

**RESIDENTIAL LEASE AGREEMENT**

THIS RESIDENTIAL LEASE AGREEMENT (this "**Lease**") is made and entered into as of the [ ] day of [ ], 201[ ], by and between Segundo Paso LLC, an Arizona limited liability company ("**Landlord**"), and [ ] ("**Tenant**").

WITNESSETH:

WHEREAS, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, a non-exclusive right to occupy certain residential property as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy which are hereby acknowledged, the parties hereto agree as follows:

1. **Premises and House.** Landlord hereby grants to Tenant, during the Term of this Lease as set forth in Section 2, a non-exclusive right to occupy that certain bedroom designated by Landlord (the "**Room**"), located in the house at [ ], Goodyear, Arizona, 85338 (the "**House**"), together with the use of the Common Areas in common with other tenants of the House. The "**Common Areas**" consist of all areas and facilities in and at the House which shall not be within the exterior walls of the room of a tenant and which shall from time to time be available for the non-exclusive use of the tenants of the House. The Room, together with the use of the Common Areas, is referred to in this Lease as the "**Premises.**" Tenant acknowledges that Landlord may, in Landlord's sole and absolute discretion, grant similar non-exclusive rights to occupy the House to other tenants during the Term.

2. **Term.** The term of this Lease is two years, commencing on [ ], 201[ ], and ending on [ ], 201[ ] (the "**Term**"). Tenant may not extend or renew the Term of this Lease, and Tenant must surrender possession of the Premises on the last day of the Term without any notice from Landlord. Tenant has no rights whatsoever with respect to the Premises or the House other than the rights specifically set forth in this Lease.

3. **Rent.** Tenant must pay to Landlord, as rent for the Premises, the amount of \$ [ ] per month (the "**Rent**"), without deductions or offsets, beginning on [ ], 201[ ], and continuing on the first day of each calendar month during the Term at the address of Landlord set forth below. Rent due for a period of less than a full month shall be prorated on the basis of a 30-day month. A late charge of \$10.00 per day shall be immediately due and payable by Tenant on all installments of Rent not paid within five days of the due date. In addition to the late charge described in the previous sentence, Tenant must pay Landlord a charge of \$30.00 for all checks returned from the bank unpaid for any reason. Tenant

further agrees to pay to Landlord, in addition to and at the same time as Rent, any excise, sales or privilege transaction tax levied on the Rent received by Landlord under the terms of this Lease. If Tenant fails to vacate the Premises and the House for any reason after the expiration or earlier termination of this Lease, then Tenant must pay to Landlord \$100.00, as additional rent, for each such day of possession.

4. **Security Deposit.** Landlord acknowledges that Tenant has paid to Landlord , which shall constitute the "**Security Deposit.**" The Security Deposit will be held or applied by Landlord during the Term of this Lease to insure compliance by Tenant with the provisions of this Lease. Upon the expiration or the termination of this Lease, Landlord shall have the right to retain or apply the Security Deposit to pay Landlord for (a) damages suffered because of Tenant's failure to comply with the provisions of this Lease, and (b) Rent accrued at the time of termination. Any portion of the Security Deposit not retained or applied by Landlord pursuant to this Section will be returned to Tenant within 14 days after expiration or termination of this Lease.

Initial Rent Payment:

a. Security Deposit:   Refundable  Non-Refundable

b. Pet deposit:   Refundable  Non-Refundable

c. Cleaning Deposit:   Refundable  Non-Refundable

Total required payment:

Less Earnest Deposit:

Balance Due (certified Funds):  by   
(mo/dd/yy)

Refundable deposits will be held with Broker's trust account:   
Brokerage Firm Name

5. **Acceptance, Surrender, and Maintenance.** Tenant has examined the Premises and the House and has approved of the physical condition, order and repair of the Premises and the House. Upon termination or expiration of this Lease, Tenant must immediately surrender possession of the Premises and the House to Landlord in the same condition as when this Lease commenced, reasonable wear and tear excepted. Tenant must (a) maintain the Premises, the House, and all equipment, furniture, and fixtures contained in the House in a neat and undamaged condition, (b) comply with applicable provisions of building codes, (c) maintain the Premises and the House in a clean and safe condition, (d) dispose of all ashes, rubbish, garbage and other waste in a clean and safe manner, (e) keep and use all plumbing and electrical, sanitary, heating, ventilating, air conditioning and other facilities and appliances in a clean and reasonable manner, (f) generally conduct himself/herself and others in his/her charge in a manner so as not to disturb the other tenants of the House or neighbors of the House, and (g) not in any way deface, damage, impair or otherwise destroy any part of the Premises or the House. Tenant must, at his/her cost and expense, maintain and repair, as necessary, the Premises and the House,

including all appliances, plumbing and electrical facilities, furniture in the Common Areas, and the heating, ventilating and air conditioning facilities. If Tenant fails to maintain and repair the Premises and the House, Landlord may maintain and repair the Premises and the House, and Tenant will pay Landlord for such maintenance and repairs immediately upon demand by Landlord, which demand shall include reasonable evidence for such charges.

6. **Compliance with Law and Rules.** Tenant agrees to only use the Premises and the House in compliance with all applicable laws, codes, ordinances, rules, and regulations, and all covenants, conditions, and restrictions as may now or hereafter encumber the Premises, including all rules and regulations of the homeowner's association governing the House, if any. Landlord has the right to establish and, from time to time, to change such reasonable rules and regulations as Landlord deems necessary or advisable for the proper operation and maintenance of the Premises and the House (the "**Rules**"). Tenant agrees to comply with the Rules, including the Internal Policy Manual of Exito, Inc. Portions of the Rules are listed on **Exhibit "A"** attached hereto and incorporated herein.

7. **Utilities.** Except as set forth in this Section 7, Tenant and the other tenants of the House must pay for all utility services to the House, including the water, gas, electricity, sewer, telephone, television, internet and garbage services ("**Utilities**"). Tenant and the other tenants of the House must each pay an equitable proportion of the Utilities, with such equitable proportion determined by Landlord in its sole and absolute discretion. All charges for Utilities that are billed to Tenant will be due and payable by Tenant to Landlord, in arrears, immediately upon demand by Landlord, which demand shall include reasonable evidence for such charges. Notwithstanding the foregoing, Landlord will pay the cost of Utilities each month up to a maximum amount of \$255 per House or as set forth in any addendum(s).

8. **Liability, Indemnification.** Tenant assumes all liability for personal injury, property damage or loss, and insurable risks. Tenant agrees that Landlord shall not at any time or to any extent whatsoever be liable, responsible or in any way accountable for any loss, injury, death or damage to persons or property, from any cause or causes whatsoever which at any time may be suffered or sustained by Tenant or by any other person whatsoever that may at any time be using, occupying or visiting the House, except to the extent caused by the gross negligence or willful misconduct of Landlord. Tenant agrees to indemnify and save Landlord harmless from and against all claims, loss, damage and expense by or on behalf of any person, company, or corporation, arising from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or arising from any act or negligence on the part of Tenant or its guests or invitees, or arising from any accident, injury or damage to the extent caused by Tenant or its guests or invitees to any person, company or corporation occurring during the term of this Lease, in or about the Premises or the House. Landlord recommends that Tenant obtain and keep renter's insurance in full force and effect during the Term of this Lease.

9. **Landlord's Right to Enter.** Landlord may, at reasonable times, upon 48 hours notice, enter the Premises and the House to inspect same, to make repairs or alterations, and to show the House to potential lenders or tenants. Landlord may enter the House and the Premises without Tenant's consent in case of an emergency.

10. **Assignment and Subletting Prohibited.** Tenant may not assign or sublet, in whole or in part, the Premises or any interest of Tenant in the House or this Lease.

11. **Alterations.** Tenant may not make any alterations, additions, improvements or installations in or to the Premises or the House.

12. **Occupants.** The Premises must be used only as a personal residence and may be occupied only by Tenant and occasional guests of Tenant. If any guest remains at the House, overnight or otherwise, in violation of the Rules, then Tenant must immediately pay to Landlord \$50.00 per guest per day, as additional rent. Tenant agrees not to bring upon, keep or maintain on the Premises or the House any dog, cat, bird or other pet without the prior written consent of Landlord.

13. **Notices.** All notices, demands and requests hereunder shall be in writing, and shall be delivered in person or by certified mail, return receipt requested, addressed to the parties as follows:

If to Landlord:  
Segundo Paso LLC  
4117 North 17<sup>th</sup> Street  
Phoenix, AZ 85016  
Attention: Ms. Trilese DiLeo

If to Tenant:  
Attention:   
at the House

14. **Default.** In the event of any breach or default by Tenant under the terms and provisions of this Lease, Landlord will give Tenant written notice to cure such default. If Tenant fails to cure such default within five days of receiving such notice, Landlord will be entitled to immediately terminate this Lease by written notice to Tenant, and Landlord will have available all rights and remedies provided at law and in equity. All rights and remedies of Landlord are cumulative, and no remedy granted to Landlord in this Lease will be exclusive of any other right or remedy conferred in this Lease or by law or equity.

15. **Independent Living.** Tenant must be able to function independently in all aspects of his/her daily life. If Tenant is unable to function independently in all aspects of his/her daily life, and needs assistance or additional care with respect to bathing, dressing, cooking, taking medication, or any other activity, Landlord may terminate this Lease upon 10 days' written notice to Tenant.

16. **Disclosures.** Tenant acknowledges that he/she has received, read, and understands (a) the Real Estate Agency Disclosure and Election attached hereto as **Exhibit "B"** and incorporated herein, (b) the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (Rentals) attached hereto as **Exhibit "C"** and incorporated herein, and (c) the mold disclosure attached hereto as **Exhibit "D"** and incorporated herein, and (d) the non-Discrimination and Equal Access Disclosure attached as **Exhibit "E"** and Incorporated herein.

17. **No Waiver.** No waiver by Landlord of any provision of this Lease or any breach or default by Tenant under this Lease will be a waiver of any other provision of this Lease or any subsequent breach or default by Tenant.

18. **Subordination.** This Lease is and shall remain subordinate to any ground lease, mortgage, deed of trust or other encumbrance now existing or hereafter placed upon the House and to any modifications, extensions, replacements and advances in connection therewith.

19. **Entire Agreement.** This Lease contains the entire agreement between Landlord and Tenant with respect to the transaction contemplated herein, and there are no agreements or obligations between Landlord and Tenant other than those set forth in this Lease.

20. **Legal Fees.** In the event legal proceedings are commenced for the enforcement of any term or provision of this Lease, the prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees and costs from the other party.

21. **Applicable Law.** This Lease is governed by, and will be construed and enforced in accordance with, the laws of the State of Arizona, and venue for all actions arising hereunder will lie exclusively in Maricopa County, Arizona.

22. **Effectiveness.** This Lease is not effective unless and until: (a) each party has delivered to the other a fully signed copy of this Lease, and (b) all blanks have been appropriately filled in. Except as otherwise provided by this Lease, the rights and duties of Landlord and Tenant will be governed by the Arizona Residential Landlord and Tenant Act, Arizona Revised Statutes Sections 33-1301 through 33-1381.

23. **Time of Essence and Successors.** Time is of the essence of this Lease and all conditions and covenants hereof and, except as herein otherwise provided, this Lease and all provisions hereof are binding upon and inure to the benefit of the successors, assigns, heirs, personal representatives, administrators, and executors of the parties hereto.

24. **Copies and Counterparts.** A fully executed facsimile or electronic copy of this Lease will be considered effective as an original. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one and the same instrument.

25. **Tenant Acknowledgment.** Tenant acknowledges that Landlord has advised Tenant to consult with an attorney regarding Tenant's rights and obligations under this Lease. Tenant acknowledges that: (a) a free copy of the Arizona Residential Landlord and Tenant Act is available through the Arizona Secretary of State's Office; (b) Landlord shall furnish upon move-in, a move-in form for specifying any existing damages to the Premises and the House, and Tenant must return the completed move-in form to Landlord within five days of occupancy or Tenant will accept the Premises and the House in its existing condition; (c) Tenant is entitled to be present at the move-out inspection; and (d) Tenant has received a copy of this Lease and all exhibits and addenda, and Tenant understands and agrees to the terms and conditions of this Lease.

26. **Additional Provisions.**

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

LANDLORD:

Segundo Paso LLC, an Arizona limited liability company

By: Exito, Inc., an Arizona non-profit corporation, its sole member

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT:

\_\_\_\_\_  
\_\_\_\_\_