

RESIDENTIAL LEASE / RENTAL AGREEMENT

This agreement made this -- day of --, 2010 is between Larry and Jan Fjeldos, 611 6th Street, Brookings, SD 57006 (hereinafter called Management) and -- (hereinafter called Resident). Management leases to Resident, and Resident rents from Management, residential unit located at --, --, SD -- (hereinafter called premises), under the following conditions:

1. **Term:** The initial term of this lease shall be -- (--) months, beginning --, 2010 at Noon and ending --, 2011 at Noon. Resident must notify Management, in writing, by --, 2011 if they plan to vacate or to request an extension of the lease.
2. **Possession:** If there is a delay in delivery of possession by Management, rent shall be abated on a daily basis until possession is granted. If possession is not granted within seven (7) days after the beginning day of initial term; then Resident may void this agreement and have full refund of any deposit. Management shall not be liable for damages for delay in possession.
3. **Rent:** Rent is due and payable, in advance, on the 1st day monthly at the rate of -- and 00/100 Dollars (\$0.00) per month at the office of Management which is: Jan Fjeldos, c/o Justin Fjeldos, Best Choice Real Estate, 611 6th Street, Brookings, SD 57006 or at such other place Management may designate. Tenant agrees to pay twenty-five Dollars (\$25.00) for each dishonored check and fifty Dollars (\$50.00) late fee for rent paid after 5:00PM the second (2nd) day of the month.
 - First Rent Payment: Prior to occupancy, Resident agrees to pay First Month's Rent in the amount of -- Dollars (\$0.00) for occupancy during the month of --.
 - *Rental contact person is Justin Fjeldos @ Best Choice, phone # 605/691-1240.*
4. **Eviction:** If the rent called for in paragraph 3 hereof has not been paid by the tenth (10th) of the month, then Management shall automatically and immediately have the right to take out a Dispossessory Warrant and have Resident, his/her family and possessions evicted from the premises.
5. **Indemnification Deposit:** Management acknowledges receipt of -- and 00/100 dollars (\$0.00), as a deposit to indemnify owner against damage to the property and for Resident's fulfillment of the conditions of this agreement. Deposit will be returned to Resident less the professional carpet cleaning charge, thirty (30) days after the residence is vacated if:
 - 5.1 Lease term has expired or agreement has been terminated by both parties;
 - 5.2 All monies due Management by Resident have been paid; and
 - 5.3 Residence is not damaged and is left in its original condition, normal wear and tear expected, and
 - 5.4 Management is in receipt of a copy of paid final bills on all utilities (includes but not limited to gas, electric, water, garbage, sewer, and telephone).

5.5 Deposit will not be returned if Resident leaves before lease time is completed.

5.6 Deposit may be applied by Management to satisfy all or part of Resident's obligations and such act shall not prevent Management from claiming damages in excess of the deposit. Resident may not apply the deposit to any of the rent payment.

6. **Renewal Term:** It is the intent of both parties that this lease is twelve (12) months and that the last month's rent will apply only to the last month of the lease period. Should this lease be breached by the Resident, the indemnification deposit shall be forfeited as liquidated damages and the Resident will owe rent through the last day of occupancy.
7. **Sublet:** Resident may not sublet residence or assign this lease without written consent of Management.
8. **Credit Application:** Management having received and reviewed a credit application filled out by Resident, and Management having relied upon the representations and statements made therein as being true and correct, has agreed to enter into this rental agreement with Resident. Resident and Management agree the credit application the Resident filled out when making application to rent said residence is hereby incorporated by reference and made a part of this rent agreement. Resident further agrees if he/.she has falsified any statement on said application, Management has the right to terminate rental agreement. Resident will remove him or herself, his/her family, and possessions from the premises within twenty-four (24) hours of notification from Management of the termination of this lease. Resident further agrees to indemnify Management for any damages to property of Management including, but not limited to, the cost of making residence suitable for renting to another Resident, and waives any right of "set off" for the security deposit and prepaid rent which was forfeited as liquidated damages.
9. **Fire and Casualty:** If residence becomes uninhabitable by reason of fire, explosion, or by other casualty, Management may, at its option, terminate rental agreement or repair damages within thirty (30) days. If Management does not do repairs within this time or if building is fully destroyed, the rental agreement hereby created is terminated. If Management elects to repair damage, rent shall be abated and prorated from the date of the fire, explosion, or other casualty to the date of re-occupancy, providing during repair, Resident has vacated and removed Resident's possessions as required by Management. The date of re-occupancy shall be the date of notice that residence is ready for re-occupancy.
10. **Hold Over:** Resident shall deliver possession of residence in good order and repair to Management upon termination or expiration of this agreement.
11. **Right of Access:** Management shall have the right of access to residence for inspection and repair or maintenance during reasonable hours. In case of

emergency, Management may enter at any time to protect life and prevent damage to the property.

12. **Use:** Residence shall be used for residential purposes only and shall be occupied only by the persons name in Resident's application to lease. The presence of an individual residing on the premises who is not a signatory on the rental agreement will be sufficient grounds for termination of this agreement. Residence shall be used so as to comply with state, county, and municipally laws and ordinances. Resident shall not use residence or permit it to be used for any disorderly or unlawful purpose or in any manner so as to interfere with other Resident's quiet enjoyment of their residence.
13. **Property Loss:** Management shall not be liable for damage to Resident's property for any type for any reason or cause whatsoever, except where such is due to Management's gross negligence. Resident acknowledges that he/she is aware that he/she is responsible for obtaining any desired insurance for fire, theft, liability, etc. on personal possessions, family and guests.
14. **Pets:** Animals, birds, or pets of any kind shall not be permitted inside the residential unit at any time.
15. **Indemnification:** Resident releases Management from liability for and agrees to indemnify Management against losses, incurred by Management as a result of (a) Resident's failure to fulfill any condition of this agreement; (b) any damage or injure happening in or about residence or premises to Resident's invitees or licensees or such person's property; (c) Resident's failure to comply with any requirements imposed by any governmental authority; and (d) any judgment, lien, or other encumbrance filed against residence as a result of Resident's action.
16. **Failure of Management to Act:** Failure of Management to insist upon compliance with the terms of this agreement shall not constitute a waiver of any violation.
17. **Remedies Cumulative:** All remedies under this agreement or by law or equity shall be cumulative. If a suit for any breach of this agreement establishes a breach by Resident shall pay to Management all expenses incurred in connection therewith.
18. **Notices:** Any notice required by this agreement shall be in writing and shall be delivered personally or mailed by registered or certified mail.
19. **Repairs:** Management will make necessary repairs to the exterior with reasonable promptness after receipt of written notice from Resident. Resident shall make all necessary repairs to interior and keep premises in safe, clean, and sanitary condition. Resident shall make contact with all repair or service people and will be responsible for paying the first seventy-five dollars (\$75.00) of any charge. All drains in the dwelling are free flowing at the time the resident has occupied the premises and resident agrees that any plumbing charges for clogs, blockages, or stoppage of

the drains will be paid for by the Resident. Resident may not remodel or paint or structurally change, nor remove any fixture there from without written permission from Management.

20. **Abandonment:** If Resident removes or attempts to remove property from the premises other than in the usual course of continuing occupancy, without having first paid Management all monies due, residence may be considered abandoned, and Management shall have the right without notice, to store or dispose of any property remaining on the premises by Resident. Management shall also have the right to store or dispose of any of Resident's property remaining on the premises after the termination of this Agreement. Any such property shall be considered Management's property and the title thereto shall vest in Management.
21. **Mortgagee's Rights:** Resident's rights under this lease shall at all times be automatically junior and subject to any deed to secure debt which is now or shall hereafter be placed on premises of which residence is part; if requested, Resident shall execute promptly any certificate that Management may request to specifically implement the subordination of this paragraph.
22. **Rules and Regulations:** Resident's Guide: Rules and Regulations is a separate document and is attached as a part of this lease. Management reserves the right at any time to prescribe additional rules and make such changes to the rules and regulations set forth and referred to above. Management shall, in its judgment, determine to be necessary for the safety, care, and cleanliness of the premises, for the preservation of good order or for the comfort or benefit of Residents generally.
23. **Entire Agreement:** This agreement and any attached addendum constitute the entire agreement between the parties and no oral statements shall be binding. It is the intention of the parties herein that if any part of this rental agreement is invalid, for any reason, such invalidity shall not void the remainder of the rental agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in person the day and year first above written.

Justin Fjeldos, Management

,Resident

, Resident

Number of Residents Living Within the Premises: --

PERSONAL PROPERTY LIST

This agreement, dated --/--/2010 is attached to and forms a part of the "Residential Lease – Rental Agreement" dated --/--/2010 between Larry and Jan Fjeldos, Management, and --, Resident, for the residential unit located at --, --, SD --.

Management desires to keep a list of Management's personal property attached to; or a part of, the residential unit. The following is a list of, but not limited to, items of Management's personal property:

- Refrigerator – (1) one
- Range – (1) one
- Range Hood – (1) one
- Dishwasher – (1) one
- Disposal – (1) one
- Ceiling Fan(s) – Yes If yes, quantity:
- Water Heater – (1) one
- Water Softener – (1) one
- Garage Door Opener – Yes Controls – Yes If yes, quantity: 2
- Fire Extinguisher – (1) one
- Window Blinds – (one per window)
- Entrance Keys – (-) - sets
- Dehumidifier – (1) one
- Fire Extinguisher – (1) one
- Storm Door – (1) one Includes (1) one Glass and (1) one Screen Insert

Justin Fjeldos, Management

,Resident

, Resident