

6. Late Charges and NSF Fee: Resident acknowledges that late payment of Rent by Resident to Lessor will cause Lessor to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs may include, without limitation, the following: lost use of funds by Lessor; charges that may be imposed on Lessor by reason of late payments owed on any obligation covering the Premises; costs incurred in connection with accounting for and attempting to collect late payments; collection agency expenses; and other administrative and accounting costs related to late payments. Therefore, if Rent is not paid on or before that day of the month identified in the Late Charge Terms section of the Term Sheet, late charges will be due from Resident in accordance with such Late Charge Terms. In no event, however, shall such late charges exceed any maximum that may be provided for by applicable law. If Resident's check is dishonored by the institution from which the check is drawn, Resident will pay an NSF Fee in accordance with applicable law. In addition, applicable late charges will be due from Resident if the dishonored check is not replaced in time to avoid such late charges. The parties agree that these late charges represent a fair and reasonable estimate of the costs that Lessor will incur by reason of late payment of Rent by Resident.

7. Application and Acceptance of Payments: Unless Resident notifies Lessor otherwise, payments received by Lessor from or on behalf of Resident shall be applied to satisfy Resident's obligations under this Lease in the order of priority determined by Lessor, regardless of when the obligations arise. Lessor is not obligated to accept unpaid Rent or any other unpaid amounts, except to the extent required to be accepted by law. If Lessor accepts an amount less than the full amount due, Lessor in no way waives any of its rights and remedies under the Lease or otherwise for unpaid Rent or any other unpaid amounts. To the extent permitted by law, Lessor may, but has no obligation to, terminate this Lease if Resident is chronically late with Rent payments. Lessor's acceptance of multiple late payments or Lessor's agreement to forgive a late fee or to otherwise insist upon strict compliance with the terms of this Lease or Lessor's delay in demanding strict compliance with this Lease shall not, consistent with the Waiver paragraph below, constitute a waiver.

8. Security Deposit: Before Resident may occupy the Premises, Resident must pay Lessor the Total Deposits identified on the Term Sheet. These Total Deposits are not prepaid Rent, but are a good faith deposit for Resident's faithful fulfillment of each provision of this Lease as provided by applicable law and as a contingency against damages to the Premises or the Community caused by Resident, Occupant or any of their Guests. The Total Deposits will be held by Lessor without liability for interest, unless otherwise required by law. No portion of the Total Deposits may be applied by Resident to any Rent payment. Resident's responsibility for damages under this Lease is not limited to the amount of the Total Deposits, and Lessor may use any and all of the rights and remedies provided to Lessor by law and in equity to recover any and all damages Lessor sustains. After Resident vacates the Premises and the Community, the Total Deposits identified on the Term Sheet will be reconciled and returned to Resident in accordance with applicable law. The condition of the Premises at the time of vacating shall be inspected by an authorized representative of Lessor who has the final authority to determine how much of the Total Deposits shall be refunded in accordance with the conditions set forth in this Lease. Within a reasonable time after notification of either party's intent to terminate this Lease, Lessor will notify Resident of Resident's option to request an initial inspection of the Premises. Upon Resident's request, Lessor shall, not more than two weeks prior to the end of the Lease Term, make an initial inspection of the Premises, provide Resident with an itemized statement specifying the repairs or cleaning proposed to be the basis of deduction from the Total Deposits, and allow Resident an opportunity to remedy the identified deficiencies. The amount of the Total Deposit returned to Resident in accordance with the provisions of this Lease may be reduced by unpaid Rent, Additional Rent, and other charges and fees due and payable under this Lease, as well as amounts necessary to repair damages caused by the Resident or any Occupant or pet, and to put the Premises in the condition required by the terms of this Lease. The Total Deposit (or any portion of it remaining after any deductions by Lessor in accordance with the terms of this Lease) will be returned in one check payable to all Residents (unless all Residents have authorized in writing that Lessor may return

such deposit in one check payable to less than all Residents mailed to the forwarding address provided by Resident.

9. One-time Fees: In addition to the Rent and the Total Deposits identified on the Term Sheet, Resident agrees to pay, prior to occupying the Premises, the Other Fees and Charges, if any, identified on the Term Sheet. Such Other Fees and Charges are not deposits, are not refundable, and in no way release Resident from the obligation of leaving the Premises in the condition required by this Lease.

10. Lease Concessions: Lease concessions, if any, received by Resident as set forth on the Term Sheet, are contingent upon Resident's fulfilling all of Resident's obligations under this Lease for the entire Lease Term. If this Lease is terminated for any reason prior to the Expiration Date of the Lease, including, but not limited to, Resident's default or early termination of this Lease, then Resident shall be obligated to pay Lessor a portion of the total lease concessions set forth on the Term Sheet in an amount equal to the total lease concessions multiplied by a fraction, the numerator of which is the number of days from the date this Lease is terminated, to and including the last day of the Lease Term, and the denominator of which is the number of days in the entire Lease Term.

11. Failure to Pay Deposits, Other Fees and Charges and First Month's Rent: Unless otherwise agreed to in writing by Lessor, if Resident fails to pay, prior to occupying the Premises or on or before the Commencement Date of the Lease Term, whichever is earlier, an amount equal to the Total Deposits, the Other Fees and Charges, the Total Monthly Rent for the first full month of the Lease Term and, if the Lease Term commences on a day other than the first day of the month, that portion of the Total Monthly Rent due for the first partial month of the Lease Term, Resident shall be in default under this Lease.

12. Delay in Delivery of Possession: If Lessor does not deliver possession of the Premises on or before the Commencement Date of the Lease Term for any reason, Lessor shall not be liable for failure to deliver possession on that date, but that portion of Resident's Rent for the undelivered Premises payable under this Lease shall be abated on a per diem basis until Lessor delivers possession to Resident. Subject to applicable law, if the Premises are not delivered to Resident within 30 days from the date promised, either Resident or Lessor may thereafter terminate this Lease by written notice. If this Lease is not terminated, the Expiration Date of the Lease Term shall not be extended by reason of any delay in delivering possession of the Premises to Resident. Rent abatement or lease termination does not apply if delay is for cleaning or repairs that do not prevent Resident from occupying the Apartment or, for any undelivered Premises (other than the Apartment), if Lessor has offered to Resident substitute Premises of comparable location and quality at no additional cost to Resident.

13. Rental Application and Resident Information Updates: Resident will promptly notify Lessor in writing of any change in the information provided by Resident on Resident's rental application or any subsequent information provided to Lessor by Resident including, but not limited to any Resident Information Update Form. If any information given by Resident to Lessor is materially false, incomplete or misleading or if Resident fails to so notify Lessor of any such change, Resident shall be in default under this Lease.

14. Disclosure of Information: To the extent permitted by applicable law, Lessor may provide information on Resident or Occupant or on Resident's rental history to a third party for law-enforcement, governmental or Lessor's business purposes. If such information is requested by or on behalf of Resident, Lessor may charge Resident an administrative service fee for complying with such request. If a Guaranty is entered into in connection with this Lease, Lessor may, without notice to Resident, provide rental and/or payment information to any Guarantor.

15. Utilities and Utility Cost Adjustments During Lease Term: During the Lease Term, Resident shall pay for those utilities identified and checked on the Term Sheet ("Utilities") as well as all other utilities not identified on the Term Sheet, if any, and all deposits, fees, charges