the Premises, normal wear and tear excepted, including, but not limited to, insufficient light bulbs, scratches, burns, stains, holes in walls, as well as other damages to the Premises, carpet cleaning, and unpaid late charges. After all the above conditions have been complied with by Tenant, the security deposit will be sent to the forwarding address furnished by Tenant, along with an itemized accounting of any charges or damages or other sums owed by Tenant, no later than thirty (30) days after the termination of this Agreement. In no event shall Tenant have the right to withhold payment of the last month's Rent or any portion thereof on the ground that the security deposit serves as security for the unpaid Rent.

IV - UTILITIES

Tenant shall be responsible for arranging for and paying for all utility services required on the Premises. Utilities must be left on for a period of four (4) days after Tenant has vacated the Premises. Failure to do so shall constitute the forfeiture of the security deposit provided for by Section III herein.

V - USE OF PREMISES

The Premises shall be used and occupied by Tenant and Tenant's immediate family, consisting of _____

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_____, exclusively, as a private single family dwelling, and no part of the Premises shall be used at any time during the term of this Agreement by Tenant for the purpose of carrying on any business, profession, or trade of any kind, or for any purpose other than as a private single family dwelling. Tenant shall not allow any other person, other than Tenant's immediate family or transient relatives and friends who are guests of Tenant, to use or occupy the Premises without first obtaining Landlord's written consent to such use. Tenant shall comply with any and all laws, ordinances, rules and orders of any and all governmental or quasi-governmental authorities affecting the cleanliness, use, occupancy and preservation of the Premises.

VI - CONDITION AND SURRENDER OF PREMISES

Tenant stipulates, represents and warrants that Tenant has examined the Premises and its appurtenances, and that they are at the time of this Lease in good order, repair, and in a safe, clean and tenantable condition. Upon the expiration of the term hereof, Tenant shall surrender the Premises and its appurtenances in as good a state and condition as they were at the commencement of this Agreement, reasonable use and wear and tear thereof and damages by the elements excepted.

VII - ASSIGNMENT AND SUB-LETTING

Tenant shall not assign this Agreement, or sub-let or grant any license to use the Premises or any part thereof without the prior written consent of Landlord, which consent Landlord may withhold at his sole discretion. 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 option, terminate this Agreement.

VIII – ALTERATIONS AND IMPROVEMENTS

Tenant shall make no alterations to the buildings or improvements on the Premises or construct any building or make any other improvements on the Premises without the prior written consent of Landlord. Any and all alterations, changes, and/or improvements built, constructed or placed on the Premises by Tenant shall, unless otherwise provided by written agreement between Landlord and Tenant, be and become the property of Landlord and remain on the Premises at the expiration or earlier termination of this Agreement.

IX - MAINTENANCE AND REPAIR; RULES

9.1 Tenant will, at its sole expense, keep and maintain the Premises and appurtenances in good and sanitary condition and repair during the term of this Agreement and any renewal thereof. Without limiting the generality of the foregoing, Tenant shall:

- (a) Not obstruct the driveways, sidewalks, courts, entry ways, stairs and/or halls, which shall be used for the purposes of ingress and egress only;
- (b) Keep all windows, glass, window coverings, doors, locks and hardware in good, clean order and repair; and not obstruct or cover the windows or doors;
- (c) Not leave windows or doors in an open position during any inclement weather;

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- (d) 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;
- (e) Not cause or permit any locks or hooks to be placed upon any door or window without the prior written consent of Landlord;
- (f) Keep all air conditioning filters clean and free from dirt (change filters every two (2) months);
- (g) Keep all lavatories, sinks, toilets, and all other water and plumbing apparatus in good order and repair and shall use same only for the purposes for which they were constructed. Tenant shall not allow any sweepings, rubbish, sand, rags, ashes or other substances to be thrown or deposited therein. Any damage to any such apparatus and the cost of clearing stopped plumbing resulting from misuse shall be borne by Tenant;
- (h) Tenant's family and 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, or otherwise disturb other residents;
- (i) Keep all radios, television sets, stereos, phonographs, etc., turned down to a level of sound that does not annoy or interfere with other residents;
- (j) 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;
- (k) Abide by and be bound by any and all rules, regulations and restrictions affecting the Premises or the common area appurtenant thereto or the subdivision where the Premises are located. Tenant acknowledges having received and having read a copy of the above-mentioned rules, regulations and restrictions;
- (l) Properly operate, service and maintain any electrical or mechanical equipment which is a part of the Premises, including, without limitation, dishwashers, garbage disposals, automatic range and ovens, refrigerators and freezing units, attic fans, heating and air conditioning equipment, automatic clothes washers and dryers, swimming pools and equipment, and automatic lawn sprinkling equipment. Tenant acknowledges that these equipments have been delivered by the Landlord in good operating order and that Tenant shall surrender same in good operating order at the termination of this lease. Any service, maintenance, or repair for other than worn out parts or equipment will be at the Tenant's sole expense.

9.2 Smoking is strictly forbidden in all Krenzer Property Management rental units. If Tenant chooses to smoke, Tenant may do so outside of the Premises. If Tenant smokes inside the Premises, Tenant will immediately forfeit the security deposit. There are no exceptions to this rule.

9.3 Tenant shall be responsible for professionally cleaning the carpet at the expiration of term hereof. Landlord recommends Pro-Clean (423) 581-4769. If Tenant does not professionally clean the carpet, Landlord will do so after Tenant has vacated the Premises and the cost shall be deducted from Tenant's security deposit.

9.4 Any repairs that need to be made to the Premises or its appurtenances are to be executed through Krenzer Property Management. If Tenant makes a repair by himself or pays someone to do it, Tenant WILL NOT be reimbursed. Krenzer Property Management may be contacted in the manner provided for in Section XXIV hereof. Repairs include, but are not limited to: appliance repair, air condition/heating unit repair,

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electrical, plumbing, hot water heater, water damage, floor/wall damage, or any other defect/damage to the property.

X - NON-DELIVERY OF PREMISES

In the event Landlord cannot deliver possession of the Premises to Tenant upon the commencement of the Lease term, through no fault of Landlord or its agents, then Landlord or its agents shall have no liability, but the rental herein provided shall abate until possession is given. Landlord or its agents shall have thirty (30) days in which to give possession, and if possession is tendered within such time, Tenant agrees to accept the demised Premises and pay the rental herein provided from that date. In the event possession cannot be delivered within such time, through no fault of Landlord or its agents, then this Agreement and all rights hereunder shall terminate.

XI - DAMAGE TO PREMISES

In the event the Premises are destroyed or rendered wholly uninhabitable by fire, storm, earthquake, or other casualty not caused by the negligence of Tenant, this Agreement shall terminate from such time except for the purpose of enforcing rights that may have then accrued hereunder. The rental provided for herein shall then be accounted for by and between Landlord and Tenant up to the time of such injury or destruction of the Premises, Tenant paying rentals up to such date and Landlord refunding rentals collected beyond such date. Should a portion of the Premises thereby be rendered uninhabitable, the Landlord shall have the option of either repairing such injured or damaged portion or terminating this Lease. In the event that Landlord exercises its right to repair such uninhabitable portion, the rental shall abate in the proportion that the injured parts bears to the whole Premises, and such part so injured shall be restored by Landlord as speedily as practicable, after which the full rent shall recommence and the Agreement continue according to its terms.

XII - TENANT'S INSURANCE

The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. Tenant shall, at its own expense, maintain a policy of comprehensive general liability insurance with respect to the Premises with the premiums thereon fully paid on or before due date, issued by and binding upon a reputable insurance company, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Section. Tenant shall not keep on the Premises any item of a dangerous, flammable or explosive character that might unreasonably increase the danger of fire or explosion on the Premises or that might be considered hazardous or extra hazardous by any responsible insurance company.

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XIII - INSPECTION OF PREMISES

Landlord and Landlord's agents shall have the right at all reasonable times during the term of this Agreement and any renewal thereof to enter the Premises for the purpose of inspecting the Premises and all buildings and improvements thereon. And for the purposes of making any repairs, additions or alterations as may be deemed appropriate by Landlord for the preservation of the Premises or the building. Landlord and its agents shall further have the right to exhibit the Premises and to display the usual "for sale", "for rent" or "vacancy" signs on the Premises at any time within forty-five (45) days before the expiration of this Lease. The right of entry shall likewise exist for the purpose of removing placards, signs, fixtures, alterations or additions, which do not conform to this Agreement or to any restrictions, rules or regulations affecting the Premises.

XIV - SUBORDINATION OF LEASE

This Agreement and Tenant's interest hereunder are and shall be subordinate, junior and inferior to any and all mortgages, liens or encumbrances now or hereafter placed on the Premises by Landlord, all advances made under any such mortgages, liens or encumbrances (including, but not limited to, future advances), the interest payable on such mortgages, liens or encumbrances and any and all renewals, extensions or modifications of such mortgages, liens or encumbrances.

XV - TENANT'S HOLD OVER

If Tenant remains in possession of the Premises with the consent of Landlord after the natural expiration of this Agreement, a new tenancy from month-to-month shall be created between Landlord and Tenant which shall be subject to all of the terms and conditions hereof except that such tenancy shall be terminable upon Thirty (30) days written notice served by either party. Failure by Tenant to give such notice shall constitute the forfeiture of the security deposit herein.

XVI - PETS

Tenant shall be entitled to keep no more than _____ (____) domestic dogs, cats or birds; however, at such time as Tenant shall actually keep any such animal on the Premises, Tenant shall pay to Landlord a **NON-REFUNDABLE** pet deposit of TWO HUNDRED AND FIFTY DOLLARS (**\$250.00**) which shall be used upon the termination or expiration of this Agreement for the purposes of cleaning the carpets of the building.

XVII - INDEMNIFICATION

Landlord shall not be liable for any damage or injury of or to the Tenant, Tenant's family, guests, invitees, agents or employees or to any person entering the Premises or the building of which the Premises are a part or to goods or equipment, or and Tenant hereby agrees to indemnify, defend and hold Landlord harmless from any and all claims or assertions of every kind and nature.

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XIII - DEFAULT

If Tenant fails to comply with any of the material provisions of this Agreement, other than the covenant to pay rent, or of any present rules, regulations or restrictions, or any that may be hereafter prescribed by Landlord, or materially fails to comply with any duties imposed on Tenant by statute, within seven (7) days after delivery of written notice by Landlord specifying the non-compliance and indicating the intention of Landlord to terminate the Lease by reason thereof, Landlord may terminate this Agreement. If Tenant fails to pay rent when due and the default continues for seven (7) days thereafter, Landlord may, at Landlord's option, declare the entire balance of rent payable hereunder to be immediately due and payable and may exercise any and all rights and remedies available to Landlord at law or in equity or may immediately terminate this Agreement.

XIX - ABANDONMENT

If at any time during the term of this Agreement Tenant abandons the Premises or any part thereof, Landlord may, at Landlord's option, obtain possession of the Premises in the manner provided by law, and without becoming liable to Tenant for damages or for any payment of any kind whatever. Landlord may, at Landlord's discretion, as agent for Tenant, re-let the Premises, or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such re-letting, and, at Landlord's option, hold Tenant liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term, if this Agreement had continued in force, and the net rent for such period realized by Landlord by means of such re-letting. If Landlord's right of reentry is exercised following abandonment of the Premises by Tenant, then Landlord shall consider any personal property belonging to Tenant and left on the Premises to also have been abandoned, in which case Landlord may dispose of all such personal property in any manner Landlord shall deem proper and Landlord is hereby relieved of all liability for doing so.

XX - ATTORNEY FEES

Should it become necessary for Landlord to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of rentals or gaining possession of the Premises, Tenant agrees to pay all expenses so incurred, including a reasonable attorneys' fee.

XXI - RECORDING OF AGREEMENT

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 including forfeiture of the security deposit.

XXII - MISCELLANEOUS

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Tennessee. 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

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persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law. 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. If more than one individual have executed this Agreement as Tenant, than they are jointly and severally responsible for the execution and performance of the terms and conditions of this Agreement. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural. No indulgence, waiver, election or non-election by Landlord under this Agreement shall affect Tenant's duties and liabilities hereunder. 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.

XXIII - 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: KRENZER PROPERTY MANAGEMENT, Care Of: property
 Manager, 525 West Morris Blvd, Suite C, Morristown, TN 37813.
 Telephone: (423) 289-0030 / (423) 581-8881
 Web Site: <http://www.krenzerproperty.com>

If to Tenant to: At the Premises

Landlord shall 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 Tenant.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Residential Lease Agreement on the date first above written.

LANDLORD:

Sign: _____ Print: _____

TENANT:

Sign: _____ Print: _____

TENANT:

Sign: _____ Print: _____

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