

LEASE AGREEMENT

This Lease Agreement ("Lease") is made and entered into by and between _____ an Arkansas limited liability company (the "Landlord"), and _____ (collectively the "Tenant").

1. **PROPERTY.** Landlord leases to Tenant, and Tenant takes from Landlord, the land and building located at _____ (the "Premises").

2. **TERM.** 2.1 Initial Term. The term of this Lease will commence on _____ at 12:00 pm, and will end on _____ at 12:00 pm (the "Term").

2.2 Holdover. Tenant will not be allowed to remain in possession of the Premises after the expiration of the Term unless a written extension or renewal of the Term has been signed between Tenant and Landlord.

3. **RENT AND OTHER PAYMENTS.** 3.1 Rent. Tenant will pay Landlord, without demand, the sum of Eleven Hundred Dollars (\$1,100) per month in advance on the first day of each month during the Term of this Lease (the "Rent"). Landlord will accept Rent payments in the form of check or money order only. A late payment fee of \$50.00 is due at 5 PM on the fifth day of each month that Rent is not timely made and a \$10.00 per day charge will be assessed for every day payment is late thereafter. If any check is returned unpaid from the bank, a \$50.00 fee will be immediately charged to Tenant as additional rent. Once a check as been returned unpaid from the bank, Rent must be paid by cashier's check, money order, or other acceptable certified funds.

3.2 Security Deposit. Concurrent with the signing of this Lease, Tenant will deposit with Landlord, the amount of Eleven Hundred (\$1,100), to compensate Landlord for the damages to the Premises caused or permitted by Tenant, any member of Tenant's family, or any guest, employee or invitee and as security for the faithful performance by Tenant of the terms and conditions of this Lease during the Term or any extension(s) of the Term (the "Security Deposit"). Landlord may call upon Tenant to replace this deposit or so much thereof expended for said purposes and the failure of Tenant to replace the same will constitute a breach of this Lease for which Landlord may, at its option, pursue any remedy set forth paragraph 5.1 of this Lease. In the event of a breach by Tenant of the terms or conditions of this Lease, the Security Deposit may be applied by Landlord, at its option, toward any amount due to Landlord pursuant to this Lease, but Landlord's right to the possession of the Premises for nonpayment of rent or for any other reason will not, in any event, be affected by reason of the fact that the Landlord holds the Security Deposit. This deposit or the unused portion thereof not expended under the terms of this Lease, is to be returned to the Tenant (if not in default) at the expiration of the Term. Landlord will not be required to pay interest on the Security Deposit or to keep the Security Deposit as a separate fund.

3.3 Place and Form of Payment. All payments of Rent and other payments to be made by Tenant to Landlord will be paid to Landlord at 1722 North College Ave, Suite C, Box 159, Fayetteville, Arkansas 72703, or at such other place designated by Landlord. Unless otherwise agreed in writing by Landlord and Tenant, the Rent will be paid to Landlord in one envelope. Landlord is not liable for any payments made, but not received by Landlord; therefore, cash payments should be made to the Landlord in person.

4. **USE OF PROPERTY.** 4.1 Use of Premises. The Premises will be used and occupied by Tenant exclusively as a private single-family residence, and neither the Premises nor any part of the Premises may be used by Tenant at any time during the Term for the purpose of carrying on any business, profession, or trade of any kind, or for any purpose other than as a private single-family residence. Tenant will comply, and will require anyone on the Premises to comply, with all laws, ordinances and restrictions that apply to the Premises. Tenant will refrain, and will require anyone on the Premises to refrain, from loud or unnecessary noise or any other activity such as may disturb other neighbors. There is no smoking allowed inside any building located on the Premises. All parking will be on paved areas.

4.2 Vehicle Storage. Neither Tenant nor any occupant shall store or park any unlicensed or inoperable

vehicle, or any motor home, camper, trailer, boat or other recreational vehicle on or around the Premises. Neither Tenant nor any occupant shall store or park any commercial truck on or around the Premises. If, after three (3) days' notice to Tenant, Tenant fails to remove an unauthorized vehicle from on or around the Premises, Landlord may remove and store the vehicle, and Tenant shall pay the removal and storage expenses as additional rent and Tenant or any occupant owning same shall have no right of recourse against Landlord thereafter.

4.3 Number of Occupants. Tenant agrees that the Premises will be occupied by no more than 3 adults, without the prior, express, and written consent of Landlord.

4.4 Condition of Premises. Tenant acknowledges that the Tenant has examined the premises, and they are, at the date of this Lease, in good order, good repair, safe, clean and in a tenantable condition.

4.5 Assignment and Subletting. The parties agree as a freely negotiated and material part of the consideration for this Lease that the Tenant will not assign this lease, or sublet or grant any concession or license to use the Premises or any part of the Premises, without the prior, express, and written consent of Landlord. A consent by Landlord to one assignment, subletting, concession, or license will not be deemed to be a consent to any subsequent assignment, subletting, concession, or license. An assignment, subletting, concession, or license without the prior, express, and written consent of Landlord, or an assignment or subletting by operation of law, will be void and will, at Landlord's option, terminate this Lease.

4.6 Alterations and Improvements. Tenant will not paint, paper or otherwise redecorate or make alterations to the Premises, will not drill any holes in the walls, woodwork or floors, will not install any antenna or change any lock, or construct any building or make other improvements on the Premises without the prior, express, and written consent of the Landlord in each and every instance. All alterations, changes, and improvements built, constructed, or placed on the demised Premises by Tenant, with the exception of fixtures removable without damage to the Premises and movable personal property, will, unless otherwise provided by written agreement between Landlord and Tenant, be the property of Landlord and remain on the Premises at the expiration or earlier termination of this Lease.

4.7 Landlord's Right to Inspect. The Landlord and Landlord's agents will have the right to enter into and upon the Premises or any part of the Premises at all reasonable hours for the purpose of inspecting the Premises or making such repairs as may be necessary in case of the neglect or default of the Tenant in making the repairs after expiration of the applicable grace period as set forth in paragraph 5.1.

4.8 Rules and Regulations. Tenant and Tenant's guests, invitees, and uninvited visitors will comply with any rules and regulations of Landlord given to Tenant from time to time, which will be incorporated into this Lease by this reference. Any violation of the Landlord's rules and regulations will constitute a default under this Lease.

4.9 Quiet Enjoyment. Landlord agrees that Tenant, upon payment of all rent when due and not being in default under this Lease, will and may peacefully and quietly have, hold and enjoy the Premises for the term covered by this Lease.

4.10 Animals. No domestic or other animals will be brought on the Premises without the prior written consent of Landlord in each and every instance. Such consent may be revoked at any time by written notice to Tenant.

4.11 Casualty Damage. If the Premises, or any part of the Premises, is damaged by fire or other casualty not due to Tenant's negligence or willful act or that of Tenant's employee, family, agent, invitees or guests, Landlord may, at Landlord's option, terminate this Lease or repair the damage. If Landlord opts to repair the damage, the Rent will be abated in an amount corresponding with the time during which, and the extent to which, the Premises are untenable. If the Landlord opts to terminate this Lease, the Rent will be prorated up to the time of the damage. Nothing contained in this Lease will in any way be deemed to require Landlord to rebuild, or require Landlord to insure or in any other manner be responsible for, personal property or other contents of Tenant in the Premises.

4.12 Dangerous Materials. Tenant will not keep or have on the Premises any article or thing of a dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire on the Premises, or that might be considered hazardous by any responsible insurance company.

4.13 Utilities. Tenant will be responsible for arranging and paying for all utility services required on the Premises including, but not limited to, water, sewer, gas, electricity, fuel oil, trash removal, recycling, telephone and cable.

4.14 Maintenance and Repair. Except as otherwise provided in this Lease, Tenant will, at its own expense, and at all times, keep and maintain the Premises in a good and sanitary condition and repair, including all equipment, appliances, furniture and furnishings located in or on the Premises. In particular, Tenant must keep the fixtures in the house or on or about the Premises in good order and repair; keep the furnace clean; keep the sidewalks free from dirt and debris; and, at Tenant's sole expense, must make all required repairs to the plumbing, range, heating apparatus, and electric and gas fixtures whenever damage to such items results from Tenant's misuse, waste, or neglect or that of Tenant's employee, family, agent, invitees or guests. Major maintenance and repair of the Premises not due to Tenant's misuse, waste, or neglect or that of Tenant's employee, family, agent, invitees or guests, will be the responsibility of Landlord or Landlord's assigns.

4.15 Locks. Tenant may not add, change or in any way alter any locks installed on the doors of the Premises. At Tenant's request, Landlord will change or re-key the locks at Tenant's expense. Tenant will pay a Fifty (\$ 50) fee for Landlord to re-key the Premises, in the event a key is lost or missing.

4.16 Display of Signs. During the last Ninety (120) days of this Lease, Landlord or Landlord's agent will have the privilege of displaying the usual "For Sale" or "For Rent" or "Vacancy" signs on the Premises and the privilege of showing the Premises to prospective purchasers or tenants. Otherwise, no signs will be placed on or about the Premises by Tenant or at Tenant's direction without the prior written consent of the Landlord.

4.17 Surrender of Premises. At the expiration of the Term, Tenant will surrender the Premises in as good a state and condition as they were at the commencement of this Lease, normal wear and tear excepted. On or before the last day of the Term, Tenant will remove all personal property of Tenant and occupants, including trash, from the Premises (including any storage unit, garage or parking space). Tenant will repair any damage caused by any such removal. If Tenant fails to remove any such property, Landlord may remove such property for and at the expense of Tenant. Tenant shall provide Landlord with Tenant's forwarding address. If Tenant fails to return to Landlord all keys and garage door openers within 24 hours of moving out, Tenant shall pay the costs of changing the locks and/or reprogramming the garage opener.

4.18 Abandonment. If at any time during the Term any Tenant abandons the Premises or any part of the Premises, Landlord may, at Landlord's option, enter the Premises by any means without being liable for any prosecution for such entering, and without becoming liable to Tenant for damages or for any payment of any kind whatever, and may, at Landlord's discretion, as agent for Tenant, relet the Premises, or any part of the Premises, for the whole or any part of the then unexpired Term, and may receive and collect all rent payable by virtue of such reletting, and, at Landlord's option, hold Tenant liable for any difference between the rent that would have been payable under this Lease during the balance of the unexpired Term, if this Lease had continued in force, and the net rent for such period realized by Landlord by means of the reletting. If Landlord's right of reentry is exercised following abandonment of the Premises by Tenant, then Landlord may consider any personal property belonging to Tenant and left on the Premises to also have been abandoned, in which case Landlord may dispose of all such personal property in any manner Landlord deems proper and is relieved of all liability for doing so.

5. **DEFAULT.** 5.1 Events of Default. The following will be deemed the events of default under this Lease:

- (A) The failure of Tenant to pay when due the Rent or additional charges provided for in this Lease.

- (B) The failure of Tenant to perform any term, condition, covenant or agreement of this Lease, excluding the payment of Rent or additional charges, and the continuation of such failure for a period of thirty (30) days after the Landlord gives Tenant written notice specifying the same or in a case where default cannot be cured within thirty (30) days, if the Tenant will not promptly within such period, commence and diligently pursue to completion the remedy of such default.

5.2 Tenant's Default. In the event of any default by Tenant, Landlord may, at its option, at any time:

- (A) Terminate this Lease and immediately reenter and take possession of the Premises and in this event, Tenant will pay the Rents and other sums due prior to the time of such termination;
- (B) Take possession of the Premises and expel Tenant and then terminate this Lease, or from time to time, without terminating this Lease relet the Premises upon such terms and conditions as Landlord may deem advisable; Landlord will have no obligation to relet or otherwise mitigate the loss. No taking of possession of the Premises by Landlord will be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant. Landlord will receive all proceeds from any reletting of the Premises and will apply them to the payment of all such amounts as may become due under this Lease. If the amounts so received by Landlord are insufficient to pay amounts due and becoming due under this Lease, Tenant will pay to Landlord upon demand by Landlord such deficiency.

5.3 Interest and Costs. Any sum accruing to either party under the terms of this Lease that will not be paid when due will bear interest at the maximum rate permitted by law from the date the same becomes due and payable until paid. Upon any default, Tenant will pay Landlord all expenses in connection with such default, including, without limitation, all repossession costs, alteration costs, and expenses of preparation for reletting. In the event either the Landlord or Tenant brings or commences legal proceedings to enforce any of the terms of this Lease, the successful party will then be entitled to receive from the other party a reasonable sum as attorney's fees and costs, to be fixed by the court in the same action.

5.4 No Waiver. The failure of Landlord or Tenant to seek redress for violation, or to insist upon the strict performance of any covenant or condition of this Lease, will not prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by Landlord of Rent with knowledge of the breach of any covenant of this Lease will not be deemed a waiver of such breach. No provision of this Lease will be deemed to have been waived by Landlord or Tenant unless such waiver is in writing signed by Landlord or Tenant, as the case may be.

6. **MISCELLANEOUS.** 6.1 Indemnification. Tenant assumes all risks and responsibilities for accidents, injuries, and death to persons or property occurring in, on, or about the Premises. Tenant agrees to indemnify and hold harmless Landlord and Landlord's agents, successors, and assigns from any and all claims, liabilities, losses, costs, and expenses, including attorney's fees, arising from, or in connection with, the condition, use, or control of the Premises, including the improvements on the Premises, no matter how caused, and for any act done by Tenant or that of Tenant's employee, family, agent, invitees or guests, or any other party, except in the case of Landlord's failure to perform, or negligent performance of, a duty imposed by law on Landlord.

6.2 Insurance. The Tenant is advised and understands and agrees that personal injury to and damage to the personal property of Tenant or Tenant's guests, invitees, or uninvited visitors in or on the Premises is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such damage or loss. Tenant is further advised that, if insurance coverage is desired by Tenant, Tenant should inquire of Tenant's insurance agent regarding a renter's hazard and liability policies of insurance. Landlord will not be responsible for personal injury or loss of food, clothing, furniture, or any of Tenant's other possessions in the event of appliance failure, water leak or water backup, bursting pipes, fire, loss of utility service, or other events, and in no event will Landlord be responsible for theft, vandalism, or mysterious disappearance of Tenant's property regardless of the state of security of the Premises. Further, if Tenant or Tenant's guests, invitees, or uninvited visitors are injured or if any property of Tenant or Tenant's guests, invitees, or uninvited visitors is damaged for any reason whatsoever,

Tenant must give Landlord written notice of the injury or damage within four (4) days of its occurrence.

6.3 Subordination. This Lease and Tenant's leasehold interest under this Lease are and will be subject, subordinate, and inferior to any liens or encumbrances now or later placed on the Premises by Landlord, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions of such liens or encumbrances. Tenant hereby appoints Landlord as Attorney-in-Fact to execute and deliver any and all necessary documents to subordinate this Lease to any liens or encumbrances now or later placed on the Premises by Landlord, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions of such liens or encumbrances.

6.4 Condemnation. In the event the Premises, or any part of the Premises, is taken by condemnation by the United States, the State of Arkansas or any other governmental agency or authority, this Lease will be terminated at the option of the Landlord; and the Tenant hereby specifically waives any right to any portion of the award received as damages for the taking of the property.

6.5 Notices. Any notice, consent, request, claim or other communication to Landlord must be sent to 1722 North College Ave, Suite C, Box 159, Fayetteville, Arkansas 72703, unless Landlord gives Tenant written notice of a change. All notices to Landlord will be given by certified mail, return receipt requested, or by hand delivery to Landlord. Any notice, consent, request, claim or other communication to Tenant will be given by certified mail, return receipt requested, or delivered to Tenant at the Premises. If Tenant is absent from the Premises, a notice to Tenant may be given by leaving a copy of the notice at the Premises.

6.6 Landlord Transfers. If the Premises are sold, Landlord will be released from any liability subsequently accruing under this Lease if Landlord's successor has assumed in writing Landlord's obligation under this Lease. If any Security Deposit or prepaid Rent has been paid by Tenant, Landlord may transfer the Security Deposit or prepaid Rent to the Landlord's successor, and on the transfer, Landlord will be discharged from any further liability for the Security Deposit or prepaid Rent on written notification to the Tenant by ordinary mail of the transfer and of the successor's name and address.

6.7 Binding Effect. This Lease will apply to, benefit, bind and be enforceable by the parties and their successors in interest to the extent permitted by this Lease.

6.8 Rights and Remedies Cumulative. The rights and remedies expressed in this Lease are cumulative and not exclusive of any rights and remedies otherwise available.

6.9 Governing Law. This Lease will be subject to, governed by and construed according to Arkansas law without regard to any principles of conflicts of laws. The forum for any litigation will be in the courts of Washington County, Arkansas.

6.10 Counterparts. This Lease may be executed in two or more counterparts. All counterparts will collectively constitute the original of this Lease, which may be evidence by any one counterpart. A counterpart may be a full copy of this Lease or a signature page of a full copy of this Lease.

6.11 Performance. Time is of the essence of this Lease.

6.12 Severability. Any of the rights or remedies provided in this Lease which are determined to be invalid or unenforceable in any jurisdiction will not in any way affect the right to the enforcement in such jurisdiction or elsewhere of any of the other rights or remedies provided in this Lease.

6.13 Joint & Several Liability. If this Lease is executed by more than one person as Tenant, then the liability of the persons so signing will be joint and several and a judgment against one will be no bar to an action against the other(s).

6.14 Headings and Captions. Subject headings and captions are included for purposes of convenience only and will not affect the interpretation of this Lease.

6.15 Entire Agreement. This Lease contains the entire Lease between the Landlord and Tenant and supersedes all prior agreements and understandings relating to the subject matter of this Lease. It may not be changed or terminated orally, but may only be changed by an agreement in writing signed by the party or parties against whom enforcement of any waiver, change, modification, extension, discharge or termination is sought.

6.16 Construction. 6.16.1 Number, Etc. Words expressed in number and gender will include other numbers and genders in proper context. For special emphasis of this construction rule, “(s)” is used from time to time. Use of the word “person” refers to both natural persons (*i.e.*, individuals) and artificial persons (*e.g.*, corporations, partnerships, *etc.*) as appropriate to the context. Use of the word “includes” or a derivative of it is not used in the limitation sense. The use of “or” has the inclusive meaning represented by the phrase “and/or” as appropriate to the context. Use of the word “will” is a word of mandate in proper context and equivalent to the traditional use of the word “shall.” Headings are for convenience, are not part of this Lease and cannot be used in a construction of it.

6.16.2 Capitalized Words. The generic use of an uncapitalized word or phrase includes within that use in proper context a defined word or phrase that is noted by capitalization.

6.17 Receipt of Copy. Tenant acknowledges it is receiving a copy of this Lease.

IN WITNESS WHEREOF, the parties have this Lease on this _____.

LANDLORD:

TENANT:

By

