

THE COMMONS **LEASE AGREEMENT**

THIS LEASE AGREEMENT ("Agreement") made and entered in this ____ day of _____, 20____, by and between Country Cottage - Huntsville, LLC (d.b.a. The Commons) ("Commons") and _____ ("Tenant") (if two or more persons sign this Agreement, "Tenant" shall refer to them jointly and severally). Each person occupying the apartment shall sign this Agreement as a Tenant.

Commons operates a 55+ active adult community located at 4300 Chris Drive, Huntsville, Alabama 35802. One Tenant must be age 55 or older. Commons is operated on a non-discriminatory basis, without regard to race, color, sex, religion, or national origin.

Concurrently with execution of this Agreement, Tenant has submitted an Application for residency, paid the Security Deposit and the first month's Rent. This Agreement will become binding on the parties when Commons provides either email notification of Acceptance Of Application or by depositing with United States Postal Service, Registered Mail, Return Receipt written notification of Acceptance Of Application.

Tenant agrees Rent and Lease Term commence on the earlier of Occupancy or thirty (30) days from Acceptance Of Application.

I. TENANT'S APARTMENT

- A. The Tenant has selected apartment ____ for occupancy in Commons.
- B. The Tenant understands this Agreement is personal and the rights and privileges are for occupancy and cannot be assigned or transferred.

II. APARTMENT, AMENITIES AND SERVICES

Tenant's apartment is furnished with carpeting, kitchen appliances, washer and dryer, faux wood blinds and smoke detectors. All other furnishings are Tenant responsibility. The Commons agrees to provide the following amenities and services:

- Use of designated apartment;
- All utilities, except telephone, cable television and internet service;
- Pre-wiring access for telephone, cable television and internet service;
- Entrance security locking systems and cameras;
- Parking for Tenants and their guests;
- Maintenance for lawns, landscaping, interior and exterior of the apartment, including appliances and light fixtures furnished by Commons, and pest control services;
- Use of grounds and community areas with direct access to The Foyer, Personal Mail Box, Club Room, Fitness Center, Crossroads Room, Patios, Screened Porch, BBQ Grill, Trash Room, Elevator, Trash Disposal Chute, Garden Area, Walking Paths, Beauty and Barber Shop in Oakleaf Cottage, and the Ivy Café in Ivy Cottage;
- Scheduled Transportation to shopping, grocery store, banks and doctors (within a 10 mile radius);
- Full-time Member Services Director;
- Recreation and Event Programs that includes planned social, cultural, educational, recreational, spiritual activities with an emphasis on social and physical programs (extra charge may apply); and
- Priority Access to Country Cottage Assisted Living.

Tenant may purchase additional facilities and services including:

- Reserved Covered Parking Space;
- Reserved Parking Space;
- Interior Extra Storage Unit;
- Housekeeping Services;
- Laundry Services;
- My Personal Assistant Services;
- Transportation, other than scheduled transportation, planned in advance by the Tenant;
- Cable TV (only available from Commons);
- Telephone (only available from Commons);

- Internet (only available from Commons);
 - Trash Removal;
 - RV Parking;
 - Meals, Meal Delivery and Meal Pickup;
 - Maintenance Services;
 - Recreation and Special Events, admission fees and other costs sometimes apply;
 - Beauty and Barber Services, provided by an independent contractor; and
 - Additional services as developed by Commons and offered as an a la carte member service.
- The current schedule of charges for additional facilities and services is attached as Exhibit A to the Member Handbook. Tenant is billed on a monthly basis.

III. RENT AND OTHER CHARGES FOR ADDITIONAL FACILITIES AND SERVICES

- A. The Tenant shall pay Rent for the apartment and the monthly invoice for additional facilities and services on the first day of the month. Payment of Rent and charges for additional facilities and services is required by Automatic Bank Draft (ACH Debits). Tenant has completed the ACH Debits authorization form. Tenant agrees that ACH Debits shall remain in force and effect until termination of Agreement and that earlier termination of ACH Debits is a breach of this Agreement.
- B. The Rent for apartment is \$_____. Tenant’s selection of Lease Term Option shall be indicated by **Tenant’s initials** in one of the four (4) option boxes below:
- Month to Month Lease Term “Option A”
 - The Rent is subject to change with thirty (30) days written notice.
 - Tenant may at any time execute a new Agreement, effective the first of the subsequent month, and change to Lease Term Option B, C or D.
 - Twelve Month Lease Term “Option B”
 - The Rent remains fixed until the 1st day of the 13th month of this Agreement.
 - Tenant may at any time execute a new Agreement, effective the first of the subsequent month, and change to Lease Term Option B, C or D.
 - Twenty-Four Month Lease Term “Option C”
 - The Rent remains fixed until the 1st day of the 25th month of this Agreement.
 - Tenant may at any time execute a new Agreement, effective the first of the subsequent month, and change to the Lease Term Option C or D.
 - Sixty Month Lease Term “Option D”
 - The Rent remains fixed until the 1st day of the 61st month of this Agreement.
- At the expiration of any Lease Term Option B, C or D this Agreement shall automatically convert to a Lease Term Option A Agreement, at the current market rate, unless Tenant enters into a new Lease Term Option B, C or D Agreement. Rent for a new Agreement will be at the current market rate.
- C. Commons shall have the right to adjust Rent monthly, unless otherwise fixed as in Lease Option B, C and D. Notice of any increases in Rent will be provided to the Tenant in writing, and such increase shall not become effective until the expiration of thirty (30) days from the delivery of such notice. Charges for additional facilities and services may be adjusted from time to time.
- D. Payment of Rent and the monthly invoice for other additional facilities and services is due in advance on the first (1st) calendar day of each month; except that the first month’s Rent is due at the time Tenant signs this Agreement. Partial month occupancy will be prorated on the basis of the number of days in the month. Continued occupancy of apartment is contingent upon Tenant’s timely and full payment of all Rent and charges for additional facilities and services due under this Agreement. All unpaid Rent and charges for additional facilities and services will be considered past due after the 5th of each month and will be assessed monthly a two (2%) percent delinquency charge, however such delinquency charge shall not be less than fifty (\$50) dollars. Each returned ACH Debit or check will result in a charge, as shown in Exhibit A to the Member Handbook, in addition to the delinquency charge. Tenant will be responsible for payment of all attorney and collection process fees on collecting any late payment or any balances owed by Tenant.
- E. Non-refundable Fees:
- Pet fee as shown in Exhibit A to the Member Handbook.

- Motorized ambulation device, such as wheelchair, scooter, cart, fee as shown in Exhibit A to the Member Handbook.

These non-refundable fees are due prior to occupancy of apartment.

IV. SECURITY DEPOSIT AND SMOKER SECURITY DEPOSIT

Tenant shall pay a Security Deposit of one month's Rent; unless the Sixty Month Lease Term Option D is selected by Tenant, then Tenant shall pay a Security Deposit of two month's Rent. The Security Deposit is due at the time Tenant signs this Agreement.

If Tenant is a smoker, Tenant shall pay a Smoker Security Deposit as shown in Exhibit A to the Member Handbook. The Smoker Security Deposit is due prior to occupancy of apartment. The Smoker Security Deposit shall be returned only if no smoke damage is done to the apartment, as determined by Commons.

Security Deposits shall be refunded within thirty (30) days of termination of this Agreement. Security Deposits shall be held by Commons during the Lease Term or any renewal thereof as security for performance by Tenant of all covenants of this Agreement. Commons may apply said Security Deposit as its own funds.

V. PARTIES RIGHTS TO TERMINATE AGREEMENT

This agreement shall continue in perpetuity unless otherwise terminated. This agreement may be terminated as follows:

A. By Tenant (Tenant to *initial* here acknowledging rights to terminate):

- At the end of the Lease Term by serving written notice that is effective 60 days from the date notice is received by Commons.
- At the end of the month of Tenant's death or the end of the month following death and removal of Tenant's personal property, whichever is later. In the event termination occurs by death of Tenant the obligation for payment of Early Lease Termination Fee remains the responsibility of Tenant.
- At the end of the month following occupancy in any Country Cottage or Columbia Cottage assisted living residence ("Cottage") owned by the owners of Commons. In the event termination occurs by such occupancy in a Cottage the obligation for payment of Early Lease Termination Fee remains the responsibility of Tenant. When Tenant pays Commons the Early Lease Termination Fee Cottage shall provide Tenant with monthly credits of two hundred fifty (\$250) dollars applied to the monthly service fee at the Cottage until such time as the monthly credits equal the amount of Early Lease Termination Fee.
- Prior to Occupancy by serving written notice. Tenant agrees to pay Commons two month's Rent in addition to Early Lease Termination Fee.
- Early Lease Termination Fee ("ELTF"). If Tenant terminates Lease prior to the end of the Lease Term by serving written notice that is effective 60 days from the date notice is received by Commons, Tenant agrees to pay ELTF of six hundred (\$600) dollars for each year or part of a year that the Lease is terminated early [example: Lease Term date is 8/31/14 (lease termination date), Tenant terminates lease early effective 6/30/13, lease terminated early 1 year and 1 part of a year, ELTF is \$1,200 (\$600 multiplied by 2 = \$1,200)].

B. By Commons upon prior written notice of not less than thirty (30) days to Tenant upon the occurrence of any of the following events, as determined by Commons:

- Tenant fails to pay Rent and/or additional charges for facilities and services when due.
- Tenant is disruptive, creates unsafe conditions, damages Commons or other Tenant property, or is physically or verbally abusive to other Tenants, visitors or staff or otherwise endangers the welfare of others.
- Tenant fails to abide by the rules and regulations of Member Handbook, or breaches any representation, covenant, agreement, or obligation under this Agreement.
- Tenant's family, guardian, responsible party and/or visitors are disruptive to the environment.
- Tenant requires services Commons does not provide or requires facilities or staff that are not available.
- Tenant is deemed physically, mentally or emotionally incapable of living in the apartment.

In the event of termination, all further rights and duties described in this Agreement shall terminate and Commons shall be entitled to collect from Tenant all accrued but unpaid Rent and other charges for additional facilities and services to the date of vacating the apartment, including, Early Lease Termination Fee, and any additional expenses resulting from breaching this Agreement.

VI. RULES AND REGULATIONS

Tenant agrees to abide by such reasonable rules and regulations and by any amendments thereto as are contained in the Member Handbook. The Member Handbook is incorporated by reference as a part of this Agreement. Tenant acknowledges receipt of Member Handbook.

VII. ACCESS TO THE APARTMENT

Commons and its staff will have access to Tenant's apartment in order to carry out the intent of this Agreement. Such entry includes but is not limited to: performance of scheduled or emergency maintenance duties, response to emergency situations, entry by authorized staff in the event that Tenant's safety or safety of others is in question, and reasonable belief that rules and regulations are being violated.

VIII. RIGHT OF RE-ENTRY

If any time Tenant abandons the apartment, Commons may, at its option, enter the apartment without being liable for any prosecution thereof, and without becoming liable to Tenant for damages or for any payment of any kind whatsoever and may, at its discretion, re-let the premises. In the event legal advice or action is required, Tenant agrees to pay the legal fees incurred regarding this action.

If Commons' right of re-entry is exercised following abandonment of the premises by the Tenant, then Commons may consider any personal property belonging to Tenant and left on the premises to also have been abandoned, in which case, Commons may dispose of all such personal property as deem fit.

IX. EMERGENCIES

Tenant authorizes Commons to provide to Tenant any emergency service and assistance deemed by Commons to be prudent under the circumstances and to take any action reasonably prudent in the event of what Commons deems to be an emergency. Commons agrees to use its best efforts to notify person(s) designated by Tenant in the event Commons should take any action under this section. Commons shall not be liable for any cost, damages or losses taken or omitted to be taken in good faith.

X. PERSONAL INJURY AND PROPERTY DAMAGE

Tenant is responsible for maintaining at all times Tenant's own health, personal property, liability, automobile (if applicable), and other insurance coverage in adequate amounts. Tenant acknowledges that Commons is not an insurer of Tenant's person or property. Tenant agrees that Commons will not be liable to Tenant for any personal injury or property damage (including, without limitation, damage to, or loss or theft of, automobiles or personal property of Tenant) suffered by Tenant or Tenant's agents, guests or invitees or of others resulting from any negligence or intentional misconduct of Tenant. Tenant hereby releases Commons, its Members, Managers, officers, shareholders, employees, agents, partners, parents, subsidiaries and affiliates and any holder of a mortgage thereon. Tenant agrees that Commons is not a health care facility, and therefore, Commons assumes no responsibility for any medical care directed by a physician or other provider of care.

XI. CONDITION AND MAINTENANCE

Tenant hereby acknowledges the good condition of the apartment, and Tenant's acceptance of this Agreement is conclusive evidence that the apartment is in good and satisfactory condition and Tenant agrees that no representation as to the condition of the apartment has been made and that no promise has been made to decorate, alter, repair, or improve the apartment unless otherwise provided in writing by Commons and attached as part of this Agreement.

Tenant agrees to maintain the apartment and to surrender same in good condition. Tenant will be responsible for the cost of returning the apartment to the same good condition.

XII. MISCELLANEOUS PROVISIONS

This Agreement, along with the Member Handbook and any attachment or Addendum, including any subsequent amendments and modifications, constitutes the entire Agreement between Commons and Tenant. No oral agreements have been entered in.

If a portion of this Agreement shall be determined to be illegal or not in conformity with appropriate laws and regulations, it shall not invalidate or affect the validity of the remainder of this Agreement.

THE PARTIES HERETO have executed this Agreement on the ____ day of _____, 20____.

SIGNED AND DELIVERED:

Country Cottage - Huntsville, LLC
(d.b.a. The Commons)

Tenant

By: _____
As Its Representative

Tenant

Tenant

Co-lessee (*required if applicable*)