

1301 University

1301 UNIVERSITY AVENUE LLC – MINNESOTA LEASE CONTRACT (MINNESOTA – MINNEAPOLIS)

LEASE SUMMARY:

Date: _____ Landlord (Owner): **1301 University Avenue LLC**, a Minnesota limited liability company (us, we or our)

Tenant: _____ (you or your)

Starting Date of Lease Term: **September 1, 2010** Ending Date of Lease Term: **August 28, 2011**

It is payable in twelve equal installments of \$ _____ (plus incidental charges and applicable sales taxes). The breakdown of your regular installments is:

\$ _____ for Base Rent (twelve equal installments)

\$ _____ for your Security Deposit (see paragraph 6 of this Lease);

Apartment Community: **1301 University**

Building: 1301 University Apartment Number: _____

Street Address: 1301 University Avenue SE, Minneapolis, MN 55414

- LEASE TERM.** The Lease starts on the Starting Date at 12:00noon, and ends at 10:00a.m. on the Ending Date (the fact that you are no longer a student doesn't shorten the term or reduce your liability), but you cannot occupy your Premises until we have complete and executed lease documents and any guaranty. **Even if we cannot provide your Apartment to you when we are supposed to, we will not be liable to you for damages because of the delay; you just do not owe Landlord Rent for that period.**
- DESCRIPTION.** This lease is between you (Tenant) and us (Landlord). We agree to lease to you and you agree to lease from us.
- GENERAL.** Timing is very important in the performance of all matters under this Lease. Your execution of this Lease confirms that no oral promises, representations or agreements have been made by us or any of our representatives. This Lease is the entire agreement between the parties. We make no representations or warranties that all residents of the Apartment Community will be students. Our representatives (including management and leasing personnel, employees, and other agents) have no authority to waive, amend or terminate this Lease or any part of it and no authority to make promises, representations or agreements which impose duties of security or other obligations on us unless done in writing and signed by us. All Lease obligations are to be performed in the country where the apartment is located. Unless this Lease states otherwise, all sums owed by you are due upon demand. Our delay or non-enforcement of our rights shall not be a waiver under any circumstances of our future right to enforce such rights. If any part of this lease is not valid or enforceable, it shall not invalidate the remainder of this Lease.
- RESIDENT INFORMATION.** If you or the Guarantor has supplied information to us by means of a rental application or similar instrument, you represent that all such information is true and correct and was given by you and the Guarantor voluntarily and knowingly. If someone requests information on you or your rent history, for law enforcement, governmental or business use, we can provide it.
- GUARANTY / CONDITIONAL APPROVAL.** The parental or sponsor's guaranty provided to you must be signed and returned to manager at date of Lease signing. At our option, this Lease and your right to possession of the premises may terminate if the parental or sponsor's guaranty is not signed and returned to the manager. If your approval was conditioned upon providing proof of enrollment, such proof must be submitted within 14 days of the commencement date of this Lease. Failure to provide such proof, may, at our option, result in this Lease and your right to possession of the premises being terminated.
- SECURITY DEPOSIT.** Once you sign the application, you will be required to deposit with the Manager the Security Deposit as partial security for all of your obligations under this Lease (the Security Deposit will not be our limit of damages if you violate the Lease). Among other items, the cost of labor and materials for cleaning and repairs, over and above "normal wear" and the amount of delinquent payments and late charges may be deducted from the Security Deposit. If the Security Deposit is reduced because we have had to apply all or part of it to your unpaid obligations, you agree that on our written demand, you will deposit with the Manager, within 3 days, the funds necessary to restore the Security Deposit to its full amount. You can't use the Security Deposit to offset or pay in advance any month's Rent or any other charges under this Lease, but we can use if we want to, all or any part of the Security Deposit, for any unpaid obligations. You agree that we have 21 days after the later of (a) expiration or termination of this Lease, (b) surrender and acceptance of the Premises and (c) you give us a forwarding address or delivery instructions to return any unused portion of the Security Deposit and any interest as required by law to you. Along with that return, we will provide to you a description and itemized listing of deductions that we have taken from the Security

Resident's Signature: _____

Owner's Representative Signature: _____

Deposit. If we sell the Apartment Community and if your Security Deposit is transferred to the new owner, we don't have any further liability to you for the return of all or any portion of the Security Deposit or interest on it – you must look to the new owner.

7. **RENT AND ADDITIONAL CHARGES.** You will pay us the **Rent Installment** (Base Rent and other recurring fees) on or before the 1st day of each month, in advance and without us having to make demand for payment. The Installment is payable via mail to: 1301 University Ave LLC, 901 North 3rd Street Suite 308, Minneapolis, MN 55401 (or at such other place as of which we notified you in writing). **Except as provided by law, you have no right to withhold Rent for any purpose, even an Act of God, or to reduce or offset Rent payable to us** by any of your costs or damages against us. Your first Month's Installment is payable to us before you move in. At our option, we can require that all money payable to us is to be paid in cash, certified or cashier's check, money order or personal check but we are not obligated to accept personal checks after the 10th day of the month. **Cash will not be accepted without prior written permission.** Your obligation to pay Rent is a promise by you, which is independent from all of our promises, duties and obligations.

a. Regardless of whether it's a holiday or weekend, if you haven't paid everything that is due by the 3rd of the month (or, 3 days after the Starting Date, as applicable), then on the 4th day of the month, we can charge you an initial late fee of \$30.00 plus from the 5th of the month, we can charge you \$5.00 per day until you have paid everything that you owe (late charges will not exceed \$100.00 per month). Payment will be considered late if envelope with payment is not postmarked by the 3rd of the month by the US Post Master and/or overnight carrier. You also agree to pay a \$25.00 charge for each returned check (plus charges to us by our bank) plus the above late charges until we receive acceptable payment.

b. At our option and without notice to you, any money that we receive can be applied first to your non-rent obligations, then to rent (any past due rent being paid first), regardless of whether or not you have made notations on checks or money orders and regardless of when the obligation came about.

c. While we don't have to, we can accept partial rental payment, but we don't waive our rights to collect and enforce the payment of the remainder.

d. You are liable for all costs or charges associated with our having to provide special services to you or on your behalf and for all fees or fines as described in the Lease Addendum that are attached to this Lease.

e. **You are liable for all damages and associated costs pertaining to damage done to the building (interior and exterior) by you and/or your guests.** Initials _____

8. **UTILITIES.** We agree to furnish water, sewer, gas, trash removal from collection points, cable TV and an internet access for the Apartment but you and the other residents of the Apartment must separately provide local and long distance phone service and electricity. If we detect or suspect your abuse or waste of any utilities for your Apartment that are paid by us, or if there is an increase in a utilities rate, we have the right to notify you of an increase in the Base Rent and after the date of such notice, you are required to pay the higher charge.

All utilities may be used only for normal household purposes and must not be wasted, and within one business day after you move in, utilities payable by you must be placed in your name or the name of one or more of the Apartment's residents for the term. You must comply with all the rules and regulations of the cable, telephone and Internet access providers. We won't be liable for any interruption, surge or failure of utility services by us to the Premises or any damage directly or indirectly caused by the interruption, surge or failure.

9. **OCCUPANTS.** Only you can live in the Premises. It will be used only as a private residence and for no other purpose. You can't lease any part of your Premises to another person. The fact that you and your roommates may be in conflict with each other is not grounds to terminate the Lease. **We do not allow subletting.** Initials _____

10. **STUDYING ABROAD.** While you can't lease any part of your Premises to another person, you may be able to transfer your rights under this Lease to another person if and only if you are formally enrolled in a study abroad program as part of the completion of your degree. The conditions necessary for such a transfer or any lease adjustment include, but are not limited to: the approval of all additional leaseholders (roommates); proof of enrollment in the aforementioned programs; proof of payment for aforementioned programs; a current rent balance; a 1301 rental history free from lease violations; and 1301 management consent. The conditions for our consent include, but are not limited to, an approved residency application for any and all persons added to any lease. The resident going abroad is responsible for finding all potential lessees. Even if we agree to the transfer, you will still be liable for all of the obligations under this Lease, unless we specifically agree to release you. Our consent to one or more transfers won't be a waiver of our rights of consent to any future transfer.

11. **MULTIPLE RESIDENTS.** Each resident of an Apartment is jointly and severally liable with the other residents of the Apartment for all lease obligations and utilities.

12. **MOVE-IN.** An Inventory And Condition Form will be provided to you at the time that you move into the Premises. By the end of the day in which you move-in, you need to tell us in writing of any defects or damages in your Premises; otherwise, the Premises, fixtures, appliances and furniture will be considered to be in a clean, safe and good working condition and you will be responsible for defects or damages that may have occurred before you moved in. Except for what you notated on your check-in form, you accept the Premises, fixtures, appliances and furniture in their "AS-IS" CONDITION, WITH ALL FAULTS. **WE MAKE NO EXPRESS AND DISCLAIM ANY AND ALL IMPLIED WARRANTIES WITH REGARD TO THE PREMISES, FIXTURES, APPLIANCES OR FURNITURE.**

13. **LEASE ADDENDUM.** You and your guests must comply with all written rules and policies that we adopt for the Apartment Community. These rules and policies are considered to be a part of this Lease and we can revise, amend, expand or discontinue the rules and policies at any time at our sole discretion by posting a notice for 30 days on a bulletin board, sending email to your UofM issued email address, and / or giving written notice.

14. **SAFETY.** You must exercise due care for your and other's safety and security. Please read the safety guidelines attached to this Lease. None of our safety measures are an express or implied warranty of security or are a guarantee against crime or of a reduced risk of crime. We are not liable to you or any of your guests for injury, damage, or loss to person or property caused by criminal conduct of other persons.

We are not obligated to furnish security personnel, security lighting, security gate or fences, or other forms of security and we can discontinue any of such items provided at any time without notice.

15. **LIABILITY.** Neither we nor the Manager, or our respective employees, agents and affiliates, will be liable to you or any of your guests for injury, damage, or loss to person or property caused by criminal conduct of other persons, including theft, burglary, assault, vandalism, or other crimes or your personal conflict with your roommates. We have no duty to remove ice, sleet or snow, but we may do so in part, with or without notice to you. EXCEPT FOR LANDLORD'S LIABILITY ARISING UNDER APPLICABLE LAW, YOU, FOR YOURSELF AND FOR YOUR GUESTS RELEASE US AND THE MANAGER, AND OUR RESPECTIVE SUCCESSORS AND ASSIGNS AND OUR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS AND AFFILIATES (the "RELEASES") FROM ANY AND ALL CLAIMS AND/OR (i) FOR LOSS OR THEFT OF YOUR AND YOUR GUEST'S PERSONAL PROPERTY, AND/OR (ii) WHICH MAY ARISE OUT OF ANY ACCIDENTS OR INJURIES TO YOU, MEMBERS OF YOUR FAMILY OR YOUR GUESTS, IN OR ABOUT THE PREMISE OR THE APARTMENT COMMUNITY EVEN IF SUCH CLAIM OR DAMAGE WAS CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF THE RELEASEE. YOU ASSUME FOR YOURSELF AND ALL MEMBERS OF YOUR FAMILY AND YOUR GUESTS, ANY AND ALL RISKS FROM ANY ACCIDENTS IN CONNECTION WITH USE OF THE APARTMENT, THE APARTMENT COMMUNITY OR THE APARTMENT COMMUNITY'S RECREATIONAL FACILITIES OR AREAS, IT BEING UNDERSTOOD THAT ALL SUCH AREAS AND FACILITIES ARE GRATUITOUSLY SUPPLIED FOR YOUR USE, AND AT THE USER'S SOLE RISK.

16. **MAINTANENCE, ALTERATIONS AND REPAIRS.**

a. You are responsible for and will take good care of the Premises and the furniture in the Premises and Common Areas. You will not remove any of our property, and you will not perform any repairs, painting, wall papering, electrical changes or other alterations (other than for small "finish" nail holes in sheet rock for hanging pictures) of the Premises without our prior written consent. We can require you to prepay or if we elect you agree to repay us, within 10 days after we send you an invoice for the cost of all repairs made necessary by you, your guest's or any other person's violation of this Lease or the negligent or careless use of the Premises or any part of the Apartment Community including without limitation damage from waste water stoppages caused by foreign objects in lines serving your bathroom, damage to furniture, appliances, doors, windows or screen damage from windows or door left open and repairs or replacement to security devices necessitated by misuse or damage by you or your guests (this includes damages that may have been caused to the Apartment by other residents of the Apartment if we cannot determine who did it). If you prepay, any overpayment will be applied against any amount that you owe us and the remainder will be returned to you; if your prepayment was less than the cost incurred, you will pay us that amount within 10 days after we send you an invoice. Your obligations to pay the charges described in this paragraph will survive after the ending of this Lease.

b. You must not disconnect or intentionally damage a smoke detector or remove the battery without immediately replacing it with a working battery. YOU ARE RESPONSIBLE FOR MAINTAINING THE SMOKE DETECTOR AND KEEPING IT OPERATIONAL.

c. Except in the event of an emergency, if you have a request for repairs or services to the Premises, or repairs or replacements of security device or smoke detectors, the request must be in writing to us. In case of malfunction of utilities or damage by fire, water, or similar cause you must notify us immediately. In case of malfunction of air conditioning or other equipment, you must notify us as soon as possible. Additionally, you are required to notify us in writing promptly of: water leaks, electrical problems, carpet hole, broken glass, broken locks, or latches, and any condition which you reasonably believe poses a material hazard to health or safety. Once we receive the notice, we will act with reasonable diligence in making repairs and reconnections, but during that time you can't stop payment of or reduce the Rent except to the extent allowed by law.

d. We can temporarily turn off equipment and interrupt utilities to avoid property damage or to perform work requiring such interruption as determined in our sole judgment.

e. Neither the Manager nor we will be liable for any inconvenience, discomfort, disruptions or interference with your use of the Premises because the Manager or we are making repairs, alterations or improvements to the Premises, the Apartment, the Building or the Apartment Community. If you request any repairs, they will be done during our usual working hours unless you request in writing that such repairs be done during other hours. If we approve such request you will have to pay in advance any additional charges resulting from such request.

f. We are not liable to you or your guests for personal injury or damage or loss of personal property from fire, smoke, rain, flood, water leaks, hail, ice, snow, lightning, wind, explosion, or surges or interruption of utilities; except to the extent that such injury, damage or loss is caused by our negligence or the negligence of Manager. *We urge you to obtain your own insurance for losses due to such causes.*

17. **RIGHT OF ENTRY.** We may enter the Premises for a reasonable business purpose. We must first make a good faith effort to give you a reasonable notice of our intent to enter. We may enter the Premises without prior notice in an emergency. We must disclose the date; time and purpose of the emergency entry in writing and such writing will be left in a conspicuous place in the Premises. Entry can be gained by use of a passkey or other means (to include disarming any intrusion alarm, if applicable, or by breaking a window or other means if locks have been changed in violation of this Lease, and you will be liable for any damage caused thereby). Both the Manager and we can also enter the Premises, to show a Bedroom or the Apartment to government inspectors, lenders, prospective buyers, prospective resident, other tenants or insurance agents.

18. **MOVE-OUT.**

a. If you intend to leave the Premises permanently prior to the Ending Date and you want us to return to you any remaining Security Deposit you must provide the Manager with advance written notice of the specific date by which you will leave. Telling us about your leaving without putting it in writing is not sufficient. We suggest that you use our form for a move-out notice. If you don't, you are

Resident's Signature & Date: _____

responsible for obtaining the Manager's written acknowledgement that the move-out notice has been received. Even if you give proper notice, you are still obligated under the Lease and we can apply your Security Deposit to your account. You will be responsible for monthly Installments of Rent through the end of the Lease term or until a replacement resident is found, whichever occurs first.

- b. When you leave, whether at or prior to the Ending Date, the Premises, including the carpets, windows, bathrooms, patios, balconies, kitchen and furniture in the Bedrooms and Common Areas, must be clean and in good repair and condition. If they are not, you will be liable for reasonable charges to complete such cleaning, repair or replacement. We recommend that you schedule a walk-through with our staff.
- c. If you leave any of your property in the Premises after you leave or after the end of this Lease, that property is deemed to be abandoned by you and we can take such action as provided by Minnesota law and charge you with costs incurred to keep, sell or dispose of such property without our being liable to you.
- d. If you move out before the end of the term, you also have to pay us a reletting charge equal to 85% of one-month's Rent. The reletting charge is not a cancellation fee, buy-out fee or a limitation on damages collectible by us since you have still violated the Lease and your Rent for the remainder of the term is still payable to us.

RELETTING CHARGE. There is no early termination clause in this Lease. You will be liable for a reletting charge equal to 85% of the highest monthly rent during the Lease Term if you (1) fail to move in or (2) move out without our prior written approval, or (3) are judicially evicted. **The reletting charge is not a cancellation fee and does not release you from your obligations under the Lease.**

Not a Release. The reletting charge is not a Lease cancellation fee or buyout fee. It is an agreed-to liquidated amount covering only part of our damages, that is, our time, effort, and expense in finding and processing a replacement. These damages are uncertain and difficult to ascertain – particularly those relating to administrative and marketing costs. You agree that the reletting charge is a reasonable estimate of such damages and that the charge is due whether or not our reletting attempts succeed. The reletting charge does not release you from continued liability for future or past-due Rent, charges, fees or other sums due under this Lease.

19. **HOLDOVER.** If you still occupy the Premises past the Ending Date, the date contained in your Move-Out Notice, or the date on which we notify you to leave the Premises, then you owe us double Rent for the extra time that you stay in the Premises (payable daily in advance) plus, all of our damages and damages of the person who couldn't move in because of your holdover.

20. **DEFAULT.** You are in violation of this Lease if:

- a. You fail to pay rent or any other amount owed under this Lease as directed by this Lease;
- b. You or your guest violates this Lease or any addendum to it, any apartment rules, or fire, health or criminal laws, regardless of whether arrest or conviction occurs;
- c. Any of the utilities which are payable by you are not paid on a timely basis or are disconnected or shut-off;
- d. You fail to move into the Premises after completion of all required documentation, or, if you abandon the Premises (that is, you appear to have moved out before the end of the lease, clothes and personal belongings have been substantially moved out and you haven't been in the Apartment for 5 consecutive days); 5 days after your death; or, 3 days after your scheduled move-in day if you fail to move-in;
- e. You or the Guarantor have made any false statement or misrepresentation of any information supplied to us;
- f. You or your guest is arrested for a felony offense involving actual or potential physical harm to a person, or a felony or misdemeanor offense involving possession, manufacture or delivery of controlled substance, marijuana, or illegal drug paraphernalia as defined in applicable law;
- g. Any illegal drugs or illegal drug paraphernalia are found in the Premises (whether or not we can establish possession); or
- h. You fail to pay any fine within 10 days after it is levied in accordance with this Lease or the Lease Addendum.

21. **REMEDIES.** If you are in violation of this Lease, we can without demand or notice (other than as provided in this paragraph) in addition to other remedies allowed and to the extent permitted by law:

- a. Collect any fine imposed by the Lease Addendum;
- b. Sue to collect past due Rent and any other damages we have incurred because of your violating the Lease;
- c. Terminate your right to occupy the Premises, institute an action for eviction, but not terminate the Lease or end your monetary obligations for the Premises by giving you written notice providing 24 hours for you to leave;
- d. Sue to collect all unpaid Rent and other sums which would become due until the Ending Date of the Lease or until another person takes occupancy (and then we can still recover from you the difference between the Rent you were supposed to pay and the Rent actually paid by the new resident together with any expense incurred to relet the Premises); You may not be liable for the total accelerated amount because we have an obligation to minimize damages; either you or we may have a court determine the actual amount owed, if any;
- e. Terminate the Lease and your right to occupy the Premises and institute an action for eviction, by giving you written notice and providing 24 hours for you to leave;
- f. Report all violations to credit reporting agencies; and
- g. Do any combination of a, b, c, d, e, or f.

All unpaid amounts will bear interest of 18% per year from the date originally due through the date of payment.

Resident's Signature & Date: _____

- 22. **CUMULATIVE REMEDIES.** The exercise of any remedy by us shall not be taken to exclude or waive the right to exercise any other right or remedy which we might have. After we give you notice to leave the Premises or if we file an eviction suit, even if we accept, Rent or other sums due, such acceptance does not waive or diminish our continuing rights of eviction or any other contractual or statutory right unless we specifically agree to it.
- 23. **COSTS AND FEES.** In the event either you or we bring an action against the other because of a default of this Lease, the prevailing party can recover all costs or fees involved, including reasonable attorneys; fees, as part of any judgment.
- 24. **CASUALTY LOSS.** If in our reasonable judgment, fire or other casualty materially damages the Premises, the Building or the Apartment Community, we may terminate this Lease within a reasonable time after such determination by giving you written notice. If we terminate the Lease, and you did not cause the loss, we will refund prorated, prepaid rent and all deposits(s) less lawful deductions. If we determine that material damage has not been caused to the Premises, the building or the Apartment Community, or, if we have elected not to terminate this Lease, we will, within a reasonable time, rebuild the damaged improvement. During such reconstruction, there shall be a reasonable reduction of the Rent for the unusable portion of the premises unless you or your guest is the cause the fire or casualty.
- 25. **SALES.** Any sale of the Apartment Community shall not affect this Lease or any of your obligations, but upon such sale we will be released from all of our obligations under this Lease and the new owner of the Apartment Community will be responsible for the performance of the duties of "Landlord" from and after the date of such sale.
- 26. **SUBORDINATION AND RIGHT TO ENCUMBER.** The lien of any lender(s) on the Apartment Community will be superior to your rights as a tenant. Therefore, if we violate the loan and a lender takes over ownership, it can end this Lease or it may elect to continue the Lease. It is at the discretion of the mortgage documents. Your rights under this lease are therefore subject to the rights of the lender(s) on the Apartment Community.
- 27. **LIABILITY OF LANDLORD.** If we violate this Lease, before you bring any action against us, you first have to give us written notice of the nature of our violation and allow us 30 days to cure it.
- 28. **SPECIAL PROVISIONS.** The following special provisions have been added to and are a part of this Lease: Lease Addendum, Security Guidelines, Parental or Sponsor Guaranty, and

- 29. **NOTICE OF PROHIBITION AGAINST UNLAWFUL ACTIVITIES.** Neither you nor we shall unlawfully allow controlled substances in the Premises, the Common Areas or curtilage of the Premises. The Premises will not be used by you or persons under your control to manufacture, sell, give away, barter, deliver, exchange, distribute or possess with the intent to sell, give away, barter, deliver, exchange, or distribute a controlled substance in violation of any local, state or federal law. Neither you nor we shall allow prostitution or prostitution related activity as defined in MINN.STAT. 617.80, Subdivision 4, to occur on the Premises or in the Common Areas and curtilage of the Premises. Neither you nor we shall allow the unlawful use or possession of a firearm in violation of MINN. STAT. 609.6, Subdivision 609.67, or 624.713 in the Apartment Community, its lands, or Common Areas.
- 30. **MANAGER/PROCESS.** Urban Land LLC, with offices at 901 North 3rd Street, Minneapolis, MN 55401, is the Manager of the Apartment Community. The Manager is authorized to accept service of process on behalf of 1301 University Avenue Limited Liability Company, but Manager is not responsible or liable for the owner's obligations under this Lease.

ACKNOWLEDGEMENT: Resident, by signing below, acknowledges receipt of a true, correct and complete copy of this lease.

RESIDENT:

OWNER OR OWNER'S REPRESENTATIVE
1301 University Avenue LLC, a Minnesota limited liability company
By: Urban Land LLC, a Minnesota limited liability company, Manager

Date: _____

By: _____
Address of Landlord:
901 North 3rd Street Suite 308
Minneapolis, MN 55401