

**CITY OF SAN ANTONIO
DEPARTMENT OF COMMUNITY INITIATIVES
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

SUBJECT: Supportive Housing Program Grant Agreement Amendment and agreement with the San Antonio Housing Authority.

DATE: May 5, 2005

SUMMARY AND RECOMMENDATIONS

- A. This ordinance authorizes the execution of a grant agreement amendment with the U. S. Department of Housing and Urban Development (HUD) for the 2001 Supportive Housing Program (SHP) and approves a revised budget for the 2001 Supportive Housing Program.
- B. This ordinance authorizes the execution of an agreement with the San Antonio Housing Authority (SAHA) for the lease of 16 transitional housing units for the period May 15, 2005 to May 31, 2007 and authority to execute a Transitional Housing Program Agreement for homeless residents.

Staff recommends approval of these ordinances.

BACKGROUND INFORMATION

Pursuant to Ordinance numbers 100285 and 100286, on January 13, 2005, the Department of Community Initiatives was authorized to support the relocation of 16 transitional families from the Dwyer Avenue Center (DAC) to a SAHA complex. Funds in the amount of \$34,176 were transferred from Dwyer operations to pay lease costs to SAHA through a HUD grant agreement amendment. Due to subsequent fiscal considerations by the SAHA Board, the time authorized to execute the San Antonio Housing Authority agreement expired and the families remained at Dwyer. On April 7, 2005, following successful resolution of the agreement terms, SAHA's Board voted in favor of the agreement. Accordingly, DCI is again requesting Council authorization to execute an agreement with SAHA for 16 transitional housing units for the period of May 15, 2005 to May 31, 2007.

Currently, under the 2001 SHP the City has a three-year grant agreement with HUD whereby HUD provides funding to support 16 units at the DAC for transitional homeless families. Families can reside at the DAC for up to 24 months while City staff and a number of other community-based organizations work with the families as they prepare to live independently. The relocation to the SAHA complex will provide an independent living environment that will

advance their transition to permanent housing. Families will continue to receive all supportive services as mandated by HUD, to include: transportation, legal assistance, counseling and access to medical services.

An ordinance is also required that will authorize an amendment to the HUD agreement that will reallocate \$29,904 from the lease category to Dwyer operations and maintenance, which will partially reverse the reallocation made in January, 2005. This action is required because of the lapse in time required to obtain SAHA approval of the agreement and is needed to support the concurrent expenses accrued at the Dwyer Avenue Center.

The agreement with SAHA authorizes the rental of 16 units for transitional families. The City will pay monthly rent of \$534 per apartment, of which \$100 is for utilities. Residents will be assessed a monthly program fee of up to 30% of their adjusted gross income, in accordance with HUD requirements. Funds from the Supportive Housing Program grant will support the lease of the 16 transitional housing units from SAHA.

POLICY ANALYSIS

These ordinances continue existing City policy to utilize grant funds to support the City's Human Development core issues of Family Strengthening and Community Safety Net by providing transitional housing and supportive services to homeless residents of San Antonio and Bexar County. These ordinances will enable the Department of Community Initiatives to provide transitional housing to 16 families at SAHA units. The subsequent vacancies will enable the Department of Community Initiatives to provide much needed emergency shelter to "intact families" at the DAC location. This effort is consistent with the Mayor's Task Force recommendations in the Hunger and Homelessness Ten Year Plans, adopted by Council on January 27, 2005.

FISCAL IMPACT

The Dwyer Avenue Center programs are funded through multiple funding streams. The Dwyer Avenue Center received funding from the 2001 Supportive Housing Program (SHP) through May 2005. Of those funds, \$29,904 will be reallocated from the lease category to operations and maintenance of the Dwyer Avenue Center. Continued funding of this program has been conditionally awarded in the 2004 Supportive Housing Program grant. Ninety thousand dollars in general funds allocated by City Council in the FY05 budget toward homeless efforts will partially defray the cost of operational expenses for the 16 family emergency units created at the Dwyer.

COORDINATION


Coordination has occurred with the City Attorney's Office, Finance Department, Office of Management and Budget, San Antonio Housing Authority, and the U.S. Department of Housing and Urban Development.

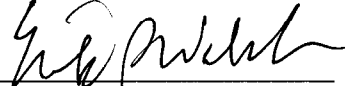
SUPPLEMENTARY COMMENTS

Acceptance of 2004 Supportive Housing Program Grant funds, which include funds for the Dwyer Transitional Housing Program, is scheduled for City Council consideration on May 19, 2005.

Provisions of the Ethics Ordinance do not apply.


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant City Manager


J. Rolando Bono
Interim City Manager

MEMORANDUM OF AGREEMENT BETWEEN
THE CITY OF SAN ANTONIO
AND THE
SAN ANTONIO HOUSING AUTHORITY

This Memorandum of Agreement is entered into by and between the City of San Antonio (hereinafter referred to as the "City"), a Texas municipal corporation, acting by and through its Director of Community Initiatives as authorized by City Council on _____, pursuant to Ordinance No. _____, and the Housing Authority of the City of San Antonio, Texas d/b/a San Antonio Housing Authority (hereinafter referred to as "SAHA").

WHEREAS, the City and SAHA (hereinafter referred to as "the Parties") are dedicated to providing housing assistance to low-income residents; and

WHEREAS, each of the Parties wishes to promote the public purpose of providing a community safety net for families in need of transitional housing assistance;

NOW THEREFORE:

IT IS HEREBY AGREED that the Parties participate in the City's Transitional Housing Program (hereinafter referred to as "THP"). Such participation shall be defined in accordance with the following parameters and limitations:

1. TERM.

This Memorandum of Agreement shall commence on May 15, 2005 and shall terminate on May 31, 2007 unless earlier termination or extension shall occur pursuant to any provision hereof.

2. CONSIDERATION.

City agrees to pay SAHA \$6,944.00 per month for 16 units (\$434.00 per unit for rent) for 16 families participating in the THP. This payment includes maintenance costs for make-ready, rental and general operation of said 16 units. City agrees to also pay SAHA \$1,600.00 per month for 16 units (\$100.00 per unit) for utilities. As additional consideration, the following amounts shall be paid by the City via deduction from any amounts to be paid to the City by the San Antonio Housing Finance Corporation, an entity affiliated with SAHA:

All utility charges in excess of \$100 per month per unit for the 16 units from and after initial occupancy by a THP tenant until the expiration of the term of this Memorandum of Agreement;

SAHA agrees to invoice the City for the designated THP apartment units on a monthly basis. Said invoice shall be submitted to City of San Antonio, Department of Community Initiatives, Fiscal Section P.O. Box 839966, San Antonio, TX 78283-3966. The City shall remit payment on submitted invoices within thirty (30) days from receipt of said invoices.

SAHA understands that funds provided pursuant to this Agreement are funds which have been made available to the City by the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD") through the Supportive Housing Program ("SHP").

3. PROGRAM GUIDELINES.

The intent of the THP is to provide transitional housing assistance to eligible San Antonio families as determined by the City's THP staff in accordance with the policies and provisions of the THP. SAHA shall have no responsibility for the eligibility screening of any participants or any other aspect of the THP program other than those responsibilities defined in the SCOPE OF WORK described below.

4. SCOPE OF WORK.

SAHA agrees to ensure that the non-profit affiliated entity owning the Apartments defined herein shall:

- a) Provide the City 16 apartment units, either two-bedrooms (approximately 985 square feet) or town homes (approximately 1,134 square feet), at the location ("Apartments") specified in that certain grant agreement ("Grant Agreement") between the City and HUD executed on June 24, 2002, as amended, and any future grant renewals for the same apartment units.
- b) Sign a lease with each THP tenant for a period not to exceed six (6) months. A copy of the lease is attached hereto for reference purposes as Attachment I.
- c) Include a clause in each THP tenant lease providing that non-compliance by tenant of any of the provisions under the Transitional Housing Program Agreement for Participation, ("THP Agreement") which is attached hereto for reference purposes as Attachment II, shall constitute a breach of the tenant's obligations under the lease. The lease shall also provide that it will terminate upon termination of this Memorandum of Agreement.
- d) Notify the City prior to instituting eviction proceedings or other legal actions against THP tenants. In the event of such eviction proceedings, SAHA agrees that it shall be obligated for any and all costs and expenses including attorney's fees and court costs for eviction of the THP tenant. It is understood and agreed to by the parties to this Memorandum of Agreement that the City shall not be responsible for the payment of said costs and expenses. This clause does not apply to those eviction proceedings initiated by the City pursuant to sections 4(e) and 4(h) of this Memorandum of Agreement.
- e) Notify the City sixty (60) days before expiration of each THP tenant lease for the City's approval or disapproval to renew each such lease. The City shall notify SAHA within twenty (20) days of its decision regarding renewal of the lease. If the City does not give SAHA approval, SAHA will not renew said lease with the THP tenant and shall notify the THP tenant of the City's non-renewal decision. In the event the City does not approve the renewal of a certain THP tenant lease, the City shall not be obligated to pay for any costs associated with the renewal of said tenant's lease, but shall be obligated for any and all costs and expenses, including attorney's fees and court costs, for eviction of the THP tenant.
- f) Provide make-ready on the designated THP apartment units within two (2) weeks from the date the THP Tenant moves out, in order to prepare for the new THP tenant.
- g) Provide routine maintenance and repairs to the designated THP apartment units in accordance with its standard lease and occupancy agreement.

- h) Institute an eviction proceeding against a THP tenant upon notification from the City to evict the tenant because said tenant has not complied with a provision in the Transitional Housing Program Agreement for Participation executed between the City and the THP tenant. The City shall be obligated for any and all costs and expenses, including attorney's fees and court costs, for eviction of the THP tenant.
- i) Provide a copy of each executed THP tenant lease to the City after the tenant executes said lease no later than ten (10) days from the date the tenant executes said lease.

City agrees to:

- a) Provide SAHA a list of the 16 tenants to be provided housing through the THP during initial occupancy. As apartments become vacant, the City will provide SAHA with the name of the next family to be housed.
- b) Provide SAHA \$534.00 per month per unit for sixteen (16) apartment units that contain THP tenants, and the additional consideration described in Section 2.
- c) Provide THP supportive services to all sixteen (16) THP families.
- d) Intervene and assist in mediation/resolution of THP tenant violations prior to eviction.
- e) Approve or disapprove a renewal of each THP tenant lease.
- f) Notify SAHA of tenant's non-compliance with the Transitional Housing Program Agreement for Participation executed between the City and tenant, and instruct SAHA to initiate and complete eviction proceedings against the tenant for such non-compliance. The City shall be obligated for any and all costs and expenses, including attorney's fees and court costs, for eviction of the THP tenant for non-compliance with the THP Program.
- g) Provide a caseworker familiar with the tenant and the Transitional Housing Program Agreement for Participation to assist in eviction proceedings when City has notified SAHA of tenant's non-compliance with said Transitional Housing Program Agreement for Participation.
- h) Remove the furniture provided by the City from the Apartments within 7 calendar days of termination of this Memorandum of Agreement as to any THP unit.

5. CONFIDENTIAL INFORMATION

The Parties agree to maintain the confidentiality of any record directly related to or generated as a result of this agreement in accordance with all Local, State, and Federal Laws. SAHA understands that work provided through this agreement is subject to the Public Information Act, Government Code Section 552.021.

The Public Information Act, Government Code Section 552.021, requires the City and State agencies including SAHA, to make public information available to the public. Under Government Code Section 552.002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business: 1) by a governmental body; or 2) for a governmental body and the governmental body owns the information or has a right of access to it. Therefore, if SAHA receives inquiries regarding documents within its possession pursuant to this agreement, SAHA shall (a) within twenty-four (24) hours of receiving the requests forward a copy of such request to City for notification purposes only and (b) take action as authorized under the Public Information Act to protect information that may be confidential pursuant to State or federal law.

6. TEXAS TORT CLAIMS ACT

SAHA and the City acknowledge they are either a state agency or a political subdivision of the State of Texas and are subject to, and comply with the applicable provisions of the Texas Tort Claims Act, as set out in the Texas Civil Practice and Remedies Code, §101.001 et seq. and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties for accident, injury or death. SAHA shall promptly advise the City in writing of any claim or demand against the City or SAHA known to SAHA related to or arising out of the tenant occupancies described in this instrument.

7. TERMINATION BY NOTICE

This Memorandum of Agreement may be terminated by either party upon written notice, provided such notice specifies an effective date of termination, which shall be not less than sixty (60) calendar days nor more than ninety (90) calendar days from the date such notice is received by the other party. If the notice does not specify a date of termination, the effective date of termination shall be sixty (60) calendar days after receipt of the notice by the other party.

8. TERMINATION FOR CAUSE

Should either party default in the performance of any of the terms or conditions of this Memorandum of Agreement, the other party shall deliver to the defaulting party written notice thereof specifying the matters on default. The defaulting party shall have ten (10) calendar days after its receipt of the written notice to cure such default. If the defaulting party fails to cure the default within such ten (10) day period, this Memorandum of Agreement shall terminate at 11:59 p.m. on the tenth day after the receipt of the notice by the defaulting party.

9. TERMINATION BY LAW

If any state or federal law or regulation is enacted or promulgated which prohibits the performance of any of the duties herein or if any law is interpreted to prohibit such performance, this Memorandum of Agreement shall automatically terminate as of the effective date of such prohibition.

10. TERMINATION DUE TO LACK OF FUNDING: SAHA agrees and understands that City expects to pay all obligations of this Agreement from projected revenue sources, but all obligations of City are subject to state and federal funding for the City of San Antonio, Department of Community Initiatives, and/or annual appropriations by the San Antonio City Council. Accordingly, contractual provisions notwithstanding, in the event that City shall fail to obtain sufficient state or federal or city funds to pay all of City's obligations under this agreement, City shall have the right to terminate this agreement by providing SAHA with sixty (60) calendar days written notice from the date SAHA receives said notice.

11. CONFLICT OF INTEREST

- 11.1 SAHA acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a City officer or employee; his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.
- 11.2 Pursuant to the section 11.1 of this Memorandum of Agreement, SAHA warrants and certifies, and this contract is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of the City. SAHA further warrants and certifies that it has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

12. NOTICES

For purposes of this agreement, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

City of San Antonio
Department of Community Initiatives
Community Action Division
P.O. Box 839966
San Antonio, TX 78283-3966

San Antonio Housing Authority
Property Management Department
818 South Flores
San Antonio, Texas 78204

13. AMENDMENT

Except where the terms of this Memorandum of Agreement expressly provide otherwise, any amendment to this Memorandum of Agreement shall not be binding on the parties unless such amendment be in writing, executed by all the Parties and dated subsequent to the date hereof.

14. COMPLIANCE WITH LAWS AND REGULATIONS

It is understood and agreed by the parties hereto, that changes in local, state and federal rules, regulations or laws applicable hereto, may occur during the term of this Memorandum of Agreement and that any such changes shall be automatically incorporated into this Memorandum of Agreement without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation or law. The Parties expressly agree to comply with all applicable federal, state, and local laws.

15. INDEPENDENT CONTRACTOR

The Parties agree that they will provide services under this Memorandum of Agreement as independent parties. The parties to this Memorandum of Agreement further agree that they have no authority to bind the other or to hold out to third parties that it has authority to bind the other; and nothing herein contained shall be deemed or construed by the parties hereto or any third party as creating the relationship of employer-employee, principal-agent, partners or joint venturers. Furthermore, there is no intention on the part of the Parties hereto to create or otherwise form a joint enterprise under or pursuant to this Memorandum of Agreement. The Parties to this Memorandum of Agreement do not have a pecuniary purpose, let alone a common one. The purpose of this Agreement is to further the public good, not to gain a profit. Each of the Parties to this Memorandum of Agreement has separate and independent duties and obligations over which they have control.

16. TEXAS LAW TO APPLY

This Memorandum of Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created herewith are performable in the State of Texas, County of Bexar.

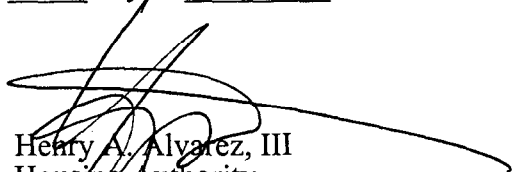
17. CAPTIONS

The captions contained in this agreement are for convenience of reference only, and in no way limit or enlarge the terms or conditions of this agreement.

This Memorandum of Agreement, together with its authorizing ordinance and exhibits, if any, shall constitute the full and final agreement between the parties hereto.

Agreed to by and between the below parties on this ____ day of ____, 2005.

Dennis J. Campa
Director
Department of Community Initiatives
City of San Antonio


Henry A. Alvarez, III
Housing Authority
of the City of San Antonio, Texas
President and CEO



Apartment Lease Contract

Date of Lease Contract _____
(when this Lease Contract is filled out)

This is a binding contract. Read carefully before signing.

Moving In — General Information

1. **PARTIES** This Lease Contract is between you, the resident(s) (list all people signing the Lease Contract): _____

_____ and us, the owner:

(name or apartment community or title holder) You've agreed to rent

Apartment No. _____ at _____ (street address)

in _____ (city),

Texas, _____ (zip code) for use as a private

residence only. The terms "you" and "your" refer to all residents listed above. The terms "we," "us," and "our" refer to the owner listed above and not to property managers or anyone else. Written notice to or from our managers constitutes notice to or from us. If anyone else has guaranteed performance of this Lease Contract, a separate Lease Contract Guaranty for each guarantor is attached.

2. **OCCUPANTS** The apartment will be occupied only by you and (list all other occupants not signing the Lease Contract): _____

No one else may occupy the apartment. Persons not listed above must not stay in the apartment for more than _____ consecutive days without our prior written consent, and no more than twice that many days in any one month. If the previous space isn't filled in, two days per month is the limit.

3. **LEASE TERM** The initial term of the Lease Contract begins on the _____ day of _____, (year), and ends at midnight on the _____ day of _____, (year). This Lease Contract will automatically renew month-to-month unless either party gives at least _____ days written notice of termination or intent to move out as required by paragraph 37. If the number of days isn't filled in, at least 30 days notice is required.

4. **SECURITY DEPOSIT** The total security deposit for all residents is \$_____, due on or before the date this Lease Contract is signed. This amount (check one): ☐ does or ☐ does not include an animal deposit. Any animal deposit will be stated in an animal addendum. See paragraphs 41 and 42 for security deposit return information.

5. **KEYS AND FURNITURE** You will be provided _____ apartment key(s), _____ mailbox key(s), and _____ other access devices for _____. Any resident, occupant, or spouse who, according to a remaining resident's affidavit, has permanently moved out or is under court order to not enter the apartment, is (at our option) no longer entitled to occupancy, keys, or other access devices. Your apartment will be (check one): ☐ furnished or ☐ unfurnished.

6. **RENT AND CHARGES** You will pay \$_____ per month for rent, payable in advance and without demand (check one):

☐ at the on-site manager's office, or

☐ at _____

Prorated rent of \$_____ is due for the remainder of (check one):

☐ 1st month or ☐ 2nd month, on _____

(year). Otherwise, you must pay your rent on or before the 1st

day of each month (due date) with no grace period. Cash is unacceptable without

our prior written permission. You must not withhold or offset rent unless

authorized by statute. We may, at our option, require at any time that you

pay all rent and other sums in cash, certified or cashier's check, money

order, or one monthly check rather than multiple checks. If you don't pay

all rent on or before the _____ day of the month and we haven't

given notice to vacate before that date, you'll pay an initial late charge

of \$_____ plus a late charge of \$_____ per day after that date until paid in full. Daily late charges will not exceed 15 days for any single month's rent. You'll also pay a charge of \$_____ for each returned check or rejected automatic electronic draft, plus initial and daily late charges from due date until we receive acceptable payment. If you don't pay rent on time, you'll be delinquent and all remedies under state law and this Lease Contract will be authorized. If you violate the animal restrictions of paragraph 27 or other animal rules, you'll pay an initial charge of \$_____ per animal (not to exceed \$100 per animal) and a daily charge of \$_____ per animal (not to exceed \$10 per day per animal) from the date the animal was brought into your apartment until it is finally removed. We'll also have all other remedies for such violation.

7. **UTILITIES** We'll pay for the following items, if checked: ☐ gas ☐ water ☐ wastewater ☐ electricity ☐ trash ☐ cable TV ☐ master antenna. You'll pay for all other utilities, related deposits, and any charges, fees, or services on such utilities during your Lease Contract term. You must not allow any utilities (other than cable TV) to be cut off or switched for any reason—including disconnection for not paying your bills—until the Lease Contract term or renewal period ends. If a utility is submetered or prorated by an allocation formula, we'll attach an addendum to this Lease Contract in compliance with state agency rules or city ordinance. If a utility is individually metered, it must be connected in your name and you must notify the utility provider of your move-out date so the meter can be timely read. If you delay getting it turned on in your name by lease commencement or cause it to be transferred back into our name before you surrender or abandon the unit, you'll be liable for a \$_____ charge (not to exceed \$50), plus the actual or estimated cost of the utilities used while the utility should have been connected in your name. If you are in an area open to competition and your unit is individually metered, you may choose or change your retail electric provider at any time. If you qualify, your provider will be the same as ours, unless you choose a different provider. If you choose or change your provider, you must give us written notice. You must pay all applicable provider fees, including any fees to change service back into our name after you move out.

8. **INSURANCE** Our insurance does not provide coverage for your personal property. We urge you to get your own insurance for losses due to theft, fire, water damage, and the like. You intend to (check one):

☐ not buy insurance to protect against such losses, or

☐ buy insurance from your own agent to cover such losses.

If neither is checked, we acknowledge that you will not have insurance coverage.

9. **SECURITY DEVICES** What We Must Provide: Texas law requires, with some exceptions, that we must provide at access to your home occupancy begins: (1) a window latch on each window; (2) a door lock or (perch) on each exterior door; (3) a pin lock on each sliding door; (4) either a door handle latch or a security bar on each sliding door; (5) a keyless bolting device (dead bolt) on each exterior door; and (6) either a keyed door knob lock or a keyed dead bolt lock on each exterior door. Keyed locks will be replaced after the prior resident moves out. The rekeying will be done either before you move in or within 7 days after you move in, as required by statute. If we fail to install or rekey security devices as required by the Property Code, you have the right to deduct the reasonable cost from your next rent payment under Section 92.165(1) of the Code.

What You Are Now Requesting: Subject to some limitations, under Texas law you may at any time ask us to: (1) install one keyed dead bolt lock on an exterior door if it does not have one; (2) install a security bar on a sliding glass door if it does not have one; and (3) change or rekey locks or latches. We must comply with those requests, but you must pay for them. Subject to statutory restrictions on what security devices you may request, you are now requesting us to install or change at your expense:

If no door is filled in, then you are requesting none at this time.

Payment. We will pay for missing security devices that are required by statute. You will pay for: (1) rekeying that you request (except when we failed to rekey after the previous resident moved out); and (2) repairs or replacements due to misuse or damage by you or your family, occupants, or guests. You must pay immediately after the work is done unless state statute authorizes advance payment. You also must pay for additional or changed security devices you request, in advance or afterward, at our option.

Special Provisions and "What If" Clauses

10. **SPECIAL PROVISIONS.** The following or attached special provisions and any addenda or written rules furnished to you at or before signing will become a part of this Lease Contract and will supersede any conflicting provisions of this printed Lease Contract form.

11. **UNLAWFUL EARLY MOVE-OUT; RELETING CHARGE.** You'll be liable for a reletting charge of \$_____ (not to exceed 85% of the highest monthly rent during the Lease Contract term) if you: (1) fail to move in or fail to give written move-out notice as required in paragraphs 23 or 37; or (2) move out without paying rent in full for the entire Lease Contract term or renewal period; or (3) move out at our demand because of your default; or (4) are judicially evicted.

The reletting charge is not a cancellation fee and does not release you from your obligations under this Lease Contract. See the first paragraph of page 2.

YOUR INITIALS: _____ INITIALS OF OUR REPRESENTATIVE: _____

APARTMENT LEASE CONTRACT © 2003, TEXAS APARTMENT ASSOCIATION, INC.

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Not a Release. The reletting charge is not a Lease Contract cancellation fee or buyout fee. It is a liquidated amount covering only part of our damages, that is, our time, effort, and expense in finding and processing a replacement. These damages are uncertain and difficult to ascertain—particularly those relating to inconvenience, paperwork, advertising, showing apartments, utilities for showing, checking prospects, office overhead, marketing costs, and locator-service fees. You agree that the reletting charge is a reasonable estimate of such damages and that the charge is due whether or not our reletting attempts succeed. If no amount is stipulated, you must pay our actual reletting costs so far as they can be determined. The reletting charge does not release you from continued liability for future or past due rent, charges for cleaning, repairing, repainting, or unreturned keys, or other sums due.

- 12. DAMAGES AND REIMBURSEMENT.** You must promptly pay or reimburse us for loss, damage, consequential damages, government fines or charges, or cost of repairs or service in the apartment community due to: a violation of the Lease Contract or rules; improper use, negligence; or intentional conduct by you or your invitees, guests or occupants. You will indemnify and hold us harmless from all liability arising from the conduct of you, your invitees, guests, or occupants, or our representatives who perform at your request services not contemplated in this Lease Contract. Unless the damage or wastewater stoppage is due to our negligence, we're not liable for—and you must pay for—repairs, replacement costs, and damage to the following if occurring during the Lease Contract term or renewal period: (1) damage to doors, windows, or screens; (2) damage from windows or doors left open; and (3) damage from wastewater stoppages caused by improper objects in lines exclusively serving your apartment. We may require payment at any time, including advance payment of repairs for which you're liable. Delay in demanding sums you owe is not a waiver.

- 13. CONTRACTUAL LIEN AND PROPERTY LEFT IN APARTMENT.** All property in the apartment is forever, exempt under Section 54.042 of the Texas Property Code subject to a contractual lien to secure payment of delinquent rent. For this purpose, "apartment" excludes common areas but includes interior living areas and exterior patios, balconies, attached garages, and storerooms for your exclusive use.

Removal After We Exercise Lien for Rent. If your rent is delinquent, our representative may peacefully enter the apartment and remove and/or store all property subject to lien. Written notice of entry must be left afterwards in the apartment in a conspicuous place—plus a list of items removed. The notice must state the amount of delinquent rent and the name, address, and phone number of the person to contact about the amount owed. The notice must also state that the property will be promptly returned when the delinquent rent is fully paid. All property in the apartment is presumed to be ours unless proven otherwise.

Removal After Surrender, Abandonment, or Eviction. We or law officers may remove and/or store all property remaining in the apartment or in common areas (including any vehicles you or any occupant or guest owns or uses) if you are judicially evicted or if you surrender or abandon the apartment (see definitions in paragraph 42).

Storage. We will store property removed under a contractual lien. We may store, but have no duty to store, property removed after judicial eviction, surrender, or abandonment of the apartment. We're not liable for casualty loss, damage, or theft except for property removed under a contractual lien. You must pay reasonable charges for our packing, removing, storing, and selling any property. We have a lien on all property removed and stored after surrender, abandonment, or judicial eviction for all sums you owe, with one exception: Our lien on property listed under Property Code Section 54.042 is limited to charges for packing, removing, and storing.

Redemption. If we've seized and stored property under a contractual lien for rent as authorized by the Property Code, you may redeem the property by paying all delinquent rent due at the time of seizure. But if notice of sale (set forth as follows) is given before you seek redemption, you may redeem only by paying the delinquent rent and reasonable charges for packing, removing, and storing. If we've removed and stored property after surrender, abandonment, or judicial eviction, you may redeem only by paying all sums you owe, including rent, late charges, reletting charges, storage, damages, etc. We may

return redeemed property at the place of storage, the management office, or the apartment (at our option). We may require payment by cash, money order, or certified check.

Disposition or Sale. Except for animals and property removed after the death of a sole resident, we may throw away or give to a charitable organization all items of personal property that are: (1) left in the apartment after surrender or abandonment; or (2) left outside more than 1 hour after writ of possession is executed, following judicial eviction. Animals removed after surrender, abandonment, or eviction may be kenneled or turned over to local authorities or humane societies. Property not thrown away or given to charity may be disposed of only by sale, which must be held no sooner than 30 days after written notice of date, time, and place of sale is sent by both regular mail and certified mail (return receipt requested) to your last known address. The notice must itemize the amounts you owe and the name, address, and phone number of the person to contact about the sale, the amount owed, and your right to redeem the property. Sale may be public or private, is subject to any third-party ownership or lien claims, must be to the highest cash bidder, and may be in bulk, in batches, or item-by-item. Proceeds exceeding sums owed must be mailed to you at your last known address within 30 days after sale.

- 14. FAILING TO PAY FIRST MONTH'S RENT.** If you don't pay the first month's rent when or before the Lease Contract begins, all future rent will be automatically accelerated without notice and immediately due. We also may end your right of occupancy and recover damages, future rent, reletting charges, attorney's fees, court costs, and other lawful charges. Our rights, remedies, and duties under paragraphs 11 and 32 apply to acceleration under this paragraph.

- 15. RENT INCREASES AND LEASE CONTRACT CHANGES.** No rent increases or Lease Contract changes are allowed before the initial Lease Contract term ends, except for changes allowed by any special provisions in paragraph 10, by a written addendum or amendment signed by you and us, or by reasonable changes of apartment rules, allowed under paragraph 18. If, at least 3 days before the advance notice deadline referred to in paragraph 3, we give you written notice of rent increases or Lease Contract changes effective when the Lease Contract term or renewal period ends, this Lease Contract will automatically continue month-to-month with the increased rent or Lease Contract changes. The new modified Lease Contract will begin on the date stated in the notice (without necessity of your signature) unless you give us written move-out notice under paragraph 37.

- 16. DELAY OF OCCUPANCY.** If occupancy is or will be delayed for construction, repairs, cleaning, or a previous resident's holding over, we're not responsible for the delay. The Lease Contract will remain in force subject to: (1) abatement of rent on a daily basis during delay; and (2) your right to terminate as set forth below. Termination notice must be in writing. After termination, you are entitled only to refund of deposit(s) and any rent paid. Rent abatement or Lease Contract termination does not apply if delay is for cleaning or repairs that don't prevent you from occupying the apartment.

If there is a delay and we haven't given notice of delay as set forth immediately below, you may terminate up to the date when the apartment is ready for occupancy, but not later:

- (1) If we give written notice to any of you when or after the Lease Contract begins—and the notice states that occupancy has been delayed because of construction or a previous resident's holding over, and that the apartment will be ready on a specific date—you may terminate the Lease Contract within 3 days of your receiving the notice, but not later.
- (2) If we give written notice to any of you before the effective Lease Contract date and the notice states that construction delay is expected and that the apartment will be ready for you to occupy on a specific date, you may terminate the Lease Contract within 7 days after any of you receives a written notice, but not later. The readiness date is considered the new effective Lease Contract date for all purposes. This new date may not be moved to an earlier date unless we and you agree.

- 17. DISCLOSURE RIGHTS.** If someone requests information on you or your rental history for law-enforcement, governmental, or business purposes, we may provide it. At our request, any utility provider may furnish us information about pending or actual connections or disconnections of utility service to your unit.

While You're Living in the Apartment

- 18. COMMUNITY POLICIES OR RULES.** You and all guests and occupants must comply with any written apartment rules and community policies, including instructions for care of our property. Our rules are considered part of this Lease Contract. We may make reasonable changes to written rules, effective immediately, if they are distributed and applicable to all units in the apartment community and do not change dollar amounts on page 1 of this Lease Contract.

- 19. LIMITATIONS ON CONDUCT.** The apartment and other areas reserved for your private use must be kept clean. Trash must be disposed of at least weekly in appropriate receptacles in accordance with local ordinances. Passageways may be used only for entry or exit. Any swimming pools, saunas, spas, tanning beds, exercise rooms, storerooms, laundry rooms, and similar areas must be used with care in accordance with apartment rules and posted signs. Glass containers are prohibited in or near pools and all other common areas. You, your occupants, or guests may not anywhere in the apartment community: use candles or use kerosene lamps or

heaters without our prior written approval; cook on balconies or outside; or solicit business or contributions. Conducting any kind of business (including child care services) in your apartment or in the apartment community is prohibited—except that any lawful business conducted "at home" by computer, mail, or telephone is permissible if customers, clients, patients, or other business associates do not come to your apartment for business purposes. We may regulate: (1) the use of patios, balconies, and porches; (2) the conduct of furniture movers and delivery persons; and (3) recreational activities in common areas.

We may exclude from the apartment community guests or others who, in our judgment, have been violating the law, violating this Lease Contract or any apartment rules, or disturbing other residents, neighbors, visitors, or owner representatives. We may also exclude from any outside area or common area a person who refuses to show photo identification or refuses to identify himself or herself as a resident, occupant, or guest of a specific resident in the community.

- 20. PROHIBITED CONDUCT.** You and your occupants or guests may not engage in the following activities: criminal conduct; behaving in

a loud or obvious manner, disturbing or threatening the rights, comfort, health, safety, or convenience of others (including our agents and employees) in or near the apartment community; disrupting our business operations; manufacturing, delivering, or possessing a controlled substance or drug paraphernalia; engaging in or threatening violence; possessing a weapon prohibited by state law; discharging a firearm in the apartment community; displaying or possessing a gun, knife, or other weapon in the common area in a way that may alarm others; storing anything in closets having gas appliances; tampering with utilities or telecommunications; bringing hazardous materials into the apartment community, using windows for entry or exit; heating the apartment with a gas-operated cooking stove or oven; or injuring our reputation by making bad faith allegations against us to others.

21. **PARKING.** We may regulate the time, manner, and place of parking all cars, trucks, motorcycles, bicycles, boats, trailers, and recreational vehicles. Motorcycles or motorized bikes may not be parked inside an apartment unit or on sidewalks, under stairwells, or in handicapped parking areas. We may have unauthorized or illegally parked vehicles towed under an appropriate statute. A vehicle is unauthorized or illegally parked in the apartment community if it:

- (1) has a flat tire or other condition rendering it inoperable; or
- (2) is on jacks, blocks or has wheels missing; or
- (3) takes up more than one parking space; or
- (4) belongs to a resident or occupant who has surrendered or abandoned the apartment; or
- (5) is parked in a marked handicap space without the legally required handicap insignia; or
- (6) is parked in a space marked for office visitors, managers, or staff; or
- (7) blocks another vehicle from exiting; or
- (8) is parked in a fire lane or designated "no parking" area; or
- (9) is parked in a space marked for other residents or unit(s); or
- (10) is parked on the grass, sidewalk, or patio; or
- (11) blocks garbage trucks from access to a dumpster; or
- (12) has no current license, registration or inspection sticker, and we give you at least 10 days notice that the vehicle will be towed at the owner or operator's expense if not removed.

22. **RELEASE OF RESIDENT.** Unless you're entitled to terminate this Lease Contract under paragraphs 10, 16, 23, 31 or 37, you won't be released from this Lease Contract for any reason—including but not limited to voluntary or involuntary school withdrawal or transfer, voluntary or involuntary job transfer, marriage, separation, divorce, reconciliation, loss of co-residents, loss of employment, bad health, or death.

23. **MILITARY PERSONNEL CLAUSE.** You may terminate the Lease Contract if you enlist or are drafted or commissioned in the U.S. Armed Forces. You also may terminate the Lease Contract if:

- (1) you are (i) a member of the U.S. Armed Forces or reserves on active duty or (ii) a member of the National Guard called to active duty for more than 30 days in response to a national emergency declared by the President; and
- (2) you are either (i) given change-of-station orders to permanently depart the local area, (ii) deployed with a military unit for 90 days or more, or (iii) relieved or released from active duty.

After you deliver to us your written termination notice, the Lease Contract will be terminated under this military clause 30 days after the date on which your next rental payment is due. You must furnish us a copy of your permanent change-of-station order, call-up orders, or deployment orders or letter. Military permission for base housing doesn't constitute a permanent change-of-station order. After you move out, we'll return your security deposit, less lawful deductions. If you or any co-resident are a dependent of a servicemember covered by the U.S. Servicemembers Civil Relief Act, this Lease Contract may not be terminated under this paragraph without applying to a court and showing that your ability to comply with the Lease Contract is materially affected by reason of the servicemember's military service. A co-resident who is not your spouse or dependant cannot terminate under this military clause. Unless you state otherwise in paragraph 10, you represent when signing this Lease Contract that: (1) you do not already have deployment or change-of-station orders; (2) you will not be retiring from the military during the Lease Contract term; and (3) the term of your enlistment or obligation will not end before the Lease Contract term ends. You waive all rights to terminate if you misrepresent the facts in the preceding sentence.

24. **RESIDENT SAFETY AND PROPERTY LOSS.** You and all occupants and guests must exercise due care for your own and others' safety and security, especially in the use of smoke detectors, keyed deadbolt locks, keyless bolting devices, window latches, and other safety or security devices. You agree to make every effort to follow the Security Guidelines on page 5. Window screens are not for security or keeping people from falling out.

Smoke Detectors. We'll furnish smoke detectors as required by statute or city ordinance, and we'll test them and provide working batteries when you first take possession. After that, you must pay for and replace batteries as needed, unless the law provides otherwise. We may replace dead or missing batteries at your expense, without prior notice to us. Neither you nor others may disable smoke detectors. If you damage or disable the smoke detector or remove a battery without replacing it with a working battery, you may be liable to us under Section 92.2611 of the Property Code for \$100 plus one month's rent, actual damages, and attorney's fees. If you disable or damage the smoke detector, or fail to replace a dead battery or report malfunctions to us, you also will be liable to us and others for any loss, damage, or fines from fire, smoke, or water.

Casualty Loss. We're not liable to any resident, guest, or occupant for personal injury or damage or loss of personal property from fire, smoke, rain, flood, water leaks, hail, ice, snow, lightning, wind, explosions, interruption of utilities, theft, or vandalism unless otherwise required by law. We have no duty to remove any ice, sleet, or snow but may remove any amount with or without notice. Unless we instruct otherwise, you must—for 24 hours a day during freezing weather—(1) keep the apartment heated to at least 50 degrees;

(2) keep cabinet and closet doors open; and (3) drip hot and cold water faucets. You'll be liable for damage to our and others' property if damage is caused by broken water pipes due to your violating these requirements.

Crime or Emergency. Dial 911 or immediately call local medical emergency, fire, or police personnel in case of accident, fire, smoke, suspected criminal activity, or other emergency involving imminent harm. You should then contact our representative. You won't treat any of our security measures as an express or implied warranty of security, or as a guarantee against crime or of reduced risk of crime. Unless otherwise provided by law, we're not liable to you or any guests or occupants for injury, damage, or loss to person or property caused by criminal conduct of other persons, including theft, burglary, assault, vandalism, or other crimes. We're not obliged to furnish security personnel, security lighting, security gates or fences, or other forms of security unless required by statute. We're not responsible for obtaining criminal-history checks on any residents, occupants, guests, or contractors in the apartment community. If you or any occupant or guest is affected by a crime, you must make a written report to our representative and to the appropriate local law-enforcement agency. You also must furnish us with the law-enforcement agency's incident report number upon request.

25. **CONDITION OF THE PREMISES AND ALTERATIONS.** You accept the apartment, fixtures, and furnishings as, except for conditions materially affecting the health or safety of ordinary persons. We disclaim all implied warranties. You'll be given an Inventory and Condition form on or before move-in. Within 48 hours after move-in, you must sign and note on the form all defects or damage and return it to our representative. Otherwise, everything will be considered to be in a clean, safe, and good working condition.

You must use customary diligence in maintaining the apartment and not damaging or littering the common areas. Unless authorized by statute or by us in writing, you must not do any repairs, painting, wallpapering, carpeting, electrical changes, or otherwise alter our property. No holes or stickers are allowed inside or outside the apartment. But we'll permit a reasonable number of small nail holes for hanging pictures on sheetrock walls and in grooves of wood-paneled walls, unless our rules state otherwise. No water furniture, washing machines, additional phone or TV-cable outlets, alarm systems, or lock changes, additions, or rekeying is permitted unless statutorily allowed or we've consented in writing. You may install a satellite dish or antenna provided you sign our satellite dish or antenna lease addendum which complies with reasonable restrictions allowed by federal law. You agree not to alter, damage, or remove our property, including alarm systems, smoke detectors, furniture, telephone and cable TV wiring, screens, locks, and security devices. When you move in, we'll supply light bulbs for fixtures we furnish, including exterior fixtures operated from inside the apartment; after that, you'll replace them at your expense with bulbs of the same type and wattage. Your improvements to the apartment (whether or not we consent) become ours unless we agree otherwise in writing.

26. **REQUESTS, REPAIRS, AND MALFUNCTIONS. IF YOU OR ANY OCCUPANT NEEDS TO SEND A NOTICE OR REQUEST—FOR EXAMPLE, FOR REPAIRS, INSTALLATIONS, SERVICES, OR SECURITY-RELATED MATTERS—IT MUST BE SIGNED AND IN WRITING TO OUR DESIGNATED REPRESENTATIVE** (except in case of fire, smoke, gas, explosion, overflowing sewage, uncontrollable running water, electrical shorts, or crime in progress). Our written notes on your oral request do not constitute a written request from you.

Our complying with or responding to any oral request regarding security or non-security matters doesn't waive the strict requirement for written notices under this Lease Contract. You must promptly notify us in writing of: water leaks; mold; electrical problems; malfunctioning lights; broken or missing locks or latches; and other conditions that pose a hazard to property, health, or safety. We may change or install utility lines or equipment serving the apartment if the work is done reasonably without substantially increasing your utility costs. We may turn off equipment and interrupt utilities as needed to avoid property damage or to perform work. If utilities malfunction or are damaged by fire, water, or similar cause, you must notify our representative immediately. Air conditioning problems are normally not emergencies. If air conditioning or other equipment malfunctions, you must notify our representative as soon as possible on a business day. We'll act with customary diligence to make repairs and reconnections, taking into consideration when casualty insurance proceeds are received. Rent will not abate in whole or in part.

If we believe that fire or catastrophic damage is substantial, or that performance of needed repairs poses a danger to you, we may terminate this Lease Contract within a reasonable time by giving you written notice. If the Lease Contract is so terminated, we'll refund prorated rent and all deposits, less lawful deductions.

27. **ANIMALS.** No animals (including mammals, reptiles, birds, fish, rodents, and insects) are allowed, even temporarily, anywhere in the apartment or apartment community unless we've so authorized in writing. If we allow an animal, you must sign a separate animal addendum and pay an animal deposit. An animal deposit is considered a general security deposit. We will authorize a support animal for a disabled (handicapped) person. We may require a written statement from a qualified professional verifying the need for the support animal and we may charge an animal deposit for a support animal. You must not feed stray or wild animals.

If you or any guest or occupant violates animal restrictions (with or without your knowledge), you'll be subject to charges, damages, eviction, and other remedies provided in this Lease Contract. If an animal has been in the apartment at any time during your term of occupancy (with or without our consent), we'll charge you for defecating, deodorizing, and shampooing, burial and daily animal

YOUR INITIALS: _____ INITIALS OF OUR REPRESENTATIVE: _____

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violation charges and animal-removal charges are liquidated damages for our time, inconvenience, and overhead (except for attorney's fees and litigation costs) in enforcing animal restrictions and rules. We may remove an unauthorized animal by (1) leaving, in a conspicuous place in the apartment, a 24-hour written notice of intent to remove the animal, and (2) following the procedures of paragraph 28. We may keep or kennel the animal or turn it over to a humane society or local authority. When keeping or kenneling an animal, we won't be liable for loss, harm, sickness, or death of the animal unless due to our negligence. We'll return the animal to you upon request if it has not already been turned over to a humane society or local authority. You must pay for the animal's reasonable care and kenneling charges. We have no lien on the animal for any purpose.

28. **WHEN WE MAY ENTER.** If you or any guest or occupant is present, then repairers, servicers, contractors, our representatives, or other persons listed in (2) below may peacefully enter the apartment at reasonable times for the purposes listed in (2) below. If nobody is in the apartment, then such persons may enter peacefully and at reasonable times by duplicate or master key (or by breaking a window or other means when necessary) if:

- (1) written notice of the entry is left in a conspicuous place in the apartment immediately after the entry; and
- (2) entry is for: responding to your request; making repairs or replacements; estimating repair or refurbishing costs; performing pest control; doing preventive maintenance; checking for water leaks; changing filters; testing or replacing smoke-detector batteries; retrieving unreturned tools, equipment, or appliances; preventing waste of utilities; exercising our contractual lien; leaving notices; delivering, installing, reconnecting, or replacing appliances, furniture, equipment, or security devices; removing or rekeying

unauthorized security devices; removing unauthorized window coverings; stopping excessive noise; removing health or safety hazards (including hazardous materials); or items prohibited under our rules; removing perishable foodstuffs if your electricity is disconnected; removing unauthorized animals; cutting off electricity according to statute; retrieving property owned or leased by former residents; inspecting when immediate danger to person or property is reasonably suspected; allowing persons to enter as you authorized in your rental application (if you die, are incarcerated, etc.); allowing entry by a law officer with a search or arrest warrant, or in hot pursuit; showing apartment to prospective residents (after move-out or vacate notice has been given); or showing apartment to government representatives for the limited purpose of determining housing and life ordinance compliance, and to lenders, appraisers, contractors, prospective buyers, or insurance agents.

29. **MULTIPLE RESIDENTS OR OCCUPANTS.** Each resident is jointly and severally liable for all Lease Contract obligations. If you or any guest or occupant violates the Lease Contract or rules, all residents are considered to have violated the Lease Contract. Our requests and notices (including sale notices) to any resident constitute notice to all residents and occupants. Notices and requests from any resident or occupant (including notices of Lease Contract termination, repair requests, and entry permissions) constitute notice from all residents. In eviction suits, each resident is considered the agent of all other residents in the apartment for service of process. Any resident who defaults under this Lease Contract will indemnify the non-defaulting residents and their guarantors. Security deposit refunds may be by one check jointly payable to all residents; the check and any deduction itemizations may be mailed to one resident only.

Replacements

30. **REPLACEMENTS AND SUBLETTING.** Replacing a resident, subletting, or assignment is allowed only when we consent in writing. If departing or remaining residents find a replacement resident acceptable to us before moving out and we expressly consent to the replacement, subletting, or assignment, then:

- (1) a reletting charge will not be due;
- (2) a reasonable administrative (paperwork) fee will be due, and a rekeying fee will be due if rekeying is requested or required; and
- (3) the departing and remaining residents will remain liable for all Lease Contract obligations for the rest of the original Lease Contract term.

Procedures for Replacement. If we approve a replacement resident, then, at our option: (1) the replacement resident must sign this Lease Contract with or without an increase in the total security deposit; or (2) the remaining and replacement residents must sign an entirely new Lease Contract. Unless we agree otherwise in writing, your security deposit will automatically transfer to the replacement resident as of the date we approve. The departing resident will no longer have a right to occupancy or a security deposit refund, but will remain liable for the remainder of the original Lease Contract term unless we agree otherwise in writing—even if a new Lease Contract is signed.

Default by Either Party

31. **DEFAULT BY OWNER.** We'll act with customary diligence to:

- (1) keep common areas reasonably clean, subject to paragraph 25;
- (2) maintain fixtures, furniture, hot water, heating, and A/C equipment;
- (3) substantially comply with applicable federal, state, and local laws regarding safety, sanitation, and fire blocking; and
- (4) make all reasonable repairs, subject to your obligation to pay for damages for which you are liable.

If we violate any of the above, you may possibly terminate this Lease Contract and exercise other remedies under Property Code Section 92.056 by following this procedure:

- (a) all rent must be current and you must make a written request for repair or remedy of the condition after which we'll have a reasonable time for repair or remedy;
- (b) if we fail to do so, you must make a second written request for the repair or remedy (to make sure that there has been no miscommunication between us)—after which we'll have a reasonable time for the repair or remedy; and
- (c) if the repair or remedy still hasn't been accomplished within that reasonable time period, you may immediately terminate this Lease Contract by giving us a final written notice. You also may exercise other statutory remedies.

Instead of giving the two written requests referred to above, you may give us one request by certified mail, return receipt requested, or by registered mail—after which we will have a reasonable time for repair or remedy. "Reasonable time" takes into account the nature of the problem and the reasonable availability of materials, labor, and utilities. Your rent must be current at the time of any request. We will refund security deposits and prorated rent as required by law.

32. **DEFAULT BY RESIDENT.** You'll be in default if: (1) you don't pay rent or other amounts that you owe; (2) you or any guest or occupant violates this Lease Contract, apartment rules, or fire, safety, health, or criminal laws, regardless of whether arrest or conviction occurs; (3) you abandon the apartment; (4) you give incorrect or false answers in a rental application; (5) you or any occupant is arrested, charged, detained, convicted, or given deferred adjudication for a felony offense involving actual or potential physical harm to a person, or involving possession, manufacture, or delivery of a controlled substance, marijuana, or drug paraphernalia as defined in the Texas Controlled Substances Act; (6) any illegal drugs or paraphernalia are found in your apartment; or (7) you or any occupant, in bad faith, makes an invalid habitability complaint to an official or employee of a utility company or the government.

Eviction. If you default, we may end your right of occupancy by giving you a 24-hour written notice to vacate. Notice may be by: (1) regular mail; (2) certified mail, return receipt requested; (3) personal delivery to any resident; (4) personal delivery at the apartment to any occupant over 16 years old; or (5) affixing the notice to the inside of the apartment's main entry door. Termination of your possession rights or subsequent reletting doesn't release you from liability for future rent or other Lease Contract obligations. After giving notice to vacate or filing an eviction suit, we may still accept rent or other

sums due; the filing or acceptance doesn't waive or diminish our right of eviction, or any other contractual or statutory right. Accepting money at any time doesn't waive our right to damages, past or future rent or other sums; or to continue with eviction proceedings.

Acceleration. All monthly rent for the rest of the Lease Contract term or renewal period will be accelerated automatically without notice or demand (before or after acceleration) and will be immediately due and delinquent if, without our written consent: (1) you move out, remove property in preparing to move out, or give oral or written notice by you or any occupant of intent to move out before the Lease Contract term or renewal period ends; and (2) you've not paid all rent for the entire Lease Contract term or renewal period. Such conduct is considered a default for which we need not give you notice. Remaining rent also will be accelerated if you're judicially evicted or move out when we demand because you've defaulted. Acceleration is subject to our mitigation obligations below.

Holdover. You or any occupant, invitee, or guest must not hold over beyond the date contained in your move-out notice or our notice to vacate (or beyond a different move-out date agreed to by the parties in writing). If a holdover occurs, then: (1) holdover rent is due in advance on a daily basis and may become delinquent without notice or demand; (2) rent for the holdover period will be increased by 25% over the then-existing rent, without notice; (3) you'll be liable to us (subject to our mitigation duties) for all rent for the full term of the previously signed Lease Contract of a new resident who can't occupy because of the holdover; and (4) at our option, we may extend the Lease Contract term—for up to one month from the date of notice of Lease Contract extension—by delivering written notice to you or your apartment while you continue to hold over.

Other Remedies. If your rent is delinquent and we give you 5 days' prior written notice, we may terminate electricity that we've furnished at our expense, unless governmental regulations on submetering or utility proration provide otherwise. We may report unpaid amounts to credit agencies. If you default and move out early, you will pay us any amounts stated to be rental discounts agreed to in writing, in addition to other sums due. Upon your default, we have all other legal remedies, including Lease Contract termination and statutory lockout under Section 92.0081 of the Property Code. Unless a party is seeking exemplary, punitive, sentimental, or personal-injury damages, the prevailing party may recover from the non-prevailing party attorney's fees and all other litigation costs. Late charges are liquidated damages for our time, inconvenience, and overhead in collecting late rent (but are not for attorney's fees and litigation costs). All unpaid amounts bear 18% interest per year from due date, compounded annually. You must pay all collection-agency fees if you fail to pay all sums due within 10 days after we mail you a letter demanding payment and stating that collection agency fees will be added if you don't pay all sums by that deadline.

Mitigation of Damages. If you move out early, you'll be subject to paragraph 11 and all other remedies. We'll exercise customary diligence to relet and minimize damages. We'll credit all subsequent rent that we actually receive from subsequent residents against your liability for past-due and future rent and other sums due.

General Clauses

- 33. MISCELLANEOUS.** *Neither we nor any of our representatives have made any oral promises, representations, or agreements. This Lease Contract is the entire agreement between you and us. Our representatives (including management personnel, employees, and agents) have no authority to waive, amend, or terminate this Lease Contract or any part of it, unless in writing and no authority to make promises, representations, or agreements that impose security duties or other obligations on us or our representatives unless in writing. No action or omission of our representative will be considered a waiver of any subsequent violation, default, or time or place of performance. Our not enforcing or belatedly enforcing written notice requirements, rental due dates, acceleration, liens, or other rights isn't a waiver under any circumstances. Except when notice or demand is required by statute, you waive any notice and demand for performance from us if you default. Written notice to or from our managers constitutes notice to or from us. Any person giving a notice under this Lease Contract should retain a copy of the memo, letter, or fax that was given. Fax signatures are binding. All notices must be signed. Notices may not be given by email.*

Exercising one remedy won't constitute an election or waiver of other remedies. Insurance subrogation is waived by all parties. All remedies are cumulative. No employee, agent, or management company is personally liable for any of our contractual, statutory, or other obligations merely by virtue of acting on our behalf. This Lease Contract binds subsequent owners. Neither an invalid clause nor the omission of initials on any page invalidates this Lease Contract. All notices and documents may be in English and, at our option, in any language that you read or speak. All provisions regarding our non-liability and non-duty apply to our employees, agents, and management companies. This Lease Contract is subordinate or superior to existing and future recorded mortgages, at lender's option. All Lease Contract obligations must be performed in the county where the apartment is located.

We may deactivate or not install keyless bolting devices on your doors if (1) you or an occupant in the dwelling is over 55 or disabled, and (2) the requirements of Section 92.153(e) or (f) of the Property Code are satisfied.

Cable channels that are provided may be changed during the Lease Contract term if the change applies to all residents. Utilities may be used only for normal household purposes and must not be wasted. If your electricity is ever interrupted, you must use only battery-operated lighting.

- 34. PAYMENTS.** Payment of all sums is an independent covenant. At our option and without notice, we may apply money received (other than sale proceeds under paragraph 13 or utility payments subject to governmental regulations) first to any of your unpaid obligations, then to current rent—regardless of notations on checks or money orders and regardless of when the obligations arose. All sums other than rent are due upon our demand. After the due date, we do not have to accept the rent or any other payments.
- 35. TAA MEMBERSHIP.** We represent that, at the time of signing this Lease Contract or a Lease Contract Renewal Form: (1) we; (2) the management company that represents us; or (3) any locator service that procured you is a member in good standing of both the Texas Apartment Association and the affiliated local apartment association for the area where the apartment is located. The member is either an owner/management company member or an associate member doing business as a locator service (whose name and address is disclosed on page 6). If not, the following applies: (1) this Lease Contract is voidable at your option and is unenforceable by us (except for property damages); (2) we may not recover past or future rent or other charges; and (3) we will be in violation of the Texas Penal Code and the Texas Deceptive Trade Practices Act. The above remedies also apply if both of the following occur: (1) the Lease Contract is automatically renewed on a month-to-month basis two or more times after membership in TAA and the local association has lapsed; and (2) neither the owner nor the management company is a member of TAA and the local association at the time of the third automatic renewal. A signed affidavit from the local affiliated apartment association which attests to non-membership when the Lease Contract or renewal was signed will be conclusive evidence of non-membership. Governmental entities may use TAA forms if TAA agrees in writing.

Security Guidelines for Residents

- 36. SECURITY GUIDELINES.** In cooperation with the Texas Apartment Association, we'd like to give you some important safety guidelines. The Texas Police Association and the Sheriffs' Association of Texas have approved these suggestions. We recommend that you follow these guidelines and use common sense in practicing safe conduct. Inform all other occupants in your dwelling, including any children you may have, about these guidelines.

PERSONAL SECURITY—WHILE INSIDE YOUR APARTMENT

1. Lock your doors and windows—even while you're inside.
2. Engage the keyless deadbolts on all doors while you're inside.
3. When answering the door, see who is there by looking through a window or peephole. If you don't know the person, first talk with him or her without opening the door. Don't open the door if you have any doubts.
4. If children (who are old enough to take care of themselves) are left alone in your apartment, tell them to use the keyless deadbolt and refuse to let anyone inside while you are gone—regardless of whether the person is a stranger or an apartment maintenance or management employee.
5. Don't put your name, address, or phone number on your key ring.
6. If you're concerned because you've lost your key or because someone you distrust has a key, ask the management to rekey the locks. You have a statutory right to have that done, as long as you pay for the rekeying.
7. Dial 911 for emergencies. If the 911 number does not operate in your area, keep phone numbers handy for the police, fire, and emergency medical services. If an emergency arises, call the appropriate governmental authorities first, then call the management.
8. Check your smoke detector monthly to make sure it is working properly and the batteries are still okay.
9. Check your door locks, window latches, and other security devices regularly to be sure they are working properly.
10. If your doors or windows are unsecure due to break-ins or malfunctioning locks or latches, stay with friends or neighbors until the problem is fixed.
11. Immediately report to management—in writing, dated and signed—any needed repairs of locks, latches, doors, windows, smoke detectors, and alarm systems.
12. Immediately report to management—in writing, dated and signed—any malfunction of other safety devices outside your apartment, such as broken gate locks, burned-out lights in stairwells and parking lots, blocked passages, broken railings, etc.
13. Close curtains, blinds, and window shades at night.
14. Mark or engrave your driver's license number or other identification on valuable personal property.

PERSONAL SECURITY—WHILE OUTSIDE YOUR APARTMENT

15. Lock your doors while you're gone. Lock any door handle lock, keyed deadbolt lock, sliding door pin lock, sliding door handle latch, and sliding door security bar that you have.
16. Leave a radio or TV playing softly while you're gone.
17. Close and latch your windows while you're gone, particularly when you're on vacation.
18. Tell your roommate or spouse where you're going and when you'll be back.
19. Don't walk alone at night. Don't allow your family to do so.
20. Don't hide a key under the doormat or a nearby flowerpot. These are the first places a burglar will look.
21. Don't give entry keys, codes or electronic gate cards to anyone.
22. Use lamp timers when you go out in the evening or go away on vacation. They can be purchased at most hardware stores.
23. Let the manager and your friends know if you'll be gone for an extended time. Ask your neighbors to watch your apartment since the management cannot assume that responsibility.
24. While on vacation, temporarily stop your newspaper and mail delivery, or have your mail and newspaper picked up daily by a friend.
25. Carry your door key in your hand, whether it is daylight or dark, when walking to your entry door. You are more vulnerable when looking for your keys at the door.

PERSONAL SECURITY—WHILE USING YOUR CAR

26. Lock your car doors while driving. Lock your car doors and roll up the windows when leaving your car parked.
27. Don't leave exposed items in your car, such as cassette tapes, wrapped packages, briefcases, or purses.
28. Don't leave your keys in the car.
29. Carry your key ring in your hand whenever you are walking to your car—whether it is daylight or dark and whether you are at home, school, work, or on vacation.
30. Always park in a well-lighted area. If possible, try to park your car in an off-street parking area rather than on the street.
31. Check the backseat before getting into your car.
32. Be careful when stopping at gas stations or automatic-teller machines at night—or anytime when you suspect danger.

PERSONAL SECURITY AWARENESS

No security system is failsafe. Even the best system can't prevent crime. Always act as if security systems don't exist since they are subject to malfunction, tampering, and human error. We disclaim any express or implied warranties of security. The best safety measures are the ones you perform as a matter of common sense and habit.

When Moving Out

- 37. MOVE-OUT NOTICE.** Before moving out, you must give our representative advance written move-out notice as provided below. Your move-out notice will not release you from liability for the full term of the Lease Contract or renewal term. You will still be liable for the entire Lease Contract term if you move out early (paragraph 22) except under the military clause (paragraph 23). **YOUR MOVE-OUT NOTICE MUST COMPLY WITH EACH OF THE FOLLOWING:**

- We must receive advance written notice of your move-out date. The number of days of the advance notice must be at least the number of days of notice required in paragraph 3 or in special provisions—even if the Lease Contract has become a month-to-month lease. If a move-out notice is received on the first, it will suffice for move-out on the last day of the month of intended move-out, provided that all other requirements below are met.
- The move-out date in your notice (check one): ☐ must be the last day of the month; or ☐ may be the exact day designated in your notice. If neither is checked, the second applies.
- Your move-out notice must be in writing. Oral move-out notice will not be accepted and will not terminate your Lease Contract.
- Your move-out notice must not terminate the Lease Contract sooner than the end of the Lease Contract term or renewal period.

YOUR NOTICE IS NOT ACCEPTABLE IF IT DOES NOT COMPLY WITH ALL OF THE ABOVE. Please use our written move-out form. You must obtain from our representative written acknowledgment that we received your move-out notice. If we terminate the Lease Contract, we must give you the same advance notice—unless you are in default.

- 38. MOVE-OUT PROCEDURES.** The move-out date can't be changed unless we and you both agree in writing. You won't move out before the Lease Contract term or renewal period ends unless all rent for the entire Lease Contract term or renewal period is paid in full. Early move-out may result in reletting charges and acceleration of future rent under paragraphs 11 and 32. You're prohibited by law from applying any security deposit to rent. You won't stay beyond the date you are supposed to move out. All residents, guests, and occupants must surrender or abandon the apartment before the 30-day period for deposit refund begins. You must give us and the U.S. Postal Service, in writing, each resident's forwarding address.

- 39. CLEANING.** You must thoroughly clean the apartment, including doors, windows, furniture, bathrooms, kitchen appliances, patios, balconies, garages, carports, and storage rooms. You must follow move-out cleaning instructions if they have been provided. If you don't clean adequately, you'll be liable for reasonable cleaning charges—including charges for cleaning carpets, draperies, furniture, walls, etc. that are soiled beyond normal wear (that is, wear or soiling that occurs without negligence, carelessness, accident, or abuse).

- 40. MOVE-OUT INSPECTION.** You should meet with our representative for a move-out inspection. Our representative has no authority to bind or limit us regarding deductions for repairs, damages, or charges. Any statements or estimates by us or our representative are subject to our correction, modification, or disapproval before final refunding or accounting.

41. SECURITY DEPOSIT DEDUCTIONS AND OTHER CHARGES.

You'll be liable for the following charges, if applicable: unpaid rent; unpaid utilities; unreimbursed service charges; repairs or damages caused by negligence, carelessness, accident, or abuse, including stickers, scratches, tears, burns, stains, or unapproved holes; replacement cost of our property that was in or attached to the apartment and is missing; replacing dead or missing smoke-detector batteries at any time; utilities for repairs or cleaning; trips to let in company representatives to remove your telephone or TV cable services or rental items (if you so request or have moved out); trips to open the apartment when you or any guest or occupant is missing a key; unreturned keys; missing or burned-out light bulbs; removing or rekeying unauthorized security devices or alarm systems; agreed reletting charges; packing, removing, or storing property removed or stored under paragraph 13; removing illegally parked vehicles; special trips for trash removal caused by parked vehicles blocking dumpsters; false security-alarm charges unless due to our negligence; animal-related charges under paragraphs 6 and 27; government fees or fines against us for violation (by you, your occupants, or guests) of local ordinances relating to smoke detectors, false alarms, recycling, or other matters; late-payment and returned-check charges; a charge (not to exceed \$100) for our time and inconvenience in our lawful removal of an animal or in any valid eviction proceeding against you, plus attorney's fees, court costs, and filing fees actually paid; and other sums due under this Lease Contract.

You'll be liable to us for: (1) charges for replacing all keys and access devices referenced in paragraph 5 if you fail to return them on or before your actual move-out date; (2) accelerated rent if you have violated paragraph 32; and (3) a reletting fee if you have violated paragraph 11.

- 42. DEPOSIT RETURN, SURRENDER, AND ABANDONMENT.** We'll mail you your security deposit refund (less lawful deductions) and an itemized accounting of any deductions no later than 30 days after surrender or abandonment, unless statutes provide otherwise.

You have *surrendered* the apartment when: (1) the move-out date has passed and you're still living in the apartment in our reasonable judgment; or (2) all apartment keys and access devices listed in paragraph 5 have been turned in where rent is paid—which ever date occurs first.

You have *abandoned* the apartment when all of the following have occurred: (1) everyone appears to have moved out in our reasonable judgment; (2) clothes, furniture, and personal belongings have been substantially removed in our reasonable judgment; (3) you've been in default for non-payment of rent for 5 consecutive days, or water, gas, or electric service for the apartment not connected in our name has been terminated; and (4) you've not responded for 2 days to our notice left on the inside of the main entry door, stating that we consider the apartment abandoned. An apartment is also "abandoned" 10 days after the death of a sole resident.

Surrender, abandonment, or judicial eviction ends your right of possession for all purposes and gives us the immediate right to clean up, make repairs in, and relet the apartment; determine any security deposit deductions; and remove property left in the apartment. Surrender, abandonment, and judicial eviction affect your rights to property left in the apartment (paragraph 13), but do not affect our mitigation obligations (paragraph 32).

Signatures, Originals and Attachments

- 43. ORIGINALS AND ATTACHMENTS.** This Lease Contract has been executed in multiple originals, each with original signatures—one for you and one or more for us. Our rules and community policies, if any, will be attached to the Lease Contract and given to you at signing. When an Inventory and Condition form is completed, both you and we should retain a copy. The items checked below are attached to this Lease Contract and are binding even if not initialed or signed.

- ☐ Access Gate Addendum, dated _____
- ☐ Additional Special Provisions
- ☐ Animal Addendum
- ☐ Apt. Rules or Community Policies, dated _____
- ☐ Asbestos Addendum (if asbestos is present)
- ☐ Early Termination Addendum, dated _____
- ☐ Enclosed Garage, Carport or Storage Unit Addendum, dated _____
- ☐ Inventory & Condition Form
- ☐ Intrusion Alarm Addendum, dated _____
- ☐ Lead Hazard Information and Disclosure Addendum
- ☐ Lease Contract Guaranty (____ guaranties, if more than one)
- ☐ Legal Description of Unit (if rental term longer than one year)
- ☐ Mold Information and Prevention Addendum
- ☐ Move-Out Cleaning Instructions, dated _____
- ☐ Notice of Intent to Move Out Form
- ☐ Parking Permit or Sticker (quantity: _____)
- ☐ Repair or Service Request Form
- ☐ Satellite Dish or Antenna Addendum
- ☐ TCEQ Tenant Guide to Water Allocation
- ☐ Utility Allocation Addendum for: ☐ electricity ☐ water ☐ gas
 - ☐ central system costs ☐ trash removal
- ☐ Utility Submetering Addendum for: ☐ electricity ☐ water ☐ gas
- ☐ Other _____

Name and address of locator service (if applicable) _____

You are legally bound by this document. Please read it carefully.

Before submitting a rental application
or signing a Lease Contract, you may take a copy
of these documents to review and/or consult an attorney.

Additional provisions or changes may be made
in the Lease Contract if agreed to in writing by all parties.

You are entitled to receive an original of this Lease Contract
after it is fully signed. Keep it in a safe place.

Resident or Residents (all sign below)

Owner or Owner's Representative (signing on behalf of owner)

Address and phone number of owner's representative for notice purposes

Date form is filled out (same as on top of page 1) _____

