

RESIDENTIAL LEASE AGREEMENT

The Cottages – Revised December 2021

This Residential Lease Agreement (the "**Agreement**") is made and entered into this _____ day of _____, 20____ ("Date of this Agreement"), by and between Lopez Housing Options, Inc., a Washington non-profit corporation (referred to herein as "**LOHO**"), _____ (referred to herein as "**Resident**") and _____ (referred to herein as the Resident's Guarantor, if any) (collectively, referred to herein as "**the Parties**").

This Agreement consists of this document, all attachments or Addenda, and any Resident Handbook, policies, rules, regulations, and procedures established by LOHO from time to time, Notice of which shall be provided to Resident. Definitions of certain terms contained in this Agreement are provided in Section 14.

LOHO owns and operates an adult housing community (55 years and older) located on Lopez Island, Washington. The Cottages in the Hamlet (the "Cottages") are developed as independent living units for active adults, as described herein.

In consideration of the covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Term of Agreement

The term of this Agreement shall commence (always the first day of a month) on _____ (the "**Commencement Date**") and shall terminate on _____ (the "**Termination Date**"), as set forth or amended in Addendum D (Financial Summary for Resident). If a Resident occupies the Cottage prior to the Commencement Date, the Resident shall pay, in advance and in addition to the amounts set forth in Addendum D, the Monthly Lease Payment prorated for each day preceding the Commencement Date. The date occupancy actually begins shall be referred to herein as the "**Occupancy Date**," and the amount of said pro-rated Monthly Lease Payment shall be as set forth in Addendum C.

Annual Lease: At the end of 12 months, the Agreement will automatically renew for the next 12 month period, including a revised Addendum D for the same period, unless it is terminated as provided herein.

Section 2. Living Accommodations

The Cottages are designed as "independent living" units. Residents must comply with The Hamlet Independence Policy. A copy of this policy is available for review in the Resident Handbook.

Some Cottages are “market rate”, others are designated “affordable” (defined as “**Affordable Cottages**”) in accordance with the definition of “Moderate Income” housing specified by San Juan County and amended from time to time and adjusted for additional services.

Resident shall have the right to occupy and to use the Cottage as assigned on Addendum B, as is, from Occupancy Date of this Agreement to the Termination Date of this Agreement. LOHO shall provide the Cottage, in good condition, with neutral painted walls, and standard flooring.

Resident shall have normal rights of use of the small yard surrounding the Cottage. Restrictions upon that use are provided in the Resident Handbook (the Resident Handbook is incorporated into this Agreement by definition above). Resident may not place personal belongings on, or restrict use of, communal public areas of the Hamlet without written permission from LOHO.

Section 3. Monthly Lease Payment and Other Fees, Due Dates

The Monthly Lease Payment: The Monthly Lease Payment shall be the amount set forth in Addendum D, subject to adjustments as provided herein. Please see Addenda A (Utilities and Services) and B (Base Rental Rate), which are attached hereto and incorporated herein by reference, for additional terms and conditions.

Addendum A sets forth the services paid by LOHO and included in the Monthly Lease Payment. Addendum A also sets forth those utilities and services the payment of which is the responsibility of the Resident.

Monthly Lease Payment Adjustments: Monthly Lease Payments for market rate Cottages may be adjusted annually or as otherwise agreed to in writing by the Parties, subject to the limitation stated in Addendum B. The Monthly Lease Payments for Affordable Cottages are subject to increase from time to time according to the rates allowed by San Juan County for moderate income housing. See Addendum D for the calculation of the Monthly Lease Payment and the period it is in effect.

Monthly Lease Payment Due Dates: Monthly Lease Payments are payable in advance and are due on the 1st day of the month for which service is provided. Payments may be made by check or money order payable to LOHO and delivered to the LOHO office located at the Hamlet Gathering Place, or mailed to LOHO at Post Office Box 785, Lopez Island, WA 98261. Payments may also be made electronically with LOHO’s prior written agreement.

Damage/Security Deposit: Resident has paid a damage/security deposit in the amount of onehalf of the Monthly Lease Payment amount. When the Resident vacates the Cottage, this deposit will be refunded to Resident less any cost of restoration to bring the Cottage back to a like-new condition, normal wear and tear excepted.

Pets: Resident may have pets subject to LOHO approval as to the size, type and number of pets. A refundable damage deposit in the amount shown on Addendum C will be assessed Resident.

Third Party Services or Supplies: Resident shall pay for any services or supplies provided by third parties. Resident will defend, indemnify and hold LOHO harmless from any claims by third parties

for services or supplies provided to Resident, and Resident shall indemnify and hold LOHO harmless from any judgment or award of damages against LOHO and in favor of such third parties, unless said judgment or award of damages arises out of negligent or intentional wrongdoing on the part of LOHO or its agents or employees.

Late Fees, Returned Check Fees, other Collection Costs: A late fee will be charged for any amounts not paid within fifteen (15) days of the date due. This charge is currently calculated at 1.5% per month and is subject to change. A returned check service fee will be charged for each check returned because it was not paid by Resident's bank for any reason. This fee is currently \$25 but is subject to change. Resident shall also be responsible for any and all collection costs and costs incurred by LOHO should it become necessary to evict Resident, whether by court action or otherwise. Said costs shall include, but are not limited to, reasonable attorneys' fees and interest at the maximum legal rate (currently twelve percent (12%)) per annum on all unpaid charges beginning one month after the date due.

Section 4. Termination of Agreement

This Agreement may be terminated in any one of the following ways:

1. By mutual written consent at any time;
2. Resident may terminate this Agreement via delivery of written Notice to LOHO. Notice must be delivered to LOHO at least thirty (30) days before the Termination Date;
3. Resident may terminate this Agreement at any time LOHO commits a substantial breach of this Agreement that is not cured within thirty (30) days after receiving written Notice of the breach from Resident;
4. LOHO may terminate this Agreement at any time Resident commits a substantial breach of this Agreement that is not cured within thirty (30) days after receiving written Notice of the breach from LOHO;
5. Resident may terminate after receiving written Notice of LOHO's intent to amend this Agreement with which amendment Resident does not agree;
6. Immediately without prior Notice by LOHO if the Cottages or a substantial portion thereof is destroyed or damaged so that it is unfit for habitation, and if the destruction of damage is not due to the fault of the Resident, in which event, the Monthly Lease Payment shall be pro-rated and the balance refunded to Resident;
7. LOHO may terminate this Agreement for good cause. "**Good cause**" includes but is not limited to:
 - (a) non-payment of Monthly Lease Payments or other fees set forth in this Agreement;
 - (b) repeated conduct by Resident that interferes with other Residents' safety and/or quiet enjoyment of the Cottages;

- (c) inability to remain independent in Activities of Daily Living (ADLs)* (*may apply for "living independently with support" status);
 - (d) persistent refusal to comply with reasonable rules and regulations of the Cottages;
 - (e) a material misrepresentation made intentionally by Resident, Resident family member or his/her Primary Care Provider in his/her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in a failure of the Resident to qualify for residency; or
 - (f) failure to provide a licensed Primary Care Provider's assessment of the Resident's level of independence, if at any time requested by LOHO;
 - (g) any other material breach by the Resident of the terms and conditions of this Agreement.
8. In the event of a change in Resident's health condition which requires Resident to relocate to another facility, a written termination Notice of at least ten (10) days must be delivered to LOHO. LOHO will prorate the Monthly Lease Payment from the date the Cottage is vacated and all personal belongings are removed, or following the ten (10) day Notice period, whichever is later. In the case of a severe and unexpected medical problem, LOHO, in its discretion, may waive the ten-day Notice requirement.
9. LOHO may terminate this Agreement on three (3) days' Notice to Resident if it is determined by LOHO that Resident poses an immediate and serious risk to the health and safety of Resident or others.
10. For Affordable Cottages, Resident, in accordance with the schedule provided in Addendum D, will provide LOHO with information regarding Resident's annual gross income for the purpose of determining continued qualification for the Affordable Cottage and any rental adjustment due to a change in annual income. Failure to provide this information or failure to qualify will terminate this Agreement.
11. If Resident is away from the Cottages for an extended period of time, Resident shall not be considered in default so long as the Monthly Lease Payment is paid on a timely basis.

Notice: Unless stated otherwise, LOHO will give Resident thirty (30) days written Notice of termination and the reason for termination. In the event of non-payment, LOHO will give written Notice to Resident that Resident is in default under this Agreement for non-payment. LOHO may charge Resident interest on the overdue amount at the rate of 1.5% per month. If Resident fails to make payment in full of all outstanding charges within thirty (30) days receipt of said Notice, LOHO may, at its election, terminate this Agreement upon an additional thirty (30) days Notice. Acceptance by LOHO of partial payment of said overdue charges does not constitute a waiver of the outstanding charges unless LOHO agrees to such a waiver in writing.

Vacating Premises: Upon termination of this Agreement by election of Resident, election of LOHO or due to the death of Resident, Resident, or his/her legal representative, shall provide LOHO with written Notice of the Departure Date of Resident. Resident, or his/her representative, shall then be responsible to vacate the Cottage and remove all of Resident's personal possessions. LOHO shall have the right to show the Cottage to interested applicants beginning on the date indicated as the Departure Date, unless prior written arrangements are made to extend the Departure Date. If Resident

fails to vacate the Cottage by the indicated Departure Date, and has not made arrangements in advance to extend that date, LOHO reserves the right to remove and store Resident's possessions in a storage facility to be determined by LOHO, at Resident's expense, until disposition thereof can be made. LOHO assumes no responsibility for Resident's stored possessions. If Resident fails to vacate the Cottage by the indicated Departure Date, the Monthly Lease Rental and applicable Fees will continue to accrue until the Lease Agreement is terminated. LOHO also reserves the right to undertake appropriate legal proceedings to evict Resident. All costs of such proceedings, including reasonable attorneys' fees and court costs, shall be the responsibility of Resident.

Section 5. Subleasing

Under no circumstances may Resident sublet the Cottage, unless Resident obtains LOHO's prior written consent. Any sublease entered by Resident without LOHO's prior written consent shall be void and cause for termination of this Agreement.

Section 6. Priority for Transfer to Adult Family Home

If it becomes necessary for Resident to transfer from the Cottages to a 24-hour care facility, Resident shall be given priority, subject to an evaluation of suitability (financial, health and other factors), for an available room at the Adult Family Home (the "**Hamlet House**"), also operated by LOHO and part of the Hamlet. Residents are not guaranteed a room at the Hamlet House. Priority will be offered based upon (1) availability of a room and (2) Resident's ability to pass the evaluation process.

Section 7. Responsibility for Personal Possessions Damage and Insurance

Resident shall be responsible for furnishing the Cottage and for procuring insurance for personal possessions and furnishings.

Limitation of Liability: LOHO shall not be responsible for the loss of personal property belonging to the Resident due to theft or any other cause. The liability of LOHO for damage to or loss of Resident's personal property shall be limited to damage or loss caused by negligent acts or omissions of LOHO or its employees acting within the scope of their employment.

Section 8. Decorating and Improvements

Resident may decorate the Cottage according to Resident's personal taste with pictures, window treatments and the like, so long as such decorations are not permanent fixtures to the Cottage or can easily be removed without damaging the structural integrity of the Cottage. All other customized improvements to the Cottage to be undertaken by the Resident must be approved in writing in advance by LOHO in order to protect the structural integrity of the Cottage. Any plans from an outside contractor to effect such improvements must be approved in writing in advance by LOHO.

Residents of Affordable Cottages can make interior or exterior improvements if they obtain the approval of LOHO to assure compliance San Juan County permit conditions #21.

Section 9. New Spouse, Registered Domestic Partner

A. New Spouse, Registered Domestic Partner

If during the term of residency, Resident marries or enters into a registered Domestic Partnership with a person who is not a Resident of the Cottages, the new spouse will be subject to the overall financial and health criteria submitted by Resident at occupancy. "**Spouse**" as used herein shall include a husband or wife or a registered Domestic Partner. If the Resident desires to move to a larger unit, any fees or deposits made by the original Resident will be adjusted in accordance with Addendum C. In the event the Resident is living in an Affordable Cottage, the joint income of Resident and the new **Spouse** will be considered for continued eligibility under current San Juan County guidelines. If the combined income of Resident and new spouse exceed such guidelines, they will be required to relocate to a market rate Cottage or vacate the premises. New **Spouses** need to be added to the lease.

B. Caregiver

A caregiver may only be engaged when the Resident meets the criteria outlined in the Extended Independence Policy. A caregiver who resides in a Resident's Cottage will not have the rights and privileges of a Resident. The Resident will be responsible for paying any additional costs relating to the caregiver's residency.

Section 10. Other Rights of Residents

Residents' Association: Resident shall have the right to participate fully in a Residents' Association, or other organization of Residents by whatever name designated, to meet and privately conduct business. A member of the Board of Directors of LOHO shall also be a member of said Association.

Guest of Residents: Resident shall have the right to receive guests and visitors at Resident's Cottage and to allow such guests and visitors to stay in Resident's Cottage on a temporary basis. A maximum stay of 4 weeks is allowed per visit. Resident must be in residence when guests or visitors are staying in Resident's Cottage unless prior approval of manager has been obtained.

Section 11. Rights of LOHO

Community Rules and Regulations: LOHO shall have the right to promulgate reasonable rules and regulations governing the conduct of the Residents. Resident shall enjoy the fullest measure of independence consistent with the Cottage in which Resident lives subject, however, to the reasonable policies and procedures now or hereafter adopted by LOHO for the conduct of all Residents. Resident agrees to abide by such policies and procedures, and generally conduct himself or herself in such a manner as to promote the peace and harmony of the community.

Access to the Cottages: Resident acknowledges and accepts the responsibility of LOHO to enter Resident's Cottage in order to carry out the purpose and intent of this Agreement and authorizes such

entry. Such entry shall include (a) performance of authorized housekeeping duties; (b) responses to medical emergencies; (c) responses to fire protection systems; (d) entry by authorized personnel in the event Resident is reported missing or has not responded to a call; (e) scheduled maintenance activities; and (f) enforcement of the community's policies and procedures. LOHO acknowledges and agrees to respect Resident's right to privacy and agrees to limit entry without prior notice to emergency situations and scheduled or authorized work as set forth herein.

Property Rights: Resident acknowledges that, except as expressly set forth in this Agreement, the rights and privileges granted by this Agreement do not include any right, title or interest in any part of the personal property or real property – including land, buildings and improvements – owned, leased or administered by LOHO. Resident's rights are limited to the rights provided for in this Agreement for services and the occupancy of the Cottages. Except for Resident's right to occupy the Cottage, any rights, privileges or benefits under this Agreement shall be subordinate to any mortgage or deed of trust or leasehold interest on any of the premises or interest in real and personal property of LOHO, to all amendments, modifications, replacement or refunding, of any such mortgage or deed of trust or leasehold interest, and to such reasonable rules and regulations governing the use of the property as shall from time to time be imposed by LOHO. Resident hereby agrees, upon request of LOHO, to execute and deliver any document which is required to this effect by LOHO or by the holder of such mortgage or deed of trust or leasehold interest to effect such subordination or to evidence the same.

Section 12. Amendments to Agreement

This Agreement, including the Addenda (except for the Monthly Lease Payment amount), may be amended by the Parties after thirty (30) days Notice signed by LOHO and Resident.

In addition, LOHO may annually change the Monthly Lease Payment in a manner that is consistent with Addendum B (to be effective on the next annual renewal date). Resident shall be provided with written Notice of the proposed change in the Monthly Lease Payment at least thirty (30) days before the end of the existing annual lease term, and unless Resident notifies LOHO in writing that Resident elects to terminate this Agreement effective the end of the current lease term as allowed in Section 4 of this Agreement, the new Monthly Lease Payment shall apply to the Resident's next annual lease term.

LOHO reserves the right to make amendments to this Agreement without providing thirty (30) days' advance written Notice to Resident if required for the safety of residents or the integrity of the Cottages, or in the case of emergency, in which case LOHO will provide Resident with as much advance notice as is reasonably possible.

Residents may request changes to the Addenda by submitting the written request to LOHO at least sixty (60) days prior to the date the desired change would take effect and subject to LOHO having accepted the change in writing. Changes to the services provided or other terms in the Addenda that involve third parties are also subject to the Notice terms or other requirements from those utility providers or service providers.

Section 13. Miscellaneous Provisions

Entire Agreement: This Agreement and the documents referred to herein represent the entire agreement between LOHO and Resident and supersedes all prior Agreements and negotiations. Except as contained herein or in any contemporaneous, written agreements, there are no promises or agreements between the Parties.

Documents Incorporated by Reference: This Agreement includes the Confidential Application, the Policies and Procedures of the Cottages (Residents Handbook) and any power of attorney or designation of representative forms executed by Resident. All such documents and information are incorporated herein by reference and made a part hereof. Resident acknowledges that LOHO will rely on statements of Resident in these documents and warrants that all statements are true and complete to the best of Resident's knowledge.

Rules of Construction: In this Agreement, masculine, feminine and neuter genders shall be construed to be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Similarly, the singular and plural shall be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Sections captions are for ease of reference only.

Non-Waiver: The failure of any party in any one or more instances to insist on the strict performance, observance or compliance by the other party with any of the terms or provisions of this Agreement, shall not be a continuing waiver thereof not construed to be a waiver or relinquishment by a party of its rights to insist upon strict compliance by the other party with all of the terms and provisions of this Agreement.

Amendment: This Agreement shall be amended only as provided in Section 12 of this Agreement.

Legal Remedies of Resident and LOHO. In the event a dispute arises regarding the performance of either party under this Agreement, the Parties agree to first attempt to resolve said dispute through a neutral third-party mediation with a mediator selected by mutual agreement of the Parties. If the Parties are unable to reach agreement through mediation, the dispute will be submitted to binding arbitration according to the commercial rules of the American Arbitration Association. The decision of the arbitrator shall be enforceable as a judgment in a court of competent jurisdiction in the State of Washington.

Attorneys' Fees and Costs: If any legal action is necessary or brought in any court or arbitration proceeding to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary expenses, in addition to any other relief to which such party may be entitled. This provision shall be construed as applicable to the entire Agreement.

Severability: The invalidity or unenforceability of any provision of this Agreement or the application of any such provision, shall not affect or impair any other provisions or the validity or enforceability of the remainder of this Agreement; however, the Resident, to the extent provided by law, retains the right to rescind this Agreement if any provision is in violation of the laws of the State of Washington as amended from time to time.

Paragraph Headings: Paragraph headings are added solely to aid in the review of this Agreement and are not to be construed to affect the interpretation of this Agreement.

Venue/Jurisdiction: Jurisdiction for any dispute arising out of this Agreement shall be in the Superior Court of Washington with venue in San Juan County.

Section 14. Definitions.

Whenever the following words or phrases appear in this Agreement beginning with a capital letter, these definitions shall apply:

Affordable Cottage: Cottage available to a Resident who meets the moderate-income guidelines established by San Juan County (see "Moderate Income").

Agreement: This document, including all exhibits, supplements, amendments and/or Addenda, as signed by LOHO and Resident.

Base Rental Rate: The monthly rent payable with respect to use of a particular Cottage. This rent is stated in Addendum B. This rent does not include any additional charges set forth in Addendum D. The Base Rental Rate is the main component of the Monthly Lease Payment.

Commencement Date: The term of this Agreement shall commence on this date as set forth in Section 1.

Cottage: One of the independent living units of the Hamlet. Collectively, the entire group of said units.

Damage/Security Deposit: One-time fee to be paid upon execution of this document to be used for any repairs or restoration of Cottage upon Resident's vacation of the premises, normal wear and tear excepted. The amount of this fee is set forth in Addendum C and further discussed in Section 3.

Departure Date: The date on which Resident or, in the event of Resident's death, Resident's personal representative or family, vacates the Cottage after providing LOHO with written Notice of said date, and removal of all Resident's possessions from the Cottage. If no written instructions are received by LOHO, the Departure Date shall be the date on which LOHO removes all Resident's possessions from the Cottage and places them in storage, all at Resident's expense, until disposition thereof can be made. LOHO assumes no responsibility for Resident's stored possessions.

Entrance Fee: A non-refundable entrance deposit is required at time cottage becomes available and it will be applied to the first month's rent. Contact LOHO for details.

Hamlet: The Cottages, Hamlet House Adult Family Home and Gathering Place in Lopez Village operated by LOHO.

LOHO: LOHO, Inc. (Lopez Housing Options), a Washington non-profit corporation and a corporation which has tax exempt status under Internal Revenue Code Section 501(c)(3) is represented by the current Cottage and LOHO Administration Manager.

Moderate Income: "Moderate Income" is defined by the San Juan County CDPD (in "Affordable Housing Defined" attached to the Hamlet building permit) as gross annual income, annually updated, for a family that is in the 80% to 95% of San Juan County Median Income by family size. (**SJ County Median income for** all family sizes is provided on the Web site: http://www.rurdev.usda.gov/HSFDirect_Income_Limits.html , then select "Washington.")

Monthly Lease Payment: The charges payable with respect to a particular Cottage which charges include the Base Rental Rate and additional charges, if any. The terms and conditions for paying this Payment are set forth in Section 3 of this Agreement. The calculation of this Payment is set forth in Addendum D.

Notice: For the purposes of this Agreement, Notice shall be deemed to have been delivered to Resident when deposited in Resident's message box, personally delivered to Resident, or sent to Resident by mail at the address specified in Addendum D; and to LOHO when personally delivered to the administrative office located at The Gathering Place or sent to LOHO by mail at Post Office Box 785, Lopez Island, WA 98261. Notice may not be considered "delivered" if sent by electronic mail, but Resident may be contacted electronically to inform them of the Notice being delivered.

Occupancy Date: The date on which Resident is authorized by LOHO to take possession of a Cottage. On this date, Resident shall be allowed access to move belongings or to personally inhabit the Cottage pursuant to this Agreement. Delivery of keys to Resident shall be deemed authorization to take possession. The Occupancy Date will not always be the same as the Commencement Date, which is always the first day of a month.

Primary Care Provider: The term "Primary Care Provider" includes, but is not limited to: Doctor of Medicine (MD), Doctor of Osteopathic Medicine (DO), Physician Assistant (PA), Nurse Practitioner (NP).

Resident: Each person designated by name in the first paragraph of this Agreement who is a party to this Agreement.

Spouse: shall include a husband or wife or registered Domestic Partner as defined by the State of Washington.

Termination Date: This Agreement shall terminate on this date as set forth in Section 4 and in Addendum D.

Section 15. Emergency Contact Information

Resident shall provide LOHO with emergency contact information, including but not limited to, names and relationship(s) to Resident, telephone numbers, addresses, email, etc. This includes, but is not limited to, next of kin, any holder of a Durable Power of Attorney (Financial and/or Health Care),

and the like. All such information will be kept confidential by LOHO. If Resident has not executed a Durable Power of Attorney, Resident is strongly encouraged to do so and to designate a person who can act in Resident's stead in the event of incapacity.

[SIGNATURE PAGE FOLLOWS ADDENDA]

This organization is an Equal Opportunity Provider and Employer.

ADDENDUM A

UTILITIES AND SERVICES

LOHO will provide the following services to Resident with their related costs included in the Monthly Lease Payment:

- Sewer and water
- Twice monthly housekeeping
- Lawn/garden maintenance of common areas
- Building repair/maintenance, if repairs/maintenance are not caused by tenant misuse.
- Smoke alarms and an annual inspection thereof
- Parking – one space per cottage
- Trash removal from central community container
- Use of Gathering Place
- Complete maintenance check of the Cottage once yearly
- Free Wifi service at the Gathering Place

LOHO will not provide the following services to Resident as part of the Monthly Lease Payment.

- Electricity
- Telephone
- DirecTV (connection provided by LOHO)
- Internet use fees (connection provided by LOHO)

Interior Cleaning and Housekeeping

General housekeeping services are included in the Monthly Lease Payment. Residents are responsible for maintaining interior spaces and keeping up with housekeeping in order to ensure basic safety. This includes maintaining:

1. Two routes of egress that are at least three feet wide.
2. Quick access to all major appliances and the breaker box in case of emergency repairs.
3. Quick access to the fire extinguisher.
4. Doorways that are clear in case of emergencies.
5. Proper airflow through the Cottage by regularly allowing air to circulate by using bathroom/kitchen fans where available.
6. Premises that are clean and free of debris.

If there is water intrusion visible on interior surfaces, the Resident will immediately notify the Cottage Manager. The Resident shall also immediately notify the Cottage Manager of any condition which could lead to a buildup of moisture, or of any visually evident mold or mildew growing on the Premises.

All Housekeeping in the Cottages must be performed by LOHO staff, unless the Resident obtains LOHO's prior written consent to use an outside provider for this service. An outside provider must be licensed and bonded unless this is waived by LOHO.

Upon vacating the cottage, all personal items must be removed and the cottage left in clean condition.

Whenever possible, at Resident's expense, we recommend using the Hamlet Personal Assistant for final cottage cleaning to ensure the cottage is left in satisfactory condition.

Resident Initials: _____

Date: _____

END OF ADDENDUM A

ADDENDUM B (Use the one that applies)
FOR A MARKET RATE COTTAGE

BASE RENTAL RATE:

Cottage to be Rented: Resident shall have the right to occupy and to use the following Cottage as is, from the Occupancy Date to the Termination Date of this Agreement:

Cottage Number: _____

This is a (check one) _____ a new lease OR _____ renewal of lease.

Base Rental Rate: _____ (amount per month)

The Base Rental Rate will apply until the Termination Date on Addendum D. On this date the lease will automatically renew at the Base Rental Rate unless a revised Addenda B and D are provided.

It is also understood that the current Base Rental Rate may be subject to future annual increases. Such increases will not exceed 5% annually.

Resident Initials: _____

Date: _____

END OF ADDENDUM B

ADDENDUM B (Use the one that applies)

FOR A MODERATE RATE COTTAGE

BASE RENTAL RATE

The rental rate for the affordable cottages will be in accordance with or pursuant to the current regulations of San Juan County, as adjusted for any special services provided by LOHO.

Eligibility to Rent an Affordable Cottage: For 2021, the San Juan County moderate family income maximum for a family of one is \$ _____ and for a family of two is \$ _____. Resident's gross income must not exceed this maximum unless waived by LOHO. Gross income information will be provided annually by the Resident in accordance with Addendum D.

Cottage to be Rented: Resident shall have the right to occupy and to use the following Cottage as is, from the Occupancy Date to the Termination Date of this Agreement.

Cottage Number: _____

This is (check one) _____ a new lease OR _____ renewal of lease.

Base Rental Rate

The Base Rental Rate is \$ _____ per month.

The Base Rental Rate will apply until the Termination Date on Addendum D. On this date the lease will automatically renew at the Base Rental Rate unless a revised Addenda B and D are provided.

It is understood that the current Base Rental Rate may be subject to future changes reflecting changes in Resident's gross income.

Computation of Base Rental Rate: The Base Rental Rate is computed as 30% of Resident's gross income, adjusted for utilities and services. The **minimum** monthly rent for a family of one is \$ _____ and for a family of two is \$ _____.

Resident Initials: _____

Date: _____

END OF ADDENDUM B

ADDENDUM C

UP FRONT FEES PAID ON OR BEFORE THE OCCUPANCY DATE

\$ _____ as first month's Monthly Lease Payment

\$ _____ pro-rated Monthly Lease Payment, if any, for move in other than on the 1st of the month

\$ _____ as last month's Monthly Lease Payment

\$ _____ the damage/security deposit equal to one-half of Monthly Lease Payment)

\$ _____ if applicable, a \$500 refundable pet fee

\$ _____ DUE PRIOR TO OCCUPANCY

_____ Minus pre-paid deposit

\$ _____ TOTAL DUE

Paid on _____ Check # _____

Resident initials _____ LOHO initials _____

FOR AFFORDABLE COTTAGE RESIDENTS:

Residents must provide a signed and notarized affidavit to LOHO that the Affordable Cottage is their primary residence and that they own no other home, in accordance with San Juan County permit condition #10.

END OF ADDENDUM C

ADDENDUM D (Use the one that applies)

MARKET RATE COTTAGE
FINANCIAL SUMMARY FOR RESIDENT

Name: _____

This is (check one) _____ a new lease OR _____ renewal of lease.

Monthly Lease Payment:

For the period starting _____ and ending (the Termination Date): _____

\$ _____ as monthly Base Rental Rate for a market rate Cottage

\$ _____ as additional charges, if any, which are (include description of each additional charge):

\$ _____ TOTAL MONTHLY LEASE PAYMENT

Notices: All Notices relating to this Agreement shall be sent to Resident at this address: (Resident to fill in)

Resident Initials: _____

Date: _____

END OF ADDENDUM D

ADDENDUM D (Use the one that applies)

MODERATE COTTAGE

FINANCIAL SUMMARY FOR RESIDENT Name: _____

This is (check one) _____ a new lease OR _____ renewal of lease.

For new leases, the Resident must provide two year's Federal tax return Form 1040. Thereafter, Resident will by **April 15** of each year provide LOHO with the previous years' Federal tax return Form 1040 or other notarized sources regarding Resident's annual gross income for the purpose of determining continued qualification for the Affordable Cottage and any rental adjustment due to a change in annual gross income.

Monthly Lease Payment:

For the period starting _____ and ending (the Termination Date): _____

\$ _____ as monthly Base Rental Rate for an Affordable Cottage

\$ _____ as additional charges, if any, which are (include description of each additional charge):

\$ _____ TOTAL MONTHLY LEASE PAYMENT

Resident Initials: _____

Date: _____

Notices: All Notices relating to this Agreement shall be sent to Resident at this address: (Resident to fill in)

END OF ADDENDUM D

Signatures

(NEW LEASE)

In witness whereof, the Parties have set their hands on the date appearing next to their signatures and thus signify agreement as set forth in this Agreement and Addenda A, B, C and D.

Lopez Housing Options

LOHO acknowledges receipt from Resident of the sum as set forth in Addendum C.

_____ Date: _____

RESIDENT(S)

_____ Date: _____

_____ Date: _____

GUARANTOR

_____ Date: _____

EMERGENCY CONTACT INFORMATION: (Resident please provide)

This includes, but is not limited to, next of kin, any holder of a Durable Power of Attorney (Financial and/or Health Care) and the like. See Section 15 of this Agreement)

Signatures (RENEWAL OF or REVISION OF LEASE)

In witness whereof, the Parties have set their hands on the date appearing next to their signatures and thus signify agreement as set forth in this Agreement and Addenda A, B, and D.

Lopez Housing Options

_____ Date: _____

RESIDENT(S)

_____ Date: _____

_____ Date: _____

GUARANTOR

_____ Date: _____

EMERGENCY CONTACT INFORMATION: (Resident please provide)

This includes, but is not limited to, next of kin, any holder of a Durable Power of Attorney (Financial and/or Health Care) and the like. See Section 15 of this Agreement)