

**SPA PROPERTIES**  
PO Box 12592  
Charlotte, NC 28220

**LEASE AGREEMENT**

THIS LEASE, made this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_, whereby SPA Properties, hereinafter referred to as "Landlord," does hereby lease unto \_\_\_\_\_, hereinafter referred to as "Tenant(s)," the property located at \_\_\_\_\_, hereinafter referred to as "Premises," for a period commencing on \_\_\_\_\_, and ending on \_\_\_\_\_. Rent is \_\_\_\_\_ per monthly installment for a total of twelve (12) equal installments.

The first installment is due at move-in and the remaining installments are due on the first day of each month following the lease commencement date. Installments are late after the fifth (5th) day of the month.

This Lease is on the following terms, covenants, rules, and regulations which the Landlord and Tenant agree to keep and perform.

**LANDLORD AND TENANT AGREE AS FOLLOWS:**

1) SECURITY DEPOSIT: Landlord hereby acknowledges receipt from tenant the sum of \_\_\_\_\_, to be held as security for the faithful performance by the Tenant of the covenants, conditions, rules and regulations contained herein. **The security deposit shall be placed by the Landlord in an interest-bearing account with High Country Bank of Boone, North Carolina 28607, and any interest thereon shall be the property of the Landlord.** The Security Deposit, or any portion thereof, may be withheld for unpaid rent, cleaning charges, damages due to breach of this Lease or for damage by Tenant or the Tenant's agents, employees, guests or invitees in excess of ordinary wear and tear to the Premises, common areas and major appliances owned by the Landlord. It is understood and agreed, however, that irrespective of said Security Deposit, rent shall be paid when due, in accordance with the terms hereof. The Tenant shall have the right to be present when the Landlord, or the Landlord's agent, inspects the Premises in order to determine if any damage was done to the Premises. In the event of sale or transfer of the Premises by Landlord, the Landlord shall have the right to transfer, in accordance with applicable law, the Security Deposit to the vendee, or other transferee, and Landlord shall be released by Tenant from all liability for the return of such Security Deposit and Tenant shall look to Landlord's transferee for the return of said Security Deposit. It is agreed that this shall apply to every transfer or assignment made of the Security Deposit to any such transferee. The Security Deposit shall not be mortgaged, assigned or encumbered by Tenant without the prior written consent of Landlord and any attempt to do so shall be void. Tenant fully understands that should he/she for any reason decide not to take possession of the Premises and/or break this lease, the Security Deposit remains the property of the Landlord and is not refundable.

The tenant shall have the right to receive, by first class mail, delivered to the last known address of the Tenant, a written list of the charges against the Security Deposit claimed by the Landlord, within thirty (30) days after the termination of the tenancy and delivery of possession by Tenant. The Landlord shall be further obligated to return any unused portion of the Security Deposit, by first class mail, addressed to the Tenant's last known address with thirty (30) days after the termination of the tenancy.

2) DEFINITION OF RENT: Rent is defined as the total base rent for the term of the Lease, payable in twelve (12) equal installments.

3) PAYMENT OF MONTHLY INSTALLMENTS OF BASE RENT: Rent is due on the first day of each month and is payable through the fifth day without a late fee. Occupancy shall not be granted without prior payment of the first month's installment **and delivery of a properly executed and duly enforceable Parental Guaranty. It is understood by Tenant that failure to return the Parental Guaranty document does not release Tenant from his/her responsibilities and obligations for the entire term of this Lease.** Tenant shall pay the rent by mail, or as previously discussed and agreed upon with Landlord, any other means deemed acceptable by Landlord. Except as may be otherwise required by law, or by the Landlord, all installment payments made by Tenant to Landlord shall be by check or money order. Should any check given by Tenant to Landlord be dishonored by Tenant's bank, Landlord shall have the right to require that all future installment payments, except as may otherwise be required by law, be paid by money order or certified check.

4) LATE CHARGE: Tenant will pay a charge of five (5%) percent of the monthly rent installment payment as a late charge in the event that Tenant shall fail to pay, both while occupying the Premises and after vacating same, any installment for a period of five (5) days beyond the date on which it became due and payable. This shall not constitute a waiver of the Landlord's right to institute proceedings to collect any unpaid monthly installment payments, or for damages and/or repossession of the Premises for non-payment of any installment of rent.

5) BANK RETURNED CHECKS: Installment payments made by check which do not clear the bank cost the Landlord additional expenses for bookkeeping and clerical services, and therefore, Tenant will pay to Landlord Twenty-Five (\$25.00) dollars for each such bank returned check.

6) FINES AND ATTORNEY FEES: In the event Tenant, Tenant's family, agents, employees, roommates or guests violate any term or provision of this Lease, or the rules and regulations thereof, Tenant shall pay to Landlord, in addition to any other damages and expenses incurred by Landlord as a result thereof, an Administrative Fee, in the amount of ten (10%) percent of Tenant's then current monthly rental, to help defray Landlord's costs incurred in connection with having Tenant remedy such Lease violation. Should Landlord employ an attorney because of any such violation, the Tenant shall pay in addition to the aforesaid Administrative Fee, and not in lieu of, such reasonable attorney fees as are incurred by the Landlord. Tenant shall be liable for such attorney fees whether or not Landlord institutes legal proceedings. However, where legal proceedings are instituted by Landlord against Tenant, and said proceedings result in a monetary judgment in favor of Landlord, those reasonable attorney fees for which Tenant shall be liable to Landlord shall not be less than fifteen (15%) percent of said judgment.

7) ASSIGNMENT AND SUBLETTING: Tenant will not assign this Lease, or sublet said Premises, or any part thereof, nor permit the Premises to be occupied by anyone other than Tenant and such other Tenants of the Premises as may be authorized by Landlord, without the prior written consent of Landlord, which consent may be withheld in the sole and absolute subjective discretion of the Landlord, nor use or permit the Premises to be used for any purpose other than that of a private dwelling. Tenant can be charged a fee of \$100.00 for allowing others to stay or store items in or on their property.

8) **RIGHT OF ENTRY:** Except in the event of an emergency affecting the health, safety or welfare of the Landlord or any Tenant of any property thereof, the Landlord shall give the Tenant at least 24 hours notice of the Landlord's intent to enter the Premises by written notice, e-mail, or message left on the voicemail of at least one Tenant of the property, and shall enter only during normal business hours or at such other time as is mutually agreed to by the Landlord and the Tenant. Landlord may enter the Premises by master key, or, in the event of an emergency, by force. Landlord shall have the right to enter the Premises at all reasonable hours to inspect the Premises, to make repairs/alterations in the Premises or elsewhere on Landlord's property, to enforce any provision of this Lease or to show the Premises to prospective future Tenants or purchasers without being liable to prosecution therefore or damages by reason thereof. Tenant agrees to set up his/her voicemail and to regularly check voicemail for notices.

9) **RE-ENTRY OF PREMISES:** In the event Tenant abandons the Premises or is required to vacate the Premises due to Landlord exercising its right upon Tenant's breach of Lease, then the Landlord shall have the right to enter the Premises for the purpose of making alterations and repairs, and may relet the Premises for a term which may, at Landlord's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this Lease, or any renewal or extension thereof, all without relieving the Tenant of the liabilities imposed by applicable law and this Lease Agreement. Landlord shall further have the right, without further notice, to dispose of any personal property left in or about the Premises or common area by the Tenant, after the Tenant has vacated.

10) **REPAIRS:** Landlord shall be responsible for normal wear and tear to the Premises and will maintain the Premises and appliances furnished by Landlord, except that Tenant agrees to pay the cost for all labor and material for repairs or replacement if the damage or malfunction to the Premises or appliances, is due to the Tenant, Tenant's invitees, guests, agents, or employees. Additionally, if Tenant fails to return all originally issued keys to the Landlord at the termination of this agreement, the Tenant shall pay the Landlord fifty (\$50.00) dollars for changing locks.

11) **DAMAGE TO PREMISES:** In case of damage to the Premises by fire or the elements (not caused by the fault, omission, negligence or other misconduct of Tenant, Tenant's employees, agents, invitees or guests), the Landlord will repair the damage, the rent being suspended only for such time as the Premises, in the sole opinion of the Landlord, shall remain untenable; but if the Premises are so damaged that the Landlord shall decide that it is not advisable to repair the Premises with the Tenant occupying same, this Lease shall terminate.

12) **CONDITION OF PREMISES:** The Premises will be made available such that it will not contain conditions which constitute, or if not promptly corrected will constitute, a fire hazard or a serious and substantial threat of life, health or safety of occupants.

13) **EXISTING DAMAGES:** The Tenant will be issued a move-in condition report which will require a complete and thorough inspection of the Premises by Tenant and returned to Landlord. Tenant must report any damages within 48 hours of check-in. Any damages found throughout the year or at lease termination will be compared to the move-in condition report. Damages that occur after move in or that were not annotated on the move-in condition report will be charged to the Tenant.

14) **INTERRUPTION OF SERVICE:** The Tenant will receive no rent reduction, nor will Landlord be liable to Tenant, due to repairs or interruption of services to utilities, appliances or equipment in or about the Premises or due to defects in the Premises not caused by Landlord's fault, omission,

negligence or other misconduct; or due to the inability of Landlord to obtain utilities, or repair/replace parts. In case it shall become necessary at any time, from accident or repairs, or to improve the condition or operation of the Premises, or any equipment or utilities appertaining thereto, for Landlord to stop or curtail the operation of said equipment or utilities, Landlord may do so, but in such case due diligence shall be used to complete the work.

15) **CLEANING AND ALTERATION TO PREMISES:** Tenant will clean and leave Premises at the end of the Lease term, or any renewal or extension thereof, in as good condition as received, reasonable wear and tear expected, and will not, without written permission of the Landlord, make any alterations, additions or improvements (including changing locks, adding additional lock chains or other fasteners, painting and papering) to the Premises. Any alterations, additions or improvements of a permanent nature, which may be made to the Premises shall be the property of the Landlord and shall remain with the Premises.

16) **LEASE VIOLATIONS:** If any of the representations made in Tenant's Rental Application are misleading or untrue, or if Tenant, Tenant's employees, agents, invitees, roommates or guests violate any provision of this Lease or any rule or regulation herein imposed, then Landlord may treat such representation or Lease violation as forfeiture under the terms of this Lease, with Tenant's possession of the Premises terminating on the date specified in Landlord's notice. Under such circumstances, Landlord may re-enter and take possession of the Premises by utilizing applicable law, but liability will be reduced by any replacement rent Landlord has been able to receive for the same Premises. If Tenant's possession of the Premises should be so terminated, or if the Premises should otherwise become vacant during the term of this Lease, or any renewal or extension thereof, the Tenant will remain liable to the Landlord for the rent through what would have been the expiration date of this Lease, or any renewal or extension thereof, had Tenant's possession not been so terminated; and shall further remain liable to such other damages sustained by the Landlord due to Tenant's breach of Lease and/or Tenant's termination of possession of the Premises so long as such liability is not expressly prohibited by applicable law. Such other damages shall continue, but are not limited to, costs incurred in recovering possession of the Premises, costs incurred in re-letting the Premises (such as administrative expenses and a proportionate share of advertising expenses), utility costs for the Premises for which Tenant, pursuant to the Lease, is responsible while same remains vacant, and costs incurred in redecorating the Premises. Tenant's proportionate share of advertising expenses shall be computed by dividing Landlord's total advertising expenses for the community in which the Premises are located, for the shorter of the period of time in which the Premises remain vacant or the Lease term expires, by the number of vacant units in the complex during the same period of time.

17) **COMPLIANCE WITH RULES AND REGULATIONS:** The Tenant, Tenant's family, employees, agents, invitees and guests will observe and comply with the rules and regulations set forth in this Lease and which are to be considered a part thereof, and with such further rules and regulations as the Landlord may adopt so long as such additional rules and regulations are reasonably necessary for the preservation and protection of the Premises, the Landlord's personnel or other persons.

18) **TENANT CONDUCT AND BEHAVIOR:** Tenant will not make, permit or facilitate any unseemly or disturbing noises or conduct by the Tenant, Tenant's family, employees, agents, invitees, roommates and/or guests; nor do, permit or facilitate any illegal or immoral conduct or obstruct or interfere with the rights, comforts or convenience of other Tenants or Landlord. More specific Rules and Regulations governing Tenant conduct and behavior are set out in the Addendum, which is incorporated into this Agreement and is a part of this Agreement.

19) **ILLEGAL DRUGS:** If Tenant, Tenant's employees, agents, invitees, roommates and/or guests engage in, permit or facilitate any drug-related activity on or about the Premises, Tenant will be deemed to have substantially and materially breached this Lease Agreement with such breach being grounds to terminate Tenant's occupancy of the Premises. The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, dispensing, storage, use or possession of a "controlled substance" as defined under Section 102 of the Comprehensive Drug Abuse Prevention and Control Act (21 U.S.C. § 802(6), as amended) or to attempt, endeavor or conspire to manufacture, sell, distribute, dispense, store, use or possess a controlled dangerous substance or controlled substance under relevant North Carolina statutes.

20) **CONSUMPTION OF ALCOHOL:** Under North Carolina law, it is unlawful for any person under the age of 21 to possess or consume alcoholic beverages, including wine or beer. It is also unlawful for any person to buy alcoholic beverages or furnish them for any purpose to anyone under the legal drinking age. Inside the Premises is the only place where persons of legal drinking age are permitted to possess or consume alcoholic beverages. Public display of open alcoholic beverages is not permitted in the common areas (outside the house including the porch or balcony) of the house complex. Excessive drinking and intoxication will not be tolerated. The possession or storage of large beverage containers (i.e. kegs) either full or empty is strictly prohibited. Tenants who choose to drink will be held fully responsible for their own or their guests' behavior while under the influence of alcohol.

21) **POSSESSION OF WEAPONS:** To provide for the safety and well-being of all members of the community, possession of firearms of any type, paintball guns, BB guns and bow and arrows of any type within the complex is strictly prohibited.

22) **VEHICLE USE AND PARKING:** Each Tenant may have ONE properly tagged and functioning passenger motor vehicle or truck (with no commercial lettering) not in excess of  $\frac{3}{4}$  ton GVW, whose appearance, in Landlord's sole opinion, does not detract from the community. **Any vehicle or other property parked or stored, so as to block or inhibit access to any trash bins, roadway or drives will be booted, towed or otherwise removed at its owner's risk and expense.**

23) **WAIVER:** The failure of the Landlord to insist upon a strict compliance with any of the covenants, rules or regulations of this Lease, or to exercise any option herein contained, shall not be construed as a waiver of such covenant, rule, regulation or option, but all covenants, rules, regulations and options shall remain in full force and effect. Landlord shall not be liable or responsible to Tenant for the violation of any covenant, rule or regulation in any other lease by any other tenant.

24) **INSURANCE:** During the term of this Lease, and any extension thereof, Tenant should, at Tenant's sole cost and expense, purchase renter's form homeowner's insurance coverage providing for personal liability (bodily injury and property damage) coverage, and further, providing coverage to keep Tenant's personal property on and in the Premises insured for the benefit of the Tenant against loss or damage resulting from broad form named perils on a replacement cost basis. Tenant acknowledges that Landlord does not carry any insurance on Tenant's personal possessions, and that Tenant will make an independent assessment as to the appropriate level of insurance coverage that Tenant should obtain.

25) **SMOKE DETECTOR:** Landlord has installed at least one smoke detector in the Premises and that said detector(s) is in good condition and proper working order as of the beginning of the Lease term. Tenant agrees not to obstruct or tamper with said detector(s) or otherwise permit the detector(s)

to be obstructed or tampered with for any reason whatsoever. Tenant further agrees to test the detector(s) periodically and to report any malfunction therewith promptly to Landlord. Tenant assumes all liability to test the detector(s) and hereby waives and exonerates Landlord from any and all liability resulting from any defective detector(s) which Tenant shall not have specifically reported to Landlord.

26) INDEMNIFICATION: Tenant agrees to indemnify and save harmless the Landlord against all liability, including liability arising from death or injury to person or property, during the term of this lease, and any renewal or extension thereof, caused by any act or omission of the Tenant, or of the family, guests, agents, invitees or employees of the Tenant.

27) LIABILITY OF LANDLORD: Landlord shall not be liable for any personal conflict of Tenant with co-tenants, Tenant's guests or invitees, or with any other tenants that reside at the Premises. Therefore, a conflict between tenants does not constitute grounds for Tenant to terminate this Lease. Landlord shall not be liable for any injury, damage or loss to person or property caused by other Tenants or other persons, or caused by theft, vandalism, fire, water, smoke, snow, ice, explosions or other causes unless the same is exclusively due to the omission, fault, negligence or other misconduct of the Landlord. Failure or delay in enforcing Lease covenants of other Tenants shall not be deemed negligence, etc. on the part of the Landlord. Tenant shall defend and indemnify Landlord from any claim or liability from which Landlord is hereby exonerated.

28) SURRENDER OF PREMISES: If the tenant does not surrender the Premises at the end of the Lease term, or any renewal or extension thereof, the Tenant will reimburse the Landlord for all of the damages which the Landlord suffers as a result thereof, and will further indemnify the Landlord against all claims made by any succeeding Tenant against the Landlord found upon delay by the Landlord in delivering possession of the Premises to said succeeding tenant, so far as such delay is caused by the failure of Tenant to surrender the Premises. Tenants that hold over past the end of the rental term creates a tenancy at will and shall pay rent at the rate of one hundred (\$100.00) dollars per day or part of a day until the dwelling unit is vacated.

29) WAIVER OF BREACH: Receipt by the Landlord of any monthly installment of base rent with knowledge of the violation by Tenant of any term or provision of this Lease or the rules and regulations thereof, shall not be deemed a waiver of such breach.

30) PREJUDGMENT INTEREST: If Tenant violates this Lease Agreement and said violation results in a monetary loss to Landlord, then Landlord shall be entitled to prejudgment interest at the highest rate allowed by law, but in no event more than ten (10%) percent per annum, on the amount due Landlord, from the date the Landlord mails its written list of damages to Tenant.

31) QUIET ENJOYMENT: The only covenant of quiet enjoyment applicable to this tenancy, expressed or implied, is that provided under North Carolina law.

32) SECTION HEADINGS AND NUMBERS: Section Headings and Section Numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, construe or describe the scope or intent of such sections or in any way affect this Lease.

33) HEIRS AND ASSIGNS: This Lease, and all covenants, conditions, rules and regulations herein contained, are binding upon and shall insure to the benefit of the successors and assigns of the Landlord and the heirs, administrators and those assigns of the Tenant who shall have been approved in accordance with this Lease.

34) NOTICES: All notices from Tenant to Landlord shall be sent by certified mail, return receipt requested, and addressed to SPA Properties, PO Box 12592, Charlotte, North Carolina 28220. All notices from Landlord to Tenant shall be delivered personally or sent by First Class or Certified Mail, addressed to Tenant.

35) SUBORDINATION OF LEASE: This Lease is subject and subordinate to any mortgage or deed of trust now or hereafter covering the property of which the Premises leased hereby is a part and is subject and subordinate also to any extension, renewal, modification, replacement or consolidation of any such mortgage or deed of trust. The provisions of this Section shall be self-operative and no further instrument of subordination shall be necessary. Promptly upon the request of any person succeeding to the interest of the owner of the property of which the Premises hereby leased is a part, whether through the enforcement of any remedy provided for by law or by any such mortgage or deed of trust or as the result of any voluntary or involuntary conveyance or other transfer of such interest in lieu of foreclosure, the Tenant automatically, without the necessity of executing any further document, will become the Tenant of such successor in interest.

36) EARLY TERMINATION OPTION: Landlord has the option of terminating this Lease prior to the Termination Date specified in the first paragraph of the Lease ("Early Termination Option"). To exercise the Early Termination Option, Landlord must deliver to Tenant, a written notice stating that Landlord has elected to exercise the Early Termination Option and identifying the date of such early termination, but in no event, shall the date be less than sixty (60) days from the date of the written notice ("Early Termination Date"). Upon delivery of the Early Termination Option, the Termination Date of this Lease shall be deemed amended to be the Early Termination Date.

37) ENTIRE AGREEMENT: This Lease contains the entire agreement between Landlord and Tenant, and can only be changed in writing, signed by both parties.

38) SEVERABILITY: If any provision of this Lease or application thereof to any person or circumstance is held invalid, that invalidity shall not affect other provisions or applications of this Lease which can be given effect without the invalid provision or application; and to this end, the provisions of this Lease are declared to be severable.

39) APPLICABLE LAW: This Lease shall be given effect and shall be construed by application of the law of North Carolina.

40) PET POLICY: Tenant agrees that at no time shall any animal or pet of any kind be allowed on the Premises by the Tenant or his guest(s) without prior written approval from the Landlord including the payment of a Pet Security Deposit payable at the beginning of the Lease term. The Pet Security Deposit may be partially refundable, which is at the sole discretion of the Landlord. If an animal is seen or reported on the Premises without prior written approval from the Landlord as state above, Tenant must immediately, on demand, pay a \$250.00 penalty. Landlord reserves the right to terminate Lease for such violation.

41) PEST CONTROL: Tenant agrees to report any pest issues to Landlord for necessary remediation. It is the responsibility of the Tenant to keep the Premises clean; if Tenant consistently lives in an unsanitary environment, Tenant acknowledges and accepts that Landlord is limited in its ability to address the pest situations, and Tenant waives the right to hold Landlord responsible for continual issues. When inhabiting the Premises, Tenant agrees to inspect the Premises for fleas, bedbugs and termites to the best of Tenant's ability. After Tenant has returned the Move-In Inspection Form, and if Tenant has not made mention of the aforementioned pests, Tenant will be responsible for the costs incurred by Landlord to remedy the pest condition.

42) MOLD AND MILDEW: Tenant agrees to regularly inspect the Premises for water leaks, moisture, mold and mildew. Potential sources of water or moisture include roof leaks, humidifiers, plumbing leaks, steam from cooking, watering houseplants, baths and showers. Leaks may occur around water heaters, toilets, sinks, tubs, showers, windows and doors. Discolored areas on walls and ceilings and moisture in carpets may indicate roof leaks or clogged air conditioner drains. Tenant agrees to immediately notify Landlord in writing if Tenant detects leaks, mold or mildew within the Premises. Tenant agrees to clean and remove mold and mildew as part of Tenant's obligation to keep and maintain the Apartment Unit in good and clean condition. If Tenant desires specific mold and mildew cleaning instructions, such instructions will be made available by Landlord to Tenant upon request. If Tenant discovers mold and mildew in areas not accessible to Tenant for cleaning, Tenant agrees to inform Landlord so that Landlord can remove mold and mildew from those areas.

43) LAWN CARE: It is the responsibility of the tenant in a single family residential home to maintain the lawn. If the lawn is not maintained, the tenant agrees to allow the Landlord to maintain the lawn at the Tenant's expense, after the Landlord has given the Tenant five (5) days notice to cure the default.

IN WITNESS WHEREOF the parties hereto have executed this Lease Agreement the day and year first above written.

WITNESS/ATTEST:

Tenant \_\_\_\_\_ Date \_\_\_\_\_

Tenant \_\_\_\_\_ Date \_\_\_\_\_

Tenant \_\_\_\_\_ Date \_\_\_\_\_

Tenant \_\_\_\_\_ Date \_\_\_\_\_

Tenant \_\_\_\_\_ Date \_\_\_\_\_

Tenant \_\_\_\_\_ Date \_\_\_\_\_

Landlord \_\_\_\_\_ Date \_\_\_\_\_