

Principal Properties Management, LLC
1946 North Yarnallton Pike
Lexington, Kentucky 40511
859-457-7999
ppmgmtky@gmail.com

Lease Agreement

This lease agreement made and entered into this day, the _____ day of _____, _____ by and between Principal Properties Management, LLC herein referred to as "LANDLORD" and _____ herein referred to as "RESIDENT".

1. PROPERTY MANAGEMENT:

The resident is hereby notified pursuant to applicable law that PRINCIPAL PROPERTIES MANAGEMENT, LLC is hereby authorized by Property Owner(s) to manage premises.

2. TERM AND RENTAL AMOUNT:

In consideration of the use of premises, rents and covenants herein expressed, Management hereby leases to Resident and Resident rents from Management, upon the terms and conditions set forth herein, the certain unfurnished residential property known as _____ for the term commencing on _____ and ending _____ for the total sum during the term of _____ payable in monthly installments of _____ each due and payable on the 1st day of each month, beginning on _____ to be paid upon execution of this lease for the period of _____ through _____. This lease may be renewed on the same terms and conditions as set forth herein at the expiration of the original term hereof, subject to the right of Management to increase the annual and monthly rental rates, unless Management or Resident gives the other at least (30) days written notice of the intention to terminate the tenancy or that any one or more of the terms herein shall not be acceptable for the successive term.

3. RENTAL PAYMENTS:

Rent shall be due on the 1st day of each month, without demand or notice, and if not paid by the 5th day, Resident is in default for which the Management may deliver written notice of termination of the lease if any installment of the rent is not paid when due. There shall be a late charge of \$50.00 for any payment not received in Management's office by the 5th day of the month. There shall be an additional charge of \$50.00 for any check returned from bank with insufficient funds or any other reason, also to be considered additional rent. The failure to make any such payments immediately upon written notice shall also constitute default of terms of lease, entitling the Management to terminate the lease. A seven (7) day notice shall be delivered to resident, rent is not paid by the 5th day of the month. After the Seven (7) day notice is sent, Resident must pay by certified check funds only which is clearly stated on the seven (7) day notice. The payments must be posted on the WEBSITE PORTAL if resident uses said WEBSITE.

4. USE OF PREMISES:

There shall be no persons except the undersigned residing in the premises without prior written consent of the Management, and it shall be presumed that any guests that occupy the premises for more than Fourteen (14) consecutive days shall be considered residents so that this lease may be terminated.

5. UTILITIES:

Resident agrees to be responsible for, place in his or her name, and pay all utilities and user fees for the premises, including but not limited to water, sewer, landfill user fees, electricity, and gas service, and to provide Management with proof of

compliance if asked for by Management. If Management pays any utilities or fees, Resident shall reimburse the same amount within five days of proof of payment. Failure to comply with this provision shall entitle Management to pay such utilities and user fees if it so desires, and to terminate the Lease, recover possession of the premises, and to recover reimbursement for any utilities and user fees paid, the cost of which shall be borne by Resident. In such event, Resident shall be responsible for any resultant damage for breach of Lease. *** As of _____ Resident is responsible for all utilities unless utilities are included in the rental payment.

I, as resident, understand that if I do not have the above utilities switched into my name by the above date. Utilities will be turned off. Resident also understands that they are solely responsible for these monthly utilities. In addition, if utilities are included in the monthly rental payment and rent is not paid by the due date, Management will issue a "24 Hour Notice" to Resident on the 6th day that utilities will be turned OFF by Management unless rent is paid in FULL.

(RESIDENT INITIALS)

(RESIDENT INITIALS)

6. LEASE TO NOT BE ASSIGNED OR SUBLET BY RESIDENT

This Lease shall not be assigned, nor any portion of the premises sublet, by Resident without prior written consent of Management

7. DAMAGE TO PREMISES AND MAINTENANCE REQUIREMENTS

Management shall be responsible for major repairs not due to default, negligence, or willful conduct that is required to make pursuant to applicable state and local law.

Resident agrees to pay to Management the cost of replacement or repair of all damages that are his or her responsibility after written notice from Management specifying the breach and requesting payment therefore. Management may enter the dwelling unit and cause the work to be done in a workmanlike manner.

Resident is required to maintain the leased premises in a clean, safe and sanitary condition at all times, including disposing of all garbage and other waste promptly by placing it in the dumpster provided. Resident is required to undertake such cleaning and efforts as is necessary to maintain the kitchen and bathrooms in an absolutely clean and sanitary manner such that mold is not allowed to form or reproduce.

Resident shall immediately notify Management in writing of the observation of any electrical problems, heating and air conditioning malfunction, crack in plaster or stucco, moisture in the ceiling, buckling sheet rock or siding. Leaky roof, spongy floor, leaky water heater, termite activity, water leakage or flooding, any unusual coloration or discoloration or deterioration of the walls, ceilings, floors, or other areas, any evidence of water intrusion, through leaking faucets, or otherwise, any mold or mildew that is seen on tiles or other surfaces in the bathrooms, any odor or other evidence of an unusual nature that may indicate the presence of mold, and any other conditions that may pose a hazard to property, health or safety.

Resident understands that he or she is not an insured under Management's insurance coverage, and agrees that Management is not responsible for any damage by reason of fire, theft, or otherwise to Resident's property.

Resident shall furnish all necessary light bulbs for his or her usage on the premises and agrees to check monthly and replace if needed HVAC filters.

8. OCCUPANCY STANDARDS

1 bedroom: up to 3 occupants; 2 bedroom: up to 5 occupants; 3 bedroom: up to 7 occupants; 4 bedroom: up to 9 occupants. In addition to abiding by State Housing Rules regarding number of

occupants. Resident understands that only those listed on the Lease will be allowed to reside in premises. Full names of minor children (under 18 years) who will reside in premises.

9. PETS

Resident shall not allow or keep any pets in the leased dwelling unit or on the premises without the prior written consent of the Management and without payment in advance of a NON-REFUNDABLE pet fee. Amount of pet fee will be determined by Management. All breeds and types of animals must first have pre-approval by Management. In the event that the breed or type of animal should change after approval by Management the animal must be re-approved by Management. Upon approval, Resident shall be responsible to insure that the animal does not create a nuisance, disturbance, or health or safety hazard to other Residents. In the event that an animal is required as an accommodation for Resident with a documented disability as defined by applicable law, the Resident shall be responsible to insure that the animal does not create a nuisance, disturbance or health or safety hazard to other Residents. Feeding or harboring stray animals constitutes having a pet and is not allowed. Failure to comply with these rules could result in eviction of Resident.

I, RESIDENT, **DO HAVE A PET AT THIS TIME OF SIGNING THIS LEASE**

_____ RESIDENT INITIAL _____ RESIDENT INITIAL

RESIDENT HAS PAID A NON REFUNDABLE PET FEE IN AMOUNT OF _____

I, RESIDENT, **DO NOT HAVE A PET**

_____ RESIDENT INITIALS _____ RESIDENT INITIALS

10. SECURITY DEPOSIT

Resident has paid a security deposit of \$ _____ as security for the protection of Management from physical damage to the premises beyond reasonable wear and tear. The deposit will be returned only if Resident faithfully performs the obligations required by KRS 383.605, applicable by virtue of section 12 of the Code of Ordinances for the Lexington-Fayette Urban County Government, including keeping the property in as good a condition as it is at the time of signing this Lease, excepting normal wear and tear, and cleaning the premises, the appliances and fixtures, upon vacating the premises.

Resident has made an inspection of the premises to be Leased, and agrees that the property is in a fit and habitable condition except for such damages or malfunctions as have been listed in a separate move-in inspection listing which he or she has signed and delivered to Management, and the failure to describe any such damage on the move-in inspection list shall constitute conclusive evidence that Resident takes the property in good and satisfactory condition without existing damage. Retention of any or all of the Security Deposit to cover damages to the premises shall not prevent Management from recovering additional damages which may be required to restore the property to its condition at the time of the execution of this Lease.

Resident shall request an inspection of the premises within 24 hours after vacating the premises, and shall sign a move-out inspection list, giving written objection to Management of any areas and items of damage with which he or she disagrees with the assessment by

Management. Residents shall also submit in writing a forwarding address for mailing of the deposit.

Resident understands that he or she may not apply the security deposit toward the last month's rent, or toward repair charges, which are incurred by Resident. Resident understands that Resident's liability is not limited to the amount of the security deposit, and that any loss or damage in excess of the security deposit remains an obligation of Resident.

The security deposit is held at LIMESTONE BANK, LEXINGTON, KENTUCKY. Account number supplied upon request.

11. REQUIRED STANDARD OF CONDUCT ON PREMISES

Resident shall conduct himself or herself and require other persons on the premises, including, family, friends, guests, and any person affiliated with Resident, to conduct themselves in a manner that will not disturb the peaceful enjoyment of premises by others and the Residents agrees to not permit the premises to be used for any illegal purposes nor permit or engage in any conduct which is noisy, dangerous or offensive. The premises shall not be used for any business purpose whatsoever. Resident shall maintain the residence on the leased premises in a clean and sanitary condition at all times.

Resident is required to comply with all federal, state and local governmental laws, ordinances and regulations pertaining to the common areas and the leased premises, and the use of the common areas. In the event Resident fails to do so such that a fine, fee or civil penalty is assessed against Management, Resident shall be required to reimburse Management, as additional rent due the 1st day of the month following notice of the assessment to Resident, the amount of such fine, fee or civil penalty, along with any legal costs incurred by Management as a result of the assessment, the cost of removal of lien that may be filed against the property, or any other repercussions to Management. In addition, Management shall be entitled to declare that Resident's failure to comply with the requirements of the law is a material non-compliance with the terms hereof and in such event, Management shall be entitled to terminate the tenancy upon 14 days notice of the intention to do so.

12. NO SMOKING

No smoking of any substance is allowed on the premises. If smoking does occur on the premises: 1) Resident is responsible for all damage caused by the smoking including, but not limited to, stains, burns, odors, and removal of odors and debris; 2) Resident is in breach of the lease agreement; 3) Resident, guests, and all others may be required to leave the premises; and 4) Resident acknowledges that in order to remove odor caused by smoking, the landlord may need to replace carpet and drapes and paint the entire premises regardless of when these items were last cleaned, replaced, or repainted. Such actions and other necessary steps will impact the return of any security deposit and tenant could owe additional damages above and beyond amount of security deposit.

13. RESIDENT LOCKED OUT OF UNIT

In the event, Resident(s) should become locked out of their unit during business hours, 8:30 am to 4:30 pm. Monday through Friday, Management will make every attempt to have maintenance personnel assist in helping Resident regain entry. If lock-out occurs before / after business hours, or on a holiday/ weekend, Management will send Maintenance to assist with lock-out on ONE (1) occasion for a \$50 fee (could be more depending on type of lock, etc), which needs to be paid directly to Maintenance at time of service. If Maintenance personnel is unavailable, Resident will be responsible for calling a locksmith and paying any and all locksmith charges.

14. INSPECTIONS AND ENTRY BY MANAGEMENT

Resident acknowledges that Management shall have an absolute right to inspect the premises for cleanliness or otherwise, and to do all necessary purposes which include necessary or agreed repairs, decorations, alterations or improvements, to supply necessary or agreed services, or to exhibit dwelling unit to prospective or actual purchasers. Mortgagers or contractors, without liability, at any time.

15. PREMATURE CANCELLATION BY RESIDENT OR MANAGEMENT

Resident may terminate this Lease only by giving Management at least thirty (30) days written notice prior to the 1st day of the final month of the intended residency. In addition, in event the Resident is evicted for ANY reason by Management OR if Resident prematurely cancels lease for ANY reason, Resident agrees to pay in advance the equivalent of two (2) months rent as a buyout of his/her lease and will forfeit ENTIRE security deposit, in addition to any monies owed for damages, unpaid rent, etc.

If all conditions of this Lease are not met by Resident, Management will seek civil damages, report derogatory credit standing to credit bureau and seek payment of ALL outstanding debt through a collection agency. THIS HAS BEEN EXPLAINED TO ME AND I UNDERSTAND _____ (RESIDENT INITIALS)

16. MOVING OUT AFTER LEASE HAS BEEN FULLY EXECUTED

The Resident must give a written 30 day notice to Management before vacating the unit. If Resident does not give a 30 day written notice before vacating, lease will have been breached by Resident and entire security deposit will be forfeited. The Resident must return all keys to the unit to Management at the office. The Resident must leave the unit in a manner to where the unit can be re-rented with the exception of normal wear. Management must have the Resident's forwarding address to send the deposit. The deposit will be returned thirty (30) days after Management receives the keys to the unit. Management will charge rent each day the Resident has possession of the keys to the unit.

17. ABSENCE FROM PREMISES

The Resident must notify Management of any anticipated extended absence from the premises in excess of ten (10) days; Management may enter the dwelling unit at all times reasonably necessary without notice to the Resident.

18. SMOKE DETECTORS

Resident acknowledges that Management has placed smoke detection devices in the premises and that said devices are operable at the time of occupancy by Resident. Resident shall have the obligation to maintain and test the devices on a weekly basis, and in the event of any defect in the devices, Resident shall notify Management immediately such that repair or replacement can be effectuated. Upon making the rental payment required each month, Resident is acknowledging that an inspection of the devices has been made on a weekly basis during the previous month, and that each device was operating at the time of the inspections.

19. INSURANCE

Resident acknowledges and agrees that the risk of loss for all contents and property belonging to the Resident shall be on the Resident. It is recommended that each person occupying the premises as a Resident obtain their own RENTER'S INSURANCE POLICY against fire, flood, and any and all other damages caused by environmental factors, theft, or other losses or disasters, as

Management carries insurance on the building(s) only. It is agreed that Management is not responsible for damages to personal belongings of Resident, or Resident's family, guests, licensees or other persons on the premises with their consent, as a result of any such event. Residents with waterbeds are also required to provide Management with proof of a Renter's Insurance Policy whereby the minimum legal liability coverage is \$100,000 on an annual basis.

_____ RESIDENT INITIALS

_____ RESIDENT INITIALS

20. RULES AND REGULATIONS

Resident and Resident's family members, guests, employees and agents are subject to the rules and regulations included in this lease, and such other and further reasonable rules and regulations as Management may from time to time adopt. Resident is responsible in all respects for the actions of any of the above people. The rules and regulations are hereby made a part of this lease and incorporated into it as terms hereof and any violation of these rules and regulations by Resident and/or Resident's family members, guests, employees, and agents shall constitute a substantial and material violation of this lease by Resident thereby affording Management the remedies at Management's option set forth herein above.

(A) No personal belongings of any type, and in particular, no furniture intended for interior use, are to be left on the lawns, walks, parking areas, stairs, landings, balconies, decks, patios, or in any other common areas. Violations of this requirement are serious and material, as LFUCG BUILDING CODE restricts the accumulation of all such debris, and could subject Management to liability. Residents will be responsible for keeping their own balconies, decks, patios, and stairways clean and free of debris.

(B) No cars, trucks, campers, boats, recreational vehicles, motorcycles or similar vehicles, regardless of the Management, are to be stored in the parking areas. Inoperable vehicles or vehicles which are unlicensed or not currently licensed, or which are left on the premises for a period of seven(7) days unmoved, are not permitted regardless of the Management. Any motor vehicle of Resident or their guests or visitors parked in violation of the terms hereof, or any other unauthorized motor vehicle, boat or trailer parked on the premises, will be removed at the **EXPENSE OF THE VEHICLE OWNER** pursuant to **KRS 189.725**.

© All vehicles shall be parked only in the designated parking areas, and the parking of vehicles of any guests of Resident are subject to regulation and restriction which may hereafter be imposed, notice of which shall be given by signage in the parking lot areas. All vehicles shall be parked in such a way that they do not obstruct the driveways for passageway to and from parking areas and streets. Parking in spaces designated for handicapped persons is strictly forbidden unless there are clear markings on the license plate, or hanging from the rear view mirror, that the vehicle is approved for handicapped parking. Any violations of these requirements may result in the towing of the offending vehicle, at the **EXPENSE OF THE VEHICLE OWNER**, and will subject Resident to possible termination of tenancy.

(D) Loud and boisterous noise or any objectionable, abusive or threatening behavior by any Resident or guest towards Management or it's agents or employees, or towards other Residents or guests is not permitted.

(E) No sanitary napkins, disposable diapers, tampons, toys, wads of toilet paper, balls of hair, grease, oil, table scraps, clothing, rags, sand, dirt, rocks, newspapers, or any other objects or materials not specifically designed for such disposal, shall be placed in the toilet. **Resident shall be charged the service and repair costs for their removal if they cause plumbing problems or other related damage.**

(F) No Resident or household member may be convicted of a criminal offense. In the event of any conviction, Management will be entitled to terminate the tenancy.

(G) Resident and all other authorized occupants of the leased premises and guests shall behave in such a manner as to not constitute a disturbance or annoyance to any other person who rents from Management in the same building or otherwise.

(H) No contact paper, adhesives, fasteners, or other object or material utilizing adhesives shall be attached to any surfaces within the unit. Resident shall not paint any portion of the premises without the prior written consent of Management.

(I) Resident must compensate Management for any damages to the grounds, trees, or shrubs caused by himself or herself, or members of his or her household or guests. Any act of destruction or vandalism shall be reported to the Management immediately.

(J) No alterations, improvements, additions, fixtures, fences, etc. are to be placed or constructed in or about the premises without prior written permission from Management.

(K) Residents agree not to change the locks, or add any deadbolt locks, on any door without prior written consent of Management. Upon receiving consent a duplicate key shall be given to Management.

(L) Resident will furnish Management with their current phone number and email address.

When divulging the number and email address, Resident shall advise if the number is unlisted, and if so, Management shall take reasonable precaution to avoid publication to third parties

21. Condemnation/Foreclosure

If, at any time during the Lease Term, any part or all of the Premises or improvements thereon shall be taken for any public or quasi-public, by any lawful power or authority, by the exercise of the right of condemnation or eminent domain, or by agreement between the Landlord, Resident and those authorized to exercise such right, the Landlord and the Resident hereby agree as follows:

(A) **Total Taking.** If the whole of the Premises and improvements thereon shall be so taken, this Lease shall terminate as of the date of such taking, and the rent and all other sums and charges herein reserved and provided to be paid by the Resident shall be apportioned and paid to the date of taking; and if any rent shall have been paid in advance, a just and proportionate amount (taking into account the security deposit) shall be promptly repaid to the Resident. The Resident shall have no claim against the Landlord or Principal Properties, LLC as to any portion of the award or purchase price of the value of any unexpired portion of the Lease Term.

(B) **Partial Taking.** If not all of the Premises and improvements thereon shall be taken, but so much thereof shall be taken as to render the balance, in the good faith opinion of the Landlord or Principal Properties, LLC shall have the right to terminate this Lease as of the date of such taking, in which event all of the foregoing provisions of Section 16(A) above shall apply with the same force and effect as though all of said provisions were once again repeated in full in this section.

If a portion of the Premises and improvements shall be taken, but this Lease shall not have terminated, then this Lease shall continue in full force and effect with respect to the portions of the Premises not taken, but the rent thereafter payable by the Resident pursuant to this Lease shall be fairly and equitably reduced as determined by the Landlord and/or Principal Properties, LLC in its reasonable judgment from the date of such partial taking. The provisions of Section 19(A) with respect to a claim or claims for the taking and damages sustained shall apply as if said provisions were once again repeated in full in this section.

22. Remedies

The specified remedies to which any party may resort under the terms hereof are cumulative and are not intended to be exclusive of any other remedy or means of redress to which any party may be lawfully entitled in case of any breach by any other party of any other provision or provisions of this Lease.

No term, covenant or condition of this Lease shall be deemed waived by the Landlord or Principal Properties, LLC unless waived in writing. The waiver by the Landlord or Principal Properties, LLC of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or of any other term, covenant or condition hereof.

23. Miscellaneous

- a) **Covenant of Quiet Enjoyment** : The Landlord covenants that upon payment of the Rent and observing all terms and conditions hereof, the Resident may peaceably and quietly enjoy the leased Premises during the Lease Term and any extensions thereof without hindrance or molestation.
- b) **Assignment and Subleasing**: The Resident shall not assign this Lease or sublet any portion of the Premises without first obtaining the written consent of the Landlord or Principal Properties, LLC.
- c) **Landlord and Resident**: The term "Landlord" refers collectively to the owner of the Premises, any property manager, agent and other person or entity that may be designated in writing to act on its behalf, and each of them is authorized to give notice, and to do any act contemplated hereunder, and in so doing, it shall be deemed that they have acted on behalf of the Landlord. The term "Resident" refers collectively to each of the persons who have signed this Lease, and each of them is authorized to give notice and receive notice, and to do any act contemplated hereunder, and in so doing, they shall be deemed to have acted on behalf of all of them. All persons who have signed this Lease as a Resident shall be jointly and severally liable for all of the obligations of the Resident hereunder.
- d) **Applicable Law**: This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Kentucky.
- e) **Covenants Binding on Heirs and Assigns**: All the covenants, agreements, terms, conditions, provisions and undertakings in this Lease, or any amendments hereto shall be enforceable by and be binding upon the respective heirs, executors, administrators, successors, and assigns of the Resident, and the Landlord.
- f) **Modification**: This Lease sets forth the entire understanding of the parties hereto with respect to the subject matter hereof, supersedes all other existing agreements among them concerning such subject matter, and may be modified only by a written instrument duly executed by the parties hereto.

24. **Non-Waiver**: No term, covenant or condition of this Lease shall be deemed waived by Management unless waived in writing. Failure of Management to insist on strict compliance with the terms hereof or to exercise any rights or remedies authorized by law or by the terms hereof shall not constitute a waiver of the right to act on any violation.

25. **Disclaimer**: Neither the Management nor any of its representatives or employees or the Management of the property shall be liable, and Resident agrees not to hold them liable for any damages or loss to the property of the Resident, or of any member of Resident's family or his or her visitors, or for personal injury including death to any person in or near the unit, or for any other act of theft, vandalism or any other cause.

26. Written Agreement~No Verbal Statement

Unless attached to this Lease, there are no representations, agreements or promises made by Management to Resident and this Lease contains all of the terms, promises and agreements made to Resident concerning leased premises. This Lease shall not be affected by any agreements or representations not specifically contained in WRITING herein.

No modification or addition to the terms of this Lease shall be binding on either of the parties unless made with good and valuable consideration, and in WRITING signed by each of the parties. No verbal statement made by Management or any other party associated with the leasing of this premises will be relied upon and will have no bearing.

27. ACKNOWLEDGMENT

Resident hereby acknowledges that he or she has read this Agreement and that after having adequate opportunity to review the terms thereof, states that he or she fully understands the terms of the Agreement. Resident (s) further acknowledges that the entries made on the Rental Application are true and correct, that Management has the right to rely on the facts provided therein and that in the event of any material misrepresentation Management shall be entitled to void this Lease and terminate the tenancy of the Resident (s) and recover all damages related thereto.

Resident acknowledges that by signing below they are leasing above mentioned property from Management in AS-IS condition. Any repairs deemed necessary by Management after Resident has moved in, completed and returned "Move-In Inspection Sheet" will be completed within a timely manner by Management with exceptions to repairs that may be halted due to weather conditions.

IN WITNESS WHEREOF, the parties have executed this instrument in duplicate on the day and year first above written.

RESIDENT (PRINT)

RESIDENT (SIGN)

DATE

LANDLORD

BY: