

RESIDENTIAL LEASE AGREEMENT

1. PARTIES: The parties of this agreement (lease) are the owner of the property: and/or their representative: Douglas Cantwell dba/ **Affordable Property Management** (Landlord) and(Tenant) .

2. PROPERTY: Landlord leases to Tenant that certain real property located at: (Address) Harlingen , TX 78550.

3. TERM: This lease commences on Date , 2008 and ends on Date, 2009.

4. AUTOMATIC RENEWAL AND NOTICE OR TERMINATION:

*This lease will automatically renew on a month to month basis unless either party provides the other party written notice of termination at least thirty (30) days before the Termination Date or the end of any renewal period. **VERBAL NOTICE IS NOT SUFFICIENT UNDER ANY CIRCUMSTANCES.*** If this Lease is automatically renewed on a month to month basis, either party may terminate the renewal of this Lease by providing written notice to the other party and the renewal will terminate:

A. On the last day of the month in which the notice is given if notice is given on the first day of the month. If the notice is given on a day other than the first day of the month, the renewal will terminate on the last day of the month following the month in which the notice is given.

B. On the date designated in the notice but not sooner than thirty (30) days after the notice is given and if necessary rent will be prorated on a daily basis.

If neither of the above choices is checked, Item A will be deemed checked. Time is of the essence for providing notice of termination (strict compliance with dates by which notice must be provided is required).

5. RENT

A. Monthly Rent: Tenant will pay monthly rent in the amount of \$(000.00) for each full month during this Lease. The first full month's rent is due and payable no later than the 5th. Thereafter, Tenant will pay the monthly rent on or before the first day of each month during this lease. Weekends and holidays do not delay or excuse Tenant's obligation to timely pay rent.

B. Prorated Rent: Tenant will pay as prorated rent _____ from _____ to _____

C. Place of Payment: Tenant will pay all rent to: **Affordable Property Management** at (address): **P.O. Box 203 Harlingen, Tx. 78551** or at such other place as Landlord may designate from time to time in writing.

Initialed for identification by Tenants _____, _____, _____ & Landlord _____

D. Method of Payment: Tenant must pay all rent timely and without demand, deduction or offset, except as permitted by this Lease. Time is of the essence for the payment of rent (strict compliance with rental due dates is required). Tenant must pay all rent by x check, x money order or x cashier's check or other means acceptable to Landlord. If multiple Tenants occupy the Property, Landlord may require Tenants to pay monthly rents by one check or draft. By providing written notice to Tenant, Landlord may require Tenant to pay the amounts due under this Lease by certified funds.

E. Common Areas: Landlord is not obligated to pay any non-mandatory or user fees for Tenant's use of any common areas or facilities (such as pool or tennis courts).

F. Rent Increases: There will be no rent increases through the Termination Date. If this Lease is renewed automatically on a month to month basis, Landlord may increase the rent during the renewal period by providing written notice to Tenant that becomes effective the month following the 30th day after the notice is provided.

6. LATE CHARGES: If Tenant fails to timely pay any month's rent, Tenant will pay Landlord an initial late charge of \$25.00, plus additional late charges of \$5.00 per day thereafter until rent is paid in full. If Landlord receives the monthly rent by the 5th day of the month, Landlord will waive the late charges for that month. Any waiver of late charges under this paragraph will not affect or diminish any other right or remedy Landlord may exercise for Tenant's failure to timely pay rent (including reporting late payments to consumer reporting agencies).

7. RETURNED CHECKS: Tenant will pay \$25.00, (not to exceed \$25.00) for each check Tenant tenders to Landlord which is returned by the institution on which it is drawn for any reason, plus initial and additional late charges until Landlord has received payment.

8. APPLICATION OF FUNDS: Landlord will apply funds received from Tenant first to any non-rent obligations of Tenant including late charges, returned check charges, charge-backs for repairs, brokerage fees and periodic utilities, then apply to rent regardless of any notations on a check.

9. PETS: THERE WILL BE NO PETS, unless authorized by a separate written pet agreement. Tenant must not permit any pet, including mammals, reptiles, birds, fish, rodents, or insects on the Property, even temporarily, unless otherwise agreed by a separate written pet agreement. If Tenant violates the pet restrictions of this Lease, Tenant will pay a fee of \$10.00 per day per pet for each day Tenant violates the pet restrictions as additional rent for any unauthorized pet. Landlord may remove or cause to be removed any unauthorized pet and deliver it to appropriate local authorities by providing at least 24 hour written notice to Tenant of Landlord's intention to remove the unauthorized pet. Landlord will not be liable for any harm, injury, death or sickness to any unauthorized pet. Tenant is responsible and liable for any damage or required cleaning to the Property caused by any unauthorized pet and for all costs Landlord may incur in removing or causing any unauthorized pet to be removed.

10. DELAY OF OCCUPANCY: If Tenant is unable to occupy the Property on the Commencement Date because of construction on the Property or a prior tenant's holding over of the Property, Landlord

Initialed for identification by Tenants _____, _____, _____ & Landlord _____, _____

will not be liable to Tenant for such delay and this Lease will remain enforceable. Landlord will abate rent on a daily basis during any delay. If Tenant is unable to occupy the Property after the third (3rd) day after the Commencement Date because of construction on the Property or a prior tenant's holding over of the Property, Tenant may terminate this Lease by giving written notice to Landlord before the Property becomes available to be occupied by Tenant and Landlord will refund to Tenant the security deposit and any rent paid. These conditions do not apply to any delay in occupancy caused by cleaning or repairs.

11. SECURITY DEPOSIT:

A. Security Deposit: Upon execution of the Lease, Tenant will pay a security deposit to Landlord in the amount of \$ **(000.00)** . "Security Deposit" has the meaning to that term in 92.102 of the Texas Property Code. No interest will be paid to Tenant on the security deposit. Landlord may place the security deposit in an interest bearing account and any interest earned will be paid to Landlord or Landlord's representative. Notice: 92.108 of the Texas Property Code provide that Tenant may not withhold payment of any portion of the last month's rent on grounds that the security deposit is security for unpaid rent. Bad faith violations of 92.108 may subject Tenant to liability up to three times the rent wrongfully withheld and the Landlord's reasonable attorney's fees. *

B. Refund: Subchapter C of Chapter 92 of the Texas Property Code governs the obligations of the parties regarding the security deposit. Tenant must give Landlord at least thirty (30) days written notice of surrender before Landlord is obligated to refund or account for the security deposit. Notice: The Texas Property Code does not obligate Landlord to return or account for the security deposit until 30 days after Tenant surrenders the Property (vacating and returning all keys and access devices) and gives Landlord a written statement of Tenant's forwarding address.

C. Deductions:

- (1) Landlord may deduct reasonable charges from the security deposit for the following:
 - (a) unpaid or accelerate rent
 - (b) late charges
 - (c) unpaid utilities
 - (d) costs of cleaning, deodorizing, and repairing the Property and its contents for which Tenant is responsible
 - (e) pet violation charges
 - (f) replacing unreturned keys, garage door openers or other security devices
 - (g) the removal of unauthorized locks or fixtures installed by Tenant
 - (h) insufficient light bulbs
 - (i) packing, removing, and storing abandoned property
 - (j) removing abandoned or illegally parked vehicles
 - (k) costs of reletting, if Tenant is in default
 - (l) attorney fees and costs of court incurred in any proceeding against Tenant
 - (m) any fee due for early removal of an authorized keybox and
 - (n) other items tenant is responsible to pay under this Lease.

Initialed for identification by Tenants _____, _____, _____ & Landlord _____, _____

- (2) If deductions exceed the security deposit, Tenant will pay to Landlord the excess within ten (10) days after Landlord makes written demand. The security deposit will be applied first to any non-rent items, including late charges, returned check charges, repairs, brokerage fees, and periodic utilities then to any unpaid rent.

12. UTILITIES: Tenant will pay all connection fees, service fees, usage fees and all other costs and fees for all utilities to the Property (for example: electricity, gas, water, wastewater, garbage, telephone, alarm monitoring systems, and cable television) except the following which will be paid by Landlord. Unless provided by Landlord, Tenant must at minimum keep the following utilities on at all times this Lease is in effect: gas, electricity, water, wastewater and garbage services. If Tenant fails to do so, Tenant will be in default.

13. USE AND OCCUPANCY:

A. Occupant: Tenant may use the Property as a private dwelling only. If Tenant fails to occupy and take possession of the Property within five (5) days of the commencement Date, Tenant will be in default. The only persons Tenant may permit to reside in the Property during the term of this Lease will be (include name of all occupants): _____
Tenant must promptly inform Landlord of any changes in Tenant's phone numbers (home or work) no later than five (5) days of any change. Tenant must comply with any owners' association rules or restrictive covenants affecting the Property. Tenant will pay any fines or other charges assessed against Tenant or Landlord for violations by Tenant of any owners' association rule or restrictive covenant.

B. Prohibitions: Tenant may not permit any part of the Property to be used for:

1. any activity which is a nuisance, offensive, noisy or dangerous
2. the repair of any vehicle
3. any business of any type including child care
4. any activity which violates any applicable owners' association rule or restrictive covenant.
5. any illegal or unlawful activity or
6. other activity which will obstruct, interfere with, or infringe on the rights of other persons near the property.

C. Guests: Tenant may not permit any guest to stay on or in the Property longer than the lesser of:

1. the amount of time permitted by any owners' association rule or restrictive covenant; or
2. 15 day without Landlord's written permission.

14. VEHICLES: Tenant may not permit more than 1 vehicles (including but not limited to automobiles, trucks, recreational vehicles, trailers, motorcycles, and boats) on the Property unless authorized by Landlord in writing. Tenant may not park any vehicles in the yard. Tenant may not store any vehicles on or adjacent to the Property or on the street in front of the Property. Landlord

Initialed for identification by Tenants _____ & Landlord _____

may tow at Tenant's expense, any improperly parked or inoperative vehicle on or adjacent to the Property in accordance with applicable state and local laws.

15. ACCESS BY LANDLORD: Landlord may prominently display a "For Sale" or "For Lease" or similarly worded sign on the Property during the term of this Lease or any renewal period. If Tenant fails to permit reasonable access under this paragraph, Tenant will be in default. Landlord or anyone authorized by Landlord may enter the Property by reasonable means at reasonable times without notice to:

- A. inspect the Property for condition
- B. make repairs
- C. show the Property to prospective tenants, prospective purchasers, inspectors, fire marshals, lenders, appraisers or insurance agents
- D. exercise a contractual or statutory lien
- E. leave written notices or
- F. seize non exempt property after default

16. KEYBOX AUTHORIZATION:

- A. NOTICE: A keybox is a locked container in which a key to the Property is placed. The Keybox may be placed on the Property and opened with a special key, combination or Electronic card. Keyboxes make it more convenient for the Property to be shown or repaired.

All persons who have the special keys, combinations or cards may have access to the Property. The use of the keybox involves risk (such as unauthorized entry, property damage or personal injury). If a keybox is authorized, Tenant should: (i) safeguard and/or remove all jewelry and valuables; (ii) discuss advantages and disadvantages of the keybox with real estate professionals, insurance agents or attorney; and (iii) obtain personal property insurance. Check one:

____ (1) Tenant authorizes Landlord, Landlord's property manager and Landlord's broker to place keybox with a key on the Property during the last ____ days of this Lease or any renewal.

____ (2) Tenant does not authorize a keybox to be placed on the Property.

B. If a keybox is authorized, Tenant may withdraw Tenant's authorization to place a keybox on the Property by providing written notice to Landlord and paying Landlord a fee of **\$30.00** as consideration for the withdrawal. Landlord will remove the keybox within a reasonable time after receipt of the notice of withdrawal and the required fee.

C. Landlord, Landlord's property manager and Landlord's broker are not responsible to Tenant. Tenant's guest, family or occupants for any damages, injuries or losses arising from use of the keybox unless caused by the negligence of Landlord, Landlord's property manager or Landlord's broker. Tenant assumes all risk of any loss, damage or injury.

Initialed for identification by Tenants ____, ____, ____ & Landlord _____, _____

17. MOVE-IN CONDITION: **Tenant has inspected and accepts the Property AS-IS except for conditions materially affecting the safety or health of ordinary persons or unless expressly noted otherwise in this Lease. Landlord has made no express or implied warranties as to the condition of the Property and no agreements have been made regarding future repairs unless specified in this Lease. Tenant will complete an inventory and condition form noting any defects or damages to the Property and deliver it to Landlord within 48 hours after the Commencement Date.** Tenant's failure to timely deliver the inventory and condition form will be deemed as Tenant's acceptance of the Property in a clean and good condition. The Inventory and Condition Form is not a request for maintenance or repairs. Tenant must direct all requests for repairs in compliance with paragraph 20.

18. MOVE-OUT CONDITION AND FORFEITURE OF TENANT'S PERSONAL PROPERTY. Tenant will surrender the Property in the same condition as when received, normal wear and tear excepted. "Normal wear and tear" means deterioration that occurs without negligence, carelessness, accident or abuse. Tenant will leave the Property in a clean condition, free of all trash, debris, and any personal property or belongings. If Tenant leaves any personal property or belongings in the Property after Tenant surrenders possession of the Property, all such personal property or belongings will be forfeited to and become the property of Landlord. "Surrender" means vacating the Property and returning all keys and access devices to Landlord.

19. PROPERTY MAINTENANCE:

A. Tenant's General Responsibilities: Tenant, at Tenant's expense must:

1. keep the property clean and sanitary
2. promptly dispose of all garbage in appropriate receptacles
3. supply and change heating and air conditioning filters at least once a month
4. ask for assistance with smoke detectors & light bulbs
5. promptly eliminate any dangerous condition on the Property caused by Tenant or Tenant's guests
6. take precautions to prevent broken water pipes due to freezing **(let faucets drip during freezing temperatures to prevent broken water pipes)**
7. replace any lost or misplaced keys
8. pay any periodic, preventive or additional extermination costs desired by Tenant, and
9. promptly notify Landlord of all needed repairs.

B. Yard Maintenance: x Landlord _____ Tenant is responsible for all yard maintenance and will use reasonable diligence maintaining the yard. "Yard" means all lawns, shrubbery, bushes, flowers, gardens, trees, rock or other landscaping and other foliage on or encroaching on the Property or on any easement appurtenant to the Property and does not include common areas maintained by an owner's association. "Yard maintenance" means such things as but not limited to mowing, fertilizing, trimming and control of yard pests. Landlord at Landlord's discretion will be responsible for treatment for wood-destroying insects, if any. If Landlord maintains the yard, Tenant will permit Landlord and Landlord's contractors reasonable access to all parts of the yard and will remove any pet from the yard at appropriate times.

Initialed for identification by Tenants _____, _____, _____ & Landlord _____, _____

C. Pool or Spa Maintenance: _____ Landlord _____ Tenant is responsible for all pool or spa maintenance and will use reasonable diligence in maintaining the pool or spa. "Pool or spa maintenance" means cleaning, sweeping, and applying appropriate chemicals. Tenant will maintain proper water heights in the pool or spa. If Landlord maintains the pool or spa Tenant will permit Landlord and Landlord's contractors reasonable access to the pool or spa and will remove any pet in the yard in which the pool or spa is located at appropriate times.

D. Prohibitions: If Tenant installs any fixtures on the Property, authorized or unauthorized such as additional smoke detectors, locks, alarm systems, cables or other fixtures such fixtures will become the property of the Landlord. Except as otherwise permitted by law, this Lease or in writing by Landlord, Tenant may NOT:

1. remove any part of the Property or any of Landlord's personal property from the Property.
2. remove, change or rekey any lock
3. make holes in the woodwork, floors or walls, except that a reasonable number of small nails may be used to hang pictures in sheetrock and grooves in paneling
4. permit any water furniture on the property
5. install new or additional telephone or television cables, outlets, antennas, satellite receivers or alarms systems
6. replace or remove carpet, paint, wallpaper or floor tile
7. install or change any fixture
8. keep or permit any hazardous material on the Property such as flammable or explosive materials which might cause fire or extended insurance coverage to be suspended canceled or any premiums to be increased.
9. dispose of any environmentally detrimental substance (e.g. motor oil or radiator fluid) on the Property
10. cause or allow any mechanic's or material man's lien to be filed against any portion of the Property of Tenant's interest in this Lease

20. REPAIRS:

A. Repairs to be Paid by Tenant: Tenant will pay Landlord or any repairman Landlord Directs Tenant to pay the cost to repair:

1. a condition caused by Tenant, an occupant, a member of Tenant's family or a guest or invitee of Tenant
2. damage from wastewater stoppages caused by foreign or improper objects in lines that exclusively service the property
3. damage to doors, windows or screens and
4. damage from windows or doors left open

Initialed for identification by Tenants _____, _____, _____ & Landlord _____, _____

- B. Repairs to be paid by Landlord: Landlord will pay the cost to repair:
1. a condition caused by the Landlord or the negligence of the Landlord
 2. wastewater stoppages or backups caused by deterioration, breakage, roots, ground condition, faulty construction or malfunctioning equipment and
 3. a condition that is not Tenant's obligation to pay under paragraph 20A and that adversely affects the health or safety of an ordinary Tenant.

C. Items Not to be Repaired: Landlord does not warrant and will not repair or replace the following: anything that has been neglected by the occupants.

D. All other repairs: Except for repairs under paragraph 20A, 20B and 20C, Tenant will pay Landlord or any repairman, Landlord directs Tenant to pay the first <\$45.00 > of the cost to repair any condition in need of repair and Landlord will pay the remainder.

E. Repair Requests and Completion of Repairs: All requests for repairs must be in writing and Delivered to Landlord. Tenant may not repair or cause to be repaired any condition, regardless of the cause without Landlord's permission and the selection of repairmen will be at Landlord's sole discretion. Landlord may require advance payment of repairs for which Tenant is liable. If Tenant fails to promptly reimburse Landlord any repair costs that Tenant is obligated to pay, Tenant will be in default. If Tenant is delinquent in rent at the time the repair notices are given, Landlord is not obligated to make the repairs.

21. SECURITY DEVICES AND EXTERIOR DOOR LOCKS.

A. Security device has the meaning assigned to that term in 92.151 of the Texas Property Code. All notices or requests by Tenant for rekeying, changing, installing, repairing or replacing security devices must be in writing. Installation of additional security devices or additional rekeying or replacement of security devices desired by Tenant will be paid by Tenant in advance and may only be installed by Landlord's contractors after receiving a written request from the Tenant.

B. If required by Subchapter D of chapter 92 of the Texas Property code, Landlord has keyed the security devices on the property since the date the last tenant vacated the Property or will rekey the security devices no later than seven (7) days after Tenant moves into the Property.

22. SMOKE DETECTORS: Requests for additional installation, inspection or repair of smoke detectors must be in writing. Disconnecting or intentionally damaging a smoke detector or removing a battery without immediately replacing it with a working battery may subject Tenant to civil penalties and liability for damages and attorney fees under 92.2611 of the Texas Property Code.

Initialed for identification by Tenants _____, _____, _____ & Landlord _____, _____

23. **LIABILITY:** Unless caused by Landlord's negligence, Landlord is NOT responsible to Tenant, Tenant's guests, family or occupants for any damages, injuries or losses to person or property caused by fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, interruption of utilities, theft, burglary, robbery, assault, vandalism, other persons, condition of the Property, environmental contaminants, (e.g. carbon monoxide, asbestos, radon, lead-base paint, etc.), or other occurrences or casualty losses. Tenant will promptly reimburse Landlord for any loss, property damage or cost of repairs or service to the Property caused by the negligence or by the improper use by Tenant, Tenant's guests, family or occupants. **NOTICE:** Tenant should secure Tenant's own insurance coverage for protection against such liabilities and losses.

24. **DEFAULT AND ACCELERATION OF RENTS:** If Landlord breaches this Lease, Tenant may seek any relief provided by law. If Tenant fails to timely pay all rents due under this Lease or otherwise fails to comply with this Lease, for any reason, Tenant will be in default and Landlord may terminate Tenant's right to occupy the Property by providing Tenant with at least three (3) days written notice. Notice may be by any means permitted by 24.005 of the Texas Property Code (such as mail, personal delivery, affixing notice to inside of mail door). If Tenant breaches this Lease, all rents which are payable during the remainder of this Lease or any renewal period will be accelerated without notice or demand. Landlord will attempt to mitigate any damage or loss caused the Tenant's breach by attempting to relet the Property to acceptable Tenants and reducing Tenant's liability accordingly. **Unpaid rent and unpaid damages are reportable to credit reporting agencies.** If Tenant breach this Lease, Tenant will be liable for:

- A. any lost rent
- B. Landlord's cost of reletting the Property including brokerage fees, advertising fees and other fees necessary to relet the property
- C. repairs to the Property for use beyond normal wear and tear
- D. all Landlord's cost associated with eviction of Tenant, such as attorney's fee, court costs and prejudgment interest
- E. All Landlord's costs associated with collection of rent such as collection fees, late charges and returned check charges and
- F. any other recovery to which Landlord may be entitled by law.

25. **ABANDONMENT:** If Tenant abandons the Property, Tenant will be in default. "Abandon" means Tenant fails to comply with any provision of this Lease and is absent from the Property for five (5) consecutive days.

26. **HOLDOVER:** If Tenant fails to vacate the Property on or before the Termination Date of this Lease or at the end of any renewal period, Tenant will pay rent for the holdover period and indemnify Landlord and/or prospective tenants for damages, including lost rent, lodging expenses and attorney's fees. In the Event of holdover, Landlord at Landlord's option may extend this Lease up to one month by notifying Tenant in writing. Rent for any holdover period will be two (2) times the monthly rent calculated on a daily basis and will be immediately due and payable daily without notice or demand.

Initialed for identification by Tenants _____, _____, _____ & Landlord _____, _____

27. RESIDENTIAL LANDLORD'S LIEN: Landlord will have a lien for unpaid rent against all of Tenant's nonexempt personal property that is in the Property and may seize such nonexempt property if Tenant fails to pay rent. Landlord may collect a charge for packing, removing or storing property seized, in addition to any other amounts Landlord is entitled to receive. Landlord may sell or dispose of any seized property in accordance with the provisions of 54.045 of the Texas Property code.

28. CASUALTY LOSS OR CONDEMNATION: Section 92.054 of the Texas Property Code governs the right and obligations of the parties regarding any casualty loss to the Property. Any proceed, payment of damages, settlements, awards or other sums paid because of a casualty loss to the Property will be the sole property of the Landlord. For the purpose of this Lease, any condemnation of all or part of the Property is a casualty loss.

29. MILITARY: If Tenant is or becomes a member of the Armed Forces on active duty and receives change of station orders to leave the county in which the Property is located and Tenant is not in default of this Lease, Tenant may terminate this Lease by giving Landlord thirty (30) days written notice and a certified copy of the military orders. Military orders authorizing base housing do not constitute grounds for termination unless specifically waived.

30. SPECIAL PROVISIONS:

1. No shooting of guns within the property
2. No storage in attic and/or yard
3. No fireworks
4. No fires in the property except for barbecuing
5. No loud music after 10:00 pm
6. No junk cars

31. ATTORNEY'S FEES: Any person who is a prevailing party in any legal proceeding brought under or related to the transaction described in this Lease is entitled to recover prejudgment, attorney's fees and all other costs of litigation from the nonprevailing party.

32. REPRESENTATIONS: Tenant's statements in this Lease and any Application for Rental are material representations relied upon by the Landlord. Each party signing this Lease states that he or she is of legal age to enter into a binding contract. If Tenant makes any misrepresentation in this Lease or in any Application for Rental, Tenant is in default.

33. AGREEMENT OF PARTIES:

A. Entire Agreement: This Lease contains the entire agreement between Landlord and Tenant and may not be changed except by written agreement.

B. Binding Effect: This Lease is binding upon all of the parties to this Lease and their respective heirs, executors, administrators, successors and permitted assignees.

Initialed for identification by Tenants _____ & Landlord _____

