

CEDAR VILLAS, LLP; RESIDENTIAL LEASE AGREEMENT

This is intended to be a legally binding contract, including the specific and general terms described below and consisting of 12 pages. If it is not understood, tenant is advised to seek the advice of competent counsel.

Date of this rental agreement is: **June 1, 2011** (Month, Day & Year)

This residential lease agreement is entered into between Cedar Villas LLP, a partnership organized under the laws of the State of Montana (referred to in this lease as the "Manager (see section 13)"), and **Tenant One, Tenant Two, and Tenant Three.** (referred to in this lease as the "Tenant").

If more than one person is named above as tenant, all persons named shall have joint and several liability as to the obligations of Tenant herein, and all references to Tenant, although stated in the male singular, shall apply as appropriate as if written in the plural.

1. **Agreement to lease.** The Manager agrees to lease to the Tenant, and the Tenant agrees to rent from the Manager, on the terms and conditions set forth in this agreement, Apartment No. **Apartment #** At 1520 N. Russell in Missoula, Montana, together with the stove, refrigerator, dishwasher, washer, and dryer currently located there (collectively referred to in this lease as the "Premises").

PAYMENTS

2. **Rent.** The Tenant will pay **\$700.00 + plus pet fees** per month in rent. Rent payments must be made in **full** and in US funds made payable to Cedar Villas, LLP. Rent payment must be in the form of personal check, certified check, or money order. Cash will **not** be accepted for rent. The rent will be payable on or before the 1st day of each month for the current month. A rent payment of **\$700.00** for the **30** days between the beginning of the term of this lease and **July 1, 2011**, will be due when this lease is signed. *Tenant agrees not to withhold rent for any reason.*

3. **Late Charges.** Rent is due in full on or before the 1st of each and every month during your stay. Rent may be delivered to the **storage shed** located near the dumpsters at Cedar Villas, 1520 N. Russell, Missoula, Montana or may be mailed to **Cedar Villas, c/o Chris Thomas, P.O. Box 18205, Missoula, Montana 59808** or to whatever other person and/or address the Manager designates in writing, but in any event must be received by manager by the date and time stated above. If the first day of the month is a Saturday or Sunday, rent is due in full in or before 5:00pm on the preceding Friday. If the first day of the month is a legal holiday, rent is due in full on or before 5:00pm on the first business day preceding the holiday. If rent is not received on or before 5:01pm the fourth day after it is due, a late fee of **\$20.00** will be charged and **\$10.00** will be charged for each additional day that rent is late. All late fees shall be deemed additional rent for the rental month and shall be paid and collected as such. Late fees will be assessed from the date rent was due until rent payment has been honored.

4. **Dishonored Checks.** If a personal check is returned by tenant's bank for any reason, a charge of **\$30.00** shall be added to rent for the month and Tenant shall not be current with rent as long as said charge is not paid. If tenant's personal check is returned uncollected or unpaid, Manager may require that all subsequent rental payments be made, by cashier's check, or money order.

5. **Collection.** In the event that any unpaid balance is placed in collection with an third party collection agency of attorney, a fee of 50% of the unpaid balance will be added to the total amount due. This amount shall be in addition to any other costs incurred directly or indirectly to collect amounts owed under this agreement such as court costs, attorney's fees, late feels, and any other fees and costs due to Cedar Villas, LLP. The authorized fee of 50% of the unpaid balance and the additional collection-related costs and charges listed above, without limitation, represent the actual costs incurred by the Manager to collect amounts owed under this agreement and a corresponding decrease in revenues resulting from Tenant(s) failure to pay as specified in this agreement. Notwithstanding this or any other provision in this Agreement, Tenant shall be responsible for all collection costs, including but not limited to, attorney's fees and court costs incurred as a result of Tenant's non-payment under this Agreement.

TERM OF AGREEMENT

6. **Term of Lease:** This Agreement shall begin on **June 1, 2011** _____, at which time the Tenant shall be entitled to possession of the unit, and continue until **May 31, 2012** _____. This tenancy is Fixed Term for a period of **12** Months. A fixed term lease terminates upon the expiration of the agreed upon term. Upon expiration of the term the lease would continue on a month-to-month basis absence a new agreement for an additional fixed term. Rent during a month-to-month agreement absence of a new agreement will be **\$700.00**, unless landlord has given proper notice. A month-to-month agreement terminates by Manager (see section 13) or Tenant giving the other party to this agreement thirty days written notice to terminate.

7. **Early Lease Termination.** In the event the tenant terminates this lease before the expiration of this term, Tenant shall pay to manager the sum of \$250 (Two-Hundred Fifty Dollars) as liquidated damages representing additional rent owed, and not as a penalty, in order to indemnify Manager for expenses associated with additional staff time and administrative costs. It is agreed that such damages would result in breach of this agreement, but are uncertain and difficult to ascertain, and that the agreed amount is a reasonable estimate of probable damages. Accordingly, Tenant also be responsible for, but not limited to, the following: (i) all rent until the date the Unit is rented to another for a fair rental, (ii) advertising charges to re-rent the unit, (iii) all utilities that would be the Tenant's responsibility, (iv) cleaning charges, (v) property inspections during vacancy of the unit, and (vi) any rent differential or rent incentive required to rent the unit.

USE OF DWELLING UNIT

8. **Use of the Premises:** The Premises may only be used for residential purposes, and the Premises may not be occupied by any persons other than the Tenant. The Tenant may permit guests to stay in the Premises for periods of up to seven days without obtaining the consent of the Manager, but the Tenant must obtain the prior written consent of the Manager before permitting any other guests or occupants to occupy the Premises. The Tenant must obtain the prior written consent of the Manager before engaging in any business activity in the Premises.

9. **Utilities.** The Owner will provide gas, water, garbage, and sewer service to the Premises. The Tenant will be responsible for contracting and paying for the electricity, telephone, and TV cable services provided to the premises.

10. **Lawn maintenance and snow shoveling.** The Owner will be responsible for mowing and watering the lawn and removing snow from the sidewalks and driveways at the Premises.

11. **Inspection of the Premises.** Attached to this lease is a checklist describing the condition of the Premises, which has been signed by both the Manager and the Tenant. The parties acknowledge that they have inspected the Premises, and that the checklist lists all defects in the condition of the Premises which are visible and/or known on the date of this agreement. At the request of either the Manager or the Tenant, the Premises may be inspected again within seven days before the end of the term of this lease.

SECURITY DEPOSIT

12. **Security deposit.** The Tenant will not have the right to occupy the Premises until the Tenant pays the Manager a **\$700.00 + pet deposit** cleaning and security deposit.

(a) The Manager may apply this security deposit towards rent and late charges owed by the Tenant, the reasonable costs of repairing damage caused by any act or negligence of the Tenant and other persons in the Premises with the permission of the Tenant, costs and expenses which result by reason of any default of Tenant or failure on their part to comply with the covenants of this Rental Agreement, the Manager's reasonable cleaning expenses as provided for in this agreement, and any other fees and costs as otherwise provided by the Montana Residential Landlord and Tenant Act of 1997 or other applicable provisions of Montana Law.

(b) If this lease is a month-to-month lease, rent owed by the Tenant includes rent which is not paid due to the Tenant's failure to provide at least thirty days prior written notice before terminating this lease. If the Manager applies all or part of the security deposit for any of those purposes during the term of this lease, then the Tenant will replenish the security deposit within seven days after receiving a written demand from the Manager. The Tenant will be in default if the security deposit is not replenished within seven days after the Tenant receives a written demand from the Manager.

13. **Explanation of application of the security deposit.** Within thirty days after the Manager applies any of the security deposit to amounts owed by the Tenant, and within thirty days after the termination of this lease, the Manager will mail the Tenant a written notice listing any rent, repair charges, and cleaning charges to which the security deposit has been applied. The notice given after the termination of this lease will be accompanied by a refund of any remaining balance of the security deposit. At the end of this lease if the Tenant has paid all rent, and after an inspection the Manager does not impose any damage or cleaning charges, then the Manager will refund the security deposit within ten days. The notice and any refund will be mailed to the new address provided by the Tenant, or the last known address of the Tenant. *Failure of the departing tenant to provide Manager with a new address in writing upon termination of the tenancy or upon surrender and acceptance of the Premises, whichever occurs first, precludes the Tenant from asserting or recovering for any alleged wrongful withholding of the security deposit. The failure may not bar Tenant from recovering the actual amount owing to the Tenant.*

GENERAL PROVISIONS

14. **Manager.** The Premises are being managed by Chris Thomas whose address is P.O. Box 18205, Missoula, MT 59808 and whose telephone number is (406) 721-5188. You will be notified of any changes in writing regarding the manager or address to send payments to. All notices concerning the Premises should be sent to Cedar Villas LLP, at the above address. Notices may consist of general

questions regarding rental agreements, complaints, rules, maintenance, and payments. Additional ways to contact the manger; cthomas@cedarvillas.net, www.cedarvillas.net & our fax number (406) 728-9311.

15. **Maintenance of the Premises.** The Manager will be responsible for repairing and maintaining the Premises. Tenant acknowledges that the premises are in good order and repair, unless otherwise indicated in this Agreement. Tenant shall not destroy, deface, impair or remove any part of the premises and shall be liable for the expense of any repair caused by Tenant or Tenant's failure to comply with the conditions of the Agreement. Any such expense shall be deemed additional rent for the rental month or collected from the Tenant's security deposit. Tenant will maintain the premises in a clean, safe manner, including the maintenance of all smoke detectors located in the premises. Tenant shall not re-key any locks, add any lock, paint, paper, redecorate, or make other alterations to the premises without the prior written consent of the Manager. For all maintenance issues, requests should be directed to **(406) 721-5188**. If the maintenance issue is tenant or guest caused, tenant agrees to pay for any damages resulting in their error, with a minimum charge of **\$30.00**.

16. **Tenant's conduct.** The Manage has adopted Rules of Occupancy concerning the Tenant's use and occupancy of the premises pursuant to Montana Code Annotated §70-24-311. Tenant, additional occupants, and all guests shall abide by all of Occupancy, including but not limited to those concerning noise, odors, disposal of refuse, animals, parking and use of common areas. Noise shall be kept to a minimum at all times. Specifically, radios, televisions, stereos, playing of musical instruments and all sounds equipment should be operated on at a very low volume before 8 a.m. and after 10 p.m. and only at moderate volume during other hours. New and amended rules will take affect thirty (30) days after they are delivered to the tenant.

17. **Acknowledgement of Condition.** Tenant has examined the Premises, including but not limited to any and all furniture, furnishings, fixtures, appliances, equipment, ceilings, walls, windows, door, floors, carpeting, plumbing facilities, electrical facilities, hot and cold water supply, building grounds and appurtenances, and acknowledges that the same are in good, clean and sanitary order, condition and repair, unless noted to the contrary on Managers copy of this Rental Agreement. Tenant expressly accepts the Premises in its current condition.

(a) Tenant shall return Premises to Manager in as good order, condition and repair as when received, ordinary war and tear excepted and free of all Tenant's personal property. Trash and debris, burns, stains, marks, holes or tears of any size or kind in the carpeting, linoleum, draperies, or walls, cracked tiles and windows, do not constitute wear and tear.

(b) Tenant acknowledges that no representations as to the condition or repair of the Premises, or as to the Managers intentions with respect to any improvement, alteration, decoration or repair of the Premises, have been made to Tenant, unless noted on Managers copy of the Rental Agreement.

(c) Tenant shall be furnished, concurrent with the signing of the Rental Agreement, a Statement of Condition, in accordance with Paragraph 11 herein. The Statement of Condition will be completed by the tenant and represents the condition of the Premises at the initiation of this Rental Agreement. Tenant is granted 7 days from the date of this Rental Agreement within which to proposes any revisions to the Statement of Conditions. If Tenant fails to proposes any revisions within the time allowed, Tenant hereby accepts Statement of Conditions as an accurate representation of the condition of the Premises. Any revisions within the 7 day time period must be submitted *in writing to the Manager*. Tenant shall provide Manager reasonable access to the dwelling unit in order to adequately

verify and document any alleged deficiency. Any deficiency claimed by Tenant is not deemed to be acknowledged by Manager unless in a signed writing by Manager or Manager's authorized agent.

18. **Cleaning.** The Tenant is responsible for keeping the Premises clean, orderly, and in as good a condition as the Premises were in at the beginning of the term of this lease, with the exception of normal wear. If the Manager believes that the Tenant has not performed cleaning which is required by this lease, either during or at the end of the term of the lease, then the Manager will deliver a written cleaning notice to the Tenant. The notice will list the cleaning which has not been performed by the Tenant and the additional cleaning which needs to be performed in order to bring the Premises back to their condition at the beginning of the term of this lease. The notice can be delivered either personally or by certified mail. If the notice is mailed by certified mail, it will be considered to have been delivered three days after the date of the mailing. If the Tenant does not perform the cleaning listed in the notice within 24 hours after the delivery of the notice, then the Manager will have the right to perform the cleaning described in the notice, and to charge the Tenant for the actual and necessary cost of the cleaning, including a reasonable charge for the Manager labor.

19. **Pets/Aquariums/Waterbeds/Trampolines/Hot Tubs.** No pets shall be permitted on the premises. No pet visiting is permitted. Tenant shall not keep or maintain aquariums, waterbeds, or trampolines on the premises without prior written permission. Appropriate notice will be sent for any breach.

20. **Keys.** The Tenant shall pay the cost of re-keying the unit if the following keys are either lost or not returned upon termination of this Agreement. Tenant shall not copy any key, re-key any locks, or add any lock without the prior written consent of the Manager. Tenant acknowledges that locks may NOT have been changed prior to taking occupancy. Tenant acknowledges receipt of 2 keys to the apartment as well as 2 keys to the mailboxes. Tenant shall return all these keys and all copies of these keys to Manager upon termination of the Rental Agreement. Tenant will be charged a \$25.00 fee for replacement of a single key.

21. **Lock Outs.** A \$35.00 fee will be charged when a Tenant becomes locked out of their unit and an employee must go to the residence to let them in. (If the occurrence takes place on a weekend, holiday or after 5pm the charge will be \$55.00.)

22. **Smoking.** Absolutely NO smoking inside the unit. If you or your guests smoke outside and all cigarette butts left by the Tenant or visitors must be picked up and kept in a receptacle. If you smoke in the unit you will be charged accordingly for cleaning and repainting to bring the unit back to its original condition.

23. **Outward Appearance.** No posters, signs or similar displays may be affixed to any door, window or exterior wall which is visible from the street or to other residents. Nothing shall be stored on window sills or fire escapes.

24. **Picture Hanging.** No adhesive of any type shall be put on any surface. Tenant will not use nails larger than the picture hanging type. All nails must be removed when tenant vacates and all nail holes must be filled with spackling. Tenant will be charged for patch / paint / repair of walls upon vacating if necessary.

25. **Smoke Detectors.** Tenant acknowledges that as of the first date of occupancy that the owner or Management has advised you to immediately test your smoke detectors. According to Montana Landlord/Tenant law you are required to maintain all smoke detectors within the dwelling unit during the entire term of your occupancy.

26. **Carpets.** Tenant is required to professionally clean all carpets upon vacating and provide a receipt to Manager verifying such service. Renting a “Rug Doctor” is not considered professional cleaning. Tenant is expected to keep carpets clean through tenancy and if carpet becomes soiled/stained the tenant is expected to clean them.

27. **Authorized Vehicles/Parking.** No trucks larger than pick-ups are allowed except at moving time. Any repairs or maintenance to vehicles shall be of a minor nature only. Non operational vehicles, campers, utility trailers, boats, RVs are prohibited, except for the short time needed to clean and pack for moving purposes. Parking spaces shall not be used for storage of vehicles. Each unit may have designated parking spaces. These spots, if applicable, are identified by a number or letter in front of the parking space. Guests are not permitted to park in designated/reserved spaces. Guest parking is on the street only. Number of vehicles permitted on a full time basis is **1**.

28. **Changes, additions and improvements.** The Tenant must obtain the prior written consent of the Manager before making any changes, additions, or improvements to the Premises.

29. **Entry of the Premises by the Manager.** The Manager will have the right to enter the Premises at reasonable times after giving the Tenant twenty-four hours prior notice to inspect the Premises, perform maintenance and repairs, make additions, alterations or improvements, or show the Premises to third parties. If an actual or apparent emergency occurs, the Manager may enter the Premises at any time without notice. The Tenant may not change or add locks on the doors to the Premises.

30. **Insurance.** Manager shall not be liable to Tenant, nor insure Tenant, for any personal injury or property damage caused by the act or omission of any other Tenant or third party, or by any criminal act or activity, war, riot, insurrection, fire or act of God. Tenant acknowledges responsibility for securing Renter’s insurance to cover Tenant personal property against any loss or damage.

31. **Notification of maintenance needs, damage, accidents, and claims.** The Tenant will notify the Manager immediately in writing of any repairs to the Premises which the Tenant believes are necessary, of any damage to the Premises, of any accidents involving the Premises, and of any claims or legal proceedings relating in any manner to the Premises.

32. **Damage to the Premises.** If the Premises are damaged by fire or by any other cause which prevents the Tenant from occupying the Premises, then either party will have the right to terminate this lease as of the date on which the damage occurred. If the damage was caused by the Tenant or other persons in the Premises with the permission of the Tenant, then only the Manager will have the right to terminate this lease. If either party wishes to terminate this lease, a written notice of termination must be delivered to the other party within fourteen days after the damage. If this lease is terminated, then the Manager will refund any rent paid by the Tenant for periods after the date of termination. If this lease is not terminated, then the Owner will promptly repair the damage, and until the repairs are completed the rent owed under this lease will be reduced in proportion to the extent that the damage and the repairs interfere with the Tenant's use of the Premises.

33. **No assignment or subleasing.** The Tenant may not assign this lease or sublease all or any part of the Premises without the prior written consent of the Manager.

34. **Surrender of Premises upon termination of lease.** Upon the expiration or termination of this lease, the Tenant will remove all of the Tenant's personal property from the Premises, clean the premises, and return possession of the Premises and all keys to the Premises to the Manager, in the condition the Premises were in at the beginning of this lease with the exception of ordinary and reasonable wear.

35. **Attachments.** The following documents which are attached to this lease are incorporated into this lease by reference:

- a) A checklist describing the condition of the Premises, which has been signed by both the Manager and the Tenant.
- (b) The Manager Rules of Occupancy.
- (c) The Rental Application.
- (d) The Pet Agreement. (if applicable)

36. **Absences.** Tenant is required to notify Manager in writing of any anticipated absences from the premises in excess of seven (7) days. Such written notice must be provided no later than the first day of any such absence.

37. **Notice.** Notice to the Manager may be given in the following manner: Delivery in hand to the Manager; or Mailing with a certificate of mailing or by certified mail to the following address: Cedar Villas, c/o Chris Thomas, P.O. Box 18205, Missoula, Montana 59808. Notice to tenant may be given in the following manner: Delivery in hand to tenant; or mailing with a certificate of mailing or by certified mail to the address of the Unit stated on page 1 hereof, or to such other place designated by the Tenant in writing to Manager as the place for receipt of notices, or, in the absence of a designation, to the Tenants last – known address. Additional ways to contact the manger; cthomas@cedarvillas.net, www.cedarvillas.net & our fax number (406) 728-9311.

STATUTORY DISCLOSURES

38. **Lead Based Paint Disclosure.** Residential real property on which a residential dwelling unit was built prior to 1978 may present exposure to lead from lead-based paint that may place young children at risk for developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. A risk assessment or inspection for possible lead based paint hazards is recommended prior to taking occupancy of such property.

(a) **Managers disclosure;** Cedar Villas was built after 1978 and the Manager has no knowledge of lead-based paint and or lead-based paint hazards in the housing, also Manager has no reports or records pertaining to lead based paint and/or lead-based paint hazards in the housing.

39. **Mold/Mildew Notice.** Prior to commencement of the Term of said Rental Agreement, Manager and Tenant have visually inspected the dwelling unit and observed no visible mold or mildew, obvious water leaks, or presence of excess moisture conducive to mold growth, unless expressly noted in the Statement of Conditions.

Mold and mildew result when water remains in contact, even for short periods of time, with cellulose rich/nitrogen poor building materials. Given the right conditions, mold spores can germinate and colonize in as little as 24 hours. Possible damages due to the continued presence of and exposure to mold include, but are not limited to, deterioration of health, increased sensitivity to allergens, loss of value of the building, and structural damages. If the level of contamination is significant, any or all of the types of damages listed can be severe. Therefore, water intrusions observed in any dwelling unit, no matter how small, are treated by the Manager with the same level of attention as any other imminent threat to human health.

All dwelling units must be maintained in a condition free from excess moisture, whatever the source, and that the Manager be notified immediately upon discovery of any of the conditions or health symptoms described in this section. Tenants are expected to do their part to mitigate the possibility of mold growth by keeping their dwelling units clean and free from conditions that promote moisture. Frequent cleaning with antibacterial or antimicrobial cleaning agents reduce the level of mold species present in an indoor environment.

Tenant must inspect dwelling unit on a regular basis and notify Manager of any water leaks, damp areas, or areas of condensation or actual mold or mildew growth or any allergy type symptoms not attributable to any other cause. Tenant must further make note of suspected mold or mildew growth on the State of Condition report at the commencement of the Term.

Pursuant to the relevant provisions of Montana Code, the Owner of this Rental Premises has disclosed, if applicable, the presence of mold or propensity for mold growth at this location. A copy of this disclosure is available for inspection at the office of the Management and is by reference incorporated herein. Manager will not be responsible for damages related to mold growth that occur as a result of Tenant's negligence, Tenant's failure to immediately report to Manager recurring or widespread mold growth or water intrusion which promote mold growth or Tenant's failure to use and maintain the dwelling unit in a sanitary manner that discourages mold infestation. Tenant will be liable for mold related damages where Tenant negligence or inaction has allowed conditions conducive to mold growth to be present. Furthermore, the Tenant, by continuing his or her tenancy after receipt of this Mold Disclosure, expressly agrees to defend, indemnify, and hold Manager and Property Owner harmless from and against all loss, liability, damage, and expense including reasonable attorney's fees and costs suffered or incurred by manager and/or Property Owner on account of the presence of mold or similar infestations at the Rental Premises so long as no such loss, liability, damage or expense is not directly attributable to gross negligence on the part of Manager and/or Property Owner.

The undersigned acknowledges receipt of this disclosure, the test results (if available) and evidence of subsequent mitigation and treatment. The undersigned Tenant agrees that it is their responsibility to hire a qualified inspector to determine if a significant mold problem exists or does not exist on the property. Tenant further acknowledges that the Manager, who has provided this Disclosure, is not liable for any action based on the presence of or propensity for mold in the property.

Tenant's Acknowledgment of Statutory Disclosures (initial) _____

COMPLIANCE WITH LAWS

40. Tenant shall not violate any law, or commit or permit any waste or nuisance in or about the Premises, or in any way annoy any other person residing in or within three hundred (300) feet of the Premises. The use or sale of drugs or other controlled substances, as defined by Mont. Code Ann. § 50-32-101, on the Premises shall be a material breach of this Rental Agreement and shall, at the option of the Manager, permit the Manager to terminate this Rental Agreement pursuant to Paragraph 42 or as otherwise authorized by applicable law.

Tenant, member of Tenant's household, Tenant's guests, Tenant's invitees, or any other person who is living in, visiting, staying at or frequenting the Tenant's Premises shall:

(a) Not engage, or in any way be involved, in any criminal activity in, on, or near the Premises of common area;

(b) Not engage in any act intended to facilitate or that does facilitate criminal activity, including drug related criminal activity, in, on or new Premises or common area; and

(c) Not permit the Premises to be used for any criminal activity, including drug related criminal activity.

Violation of any of the above provisions shall be a material and irreparable violation of the lease and good cause for termination of tenancy, except as provided in Paragraph 41.

41. **Controlled Substance Prescription Exception.** Possession of prescribed controlled substances is allowed pursuant to a doctor's prescription in the possessor's name. This exception includes medical marijuana prescription holders, so long as the individual is in strict compliance with the Medical Marijuana Act as set forth by Mont Code Ann. § 50-46-101. **HOWEVER, SMOKING IS STRICTLY PROHIBITED INSIDE THE DWELLING UNITS. THIS PROHIBITION EXTENDS TO THE SMOKING OF MEDICAL MARIJUANA AND SUBJECTS TENANTS TO THE PENALTIES SET FORTH IN PARAGRAPH 22.**

If you are a medical marijuana prescription holder and you intend to use and possess medical marijuana of the Premises, you must provide a copy of your prescription to the Manager before the possession and use of marijuana will be allowed on the Premises.

This exception does not extend to Medical Marijuana Caregivers as defined in Mont. Code Ann. § 50-46-101. As set forth in Paragraph 8, the Premises must be used for residential purposes only, unless prior written consent of the Manager is obtained prior to engaging in any business activities.

TERMINATION

42. **Termination for Noncompliance by Tenant.** If there is a noncompliance by Tenant with the Rental Agreement or a noncompliance affecting health and safety, Manager may deliver a written notice to Tenant of the acts and omissions constituting the breach and that the Rental Agreement will terminate upon a date not less than fourteen (14) days after receipt of the notice. If the breach is not remedied within that time, the Rental Agreement terminates as provided in the notice.

If substantially the same act or omission that constituted a prior noncompliance of which notice was given recurs within six (6) months, Manager may terminate the Rental Agreement upon at least five (5) days' written notice specifying the breach and the date of the termination of the Rental Agreement.

43. **Termination for Failure to Pay Rent.** If rent is unpaid and when due and Tenant fails to pay rent within three (3) days after written notice by Manager of nonpayment and Managers intention to terminate the Rental Agreement if the rent is not paid within that period, Manager may terminate the Rental Agreement.

44. **Waiver of Default.** Acceptance by Manager of full payment of rent due is a waiver of a claimed breach of a Rental Agreement only when the claimed breach is the nonpayment of rent. Acceptance of full payment of rent due when a claimed breach is something other than the nonpayment of rent does not constitute a waiver of any right. The acceptance of partial payment of rent due does not constitute waiver of any right. Managers failure to require strict compliance with the conditions of this Rental Agreement or to exercise any right provided for herein, shall not be deemed a waiver of such default, or limit Managers rights with respect to that, or any subsequent default.

45. **Termination/Renewal/Holdover.** Either party hereto may terminate this Rental Agreement at the end of the Term by giving one to the other written notice at least 30 days prior thereto. Absent such notice, this Rental Agreement shall automatically renew from month to month on the same terms and conditions as herein, and so on until terminated by either party giving to the other at least 30 days written notice prior to the expiration of the current term. If at least 30 days and no more than 90 days prior to end of the current term, Manager gives Tenant notice of changes to the Rental Agreement that would apply to the subsequent term, including but not limited to any changes in rent, those changes will be in effect and incorporated as a part of this Rental Agreement effective with the start of the subsequent term. Manager reserves the right not to renew the Rental Agreement and to establish any terms and conditions of renewal that Manager deems prudent.

If Tenant remains in possession of the Dwelling Unit without Managers consent after expiration of the term, rent for the holdover period shall be three times the periodic rent in effect at the expiration of the Term, and manager may bring an action for possession in accordance with the provisions of the Montana Residential Landlord and Tenant Act of 1977.

46. **Remedies.** The remedies available to Manager herein shall not be deemed exclusive but in addition to the remedies provided in the Montana Residential Landlord and Tenant Act of 1977 and other applicable laws.

47. **Governing Law/Jurisdiction.** This Rental Agreement shall be governed by and construed in accordance with the laws of the State of Montana. All parties to this agreement including Third Party Guarantors, if any, expressly consent to the jurisdiction of the Courts of Missoula County, State of Montana.

48. **Joint and several liability.** If the Tenant consists of two or more persons, then each of the co-tenants will be jointly and severally responsible for all of the obligations of the Tenant under this lease, the Manager (see section 13) can recover the amounts owed under this lease from any of the co-tenants, and the co-tenants who pay the rent will be responsible for obtaining contribution from the other co-tenants.

49. **Successors bound by agreement.** This agreement is binding upon and will inure to the benefit of the parties and their heirs, executors, representatives, successors and assigns.

50. **Entire agreement.** This instrument constitutes the entire agreement between the parties. Neither party will be bound by any statements, promises, understandings, conditions, or representations which are not contained in this agreement.

51. **Modification of agreement.** No modification of this agreement will be valid or binding unless the modification is in writing, signed by both parties to this agreement.

52. **Waiver.** No waiver of any provision of this agreement will be valid or binding unless the waiver is in writing, signed by the party waiving the provision. The failure of either party to this agreement to exercise any right or remedy provided for in this agreement or to insist upon the strict performance of any provision of this agreement will not be a waiver of that party's right to exercise that right or remedy or insist upon the strict performance of that provision in the future. Acceptance of a full rent payment by the Manager is not a waiver of the Tenant's noncompliance with this lease, unless the noncompliance was the Tenant's failure to pay rent. Acceptance of a partial rent payment by the Manager is not a waiver of any right by the Manager.

53. **Interpretation to support validity.** If any provision of this agreement can be interpreted in two ways, one of which would render the provision valid and the other of which would render the provision invalid, the provision will be interpreted in the manner which would render it valid.

54. **Severability of invalid provisions.** If any provision of this agreement is declared or becomes invalid, unenforceable or contrary to law, the parties agree that the provision will be severed from the remaining provisions of this agreement and will not affect the validity or enforceability of the other provisions of this agreement.

55. **Attorneys' fees.** If either of the parties to this agreement institute legal proceedings to enforce the terms of this agreement, the parties agree that the unsuccessful party to the proceedings will pay the reasonable attorney's fees and legal costs of both parties, as they may be approved by the court having jurisdiction over the proceedings.

56. **Time of essence.** Time will be of the essence in complying with the terms and conditions of this agreement.

CEDAR VILLAS, LLP; RESIDENTIAL LEASE AGREEMENT

This is intended to be a legally binding contract, including the specific and general terms described in the above 11 Pages. If it is not understood, tenant is advised to seek the advice of competent counsel.

Dated **June 1, 2011**

Chris M. Thomas
Property Manager
Cedar Villas, LLP

Tenant One

Tenant Two

Tenant Three

-----OFFICE USE ONLY-----

Collect: 700.00 Collected:
 700.00 + pet deposit
 Plus any pet fees.

Check on: Refrigerator – Plugged in
 Hot Water Heater
 Breaker Box
 Washer / Dryer