

STANDARD LEASE AGREEMENT

Tennessee-RD 515

KNOW ALL MEN BY THESE PRESENTS THAT I, the undersigned _____ (hereinafter sometimes called the "RESIDENT OR TENANT"), hereby acknowledge the agreement of _____ (hereinafter called the "LANDLORD") to lease to me, in consideration for the rental herein reserved, representations and statements made by me, as set forth in my signed Application, considered a part hereof, the premises located in _____, Tennessee and known and designated as Dwelling Unit No., _____ consisting of ____ bedrooms and ____ bath (s).

1. TERMS OF LEASE.

The term of this Lease shall be for one (1) year, which term shall commence on the _____ day of _____ 20____, and shall terminate at midnight on the ____ day of _____, 20____. Payment for part of a month will be prorated on the basis of a thirty (30) day month.

2. GROSS MONTHLY RESIDENT CONTRIBUTION.

I understand and agree that my gross monthly tenant contribution under this Lease as determined on the latest Form Rural Development 3560-8, which must be attached to this Lease, for rent and utilities will be \$ _____. This is based on my monthly income. I understand that I must notify the LANDLORD immediately of any change in my monthly income and a recertification completed whenever permanent change in my household income of \$100.00 or more per month occurs. Landlord must recertify for changes of \$50 per month if resident requests that such a change be made.

Please check one below:

PLAN II - INTEREST CREDIT (Resident Agreement)

If I pay any or all utilities directly (not including telephone or cable television), a utility allowance of \$ _____ will be deducted from my gross monthly tenant contribution except that I will not pay less than the basic rent nor more than the market rent stated below. My net monthly tenant contribution will be \$ _____. I understand that the tenant contribution under this Lease may be raised or lowered based on changes in the household income, failure to submit information necessary to certify income, changes in the number and age of persons living in my household, and on the escalation clause in this Lease. My tenant contribution will not, however, be less than \$ _____. Basic rent nor more than \$ _____ (Market rent during the term of this Lease, except that based on the escalation clause in this Lease, these rental rates may be changed by Rural Development (sometimes herein the "Agency") approved and/or reviewed rent change.

RENTAL ASSISTANCE (Resident Agreement)

I understand and agree that as long as I receive rental assistance, my gross monthly tenant contribution (as determined on the latest form RD 3560-08, which must be attached to this lease) for rent and utilities will be \$ _____. If I pay any or all utilities directly (not including telephone or cable TV), a utility allowance of \$ _____ will be deducted from my gross monthly tenant contribution and my resulting net monthly tenant contribution will be \$ _____. If my net monthly tenant contribution would be less than zero, the LANDLORD will pay me \$ _____.

I also understand and agree that my monthly tenant contribution under this lease may be raised or lowered, based on changes in the household income or adjustments to income, failure to submit information necessary to certify income, changes in the number and age of persons living in the

household, and on the escalation clause in this lease. Should I no longer receive rental assistance as a result of these changes, or the rental assistance agreement executed by the owner and RD expires, or is exhausted, I understand and agree that my monthly tenant contribution may be adjusted to no less than \$ _____ (**basic rent**) nor more than \$ _____ (**note rent**) during the remaining term of this lease, except that based on the escalation clause in this lease these rental rates may be changed by a RD approved rent change.

2a) Net monthly tenant contributions will be due on the first day of the month. A late charge of \$_____ will be assessed for any payment made after the tenth (10th) day of the month in which payment is due, provided that, this clause shall not be construed to authorize any such late payment, nor to require the LANDLORD to accept any such late payment. LANDLORD agrees to accept tenant contribution with out regard to any other charges owed by TENANT to LANDLORD and to see separate legal remedy for the collection of any other charges which may accrue to the LANDLORD from TENANT(S).

2b) I understand that should I receive rental benefits to which I am not entitled due to my failure to provide information or due to incorrect information provided by me or on my behalf by others, or for any other household member, I may be required to make restitution and I agree to repay any amount of benefits to which I was not entitled. I understand that this project is financed by the Agency and that the Agency has the right to further verify information provided by me.

2c) In the event of prepayment by LANDLORD of Landlord’s Rural Development loan, this Agreement shall be handled in accordance with Paragraph VIII of 7 CFR 1930, Exhibit B, and Section 1965.90 of Subpart B of Part 1965. No increase in tenant contribution to rent will take place due to prepayment or acceleration and liquidation of the Rural Development loan during the term of this Lease Agreement, or if rental assistance or interest credit is terminated due to the fault of Landlord or Management, or if Federal subsidies paid to Landlord on behalf of Resident are suspended or cancelled.

3. OCCUPANTS OF UNIT.

a) I agree that the above described premises will be occupied exclusively as a private residence by me and my household members consisting of the following persons listed below and must be in accordance with occupancy limits as set forth by Owner/Manager based upon local codes and ordinances and RD regulations as each may change from time to time.

Number of Bedrooms	Minimum Number of Occupants	Maximum Number of Occupants	<p>A household will be eligible for a larger unit for the following reasons:</p> <ol style="list-style-type: none"> 1. The household is in the process of obtaining custody of a child(ren). 2. The household needs a larger unit due to medical conditions.
1			
2			
3			
4			

Name	Relationship

b) I agree to immediately notify the Landlord if there is any change in my gross household income, assets, adjustments to income or when there is a change in the number or status of persons living in the household or is citizenship status of any occupant changes.

c) I understand that I must promptly notify the LANDLORD of any extended absences and that if I do not personally reside in the unit for a period exceeding sixty (60) consecutive days, for reasons other than health or emergency, my net monthly tenant contribution shall be raised to \$ _____ per month (market rent for Plan II projects or 125 percent of rent in Plan I projects) for the period of my absence exceeding sixty (60) consecutive days. I also understand that if my absence continues that as Landlord you may take the appropriate steps to terminate my tenancy.

d) This Agreement does not exclude reasonable accommodations for Resident's guest or visitor, and with the consent of the LANDLORD may include care of foster children and live-in care of a member of the Resident's family. A guest is someone staying no longer than fourteen (14) consecutive days. All guests must be able to provide proof of residency. Failure to do so will result in the guest being considered a household member and added to the tenant certification.

4. SECURITY DEPOSITS.

I will pay \$ _____ as a security deposit. This deposit shall be placed in an account at _____ (Name of institution). Such deposit is not advanced rent and will not be considered as such. The security deposit is to be used for reimbursement to LANDLORD for the cost of repairing any damage to the dwelling units caused by me, members of my household, guests, visitors or dependents, and any rent, lease termination fee or other charges owed by me; or to be remitted to me. RESIDENT has the right to request a time and be present with LANDLORD's representative at the premises for a scheduled move out inspection, during normal business hours, to determine if there are any damages to the premises that are in excess of normal wear and tear. This mutual inspection will be set by LANDLORD and held on the day, or within four (4) days after RESIDENT has completely vacated the premises, surrendered possession of the premises, and has returned all means of access to the premises. If RESIDENT fails to attend a scheduled move out inspection, RESIDENT waives the right to contest any damage found as a result of LANDLORD's move out.

5. UTILITIES & SERVICES

I agree to promptly pay all utilities and services deemed my responsibility directly when used or billed. The LANDLORD agrees to furnish a cooking range, refrigerator, water heater, and individually controlled air conditioner/heat pump, trash collection, without additional charge. Failure by Resident to maintain essential utilities (water/sewer, electricity and/or gas) will be grounds for termination of this lease. TENANT agrees to pay all charges for the following utilities when due (check all appropriate boxes).

Water _____ Sewer _____ Electricity _____ Gas _____ Cable _____

6. DETERMINATION OF RENT, DWELLING SIZE, AND ELIGIBILITY.

a) I understand that my eligibility to rent must be re-certified within twelve (12) months of the previous certification. I agree to furnish income information and household composition for use by LANDLORD in determining whether the monthly tenant contribution should be changed and whether the dwelling size is still appropriate for my needs. This determination will be made in accordance with the approved schedule of rents and statements of income and occupancy requirements available in the rental office.

b) Promptly upon completion of any review of income or family composition and determination of the necessity for a change, the LANDLORD will tender to me a revised Lease Agreement or an addendum revising the existing Lease Agreement. I agree to accept said revised Lease Agreement or addendum as an amendment to the Lease effective the first (1st) day of the following month or, in the alternative, to terminate this Lease in accordance with the provisions of Paragraph 16 hereof.

c) I agree to promptly provide any certifications and income verifications required by the LANDLORD to permit eligibility determination and, when applicable, the monthly RESIDENT contribution to be changed.

d) Rent as fixed in Paragraph 2 hereof, or as adjusted pursuant to the above, will remain in effect for the period between regular rent re-determination unless during such period one of the following changes occurs, in which case I will pay a modified rental based on such change:

(i) The LANDLORD must correct an error which occurred in connection with admission or re-examination.

(ii) The LANDLORD is faced with changes in operating costs which have been reviewed and/or approved by Rural Development.

e) Any changes in rent resulting from unexpected changes in utility and other operating costs must first be reviewed and approved by the Agency, and when so reviewed and approved the amount thereof shall increase both the "basic rent" and the "market rent" referred to herein. Any such changes shall constitute an amendment to this Lease Agreement and shall bind both parties hereto and shall be effective for the first day of the first month following that in which such changes are reviewed by the Agency.

f) I understand and agree that RESIDENTS who have a *Handbook Letter 201 (3560)*, *Letter of Priority Entitlement (LOPE)* and are temporarily occupying a unit for which they are not eligible understand and agree to promptly relocate to a suitable unit immediately upon availability.

g) If RESIDENT household is ineligible to occupy the unit because it is overcrowded or underutilized but has been previously granted permission because, after marketing, there were no eligible households on the waiting list; TENANT agrees to transfer to the next eligible unit after a 30-day notice or at the end of the lease term, whichever is longer and pay all costs associated with the transfer, including but not limited to a modified rental rate based on the size of the unit and rate applicable thereto.

h). If RESIDENT household is ineligible to occupy the unit because it does not need the accessibility features of a unit designated for a disabled household, but has been previously granted permission because there were no eligible households on the waiting list; TENANT agrees

to transfer to the next eligible unit within 30-days of notification and pay all costs associated with the transfer, included but not limited to a modified rental rate based on the size of the unit and rate applicable thereto.

i) I understand that my tenancy is subject to compliance with the terms of all applicable assistance programs covering my unit or the project of which it is a part.

j) Any request to transfer to a different unit by a RESIDENT will be at the sole discretion of the LANDLORD and will result in a transfer fee of \$ _____ and the execution of a new lease agreement. A request will not be granted if RESIDENT is in material noncompliance with the Lease Agreement, behind on rent or other financial obligations, or have received prior notice about failing to fulfill your responsibility to maintain your unit per Section 8 of the Lease Agreement.

7. MAINTENANCE BY LANDLORD.

LANDLORD agrees to do the following:

a) To comply with requirements of applicable building codes, housing codes, and Rural Development regulations materially affecting health and safety.

b) To make necessary repairs to the premises and to provide me with a written statement of the condition of the dwelling unit both at the time of occupancy and vacancy in accordance with Paragraph 11 hereof. Said statements are to be signed by both parties.

c) To keep project buildings, facilities, and common areas, not otherwise assigned to RESIDENT for maintenance and upkeep, in a clean and habitable condition.

d) To maintain in good working order, electrical, plumbing, heating, ventilating, and other facilities and appliances, supplied or required to be supplied by the LANDLORD.

e) To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of an individual RESIDENT family) for the deposit of ashes, garbage, rubbish, and other waste removed from the premises by me in accordance with Paragraph 8 (g) hereof.

8. RESIDENT'S ADDITIONAL DUTIES.

a) To personally use and occupy the leased premises and not to assign this Lease and not to sub-lease premises.

b) Not to provide accommodations for boarders or lodgers.

c) To use the premises solely as a private dwelling for me and my household as identified in this Lease and neither to use nor permit its use for any other purpose.

d) To abide by necessary and reasonable regulations promulgated by the LANDLORD or its agent for the benefit and well-being of the apartment complex and its RESIDENTS, which are posted in the rental office and are attached to this Lease and incorporated herein by this reference, or which may be established after the effective date of this Lease Agreement for the well-being of the RESIDENTS.

e) To comply with all obligations imposed upon me by applicable provisions of building and housing codes materially affecting health and safety.

f) To keep the premises and such other areas as may be assigned to me for my exclusive use in a clean, sanitary and safe condition.

g) To dispose of all ashes, garbage, rubbish, and other waste from the premises in a sanitary and safe manner.

h) To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning, and other facilities and appurtenances.

i) To refrain from, and to cause my household members and guests to refrain from, destroying, defacing, damaging, or removing any part of the premises or project.

j) To pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project building, facilities or common area caused by me, my household members or guests. Charges assigned under this Paragraph shall become due and collectible on the first day of the second month following the month in which the charges are incurred.

k) To be responsible for the actions or conduct of myself, household members and or visitors on or about the premises if their actions disrupt the livability of the community. Such action or conduct includes by is not limited to:

(i) Threats to the health or safety of any person, including management and those employed or contracted by the same

(ii) The right of any tenant and/or management to the quiet enjoyment of the premises and related project facilities

(iii) Actions that result in physical or monetary damages that cause a financial effect on the project, or the property of others.

l) To refrain from illegal or other activity that impairs the physical or social environment of the project.

m) To refrain from and to cause my household members and/or guest to refrain from keeping or bringing onto the premises, at any time, any poultry or four-legged animals or pets of any sort.

n) RESIDENT agrees to notify LANDLORD in writing of any anticipated extended absence from the premises in excess of seven days and said notice shall be given on or before the first day of any extended absence. If RESIDENT fails to give notice as required, LANDLORD may recover actual damages from Resident.

o) RESIDENT may direct all complaints or requests to the office located at:

_____ .

p) To abide by and observe Rules and Regulations which are attached to this Lease Agreement as Attachment I.

q) RESIDENT acknowledges that as of this date, the unit is equipped with one or more smoke detector(s) and that they are all in working order. Resident agrees to regularly test the smoke detector(s) and to immediately notify LANDLORD of any malfunction or defect of the smoke detector.

r) Not to install appliances, including but not limited to washing machines, dryers, dishwashers or air conditions, without prior consent from the Landlord, unless the apartment is equipped with washer and dryer connections.

9. WATER INTRUSION.

Water intrusion is defined as any source of moisture. The following are some of the possible sources of water intrusion in the unit that can be controlled by the RESIDENT: steam from the bath or shower, steam from cooking, a humidifier, constant running of water, house plants that are watered, wet or damp clothing, towels, etc. As noted above, the LANDLORD must be notified of any source of water not under the control of the RESIDENT, i.e. water leaks, toilet running, roof leak, etc.

Water intrusions can be a precursor of mold. Mold is a microscopic organism that is found virtually everywhere indoors and outdoors. To prevent mold, water intrusion must be prevented and treated immediately. Therefore, the RESIDENT agrees to make sure they use their best effort to prevent any conditions in the unit that could create an environment conducive to mold growth:

- a) Always use the exhaust fan when showering or bathing. It is best to leave it on for 30 minutes after you finish.
- b) Always use the range hood fan while cooking.
- c) Periodically allow air movement in your unit.
- d) Do not overwater plants and watch for spores growing near the plants. It is recommended that you periodically move plants in the unit
- e) Immediately remove a visible moisture accumulation in your unit, including on the walls, windows, floors, ceilings, and bathroom fixtures; mop up spills and thoroughly dry affected areas as soon as possible; and keep the unit, particularly the kitchen and bathroom, clean.
- f) Immediately report in writing to the LANDLORD any water leaks, excessive moisture, any malfunction of the HVAC (heating, ventilation or air conditioning) including any dampness near the inside unit or standing water in any of the common areas near your unit.

10. DAMAGE AND REPAIR.

I agree to promptly notify the rental office or its agent of any damage to the premises. In the event that the premises are damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, I shall immediately notify the rental office or its agent of the damage.

11. INSPECTIONS.

a) The LANDLORD, and I or my representative, will inspect the premises prior to commencement of occupancy by me. LANDLORD will furnish me with a written statement of the condition of the premises, the dwelling unit and the equipment provided with the unit. This statement will be signed by the LANDLORD or its agent and by me, and a copy of the statement shall be retained in my folder.

b) I agree that upon reasonable advance written notification the duly authorized agent, employee, or representative of LANDLORD will be permitted to enter my dwelling unit for the purpose of performing periodic routine inspections and maintenance, for making improvements or repairs, or to show the premises for re-leasing, during reasonable hours. No written notice will be required for maintenance requested by me. A written statement specifying the purpose of LANDLORD'S entry delivered to the premises at least 24 hours before such entry shall be considered reasonable advance notification. However, the LANDLORD shall have the right to enter my dwelling unit without prior notification to me if LANDLORD reasonably believes that an emergency exists which requires such entrance. If I and all adult members of my household are absent from the premises at the time of entry, the LANDLORD shall leave on the premises a written statement specifying the date, time, and purpose of entry prior to leaving the premises.

c) LANDLORD may enter the unit without notice if any of the RESIDENTS'S required utilities have been turned off due to no fault of the LANDLORD, to secure the property from any damage. If the electricity is turned off, the LANDLORD may remove perishable items and discard them to prevent damages to the refrigerator or unsanitary conditions.

12. INSURANCE.

LANDLORD shall carry fire and extended coverage insurance insuring the project buildings and the premises. LANDLORD is not responsible for, and will not provide, fire or casualty insurance for my personal property. RESIDENT hereby acknowledges that no portion of rent paid under this Lease Agreement will be applied to LANDLORD's structural fire insurance. RESIDENT further acknowledges that RESIDENT is in no way co-insured under such policy and that in order to reduce the cost of such insurance, LANDLORD has chosen to purchase a fire and extended coverage insurance policy for the subject property that has a deductible amount. If RESIDENT, his family, guests, employee, agent, licensees and/or invitees cause damage to the premises in an amount less than the amount of the insurance deductible, RESIDENT agrees to indemnify and reimburse LANDLORD for the amount of such damages. RESIDENT further acknowledges that RESIDENT may be liable for the deductible in the amount of \$ _____ under any subrogation clause of such policy. It is recommended that RESIDENT secure insurance to protect RESIDENT'S interest in the event of such a loss.

13. DRUG RELATED ACTIVITY AND TERMINATION BY LANDLORD FOR VIOLENCE OR THREATS TO HEALTH, SAFETY, OR WELFARE OF PERSONS OR PROPERTY.

a) A landlord may terminate a rental agreement after which proper written notice is received by the RESIDENT if the RESIDENT or any other person on the premises with the RESIDENT'S consent:

- i) Willfully or intentionally commits a violent act;
- ii) Behaves in a manner which constitutes or threatens to be a real and present danger to the health, safety or welfare of the life or property of other RESIDENTS or persons on the premises; or
- iii) Creates a hazardous or unsanitary condition on the property that affects the health, safety, welfare or the life or property of other RESIDENTS or persons on the premises.

b) The notice required by this section shall specifically detail the violation which has been committed and shall be effective only from the date of receipt of the notice by the RESIDENT.

c) Upon receipt of such written notice, the RESIDENT shall be entitled to immediate access to any court of competent jurisdiction for the purpose of obtaining a temporary or permanent injunction against such termination by the landlord.

d) Nothing in this section shall be construed to allow a landlord to recover or take possession of the dwelling unit by action or otherwise including willful diminution of services to the RESIDENT by interrupting or causing interruption of electric, gas or other essential service to the RESIDENT except in the case of abandonment or surrender.

It is understood that the use, or possession, manufacture, sale or distribution of an illegal controlled substance (as defined by local, state, or Federal law) while in or on any part of this apartment complex or cooperative is an illegal act. It is further understood that such action is a material lease violation. Such violations (hereinafter called 'drug violation') may be evidenced upon the admission to or conviction of a drug violation the use, possession, manufacture, sale or distribution of a controlled substance (as defined by local, state, or Federal law) in any local, state or Federal court.

The landlord may require any lessee or other adult member of the tenant household occupying the unit (or other adult or non-adult person outside the tenant household who is using the unit) who commits a drug violation to vacate the leased unit permanently, within the timeframes set by the landlord, and not thereafter enter upon the landlord's premises or the lessee's unit without the landlords prior consent as a condition for continued occupancy by the remaining members of the tenant's household. The landlord may deny consent for entry unless the person agrees not to commit a drug violation in the future and is either actively participating in a counseling or recovery program, complying with court orders related to a drug violation or has completed a counseling or recovery program.

The landlord may require any lessee to show evidence that any non-adult member of the tenant household occupying the unit, who committed a drug violation, agrees to not commit a drug violation in the future, and to show evidence that the person is either actively seeking or receiving assistance through a counseling or recovery program, complying with court orders related to a drug violation or has successfully completed a counseling or recovery program within timeframes specified by the landlord as a condition for continued occupancy in the unit. Should a further drug violation be committed by a non-adult person occupying the unit the landlord may require the person to be severed from tenancy as a condition for continued occupancy by the lessee.

If a person vacating the unit, as a result of the above policies, is one of the lessees, the person shall be severed from the tenancy and the lease shall continue among any other remaining lessees and the landlord. The landlord may also, at the option of the landlord, permit another adult member of the household to be a lessee.

Should any of the above provisions governing a drug violation be found to violate any of the laws of the land, the remaining enforceable provisions shall remain in effect. The provisions set out above do not supplant any rights of tenants afforded by law.

14. LEGAL NOTICES.

Any notice required hereunder, except for the notice of termination provided for in Paragraph 16(g), will be sufficient if delivered in writing to me personally, or to an adult member of my household residing in the dwelling, or sent by pre-paid first class mail properly addressed to me. Notice to LANDLORD shall be in writing, delivered to the rental office or the LANDLORD'S central office or sent by prepaid first class mail, properly addressed.

15. SALE OF PROJECT.

Should the apartment complex be sold to an approved Rural Development buyer, this Lease will be transferred to the new owner.

16. TERMINATION.

a) This Agreement shall terminate on the date set out in Paragraph 1 of this Agreement. Whenever the LANDLORD has been in material noncompliance with this Agreement, I may, in accordance with state law, terminate this Lease Agreement by so advising the LANDLORD in writing. I hereby agree to vacate the premises no later than the date specified in such notice of termination. I may also terminate this Lease Agreement prior to the expiration of its term for "good cause" by giving LANDLORD thirty (30) days advance notification in the manner prescribed in Sub-paragraph (g) below. Good cause for such termination shall be such matters as moving to another location for employment, loss of job, severe illness,

death of spouse, or other reasons customary or mandatory in the community or after notification by LANDLORD of intent to prepay the Rural Development loan. LANDLORD may terminate this Lease by giving me written notice in accordance with statute of violent act or dangerous behavior by RESIDENT, household members, and/or guests (invited or uninvited) that affects other residents, persons on the property, LANDLORD, or their representative.

b) The LANDLORD may also terminate this Agreement under the following circumstances:

(i) Under the provisions of the Lease Agreement.

(ii) The LANDLORD may terminate, effective at the end of the initial term, by giving me at least thirty (30) days' advance notification in the manner prescribed in Sub-paragraph (g) below that the term of this Agreement is not renewed and this Agreement is accordingly terminated. This termination must be based upon either material noncompliance with this Agreement or other good cause, or if I am no longer eligible for occupancy and none of the conditions cited in 7 CFR 3560.158(c) exist.

(iii) Notwithstanding Sub-section (i), whenever I have been in material noncompliance with this agreement, the LANDLORD may, in accordance with state law and Rural Development regulations, terminate this Agreement by notifying me in the manner prescribed in Sub-paragraph (g) below.

(iv) In any locality where a state statute or local ordinance is in effect which imposes obligations on LANDLORDS and RESIDENTS and provides that a violation of such obligation by a RESIDENT constitutes grounds for eviction, the LANDLORD may terminate in accordance with such statute or ordinance.

(v) The apartment becomes UNRESIDENTABLE because of fire or other disaster; provided that, the LANDLORD shall have a reasonable time within which to repair or rehabilitate the apartment or, if applicable, the building, at its option.

c) If I do not vacate the premises on the effective date of the termination of this Agreement, the LANDLORD may, at its option, do the following: (i) consider this Agreement to be renewed for successive terms of one (1) month each at the aforesaid rental, subject to adjustment as herein provided; or (ii) pursue all judicial remedies under state law for my eviction.

d) The term "material noncompliance with this Agreement", in the case of the undersigned RESIDENT, shall include one (1) or more substantial violations of this Agreement which disrupt the livability of the project, adversely affect the health or safety of any person or the right of any RESIDENT to the quiet enjoyment of the leased premises and related project facilities, interfere with the management of the project or have an adverse financial effect on the project. Nonpayment of rent, or repeated late payment of rent or any other financial obligation due under this Agreement (including any portion thereof) beyond any grace period permitted under state law shall constitute a substantial violation. Permitting unauthorized persons to live in the unit, repeated minor violations of the lease or one or more major violations of the lease, admission to or conviction of any drug violation as defined in Section 13(f) or a repeated pattern of violence and/or drug use will also be grounds for termination of the lease.

e) My conduct cannot be deemed good cause unless the LANDLORD has given me prior notice that said conduct shall henceforth constitute a basis for termination of the Agreement. Said notice shall be served on the RESIDENT in the manner prescribed in Sub-paragraph (g) below.

f) The LANDLORD'S notice of termination of tenancy under this Lease Agreement shall be in writing and shall: (1) state that the Agreement is terminated on a date specified therein, (2) state the reasons for the LANDLORD'S action with enough specificity so as to enable me to prepare a defense, (3) advise me that if a judicial proceeding for eviction is instituted I may present a defense, and (4) be served on me in the manner prescribed by Paragraph (g) below.

g) Proper notice shall be accomplished by LANDLORD mailing the notice by first class mail, properly stamped and addressed to the RESIDENT at his address at the complex, with a proper return address; and/or by hand delivering the same notice to any adult member of the household or if no adult responds, by placing notice under the door or inside the unit.

The date on which the notice shall be deemed to be received by the RESIDENT shall be the date on which the first class letter is mailed, or the date, on which the notice is hand delivered, whichever is later.

h) The disposition of property abandoned by RESIDENT shall be governed by Tennessee State Law. This tenancy shall remain in place as long as my possessions remain in the apartment, even after I have left. This is the case until possessions are removed voluntarily or by legal means, subject to state and local law.

i) The requirements of Section 16 – TERMINATION are subject to and written in compliance with 7 CFR § 3560.159.

17.MODIFICATION OF RENTAL AGREEMENT.

The LANDLORD may modify terms and conditions of this rental agreement, other than the terms and conditions referenced in Paragraph 6 which may be modified as provided for in said Paragraph, effective at the end of the initial term or a successive term, by serving an appropriate notice on me, together with the tender of a revised rental agreement or an addendum revising the existing rental agreement. This notice and tender shall be served on me in a manner prescribed in Paragraph 14 and must be received by me at least sixty (60) days prior to the proposed effective date. I may accept it by executing the tendered revised Agreement or addendum, or may reject it by giving the LANDLORD written notice at least thirty (30) days prior to its effective date that I intend to terminate the tenancy.

If any provision of this Lease is in violation of state or local law, it may be modified to the extent necessary to comply with the law, but any such changes must be consistent to the greatest extent possible with the provisions of 7 CFR § 356.156(c).

18.DISCRIMINATION.

“In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.)”

I understand that the rental housing project herein referenced by name is financed under a Section 515(b) Rural Development insured mortgage and that pursuant to the regulatory agreement governing said mortgage, the LANDLORD or its agent shall not discriminate against me in the provisions of services, or in any other manner, on the grounds of race, color, creed, religion, sex or national origin. To file a complaint, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272(voice), or (202) 720-6382(TDD).

This project is subject to:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Fair Housing Act
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- The Americans With Disabilities Act

19. RESIDENT GRIEVANCE OR APPEAL.

Any RESIDENT grievance or appeal from LANDLORD'S decision shall be resolved in accordance with procedures consistent with Rural Development regulations covering such procedure and which are posted in the rental office, including the requirements of 7 CFR § 3560.160.

20. MAXIMUM ALLOWABLE ADJUSTED INCOME.

I understand that I will no longer be eligible for occupancy in this project if my income exceeds the maximum allowable adjusted income as defined periodically by Rural Development for the State of Tennessee and that if I fail to meet such eligibility, I will be required to move, unless an exception is authorized by the State Director.

21. MANAGEMENT AGENT.

I understand that the LANDLORD may retain a Management Company or Management Agent, or both, to administer the day-to-day operation of the project, and that such Management Company or Agent, or both, shall be the Agent of the LANDLORD and shall be charged with and may fulfill the obligations and exercise the rights of the LANDLORD hereunder.

22. ACCELERATION/FORECLOSURE.

During the term of this lease and with RD approval, LANDLORD may make changes in basic and/or note rents in accordance with RD regulations. TENANTS will receive at least a 30-day notice prior to the effective date of the increase. Tenant contribution may be changed period to expiration of the lease if the change is due to changes in tenant status as documented on the Tenant Certification form or the Tenant's failure to properly recertify.

There will be no escalation in tenant contribution if rental assistance or interest credit is terminated due to the fault of management or the owner. There will be no escalation in tenant contribution during acceleration of the note or liquidation. Tenant contribution must remain as if interest credit and/or rental subsidy were still in place and available had acceleration not occurred. The terms of the lease will remain in effect until the date acceleration and/or foreclosure is resolved.

23. SAVINGS CLAUSE.

If any provision of the Lease Agreement is determined to be null and void for any reason, said provision shall not affect the validity or legality of the entire agreement; to this end the provisions of the Lease Agreement are severable.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement this _____ day of _____, 20____ at _____, Tennessee.

I agree to promptly notify the rental office or its agent of any damage to the premises. In the event that the premises are damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, I shall immediately notify the rental office or its agent of the damage.

RESIDENT

MANAGER FOR LANDLORD

RESIDENT

