

thereof. All amounts payable by Residents to Cole under this Agreement shall constitute Rent.

6. **CHARGE FOR LATE PAYMENT RENT.** Rent received after the fifth calendar day of the month will be assessed a late charge in the amount of 8% of the outstanding late balance up to a maximum of \$50. This fee may be subject to change to comply with Minnesota State Law. A fee will be charged for returned or dishonored checks. In the event of a returned or dishonored check all future payments must be in certified funds (cashier's check or money order). All amounts of Rent, or other damages or fees, owed by Residents to Cole Townhomes, but not paid when due or on demand, shall bear interest at the rate of the lower of eight percent (8%) per annum and the maximum interest rate permissible by Minnesota law.
7. **RESPONSIBILITIES OF COLE.** Cole agrees: (a) that the Apartment and all common areas will be fit for use as a residential premises; (b) to keep the premises in reasonable repair and make the necessary repairs within a reasonable time after written notice by the Residents, except when a disrepair has been caused by the willful or negligent conduct of the Residents or Guests, and (c) to maintain the premises in compliance with applicable health and safety codes, except where a violation of health and safety codes has been caused by the willful or negligent conduct of the Residents or Guests.
8. **RESIDENTS' RESPONSIBILITIES.** Residents agree: (a) Residents shall not damage or misuse the Apartment, the common areas or any other part of the building in which, and grounds on which, the Apartment is located ("Premises"), waste the utilities provided by Cole, or to allow their Guests to commit any such acts; (b) Residents shall not make any alterations or additions to the Apartment or remove any fixtures, screens or windows therefrom, to install any window coverings within the Apartment except those provided, or to paint the Apartment, common areas or any part of the Premises, without the prior written consent of Cole; (c) Residents shall keep the Apartment clean and tidy; (d) Residents shall not litter or cause the common areas or any other portion of the Premises to be unsafe or untidy; (e) Residents shall not conduct themselves, or allow their households or Guests to conduct themselves, in a loud, boisterous, unruly, or thoughtless manner so as to disturb the rights of the other residents to peace and quiet; (f) Residents shall not permit any person not personally known to the Residents to enter through a security door; (g) Residents shall use the Apartment only as private residence and not in a way that is unlawful or dangerous or which could cause the cancellation, restriction or increase in the premium of Cole's insurance; (h) Residents shall not use or store on or near the Apartment, common areas or any other part of the Premises, any flammable, explosive, environmentally hazardous, or other hazardous substance; (i) Residents shall not use any appliances (such as washer, dryers, freezers, refrigerators, dishwashers) other than those furnished with the Apartment without the prior written consent of Cole; (j) Residents shall notify Cole in writing of any conditions that may cause injury, require repairs, or which affect the habitability of the Apartment; (k) Residents, any members of the Residents' household, or a guest or other person under the Residents' control shall not engage in illegal activity, including drug-related illegal activity, on or near the Apartment, whereby "drug-related illegal activity" means the illegal manufacture, sale, barter, trade, exchange, distribution, purchase, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance, or the possession of drug paraphernalia, as prohibited by Minnesota or federal law; (l) Residents, any member of the Residents' household, or a guest or other person under the Residents' control shall not engage in any act intended to facilitate illegal activity, including prostitution, prostitution-related activity, and drug-related illegal activity, on or near the Apartment; (m) Residents and any members of the Residents' household will not permit the Apartment to be used for, or to facilitate, illegal activity, including prostitution, prostitution-related activity, or drug-related illegal activity, regardless of whether the individual engaging in such activity is a member of the Residents' household; (n) Residents or members of the Residents' household will not engage in the manufacture, sale, or distribution of illegal drugs at any locations, whether on, at, or near the Apartment or otherwise; (o) Residents, any member of the Residents' household, or a guest or other person under the Residents' control, shall not engage in illegal act, acts of violence, or threats of violence, including but not limited to the unlawful possession, use, or discharge of firearms, criminal street gang activity, intimidation, or any other breach of the Agreement that otherwise jeopardizes the health, safety, security, or welfare of Cole, its agent(s), or residents. A SINGLE VIOLATION OF ANY OF THE FOREGOING BY ONE OR MORE RESIDENTS, ONE OR MORE RESIDENTS' FAMILY MEMBERS, ONE OR MORE OF RESIDENTS' GUESTS, OR ANY THIRD PERSON AT RESIDENTS' APARTMENT OR COMING TO THE APARTMENT UNDER EXPRESS OR IMPLIED PERMISSION BY ONE OR MORE RESIDENTS MAY BE GROUNDS FOR AN IMMEDIATE EVICTION OF ALL RESIDENTS WITHOUT PRIOR NOTICE. UNLESS OTHERWISE PROVIDED BY LAW, PROOF OF VIOLATION SHALL NOT REQUIRE A CRIMINAL CONVICTION, BUT SHALL BE BY THE PREPONDERANCE OF THE EVIDENCE.
9. **RIGHT OF ENTRY.** All Residents are subject to having their Apartments inspected on a regular basis upon reasonable notice. Repair persons, exterminators, and the like authorized by Cole may enter the Apartment: (a) in response to request for work by any of the Residents; (b) at any time during emergencies; (c) at reasonable times for inspection and/or treatment for pest control; or (d) at reasonable time after reasonable notice to Residents, for the purposes of maintaining, repairing, inspecting, improving, or showing the Apartment after notice of vacate has been given, and in all such circumstances, Residents must comply with Cole's instructions concerning movement of furniture and other items for the kitchen area or other area of the Apartment in order to facilitate the effective performance of this work.
10. **PETS.** Residents may not have any pet in the Apartment or anywhere on the premises unless the pet is registered and approved by Cole, Approval will not be given for large or noisy pets, and Cole may direct immediate removal of any pets which disturb neighbors or damage Cole property in the Apartment, common areas, or anywhere on the premises.
11. **WATERBEDS.** Waterbeds and any other water-filled furniture are not permitted.
12. **DAMAGE OR INJURY TO RESIDENTS OR THEIR PROPERTY.** Cole is not responsible for any damage or injury to the Residents or their property, or Guests or their property, or to the person or property of any other person, which is not caused by willful misconduct on the part of any employee or other authorized agent or representative of Cole. Each of the Residents agrees to indemnify and hold Cole harmless with respect to any liabilities, damages, or expenses (including reasonable attorneys' fees) arising from injury, death, damage or loss to the person or property of the Residents, any members of his or her families, his or her Guests, or any other person who any of the Residents permits to enter or remain in the Apartment upon the premises or grounds. Cole urges Residents to obtain renter's insurance to protect themselves against injuries or damages to person and property.
13. **ACTS OF THIRD PARTIES.** Cole is not responsible for any damage or injury to person or property caused by any act or failure to act on the part of any third person (such as Resident, Guests, intruders, outside repair person and the like) who is not under direct supervision and control of Cole.
14. **SUBLETTING.** The Residents shall not sublet the Apartment or any part of it, nor assign this Agreement without the prior written consent of Cole, and no such sublease or assignment shall be binding in any respect in the absence of such written permission nor shall any sublease or assignment consented to by Cole release or relieve any of the Residents from liability hereunder.

- 15. ABANDONMENT OR SURRENDER OF THE APARTMENT BEFORE TERMINATION OF THIS OCCUPANCY AGREEMENT.** The Residents understand that they are responsible for paying the full Rent each and every month during the term of this Agreement and extensions or renewals, along with all additional Rent required hereunder. If the Residents abandon or surrender the Apartment before the end of the term, they shall be responsible for all cleaning and repair costs necessary to place the Apartment in the condition it was in on the Starting Date.
- 16. RESIDENTS' LIABILITY TO RIVERTON.** The Residents agree to indemnify and hold Cole harmless with respect to any liability, damage, loss, or expense (including reasonable attorneys' fees and the costs of repairs of service, including plumbing and electrical) arising out of any damage, loss or injury to persons or property caused by the willful or negligent acts or improper use of Cole property or facilities by any of the Residents, their agents, families or Guests. The Residents also shall reimburse Cole for any cost, including effort by Cole to exercise its remedies under Paragraph 22 of this Agreement.
- 17. TERMINATION WITH SPECIFIED END DATE:** If the Residents wish to move out of the Apartment on the date this Agreement ends, the Residents must give Cole a signed written Notice To Vacate at least equal to the "Resident Notice Period," defined herein as **one hundred eighty (180) days**, stating that the Residents listed on the current lease agree to vacate the Apartment on the vacate date specified on this Agreement. If the Residents fail to give proper notice, Cole may a) issue notice to vacate or b) issue notice of non-renewal within Cole notice period of 30 days. Failure to give proper notice will be viewed as the desire to vacate on the date specified in this Agreement, and the unit will be placed on availability to be leased to prospective residents. If the Residents stay in the Apartment after the date that this Agreement ends, without the approval of Cole, management will file an unlawful detainer with Hennepin County Housing Court in order to gain possession of the unit. This Agreement shall not be extended under its original terms unless approved by Cole management. Month to Month leases are not offered at Cole. If the Resident wishes to renew, they are also responsible for giving notice of renewal within the Resident Notice Period. Management may notify Residents of such deadlines, but it is the Resident's sole responsibility to recognize the lease term and notice periods included in this agreement and be active in giving notice or renewing within the specified time period given.
- 18. 8:00 am VACATE.** The checkout time for any move out is 8:00 am on the last date of the vacate month. The Residents agree to vacate the Apartment on or before the termination of this Agreement at 8:00am. If the Residents fail to vacate on or before the required date and time, each of them shall be liable to Cole for any and all resulting losses and expenses incurred by Cole including filing fees, court costs and attorneys' fees, as additional Rent. Resident, and all Resident's personal property and any garbage or debris, must be removed from the apartment at that time with all keys and access materials returned to Cole. Failure to complete moving out before 8:00 am will result in Resident being responsible to pay for the overtime charges at Cole's then-applicable hourly late check-out rates. Residents promise to vacate by 8:00 am on the last date of the lease is an important term of the resident's obligation. Cole is relying on Residents' agreement in this lease to vacate by 8:00 am to schedule cleaning, painting, repair and maintenance of the apartment. If Resident fails to vacate by 8:00 am., Cole shall be entitled to assess the overtime charges of \$35.00 per hour, in addition to any further costs, damages, and expenses Cole may incur if it is required to reschedule other work and repairs, or the apartment is not ready and cannot be timely "turned" and made available, with all necessary cleaning, painting, carpet cleaning, and other repairs and replacements accomplished, before the first of the month when the apartment may need to be available for a future tenant. Upon vacating, the Residents agree to leave the Apartment in the same condition it was at the time the Agreement commenced, except for ordinary wear and tear, except as provided in Paragraph 26(a). The Residents shall reimburse Cole for the cost of any cleaning or repairs necessary to return the Apartment to such condition.
- 19. DESTROYED OR UNTENABLE PREMISES.** If the Apartment or the premises as a whole is destroyed or so damaged as to be unfit for occupancy due to fire, refusal/inability to pay utility bills or other cause, Cole may terminate this Agreement immediately upon written notice. If the destruction or damage was not caused by the fault and negligence of any of the Residents, Rent shall be pro-rated upon termination of the Agreement under this section, and any overpayment shall be refunded to the Residents.
- 20. DEFAULT.** Each and all of the Residents shall be in default ("Default") under this Agreement upon the occurrence of any of the following events: (a) the Residents fail to pay in full any monthly Rent when due (b) the Residents fail to pay in full any amount due as additional Rent under this Agreement or under applicable Cole Rules by 8 a.m. on the fifth (5th) calendar day following the date on which notice of amount of such additional Rent due is sent to any of the Residents; (c) any of the Residents breaches or fails to observe and perform any other obligation under this Agreement or under the applicable Cole Rules; (d) any of the Residents in any application or other statement furnished to Cole omits or misrepresents a material fact, the omission or misrepresentation of which was relied upon by Cole in evaluating such application or other statement; or (e) any misrepresentation made by Residents in the certification of anticipated adjusted income.
- 21. REMEDIES FOR DEFAULT.** Upon the occurrence of any Default, Cole may exercise any one or more of the following remedies: (a) any remedy provided at law or equity; (b) Cole immediately may evict any or all of the Residents, and if the evicted Residents do not vacate the Apartment voluntarily, Cole may commence legal action to evict those Residents and without prior notice; (c) Cole may notify all of the Residents that this Agreement is terminated effective immediately or at any other time after the occurrence of the Default. (d) Cole may keep this Agreement in force, and the Residents shall be liable for all Rent accruing for the remaining term of this Agreement, or until the Apartment is re-rented, whichever first occurs, in which case Cole shall make a good faith effort to re-rent the Apartment, provided that Cole shall not be deemed to have waived or acquiesced in any Default or breach of this Agreement by means of Cole's delay or failure to bring an eviction action.
- 22. ASSIGNMENT.** Landlord may assign the Lease to a third-party registered as a Minnesota cooperative association who Leases the entire premises from Riverton.
- 23. SUBORDINATION.** This Occupancy Agreement is subject and subordinate to all present or future mortgages or deeds of trust affecting the premises, and the Residents hereby appoint Cole as their attorney in fact which appointment is coupled with an interest (and is not revocable by any of them for any reason) to execute and deliver any and all necessary documents to effect provisions of this paragraph.
- 24. NO ELECTION OF REMEDIES.** Cole may exercise any one or more of its legal rights and remedies without waiving the right to exercise any other remedy or remedies at the same time or any other time.
- 25. NOTICES.** Whenever this Agreement provides for notice to be given or sent to any of the Residents, the notice shall be deemed to have been given or sent upon deposit hereof in the United States mail, certified or registered mail, addressed to

the proper party at the apartment number identified in this Agreement, or at the time such notice is personally delivered to any adult person living in the Apartment, or at the time such notice is placed under the door of the Apartment or posted on bulletin boards throughout the building. Notices to Cole will be sufficient if they are signed by the prepared and delivered in writing to the Cole office, except when a specific form is prescribed by Cole.

- 26 SECURITY DEPOSIT.** Cole and the Residents acknowledge that the sum identified on the face of this Agreement has been deposited as a Security Deposit, subject to the following terms: (a) The Security Deposit will be applied to the costs of unpaid obligations under this Agreement, and costs of cleaning above and beyond normal wear and tear to Apartment after it is vacated by all of the Residents. If the Residents vacate the Apartment prior to the expiration of the term of this Agreement, Cole will charge the Residents for shampooing the carpets, waxing floors and washing the windows, and Residents shall pay such charges to Cole upon demand. All other costs incurred in connection with repairing and cleaning the Apartment in order to leave it in the condition in which it originally was rented to the Residents except ordinary wear and tear will be deducted from the security deposit. (b) The balance of the security deposit, if any, remaining after the deduction of the charges provided for in paragraph 26(a), herein, will be made in the form of a check payable to the Residents. In the event that the costs to restore the Apartment to its original state exceed the amount in the Security Deposit, or in the event that the Residents owe Cole any additional amounts under this Agreement, the Residents shall pay the additional amounts to Cole on demand.
- 27 CONDITION OF APARTMENT.** Residents acknowledge that the Apartment has been inspected prior to signing this Agreement, and that Residents have accepted the Apartment leased hereunder and are satisfied with the state of repair, operation, and condition thereof, including all present decorating, fixtures, and appliances in the Apartment. Residents have provided Cole with a move-in inspection for the purpose of noting any damages or deficiencies to the Apartment. Residents' failure to provide such form to Cole within forty-eight (48) hours of Residents' taking possession of the Apartment shall constitute conclusive evidence that the Apartment was received and accepted by Residents in good condition, with no damages or deficiencies. The approval by any one of the Residents as to the condition of the Apartment at move-in or move-out may and shall be relied upon by Cole as constituting the approval of all Residents who sign this Agreement.
- 28 DOOR KEYS AND LOCKS.** Each of the Residents will be furnished with keys to the Apartment. If one of the Residents fails to return all keys Apartment, mailbox, and other keys upon move-out, Residents agree to pay Cole as additional Rent upon demand for the cost for replacement of all locks to the Apartment. Residents shall not change the locks and shall not install any locks on interior doors within the Apartment. If Cole deems it necessary to replace locks to the Apartment, Residents shall pay Cole such charges as additional Rent upon demand.
- 29 PAYMENT FOR DAMAGES.** Residents agree to pay Cole within five (5) days after written demand from Cole, as additional Rent, the amount of any loss, property damage, or cost of repairs or service to the Apartment, common areas, or facilities, caused by any of the Residents, or any of the Residents' Guests, invitees, pets, or third person coming to the Apartment or the common areas with the implied or express consent of any of the Residents. Property damage shall include, but is not limited to waste water stoppages caused by improper objects, damage from windows and/or doors left open, damage to doors, windows, or screens, and repairs due to use beyond ordinary wear and tear. Residents' failure to pay Cole for such damages within the stated time period shall constitute a breach of this Agreement and a Default and shall be grounds for an immediate eviction without prior notice.
- 30 NO WAIVER BY COLE.** No payment by Residents or receipt by Cole of a lesser amount than the monthly installments of Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or letter accompanying a check for payment of Rent be deemed an accord and satisfaction, nor shall Cole's acceptance of Rent with knowledge of a breach by any of the Residents, or after Cole has provided Residents with a notice to vacate, constitute a waiver of such breach, and Cole may accept such check or payment without prejudice to Cole's right to recover the balance of such Rent, to terminate this Agreement, to repossess the Apartment, to evict the Residents for nonpayment of Rent or for any other Default or breach of this Agreement, or to pursue any other remedy provided in this Agreement. Cole shall not be deemed to have waived its right to bring an eviction action or any other legal action, or to pursue a pending eviction or other pending legal action, unless such waiver or agreement by Cole is set forth in writing and signed by Cole. No re-entry by Cole, and no acceptance by Cole of keys from the Residents, shall be considered an acceptance of a surrender of the Agreement. No waiver by Cole of any Default or other breach of any provision herein contained shall operate as a waiver by Cole of such Default or provision itself, or of any subsequent Default or breach thereof.
- 31 ATTORNEYS' FEES.** In the event that Cole brings any legal action against any of the Residents, or in the event that Cole incurs any legal fees in the enforcement of this Agreement, Residents shall pay Cole, as additional Rent upon demand, all attorneys' fees, court costs, costs for any Writ of Recovery, and fees for service of process and sheriff's fees incurred by Cole with respect to such action, even if Rent is paid after the legal action is commenced or the legal action is dismissed. In the event that any of the Residents brings any court or administrative action against Cole and Cole successfully defends or prevails on such action, Cole shall be entitled to its actual attorneys' fees and costs incurred by Cole in such action, as additional Rent upon demand.
- 32 COLE BYLAWS, RULES, REGULATIONS AND GENERAL POLICIES.** The terms and conditions of this Agreement are subject to and shall be deemed to include the Rules, Regulations and General Policies of the Cole Housing Townhomes, and Riverton Community Housing as amended from time to time ("Cole Rules"). Residents acknowledge receipt of the Cole Rules in effect on the Starting Date, and amendments thereto as communicated to the Residents from time to time. Landlord may, from time to time, enact reasonable rules and regulations with regard to the use, maintenance and operation of the premises that is the subject of the Lease and the use of the common areas, and Tenant agrees to abide by such rules and regulations as enacted.
- 33 PEST CONTROL.** All Residents are required to assist Cole in pest control procedures. All Residents' participation in Cole's pest control treatment program is MANDATORY. If the Residents' Apartment is not ready when Cole's pest control vendor is scheduled to treat the Apartment, the Residents may be required to pay for extermination re-treatment (s) or a second exterminator visit fee as additional Rent. Residents are required to comply with all requests by Cole for readying their Apartment unit for pest control treatments which may include emptying cupboards, removing materials from under sinks or vanities, and other requests. Residents also are required to follow any recommendations or treatment control requests of Cole's pest control vendor. Some pests, such as bedbugs, may require Residents to dispose of or professionally clean (at high temperatures or with chemical treatments) personal property and fabrics. Residents are responsible for all costs of treating or removing their personal property, furniture, mattresses, and fabrics needed, in the opinion of Cole's pest control vendor, to achieve effective pest control. Cole will not reimburse or replace personal property that must be treated or eliminated. Failure to follow the requirements of Cole's pest control vendor is a breach of this Agreement and constitutes a Default. A Resident's failure to promptly notify Cole of pests in the Resident's Apartment is a serious violation of and Default under this Agreement. Prompt notification to Cole is necessary to prevent pest infestation and to keep pests from spreading.

In the event of a routine inspection that discloses that the Apartment has had an ongoing pest problem that has not been reported by the Residents, this Agreement may be terminated or non-renewed. In ordinary circumstances of pest control, Cole will pay for the pest control treatment. In circumstances where Cole's professional pest control provider determines that the pests have been brought into the apartment by a Resident or Resident's guests, where the Resident has failed to notify Cole of a pest problem, or where the unit has been treated in the past and there is a re-infestation or a failure to take all steps required to eliminate the infestation, then Cole shall be entitled to charge Resident for the cost of the initial service, or repeat service to the apartment, common areas or other units where an unreported problem has spread, in accordance with paragraph 29 herein.