

RENTAL / LEASE AGREEMENT

1. **RENTAL:** This Rental / Lease Agreement ("Agreement") is made and entered into on _____, **2014** ("Lease Date"). **Cascade Capital – Berkeley Multi-Family IV, LLC** ("Owner") rents to the following named persons (hereinafter collectively referred to as "Tenant"): _____ and Tenant agrees to rent: _____, **Berkeley, CA 94704**, ("Premises"). No other portion of the building (hereinafter the "Building"), wherein the Premises is located is included unless expressly provided for in this Agreement.

2. **TERM:** The term of this rental shall begin on _____, **2014** ("Commencement Date") and end on _____, **2015** ("Expiration Date") unless renewed or terminated per paragraph 48 herein.

3. **PHYSICAL POSSESSION:** If Owner is unable to deliver possession of the Premises at the commencement of the term, Owner shall not be liable for any damage caused thereby, except as provided for by law, nor shall this Agreement be void or voidable, but Tenant shall not be liable for any rent until possession is delivered.

4. **RENT:** The initial monthly base rent for the Premises shall be \$ _____ per month, which includes utilities [see Section 18 for Utilities included]. All rent is due and payable in advance on the **1st day of each and every month** (the "Due Date") without offsets, deductions or credits. **All rent shall be paid to Cascade Capital BMF IV, LLC** or such other person, as Owner shall designate in writing. Tenant shall pay the initial monthly base rent described above in the form of a cashier's check or money order for Tenant to obtain keys and to occupy the Premises. Tenant agrees always to pay rent, except for the initial rental payment described above, by personal check, cashier's check, or money order, and not use cash. Rent shall be paid to Owner at the following address: **2425 B Channing Way - #304, Berkeley, CA 94704** or at such other place designated by Owner. Tenant bears the risk of loss or delay of any payment made by mail. If Owner has installed a lock box at the Building, Tenant can put rent check into the lock box. Owner must receive mailed rent payments on or before the Due Date. Rent for any partial month shall be pro-rated at the rate of 1/30th of the monthly rent per day. Owner may apply any payment made by Tenant to any obligation of Tenant to Owner notwithstanding any dates or other direction from Tenant that accompanies any such payment. Any attempt by Tenant to allocate a payment in any other way shall be null and void. Owner will accept rent payments ONLY from the actual Tenant(s). No third party checks will be accepted, nor shall Owner be liable to Tenant in any way as a result of refusing any third party check. Should Owner elect to accept a third party check such acceptance shall not be construed as a waiver of this provision.

5. **SECURITY DEPOSIT:** Concurrent with the execution and delivery of this Agreement by Tenant, Tenant will pay a security deposit of \$ _____ (the "Security Deposit") for the purposes set forth in Civil Code Section 1950.5. Owner may retain such amounts of the Security Deposit as allowed by law including, but not limited to, Tenant's obligation to restore, replace, or return personal property. Owner shall, within the time period allotted by law, refund any balance after such deductions to Tenant after Tenant has vacated the Premises. Tenant shall not be deemed to have vacated the Premises for purposes of this paragraph until a) Tenant returns to Owner ALL keys to the Premises, and b) Tenant has surrendered the Premises to Owner free and empty of all persons claiming any right to possess the Premises. Any balance of the Security Deposit and an accounting of any deductions therefrom will be mailed to Tenant at the Premises unless Tenant provides, in writing to Owner, a mailing address to which the balance, if any, of the Security Deposit and the accounting should be sent. Owner's check or other draft refunding any balance of the Security Deposit may be made in the name of all original Tenants regardless of the party who in fact made the deposit and regardless of the identity of the persons then occupying the Premises. Tenant may NOT apply the Security Deposit, or any portion thereof, to the last month's rent. If any portion of the Security Deposit is applied by Owner to any obligations of Tenant at any time during the tenancy Tenant must, upon prior written notice, reinstate the Security Deposit to its full original amount within three (3) days. Owner may increase the security deposit up to the maximum allowed by law at any time with notice. The parties agree that the Security Deposit is not rent and therefore not subject to the Rent Ordinance. Tenant and Owner agree that Owner will remit the balance of the Security Deposit, less any deduction if applicable, in one lump sum payment by check made payable to any person comprising Tenant and such person will be solely responsible for distributing amongst all other persons, if any, comprising Tenant. Owner will not mediate disputes amongst Tenant regarding distribution of Security Deposit.

6. **LATE PAYMENTS:** Tenant and Owner agree that Owner will sustain costs and damage as a result of any late payment of rent but that it will be extremely difficult to determine with specificity the actual amount of that damage. Therefore, Tenant agrees to pay a late charge, equal to **\$85.00** for any payment of rent not received by Owner within three (3) calendar days of

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the Due Date, and if rent is paid after the 10th calendar day of the due date, Tenant agrees to pay a separate charge equal to 10% of the current month's rent. The parties agree that this late charge represents a fair and reasonable estimate of the costs and damages that Owner will incur by reason of late payment by Tenant. The provision for payment of a late charge does not constitute a grace period and Owner may serve a 3-Day Notice to Pay Rent or Quit on the day after the Due Date. Owner and Tenant agree that Tenant paying rent five calendar days after the Due Date on three separate occasions within any twelve-month period is a substantial violation of a material term of the tenancy and is a just cause for eviction. Payment of the late charge does not cure the late payment for purposes of establishing habitual late payment of rent. Tenant shall pay the late charges with separate checks.

7. RETURNED CHECKS: In the event that Tenant makes any payment required here under with a check which is not honored by the bank on which it is drawn for any reason, Tenant and Owner agree that Owner will sustain costs and damage as a result of a check which is not honored by the bank on which it is drawn for any reason, but that it will be impracticable or extremely difficult to fix the actual damage. Therefore, the following sum represents a reasonable and fair estimate by Owner and Tenant of the actual damage that would be sustained. Tenant agrees to pay to Owner the additional sum of **\$25.00** as a reimbursement of the expenses incurred by Owner. A dishonored check shall constitute late payment of rent and shall be subject to the provisions of paragraph 6 above regarding late payment, including but not limited to habitual late payment of rent. Such charges shall be immediately due and payable upon notice to Tenant. Failure to immediately pay the charges is a substantial violation of a material term of the tenancy and is a just cause for eviction.

Owner reserves the right to demand payment of rent by certified funds, cashier's check or money order for all future payments in the event of any such returned check or any other monetary default by Tenant and rent tendered in any other form may be refused by Owner. Nothing in this paragraph shall limit other remedies available to Owner as a payee of a dishonored check. Owner and Tenant agree that three returned checks in any twelve-month period is a substantial violation of a material term of the tenancy and is a just cause for eviction.

8. FAILURE TO PAY: Pursuant to Civil Code Section 1785.26, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations, such as your financial obligations under the terms of this Agreement.

9. INDIVIDUAL LIABILITY: Each person who signs this Agreement, whether or not said person is or remains in possession of the Premises, shall be **jointly and severally** responsible for the full performance of each and every obligation of this Agreement, including, but not limited to, the payment of all rent due and the payment of costs to remedy damages to Premises regardless of whether such damages were caused by Tenant, Tenant's Guests, or Invitees.

10. INSPECTION OF PREMISES: Tenant has inspected the Premises, furnishings, and equipment including smoke/CO detectors, where applicable, and has found the same to be satisfactory and in good working order. All plumbing, heating, and electrical systems are operative and deemed satisfactory by Tenant if Owner is not notified in writing to the contrary **within 48 hours of Tenant's occupancy** of the Premises. Notwithstanding the above, Tenant examined the Premises and found no broken windows or doors; all exterior doors and windows are secured and have proper locks; the Building, grounds, and appurtenances are clean, and free from debris, filth, rubbish, garbage, mold and other pests; the Building has adequate receptacles for garbage and rubbish and the Building is in clean condition and in good working order. In the event that any items described above should not be in good repair during the Tenant's occupancy, Tenant shall notify Owner or Owner's Agent in writing within five (5) days of discovering a problem at the Premises and/or Building. **Curtains, window coverings, and window screens are not provided by Owner, and any window coverings existing in the Premises or the Building are provided and accepted by Tenant in their "as-is" condition.** If the Premises has a fireplace, there is no guarantee that it is functional or operational. If a fireplace is now or becomes structurally unsound and unusable, the Owner is not under any obligation to repair or replace it. Owner is not responsible for cable installation. If the Building has a cable connection, Owner does not guarantee or warranty that the cable connection is functioning. All costs associated with a cable connection are between Tenant and the local cable company.

(Initials) ✓ _____

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11. USE/OCCUPANCY: The Premises are leased for use as a permanent, principal, and full-time residence, utilizing designated portions of the premises for living, sleeping, cooking and dining purposes, and for no other purpose by the Tenant and no others. This Agreement is between Owner and the named Tenant who is/are signatory(ies) to this Agreement, individually and severally. The named signatory Tenant, if there be more than one person, are jointly and severally responsible for the performance of their obligations under this Agreement, including the payment of rent until such time as the tenancy in its entirety is terminated and the Premises relinquished to Owner, regardless of whether the named Tenant occupies the Premises.

No retail, commercial, or professional use of the Premises shall be made unless such use conforms to applicable zoning laws and the prior written consent of Owner is obtained IN ADVANCE of such proposed use. As a condition for granting such permission, Owner may require that Tenant obtain liability insurance for the benefit of Owner.

Smoking is not permitted in any common area of the building.

If checked, the Premises is dedicated as "non-smoking" and Tenant agrees not to smoke or permit smoking in the Premises and the Building. Tenant understands and acknowledges that smoke causes damage to the Premises' interior, furnishings, and Tenant improvements regardless of the duration of time or frequency of the presence of smoke in the Premises or length of tenancy by Tenant. Tenant shall be responsible for damage caused by smoking, which shall include but not be limited by, the cost of repainting the Premises' interior and professionally cleaning the carpet and drapes.

Notwithstanding any law to the contrary, the growing, cultivation, sale, or combustible use of marijuana in any manner or form, for any purpose, is prohibited in or about the Premises at any time. The failure to abide by this covenant shall constitute a substantial violation of a material term of the tenancy and is a just cause for eviction.

Tenant may not have GUESTS on or in the Premises for more than ten (10) consecutive days or an aggregate of twenty (20) days during any calendar year, and no more than two (2) guests per bedroom at any one time. Guests, who stay more than ten (10) consecutive days or more than twenty (20) days in any calendar year, shall NOT be considered tenants of the Premises and shall be subject to immediate eviction as trespassers. Tenant must obtain the prior written approval of Owner if an invitee of Tenant will be present at the Premises for more than ten consecutive days or twenty days in a calendar year. Permitted guests and invitees of Tenant and Tenant shall not disturb, annoy, endanger, or interfere with other occupants, tenants, or neighbors in the Building. If the Premises is a house or a unit that is shared by others, thus creating a communal group living occupancy, each individual occupant shall have equal access and rights to quiet enjoyment of the kitchen, bathrooms, and common areas of the Premises and Building. Except as provided herein, an unauthorized guest shall be deemed a trespasser, and Tenant shall be fully liable for all damages suffered by Owner caused by guest or unauthorized occupant(s), including legal fees incurred by Owner to evict the unauthorized occupants. Violation of the provisions of this section is a substantial violation of a material term of the tenancy and is a just cause for eviction.

12. PETS: NO pets, or animals are allowed in or about the Premises, even temporarily or with a visiting guest, without prior written consent of Owner, which may be withheld in Owner's sole judgment and discretion. Any such consent is conditioned upon Tenant completing and signing Owner's Pet Agreement that shall become part of this Agreement.

13. WATERBEDS: Waterbeds and/or liquid filled furniture are PROHIBITED in accordance with Civil Code Section 1940.5. If the Premises are located in a structure for which the original Certificate of Occupancy was issued after January 1, 1973 then such furniture may be permitted only upon written consent of Owner, upon the completion of a Waterbed Agreement which shall become part of this Agreement and subject to continued compliance by Tenant of all provisions therein.

14. ROOF/FIRE ESCAPES: Use of the roof and/or the fire escapes by Tenant Tenant's guests or invitees is limited to emergency egress ONLY. No other use is permitted, including but not limited to, the placement of personal property, No storage of any kind will be permitted on fire escapes or in other common areas. Owner reserves the right to remove any unauthorized personal property at any time.

15. ASSIGNMENT AND SUBLETTING: (Owner must select one and ONLY one, either A or B)

A. **Tenant may not assign this Agreement or sublet** the whole or any portion of the Premises without obtaining the prior written consent of Owner, which may not be unreasonably withheld. The named Tenant above is the only "Original" Tenant. No person other than the named "original" Tenant shall be permitted to regularly or continuously use or occupy the Premises unless all of the following conditions are met: (1) Tenant notifies Owner in writing, signed by every Tenant, stating a request to have a new person occupy the Premises; (2) said prospective occupant completes and gives to Owner Owner's rental application; (3) Owner approves of the prospective occupant's creditworthiness and references from prior landlords; and (4) Tenant and the new occupant enter into a sub-tenancy agreement for such occupancy BEFORE occupying the Premises, which includes a provision that the new occupant will abide by and perform all the obligations of this Agreement

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and that the rent for the Premises may be raised to market rates when the last of the original Tenant(s) moves from the Premises. Owner shall have up to three weeks from receipt of fully completed items 1 and 2 listed above to review; interview and credit check the proposed new occupant. Owner's acceptance of rent from a person other than the Original Tenant shall not be a waiver of this paragraph. If Owner does not accept or approve a new person or new tenant, Original Tenant shall then find and propose another substitute tenant. The Original Tenant shall be responsible for all rent due to the Owner during the term of this Agreement subject to this Section 15. If Owner approves any sublease of the Premises by the Original Tenant for a temporary period, then the Original Tenant shall reserve the right of the Original Tenant to reoccupy the Premises in such sublease.

In the event that Owner consents to any sub-tenancy, it is hereby agreed that the Original Tenant may not charge more to the sub-tenant(s) for that the portion of the Premises to be occupied by such sub-tenant than that proportional share of the rent which is being charged by and paid to Owner by the Original Tenant for the Premises.

No action or inaction or acceptance of rent or knowledge on the part of Owner shall be deemed to be a waiver of the provision of this paragraph on the part of Owner and shall not be deemed an approval of any person as a "sub-tenant" for any purpose. Any assignment or subletting that violates this paragraph shall be invalid and void.

B. Tenant(s) may NOT assign this Agreement nor sublet the whole or any portion of the Premises. This is a blanket prohibition which means that Tenant may not have any other person reside at the Premises; that even if one Tenant leaves, no replacement Tenant(s) will be permitted and no additional Tenant or occupant will be allowed in the Premises. Said prohibition on assignment and subletting shall apply equally to any parking space, garage, storage area, or other rented space made available to Tenant(s). The Owner expressly intends not to waive this prohibition unless such waiver is specifically put in writing and signed by Owner. The parties agree that unless the absolute prohibition against subletting is waived in writing and signed by Owner it shall be conclusively presumed that there has been no waiver.

If the foregoing absolute prohibition is at any time invalidated, the provisions of subparagraph 15A above shall govern any assignment and subletting, there must be an "original" Tenant who uses the Premises as his/her primary residence, and any additional rights which are granted to Owner as part of any changes in laws with regard to assignment and subletting shall be incorporated into the Agreement and become binding upon Tenant.

16. STORAGE: (Owner to select one)

No additional storage space outside of the Premises is authorized, permitted, or provided under this Agreement, except by separate agreement between Owner and Tenant.

Storage space described as: _____ is hereby provided. The monthly charge for said storage space shall be \$_____ in addition to, \$_____ included in, the monthly rent. Tenant agrees that the charge indicated herein plus any allowable increase represents the maximum reasonable value of the service throughout the term of the tenancy. Tenant releases Owner from any liability for loss or damage to Tenant's property while stored on the Premises. Any property stored in designated storage areas shall be removed on or before the date of termination of tenancy. In the event such property is not so removed, Owner may dispose of same without any liability to Tenant whatsoever and Tenant hereby specifically waives any rights as defined in Civil Code Section 1980 et seq. Owner reserves the right to inspect all such storage areas and require necessary removal or clean up as it deems necessary for the health and safety of the Premises, the Building and/or its occupants. No storage of any kind will be permitted on fire escapes or in other common areas.

17. PARKING SPACE(S): (Owner to select one)

This Agreement does NOT provide for parking space(s) of any motor vehicle or motorcycle anywhere in or about the Premises and/or the Building, except by separate agreement between Owner and Tenant.

Parking space(s) described as: _____ is herein provided. The monthly charge for said parking space(s) shall be \$_____ in addition to, \$_____ included in, the monthly rent. Tenant agrees that the charge indicated herein plus any allowable increase represents the maximum reasonable value of the service throughout the term of the tenancy. Tenant agrees to use the parking space(s) exclusively for the parking of motor vehicles; excluding trailers of any kind, _____, or trucks larger than a one-ton pickup. Absolutely NO automotive cleaning, washing, maintenance, or repair work of any kind and NO storage of any kind shall be permitted in or about the parking space(s).

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18. UTILITIES: Owner shall pay for the following utilities: Water, Sewer, Garbage, Gas/Electric, Internet & Basic Cable services. Tenant agrees to comply with any energy or water conservation programs implemented by Owner. Tenant understands that the rent paid by all residents has been determined by Owner in part on the expectation that Tenant will use such utility services in a manner that is customary and reasonable for a similar number of tenants occupying a similar space as the Premises and the cost of utilities based on such reasonable and customary use by Tenant. Excessive use of such utility services provided to the Premises shall constitute a material breach of this RLA. Nothing contained herein prevents Owner from passing through to Tenant utility costs as provided by law.

In accordance with local regulations, Owner shall provide one working telephone line and one working telephone jack into the Premises. Owner shall not be responsible for mis-assignment of telephone company binding posts or other technical issues with telephone company equipment. Unlike the local gas and electric company, the telephone company charges for time required to repair telephone lines, wall jacks, etc. Therefore, Tenant shall obtain and keep in force an Inside Wiring Repair Plan, if available, with the telephone company that will defray the costs of any necessary repairs required by Tenant. Tenant shall provide Owner with the telephone number for the Premises and advise Owner if the telephone number is listed or unlisted. Owner agrees to take reasonable precautions to keep the Premises telephone number private.

Tenant shall be provided access to the building and the Premises for the installation of utility and communication lines and services ONLY as required by law and ONLY upon prior written consent by Owner.

19. MAINTENANCE/REPAIRS: Tenant shall, at Tenant's expense, at all times maintain the Premises, window coverings, furnishings and appliances, if any, in a clean and good condition and shall surrender the same upon termination of tenancy in the same condition as received (excepting normal wear and tear). Tenant expressly undertakes and agrees to immediately repair or replace at Tenant's expense, any and all broken windows and doors to the Premises, to be responsible for any clogged or blocked primary drains in Premises without regard for fault or cause, and to replace smoke detector batteries, light bulbs when they no longer function in Premises. Tenant understands that Tenant is responsible for the cost of repair of ALL damages in or about the Premises whether caused by Tenant, Tenant's guests, or invitees.

Except in an emergency, maintenance and repair requests must be made in writing and delivered to Owner or its Agent. Such notice shall also be deemed permission to enter the Premises to perform such maintenance or repairs in accordance with Civil Code Section 1954 and paragraph 23 herein unless otherwise specifically requested, in writing, by Tenant. Tenant, however, may not place any unreasonable restrictions upon such access or entry. The Premises shall be reputedly presumed to be in a safe and habitable condition unless and until written notice to the contrary is received by Owner.

In the event that Premises is provided with hardwood floors or other non-carpeted floor surfaces, Tenant hereby agrees to keep at least 80% of such areas covered with floor rugs or carpet with at least one inch (1") thick pads thereunder. It is also hereby understood that Tenant shall not change or replace any window coverings visible from outside the Premises or building without the prior written consent of Owner.

Tenant acknowledges that the Premises and the Building from time to time may require renovations or repairs to keep them in good condition and repair and that such work may result in temporary loss of use of portions of the Building or Premises and may inconvenience Tenant.

20. ALTERATIONS: Tenant shall NOT: 1) remodel, renovate, paint, refinish floors, or otherwise alter the Premises, common areas, or any other parts of the Building. 2) Tenant shall not apply adhesive paper to any cabinets, walls, or doors nor shall Tenant hang any plants, planters or lighting fixtures from ceilings or walls; nor shall Tenant tack, nail, or glue any coverings to floors or walls without prior written consent of Owner. Tenant shall not install nor operate any air-conditioners, washing machines, clothes dryers, portable dishwashers, deep-freeze units (or other such appliances), pianos, organs, or outside antennae on the Premises without prior written consent of Owner. No plants, planters, or plant boxes may be placed directly on floors, on carpets, on window ledges, and/or on fire escapes.

Satellite Dishes: Tenant may, ONLY upon prior written consent of Owner, install satellite dishes within the Premises. However, such installation shall be subject to all of the following rules and conditions: 1) Dish must be installed WITHIN the exterior boundaries of the Premises or inside balcony railings or windows. 2) Satellite dish may not exceed one (1) meter in diameter. 3) Dish must be securely and properly mounted in a workman-like manner by a licensed contractor. 4) Installation must not damage the Premises or the Building, the Premises or Building walls or other appurtenances. 5) Tenant remains strictly liable for any injury or damage to persons or property caused by the satellite dish and Tenant MUST maintain sufficient liability coverage against any such injury or damage. Proof of such insurance MUST BE provided to Owner, with Owner listed as an "additional insured," prior to approval of installation and upon each renewal of coverage.

Upon termination of tenancy, owner shall have the option, at owners' sole discretion, to require tenant to restore the Premises to the original condition as received.

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21. LOCKS AND KEYS: Tenant shall NOT change any lock or place additional locking devices upon any door or window of the Premises without the prior written consent of Owner. In the event of such installation Tenant shall provide Owner with three (3) copies of the new keys to such lock or device within 48 hours. Once installed, an approved lock may not be removed even when the unit is vacated. Keys to the Premises are the exclusive property of Owner. Tenant shall not consign keys to the Premises to any other person without the prior written consent of Owner. In the event that any keys to the Premises are lost or stolen, Tenant shall be liable for the entire cost of all key and lock replacement, at the discretion of Owner, as required for the security of the Premises, the Building and its occupants. All keys must be returned to Owner when Tenant vacates. Tenant shall be charged for the cost of new locks and keys if all keys are not returned. Replacement keys can be purchased from Owner at a cost to Tenant of fifty dollars (**\$50.00**) per key ("Replacement Fee"). Upon receipt of the Replacement Fee, Owner shall loan Tenant the replacement key which shall be returned to Owner at lease expiration or before Tenant's Security Deposit will be returned. Owner has loaned to Tenant at least one copy of each Premise specific key, mailbox key, and common area keys.

22. DAMAGES TO PREMISES: If the Premises are damaged by fire, flood, earthquake, or from any other cause so as to render them substantially uninhabitable and therefore destroyed, the Owner shall have the right to terminate this Agreement upon 30 days' (except in the case where the Premises are deemed uninhabitable by governmental authorities) prior written notice and shall have no obligation to repair, restore, or rebuild the Premises or Building and/or reimburse Tenant for loss or damage of Tenant's personal property or the cost of temporary lodging or relocation. Tenant should obtain adequate renter's insurance policy for fire and related perils at Tenant's expense.

23. ENTRY AND INSPECTION: Owner shall have the right to enter the Premises pursuant to California Civil Code Section 1954. In addition, Owner shall have the right upon reasonable notice (written or oral or email) to enter the Premises to inspect for possible health risks, defects, code violations, necessary repairs or maintenance or to exhibit the Premises to real estate professionals and prospective buyers for purposes of sale or to prospective tenants for leasing or to contractors, workers, lenders, and appraisers that may require a Premises inspection for any reason. Owner shall give Tenant reasonable notice of its intention to enter the Premises and shall enter only during normal business hours, unless otherwise agreed by Tenant. For purposes of this paragraph, normal business hours shall be defined as 8:00 AM to 6:00 PM on Monday through Friday, 10:00AM to 5:00PM on Saturday. Tenant may not unreasonably prohibit, delay, or condition such entry by Owner. If, however, Owner reasonably believes that an emergency exists (such as a fire or flood) which requires immediate entry, such entry may be made without prior notice to Tenant. Tenant shall notify Owner in writing before installing a burglar alarm system, and if Owner approves of such installation, Tenant shall provide Owner with instructions to disarm the alarm system.

If Tenant has, after written notice to cease, continued to deny Owner access to the unit, as required by State law, such failure is a substantial violation of a material term of the tenancy and is a just cause for eviction

If the Premises or the Building is required by any government agency, lender, or insurer to undergo repairs or alterations Tenant agrees to cooperate fully with Owner so that all such repairs or alterations are made in as expeditious and efficient a manner as possible.

24. NOTICES: Any notice which either party may give, or is required to give, may be delivered to Tenant at the Premises and to Owner at: **2425 B Channing Way - #304, Berkeley, CA 94704** or such other address later designated by Owner. Tenant and Owner may serve notice on the other party personally or by sending such notice by US Postal Service mail, postage prepaid.

25. INTERRUPTION OF SERVICES: Owner shall not be liable to Tenant or to any other person in damages or otherwise, nor shall Owner be in default under this Agreement for any interruption or reduction of utilities or services caused by someone other than Owner, or by Owner due to circumstances beyond Owner's reasonable control.

26. TERMINATION: If Tenant intends to vacate at the end of the original term of this Agreement, or for any other reason after the original term of this Agreement, Tenant will give owner at least 60 days prior, written notice of Tenant's intention to terminate the tenancy and vacate the Premises. After the expiration of the original term of this Agreement, Owner may terminate the tenancy, in accordance with applicable law, by giving in the case of a tenancy of less than one year at least thirty (30) days prior written notice, and in the case of a tenancy of more than one year at least sixty (60) days prior written notice, to Tenant. Upon termination, Tenant shall completely vacate the Premises and any parking or storage areas; give written notice of Tenant's forwarding address; and deliver all keys, furnishings, if any, and the Premises to Owner in the same condition as received excepting normal wear and tear. Rent shall be due and payable through the end of the notice period.

Tenant may rescind said notice within three (3) calendar days after it is served on Owner without incurring liability to any

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person. Such rescission must be in writing and delivered to Owner. Thereafter, if Tenant fails to vacate the Premises on or before the date set forth in Tenant's notice, Tenant shall be liable for any costs incurred by Owner or any third parties who relied on Tenant's notice terminating the tenancy, and failure to vacate as agreed is a substantial violation of a material term of the tenancy and is a just cause for eviction. Tenant further agrees to defend, protect, indemnify, and hold Owner harmless from any and all damages, lost rents, costs, expenses, losses, claims, and liabilities, arising in any way out of Tenant's failure to comply with the provisions of Tenant's notice. Tenant's failure to pay any such sums within twenty (20) days after demand is a substantial violation of a material term of the tenancy and is a just cause for eviction.

Any attempt by Tenant to terminate this Agreement prior to the end of the original term is a substantial violation of a material term of the tenancy and Owner shall be entitled to recover all damages occasioned thereby including leasing commissions, advertising expenses, and utilities maintained to show the unit.

Owner has the right to recover possession of the Premises for his or her occupancy as a principal residence or for Owner's family member(s) at the Agreement Expiration Date or thereafter by providing Tenant with a thirty (30) day written notice to vacate.

27. HOLDING OVER: Tenant agrees to vacate the Premises by 7:00 PM on the termination date of this tenancy. Should Tenant fail to vacate by said time the hold-over shall be presumed to be willful, deliberate, and without the consent of Owner and Owner shall be entitled to damages for the hold-over period, plus other expenses incurred due to breach of this condition of this Agreement. In addition, holding over is a substantial violation of a material term of the tenancy and is a just cause for eviction. If Tenant holds over after receiving Owner's written notice to vacate, such tenancy shall be day to day only, not a renewal hereof, and Tenant agrees to pay 200% of rent and all other charges provided herein.

28. NUISANCE: Tenant shall not commit, nor permit to be committed, any waste or nuisance, upon, in, or about the Premises, nor shall Tenant create or permit a substantial interference with the comfort, safety, or enjoyment of Owner or other occupants of the Building, or their, agents, guests and/or invitees. Three complaints against Tenant, Tenant's Guests or Invitees in any twelve month period shall create a substantial interference with Owner's, Tenant's, or other occupant's safety and enjoyment and is a substantial violation of a material term of the tenancy and is a just cause for eviction.

29. HOLD HARMLESS: Owner shall not be liable for any damages or injury to Tenant, or any other person, or to any property, occurring on the Premises or any part thereof, or in common areas thereof, unless such damage is the proximate result of the intentional or unlawful act of Owner, its Agents or its employees. Tenant shall indemnify, defend, and hold Owner and its Agents harmless from all claims of loss or damage to property and of injury to or death of any person or persons caused by the intentional, negligent or reckless acts of Tenant, or the guests, licensees, or invitees of Tenant that occur in or about the Premises, including other areas of the Building, adjacent sidewalks, streets, etc. Tenant hereby expressly releases Owner and/or Agent from any and all liability for loss or damage to Tenant's property or effects whether in the Premises, garage, storerooms, or any other location in or about the Premises, arising out of any cause whatsoever, including but not limited to rain, plumbing leakage, fire, or theft, except in the case that such damage has been adjudged to be the result of the gross negligence or intentional acts of Owner, or the employees, heirs, successors, assignees, and/or agent's of Owner.

30. INSURANCE: Owner's insurance does NOT provide for coverage of Tenant's personal belongings or personal liability unless as a direct and proximate result of Owner's negligence. Therefore, Owner strongly urges and recommends to each Tenant that Tenant secure sufficient insurance to protect against losses such as fire, flood, theft, vandalism, personal injury or other casualty.

31. LEAD DISCLOSURE: Many homes and apartments built before 1978 have paint that contains lead (called lead-based paint). Lead from paint chips and dust can pose serious health hazards if not taken care of properly. The law requires that Tenants and lessees receive certain information before renting pre-1978 housing. By signing this Agreement, Tenant represents and agrees that Owner has provided Tenant with such information, including, but not limited to:

- EPA Booklet Entitled "Protect Your Family From Lead In Your Home"
- Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

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32. MOLD/MILDEW: Tenant agrees to maintain the Premises in a manner that prevents the occurrence of, and infestation of mold or mildew in the Premises, including the use of bathroom exhaust fans and/or opening windows as necessary to avoid moisture build-up. Tenant agrees to uphold this responsibility in part by complying with the list of responsibilities in the addendum entitled Mold Notification. By signing this Agreement, Tenant represents and agrees that Owner has provided Tenant with such information, including, but not limited to:

- Addendum – Mold Notification

33. MEGAN'S LAW: The California Department of Justice, sheriff's departments, police departments serving jurisdictions of 200,000 or more, and many other local law enforcement authorities maintain for public access a data base of the locations of persons required to register pursuant to paragraph (1) of subdivision (a) of Section 290.4 of the Penal Code. Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet website maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

34. HAZARDOUS MATERIALS DISCLOSURE: Pursuant to the regulations of Proposition 65, enacted by the voters of California, Owner hereby makes the following required disclosure: "Warning - The premises contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm."

35. NO WAIVER: No failure of Owner to enforce any term of this Agreement will be deemed a waiver of that term or of any other term of this Agreement. The waiver by Owner of any term of this Agreement will not be deemed to be a waiver of any subsequent breach of the same or any other term of this Agreement, nor will any custom or practice which may develop between the parties be construed to waive or to lessen the right of Owner to insist upon performance by Tenant of all the provisions of this Agreement, or support a claim of detrimental reliance by Tenant. The subsequent acceptance of rent by Owner will not be deemed to be a waiver of any preceding breach by Tenant of any term of this Agreement regardless of Owner's knowledge of such preceding breach at the time of acceptance of such rent. Owner's acceptance of a partial payment of rent will not constitute a waiver of Owner's right to the full amount due nor will Owner's acceptance of rent paid late ever constitute a waiver of Owner's right to evict Tenant for habitual late payment of rent.

36. ESTOPPEL CERTIFICATES: Tenant and each of them and all persons holding under them, within three (3) days after receipt from Owner, shall sign and return to Owner a certificate, statement, or other such document signed by all occupants providing such information as Owner may reasonably request, under penalty of perjury, including, but not limited to, the amount of the then current rent, the names of each occupant and their respective dates of occupancy, the date and amount of the last preceding rent increase, the status and identity of each person then receiving special benefits or accommodations from Owner based on age, health, disability, income, or other criteria, under any provision of the Rent Ordinance, if applicable, or other applicable law, the identity of furniture or fixtures that belong to Tenant, whether the rent includes any parking space or storage space, and the amount of any security deposit or prepaid rent and whether interest on said deposit has been paid and through which date. In addition, Tenant(s) shall disclose, upon request, any information that Tenant believes would prevent any purchase of the Premises or would prevent Owner or potential owner from moving into the Premises. Failure to deliver the above-described document within the three (3) days shall be a substantial violation of a material term of the tenancy and is a just cause for eviction. Furthermore, failure to comply shall be deemed by Owner as Tenant's acknowledgement that the certificate, statement, or other such document as submitted by Owner is true and correct and may be relied upon by any lender or purchaser.

37. APPLICATION AND CREDIT REPORT: Any Rental Application or related form or information submitted by Tenant is incorporated herein as though set forth in full. Any misrepresentations contained therein will be considered a substantial violation of a material term of the tenancy and is a just cause for eviction. Owner may cancel this Agreement at any time upon discovery that information on the application is false. Tenant authorizes Owner to obtain Tenant's credit report at the time of application and periodically during the tenancy in connection with approval, modification or enforcement of this Agreement.

RENTAL / LEASE AGREEMENT

38. HOUSE RULES: Tenant agrees to abide by any and all house rules, whether made known before or after the date of this Agreement, including, but not limited to, rules with respect to noise, odors, disposal of refuse, and use of common areas. Tenant has read, understands, and agrees to be bound by the existing House Rules attached to and made part of this Agreement. Owner shall not be liable to policing or enforcing the house rules. Tenants found to be in violation of the house rule will receive a written warning notice. After receiving written warning notice, the offending Tenant will be fined as described in the house rule for each infraction thereafter. Such fines are separate from rent and shall be paid by separate check within five (5) days of notification. If said fines are not paid within five (5) days, Owner, at Owner's sole discretion, may deduct the fine amount from the Security Deposit.

39. SMOKE DETECTION DEVICE: The Premises are equipped with a functioning smoke detection device(s), and Tenant shall be responsible for testing the device weekly and immediately reporting any problems, maintenance or need for repairs to Owner/Agent. If battery operated, Tenant is responsible for changing the detector's battery as necessary. Owner/Agent shall have a right to enter the Premises to check and maintain the smoke detection device as provided by law. It is expressly understood that Tenant may not, at any time, disable or removed an installed Smoke Detection Device - to do so shall be considered a material breach of this Agreement and may be a just cause for eviction.

40. CARBON MONOXIDE DETECTION DEVICE: If the Premises are equipped with a functioning carbon monoxide detection device(s), Tenant shall be responsible for testing the device weekly and immediately reporting any problems, maintenance or need for repairs to Owner/Agent. If battery operated, Tenant is responsible for changing the detector's battery as necessary. Owner/Agent shall have a right to enter the Premises to check and maintain the smoke detection device as provided by law. It is expressly understood that Tenant may not, at any time, disable or removed an installed Smoke Detection Device - to do so shall be considered a material breach of this Agreement and may be a just cause for eviction.

41. SECURITY SYSTEM: Tenant acknowledges that if the Premises contains a security system (fire alarm or other security devices) that the Owner does not warrant the condition or reliability of said Security alarm system and/or security devices. Tenant acknowledges that Owner is not responsible or liable for any breach or failure of said security system. The Tenant agrees that the use of such systems is at the Tenant's own discretion. Tenant is advised that the use of said security systems is at Tenant's own risk. Tenant will inform Owner promptly, in writing, of any failure or non-operation of any window or door locks.

42. ARBITRATION: Any controversy or claim arising out of or relating to this Agreement, the tenancy between Owner and Tenant, or any breach thereof, including the scope of this Arbitration clause shall be settled by binding arbitration administered by the Judicial Arbitration & Mediation Service or the American Arbitration Association, and judgment on the award rendered by the arbitrator(s) may be entered into any court having jurisdiction thereof. Expressly excluded from this Arbitration clause are claims by Owner against Tenant relating to possession of the Premises (e.g. evictions, ejection and/or unlawful or forcible detainers). The parties to the arbitration shall have the right to limited discovery as is determined necessary by the arbitrator.

43. STATUTE OF LIMITATIONS: Any legal action or proceeding that may be brought by any party to this Agreement against the other for property damage or personal injury, but not including any claim by Owner for non-payment of rent, must be brought within six (6) months of the date the damage or injury occurs or thereafter it will be waived. This stipulation is expressly intended to reduce the statute of limitations for such actions to six (6) months from the date the claim arises. Tenant, after consultation with its independent legal counsel, agrees that this limitation is fair and reasonable.

44. ABANDONMENT: Tenant shall not abandon any part or all of the Premises. If Tenant shall abandon, or surrender the Premises, or be dispossessed by the process of law or otherwise, any personal property belonging to Tenant and left on the Premises shall be deemed to be abandoned. For purposes hereof, "abandon" shall mean that Tenant has vacated the Premises and terminated Tenant's full performance by of all of Tenant's obligations under this Agreement. Notwithstanding the foregoing provisions of this Section 41, Tenant may be deemed to have abandoned the Premises if Tenant is in default in the payment of rent under this Agreement and has been absent from the Premises for a period of thirty (30) calendar days or as otherwise set by California law.

45. CAPTIONS: The captions in this Agreement are to assist the parties in reading this Agreement and are not a part of the terms or provisions of this Agreement.

RENTAL / LEASE AGREEMENT

46. ADDITIONAL: The invalidity or partial invalidity of any provision of this Agreement shall not render the remainder of the Agreement invalid or unenforceable. Violation by Tenant of any applicable ordinance or statute shall be deemed sufficient cause for termination of tenancy. Notwithstanding any other provision of this Agreement, the parties deem each and every expressed term and condition material.

This Agreement shall be governed by and construed pursuant to the laws of the State of California. Tenant acknowledges and agrees that Owner may terminate this Agreement if Tenant violates any local, state or federal laws. In the event that any governmental or quasi-governmental agency or body requires vacancy of the Premises and/or Building, Tenant agrees to vacate within sixty (60) days of written notice from Owner, except in the case such governmental authority requires immediate vacancy thereof. This may be required for any reason including but not limited to issues of safety, eminent domain, local Building or Zoning ordinances, etc. Furthermore, Tenant agrees to hold Owner or Owner's agents harmless from any damages or inconvenience caused by such required vacancy. If the Building is governed by a rent control ordinance or regulations or other city ordinance that oversees rent increases, Tenant acknowledges and agrees that Owner has the sole right to modify this Agreement to incorporate any rent increases approved by the rent board or under any other applicable state or local laws or regulations and other changes permitted by law during the rental term. This Agreement may be used for both rent controlled and non-rent controlled Premises.

Tenant agrees not to grant or allow any lien or encumbrance to be placed upon the Premises and/or Building arising out of any transaction that Tenant is a party to.

47. NO RELIEF FROM FOREITURE: Owner and Tenant stipulate that for purposes of Code of Civil Procedure Section 1179, that as a condition for granting relief from forfeiture, Tenant shall pay all back rent, Owner's attorney fees and costs, and any other damages sustained by Owner, as a condition for relief from forfeiture. Such payments must be made within five days after entry of any order granting relief from forfeiture.

48. AUTOMATIC RENEWAL AND EARLY TERMINATION: Tenant agrees to notify Owner or Owner's agent in writing, at least sixty (60) days before the Expiration Date (specified in Section 2), of Tenant's desire to either surrender the Premises at the end of the then current lease term or to renew this Agreement for an additional twelve (12) month period under predominantly the same terms and conditions herein, except for possible legal rent increases. Tenant will provide this written notice to Owner no later than 4/1/15 and the anniversary thereof while this Agreement remains in effect. Tenant understands and acknowledges that if Tenant does not provide Owner with a timely written notice to terminate this Agreement then this Agreement will automatically renew for the period specified herein and at the rent level outlined in Owner's notice thereof to Tenant. Owner and Tenant agree that, if necessary, a new rental lease agreement as well as any attached addenda must be signed by both parties at least fifteen (15) days prior to the beginning of the new rental lease agreement term as a condition of continuing Tenant's tenancy in the Premises.

The rent in the renewal Agreement shall be the greater of the current rent or a rent Owner is permitted to charge in accordance with any applicable laws, statutes, and regulations. It is understood, however, that should all original Tenants listed above vacate the Premises, being replaced by others acceptable to the Owner in accordance with the protocol established below, then the rent shall at that time be set freely by the Owner at a rent of his choosing. Remaining tenants will at that time have the option of paying the then-demanded rent or vacating the Premises completely.

In the event that some but not all of the persons comprising Tenant wish to renew this Agreement, this will be included in the aforementioned written notice to Owner or Owner's Agent. As a general rule, the Owner prohibits partial turnover as a matter of policy. However, in unusual and extraordinary circumstances, Owner, at its sole judgment and discretion may approve said request under the following conditions:

- 1) All new applicants (prospective new Tenants) must submit completed and signed "Application to Rent" forms (to be provided by Owner or Owner's agents), all other required supporting documentation and the application fees at least 30 (thirty) days before the desired move-in date,
- 2) Said applicants must be approved by Owner or Owner's agent and sign a sublease agreement, and addenda, thus creating a sub tenancy with the continuing/remaining Tenants of the previous Tenant group,
- 3) Owner or Owner's agent(s) may inspect those areas of the Premises being vacated for damage, cleanliness, etc. and will hold the current/remaining Tenant responsible for rectifying any related issues, and
- 4) All continuing/remaining Tenants must consent to the addition of the specific new applicant and/or the deletion of a departing tenant by signing owner forms for addition or deletion of a co-tenant. If applicable, the new replacement Tenant and departing co-Tenant must complete and sign Owner's form Lease Addendum for Replacement Tenant.

RENTAL / LEASE AGREEMENT

Requests for partial turnover during the lease term, if approved by Owner, should follow substantially the same procedures described immediately above. Any attempt by Tenant to sublet or assign any portion of the Premises without meeting all of the aforementioned conditions will be considered "Good Cause for Eviction", as defined by state law and/or local ordinance, of the entire Tenant group. In the event that Tenant desires to terminate this lease prior to Expiration Date, such request will be made in writing to Owner at least sixty (60) days before the desired termination date. Owner, at their sole discretion, may approve such early termination request; and Tenant agrees in advance to pay a "lease breaking fee" equal to the amount of one (1) month of their current monthly rent. Tenant agrees to pay this fee by separate check upon signing the Early Lease Termination Agreement. In the event that Tenant (i) holds over in the Premises after the departure date set forth in its termination notice to Owner or (ii) fails to vacate the Premises on or before said termination date, then Tenant shall be liable for all additional rent and damages due to Owner described in this Agreement and allowed under the law.

Note: Please re-read paragraph 48 above regarding Automatic Renewal of this lease because it is understood and agreed that this Agreement will automatically renew for another year. It is also understood and agreed that any replacement tenants become subtenants of the original signers of this document, such that, when the last of the original signers herein vacate the property (otherwise known as a "vacancy decontrol event as defined by the Costa-Hawkins Act of 1985 in Civil Code Sections 1954.50 through 1954.535) the owners may increase the rent to whatever the market value may be at that time.

49. ENTIRE AGREEMENT: This Agreement consists of the forgoing numbered paragraphs 1-49, House Rules, the Mold Notification Addendum, the Lead Warning Statement, the Move-In/Move-Out Inspection Report, the Rental Application, Addendum No. 1, and other attachments identified as: _____

If checked, this Premises is subject to **Berkeley Rent Stabilization and Good Cause for Eviction Ordinance (Berkeley Municipal Code Ch. 13.76)**. The parties acknowledge that this Agreement is subject to the Berkeley Rent Stabilization and Good Cause for Eviction Ordinance and Tenant acknowledges that Owner by this section of the Agreement is providing written notice to Tenant that pursuant to Section 13(b)(2) of the Berkeley Rent Stabilization and Good Cause for Eviction Ordinance Tenant need not accept these terms or agree to their being made part of the Agreement. Tenant agrees that _____ listed as an occupant in section 1 of this Agreement is/ are the original occupant / Tenant ("Original Tenant"). All other occupants listed on this Agreement are not the Original Tenant as defined above because they were added to the lease through occupant turnovers. When the Original Tenant vacates or moves out of the Premises, such event shall be considered a "vacancy decontrol event" under the Rental Housing Act of 1995 (Costa-Hawkins). If checked, then this lease shall end at 13 of 14 pages because the City of Oakland Rent Adjustment Program notice described below does not apply.

If checked, this Premises is subject to **City of Oakland Rent Adjustment Program Notice to Tenants Regarding Oakland's Rent Adjustment Program**. The named notice is attached as page 24 of 24 of this Agreement.

If checked, this Premises is NOT located in any jurisdiction subject to any local laws, ordinances or regulations that govern the rent Owner may legally charge.

None

_____(Owner to fill in blank lines with other attachments identified. If none, write "None").

Tenant has either consulted with an attorney or counsel of his/her choice or waived the right to do so. This Agreement shall not be construed against either Owner or Tenant on the ground that such person authored or drafted this Agreement. Owner and Tenant have made no promises or representations other than those contained herein and those implied by law. The foregoing constitutes the entire Agreement between the parties and may be modified only in writing signed by all parties except that Owner may change the terms of the tenancy and this Agreement pursuant to Civil Code Section 827.

THIS AGREEMENT CONTAINS AND TENANT HAS REVIEWED AND UNDERSTANDS THE PROVISIONS FOR THE AUTOMATIC RENEWAL OF THE TERM UNDER THIS AGREEMENT.

RENTAL / LEASE AGREEMENT

BY SIGNING BELOW TENANT HEREBY ACKNOWLEDGES READING AND UNDERSTANDING ALL OF THE TERMS OF THIS AGREEMENT, AND FURTHER ACKNOWLEDGE RECEIVING A COPY OF THIS AGREEMENT.

TENANT:

✓

✓

Date

Date

OWNER:

Owner/Agent on behalf of Cascade Capital
BMF IV, LLC

Date

Brian Swartz / (415) 272-6897
Owner/Agent telephone number (required)

Owner's/Agent's hours/days for de-
livery of notices and/or rent will be
Monday thru Friday 10:00 am to
6:00 PM.

RENTAL / LEASE AGREEMENT

Lease Addendum - Mold Notification

It is our goal to maintain the highest quality living environment for our Tenants. Therefore, know that the Owner/Agent has inspected the unit prior to lease and knows of no damp or wet building materials and knows of no mold or mildew contamination. Tenant is hereby notified that mold, however, can grow if the Premises are not properly maintained or ventilated. If moisture is allowed to accumulate in the unit, it can cause mildew and mold to grow. It is important that Tenants regularly allow air to circulate in the apartment. It is also important that Tenants keep the interior of the unit clean and that they promptly notify the Owner/Agent of any leaks, moisture problems, and/or mold growth.

Tenant agrees to maintain the Premises in a manner that prevents the occurrence of an infestation of mold or mildew in the Premises. Tenant agrees to uphold this responsibility in part by complying with the following list of responsibilities:

1. Tenant agrees to keep the unit free of dirt and debris that can harbor mold.
2. Tenant agrees to immediately report to the Owner/Agent any water intrusion, such as plumbing leaks, drips, or "sweating" pipes.
3. Tenant agrees to notify Owner of overflows from bathroom, kitchen, or unit laundry facilities, especially in cases where the overflow may have permeated walls or cabinets.
4. Tenant agrees to report to the Owner/Agent any significant mold growth on surfaces inside the premises.
5. Tenant agrees to allow the Owner/Agent to enter the unit to inspect and make necessary repairs.
6. Tenant agrees to properly ventilate the bathroom while showering or bathing and to report to the Owner/Agent any non-working fan.
7. Tenant agrees to use exhaust fans whenever cooking, dishwashing, or cleaning.
8. Tenant agrees to use all reasonable care to prevent outdoor water from penetrating into the unit interior.
9. Tenant agrees to clean and dry any visible moisture on windows, walls, and other surfaces, including personal property, as soon as reasonably possible. (Note: Mold can grow on damp surfaces within 24 to 48 hours.)
10. Tenant agrees to notify the Owner/ Agent of any problems with any air conditioning or heating systems that are discovered by the Tenant.
11. Tenant agrees to indemnify and hold harmless the Owner/Agent from any actions, claims, losses, damages, and expenses that the Owner/Agent may sustain or incur as a result of the negligence of the Tenant or any guest or other person living in, occupying, or using the Premises.

✓ _____
Tenant

Date

Disclosure of Information on Lead-Based Paint Lead-Based Paint Hazards and Asbestos

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive a federally approved pamphlet on lead poisoning prevention. NOTE: The existence of lead on the rental property is no, by itself cause for termination or the tenancy. (Public Law 102-550 sec. 1018(c))

Owner's Disclosure (Owner to initial and check appropriate boxes)

- (a) Presence of lead-based paint or lead-based paint hazards (check one below):
Known lead-based paint and/or lead-based paint hazards are present in the housing and are described as:
Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
(b) Records and reports available to the Lessor (check one below):
Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below):
Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Tenant's Acknowledgment (Tenant to initial as acknowledgement regarding Lead Based Paint)

- (c) Lessee has received copies of all information, if any, listed above.
(d) Lessee has received the pamphlet, "Protect Your Family from Lead in Your Home."

Asbestos Statement/Disclosure

This property may contain Asbestos in some of the original building material and in some of the products and materials used to maintain the property. Disturbance or damage to certain interior apartment surfaces may increase the potential exposure to these substances.

- 1. Tenant or Tenant's guest(s), employees and contractors shall not take or permit action which in any way damages or disturbs the Premises or any part thereof, including, but not limited to:
piercing the surface of the ceiling by drilling or any other method;
hanging plants, mobiles, or other objects from the ceiling;
attaching any fixtures to the ceiling;
allowing any objects to come in contact with the ceiling
permitting water or any liquid, other than ordinary steam condensation, to come into contact with the ceiling;
painting, cleaning, or undertaking any repairs of any portion of the ceiling
replacing light fixtures;
undertaking any activity which results in building vibration that may cause damage to the ceiling.
2. Tenant shall notify/Agent immediately in writing (i) if there is any damage to or deterioration of the ceiling in the Premises or any portion thereof, including, without limitation, flaking, loose, cracking, hanging or dislodged material, water, leaks, or stains in the ceiling, or (ii) upon the occurrence of any of the events described in Paragraph 1 above.

The undersigned Resident(s) acknowledge(s) having read and understood the foregoing regarding Asbestos and Lead Based Paint.

RENTAL / LEASE AGREEMENT

Agent's Acknowledgment (Agent, if applicable, to initial as Owner Representative)

- (e) Agent has informed the Owner of the Owner's obligations under 42 U.S.C. §4582(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Address of Premises: **2618 College Ave, Berkeley, CA 94704**

✓ _____
Tenant

Date

RENTAL / LEASE AGREEMENT

BEDBUG AND OTHER PEST ADDENDUM

This document is an addendum and is part of the Rental/Lease Agreement between Cascade Capital – Berkeley Multi-family IV, LLC ("Owner/Agent") and Tenant(s)

It is our goal to maintain the highest quality living environment for our Tenants. The Owner/Agent has inspected the unit prior to leasing and notice of no bedbug, roach, or other pest infestation. Residents have an important role in preventing and controlling bed bugs, roaches and other pests. While the presence of bed bugs, roaches and other pests is not always related to personal cleanliness or housekeeping, good housekeeping will help control the problem by identifying bed bugs, roaches and other pests, in order to minimize any infestation, and limiting its spread. It is important to underscore that travelers are mainly responsible for the transfer of bed bugs, roaches and other pests.

Resident(s) represent(s) that all furnishings and other personal property that will be moved into the unit are free of bedbugs, roaches and other pests.

_____ (Resident Initials) _____ (Resident Initials) _____ (Resident Initials) _____ (Resident Initials)

Resident agrees to maintain the premises in a manner that prevents the occurrence of a bedbug, roach or other pest infestation in the premises. Resident agrees to uphold this responsibility in part by complying with the following list of responsibilities:

1. Resident shall practice good housekeeping, including the following:
 - Resident shall check for **hitch-hiking bedbugs, roaches or other pests**. If you stay in a hotel or another home, inspect your clothing, luggage, shoes, and belongings for signs of bed bugs, roaches, or other pests *before* you enter your apartment. Check backpacks, shoes, and clothing after visits to friends or family, theaters, or after using public transportation. After guests visit, inspect beds, bedding, upholstered furniture, boxes and luggage.
 - Resident shall **remove clutter**. Pests like dark, concealed places, such as in and around piles of clothing, shoes, stuffed animals, laundry, especially under the bed and in closets. Reducing clutter also makes it easier to carry out housekeeping.
 - Resident shall **keep the unit clean**. Vacuum and dust regularly, particularly in the bedroom, being especially through around and under the bed, drapes, and furniture. Use a brush attachment to vacuum furniture legs, headboard, and in and around the nightstand. While cleaning, look for signs of pests, and report these immediately.
 - Resident shall **arrange furniture to minimize pest hiding places**. If possible, keep beds and upholstered furniture several inches away from the walls. Some pests can jump as far as 3 inches.
 - Residents shall **cover mattresses and box springs with zippered covers that are impermeable to bed bugs**. These are relatively inexpensive, and can prevent bedbugs from getting inside the mattress, their favorite nesting spot. The covers will also prevent any bugs inside from getting out; they will eventually die inside the sealed cover (though this may take many months). Thicker covers will last longer.
 - Resident shall **avoid using appliances, electronics and furnishings that have not been thoroughly inspected for the presence of pests**. Make sure that the electronics, appliance, or furniture company has established procedures for the inspection and identification of bedbugs or other pests. This process should include inspection of trucks used to transport appliances, electronics, or furniture.

2. Resident shall report any problems immediately. Specifically, Resident shall:
 - **Report any signs of pests immediately**. Do not wait. Even a few can rapidly multiply to create a major infestation that can spread from unit to unit.

RENTAL / LEASE AGREEMENT

- **Report any maintenance needs immediately.** Pests like cracks, crevices, holes, and other openings. Request that all openings be sealed to prevent the movement of bedbugs from room to room.
3. Resident shall initiate and cooperate with pest control efforts. If your unit (or a neighbor's unit) is infested with bedbugs, roaches or other pests, you should immediately contact a pest management professional to apply treatments. The treatment is more likely to be effective if your unit is properly prepared. Residents shall comply with the recommendations from the pest management professional, including:
- **Remove all bedding** (bed skirt too), drapes, curtains, and small rugs; bag these for transport to the laundry or dry cleaner.
 - **Check mattresses carefully;** those with minimal infestation may be cleaned, encased in vinyl covers, and returned to service. Heavily infested mattresses are not salvageable; seal these in plastic and dispose of them properly.
 - **Empty dressers, nightstands, and closets.** Remove all items from floors and surfaces. Inspect every item for signs of pests. Using sturdy plastic bags, bag all clothing, shoes, boxes, toys, stored goods, etc. Bag washable and non-washable items separately. Make sure to seal the bags well; not to tear them apart. Used bag must be discarded properly.
 - **Vacuum floors,** including inside closets. Pay special attention to corners, cracks, and dark places.
 - **Vacuum all furniture,** including inside drawers and nightstands. Vacuum mattresses, box springs, and upholstered furniture, being sure to remove and vacuum all sides of loose cushions, as well as the undersides of furniture.
 - **Carefully remove vacuum bags,** sealing bags in plastic, and discard.
 - **Clean all machines-washable bedding drapes, clothing, etc.** Use the hottest water the machine provides, and dry at highest heat setting. Take other items to a dry cleaner, but be sure to advise the dry cleaner that the items are infested. Discard any items that cannot be decontaminated.
 - **Move furniture toward the center of the room,** so that technicians can easily treat edges where pests congregate, as well as walls and furniture surfaces. Be sure to leave easy access to closets.
4. Resident agrees to indemnify and hold harmless the Owner/Agent from any actions, claims, losses, damages, and expenses, including, but not limited to, attorneys' fees that the Owner/Agent may sustain or incur as a result of negligence of the Resident or any guest or other person living in, occupying, or using the premises.

The undersigned Resident(s) acknowledge(s) having read and understood the foregoing:

✓ _____
Tenant

Date

HOUSE RULES

To protect your comfort, safety, and enjoyment, and that of your neighbors, Owner has adopted the following rules concerning your conduct while a Tenant of the Premises. Owner reserves the right to make changes or adopt additional rules. Failure to comply with the rules will constitute a substantial violation of a material term of the tenancy and is a just cause for eviction.

SAFETY at Cascade Capital – Berkeley Multi-family IV, LLC is always a FIRST!

1. All doors must be locked during absence of the Tenant. It is also suggested that you lock your unit while you are home as well. All appliances must be turned off before leaving the Premises. When leaving for an extended period, Tenant shall notify management how long Tenant will be away. If someone is to enter Tenant's premises during Tenant's absence, Tenant shall give management permission beforehand to let any person in the Premises and/or provide the name of the person or company entering. Smoking anywhere in the Premises or in the Building is prohibited. Tenant shall not (i) store or use any chemical, flammable or hazardous materials other than normal household cleaning or hygienic materials in the Premises and/or Building or (ii) dispose of any such materials in or about the Building or down any plumbing system in the Premises and/or Building without Owner's prior written consent, which Owner may withhold in its sole discretion.
2. Tenant shall report to Owner or Owner's agent (i) if there are any trespassers in the Premises or Building or (ii) if the Building or any of the Building's fixtures are being or have been vandalized.
3. No personal property shall be stored in the Building without Owner's prior written consent. Any property so stored by Tenant, without the approval of Owner in writing, shall be removed from the Building immediately upon notification by Owner or Owner's agent(s). The use of charcoal barbecues is prohibited unless consent is obtained from the Owner. No personal belongings, including bicycles, play equipment may be placed in the halls, stairways or around the Building. Children on the Premises must be supervised by a responsible adult at all times. Tenant shall make sure the front and back doors to the Building are properly closed and locked when coming into or going from the Building.

NOISE/CONDUCT

4. Tenant shall be entitled to quiet enjoyment of the Premises. Tenant shall not disturb, annoy, endanger, or interfere with other tenants or Tenants of the Premises. Prohibited activities include but are not limited to running in the common areas, slamming doors, or having boisterous parties. All musical instruments, television sets, stereos, radios, etc. are to be played at a volume which will not disturb other persons.
5. No lounging, visiting or loud talking allowed in the common areas between the hours of **10:00 p.m.** and 8:00 a.m. everyday.
6. Tenant is responsible for ensuring that disturbing noises are not caused by Tenant's family, guests, or invitees.
7. Social gatherings of Tenants and their guests are welcomed and encouraged provided that such gatherings do not become loud, boisterous, or generally objectionable, as judged in Owner's sole discretion, so as not to interfere with the right of quiet enjoyment of other residents and neighbors. Hosting a loud, boisterous party in violation of the rule may lead to Tenant's eviction.
8. Consumption of alcoholic beverages, by Tenants or their guests, is prohibited in the common areas of the Premises.
9. Residents are expected to cooperate with each other in resolution of any potential disputes, and are encouraged to use the services of a local dispute resolution service if they are having difficulty at dispute resolution on their own. Tenant recognizes and agrees that Owner is not in a position to be an arbiter of disputes between Tenant and other residents or neighbors of Tenant, and that it is unfair and impractical to demand that Owner take sides between them or use Owner's authority against one resident for the benefit of another. Therefore, Tenant agrees that under no circumstance will Owner be required to take any sort of action whatsoever as between Tenant and other resident to resolve disputes, nor shall Owner be required to evict, or threaten to evict, any resident because of a dispute with or demand by Tenant, and Owner's failure to do so shall not give rise to a claim against Owner for breach of Tenant's quiet enjoyment or any other cause.

PARKING (if provided by agreement)

10. Tenants shall park in their assigned place ONLY and shall not permit visitors to use parking facilities.
11. Only vehicles may be parked in parking areas.
12. Motorcycles, motor-driven cycles, bicycles, etc., shall not be stored in/on patios, fire escapes, hallways, common areas or other non-parking areas.
13. No temporary idling of vehicles or washing of vehicles is permitted on the property or driveway. Unauthorized vehicles found on the property will be subject to a one hundred dollar (\$100) fine by Owner and may be ticketed,

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booted, and/or towed. Tenant agrees that Owner need only show Tenant a picture of the unauthorized vehicle on the property as proof of violation of this provision, and that Owner will be entitled to collect a one hundred dollar (\$100) fine per unauthorized vehicle incidence. Said fine shall be paid within five (5) days of Tenant's receipt of written notice with photo proof from Owner that the unauthorized automobile was parked at the property. If Tenant does not pay the one hundred dollar (\$100) fine within five (5) days, Owner shall deduct the unauthorized parking fine from the Security Deposit.

BUILDING APPEARANCE

14. Alterations that will affect the Building's appearance, such as window coverings, shall not be permitted without Owner's prior written approval.

15. No signs, advertisements, posters or similar displays, except burglary prevention notices, may be affixed to the exterior of any door or window or to any exterior wall without Owner's prior written approval.

16. Garbage cans, brooms, mops, cardboard boxes, and similar articles are to be kept inside the Tenant's Premises.

17. Towels, rugs, clothing, and other articles are not to be hung from windows, railings, or balconies.

ALTERATIONS

18. Do not drive nails in woodwork, walls or ceilings or put on screws or hooks. If you desire to install any appliance or fixture to woodwork, walls ceilings or put up a television antenna, consult the Owner first for help and information in order to avoid damage. Installation of antennas, etc. must have written clearance from the Owner in order to avoid work of unacceptable quality.

19. Adhesive picture hangers of any kind are prohibited. Picture hangers employing a thin nail or pin are permitted. However, Tenant is responsible for the cost of any repairs or painting required as a result of the hanging of pictures or other objects.

BICYCLES

20. All bicycles brought into the Premises and common areas of the building must be handled with extreme care so there will not be any damage to the Building or Premises in any way. Any and all damaged caused by bicycles will be the responsibility of the Occupant to rectify. Do not park them in common areas.

STORAGE OF PERSONAL ITEMS

21. Tenant shall not place any personal items outside the apartment or anywhere else in the common areas.

LAUNDRY

22. If the Building provides washing and drying machines, heavy articles are not allowed in the machines. Please remove contents from machine when washing is completed. Management assumes no responsibility in the use of the laundry equipment or for any personal belongings of Tenant damaged or lost while using the washing and drying machines. Tenants are to contact CoinMach.com for issues relating to laundry equipment belonging to CoinMach,

SIGNAGE & CLOTHESLINE

23. No signs, laundry or articles of any kind are to be hung or displayed by Tenant on the exterior of the Premises except for laundry in an authorized laundry drying area.

SMOKING

24. **Smoking is NOT allowed in the Building or within twenty-five feet (25 ft) of any door or window.**

SOLICITING

25. Soliciting is not permitted without Owner approval. Tenants are requested to notify management if solicitors bother them.

LIQUID FILLED FURNITURE

26. No water beds or liquid filled furniture or fish tanks shall be kept or allowed in or about Premises without Owner's prior written consent. Tenant shall not use any kind of automatic dishwasher in the Premises, without Owners prior written consent.

LOCKOUTS

27. Tenants should take care not to lock themselves out of their apartments. Owner does not provide a lock out service. If Tenant locks himself/herself out of the Building and Premises or has their keys lost or stolen, Tenant may come to the Owner's property management office located at **2425 B Channing Way - #304, Berkeley, CA 94704**, or call the Building's resident manager, if applicable. If Owners, Owner's employees or agents are available and if temporary keys are available, Tenant shall provide owner or owner's agent with a valid Tenant driver's license or photo identification in order to receive a temporary key. If Owner is required to assist any Tenant in gaining entry to Tenant's apartment, owner may charge Tenant **\$50.00** for each successive lockout or may require Tenant to contract with a professional locksmith. If Tenant locks themselves out or has their keys

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stolen or lost during the evening, nights, or weekends, or holidays, Tenant will need to call a locksmith at Tenant's expense.

INSURANCE

28. **Tenants are advised to carry sufficient insurance** on their personal property and to protect themselves from losses due to fire, flood, theft, personal injury or injury to others, or other casualty. Owner will not be responsible for replacement of any items or for Tenant's losses unless as a direct and proximate result of Owner's negligence.

LONG-TERM GUEST FEE

29. The number of Tenants is limited by your Agreement. Guest remaining more than ten (10) days shall be considered additional Tenants, and written approval of Owner is required for any guest to stay in the unit for more than 10 days. Tenant agrees to pay the sum of fifty dollars (\$50.00) per day for each additional occupant. In no case shall guest be permitted to stay longer than twenty-one (21) days. Tenants are responsible for actions of guests including the cost of any repairs for damage caused by the guest.

CHILDREN

30. Resident is held responsible for the behavior of children. Small children (below the age of eight) shall not be left without adult supervision; older children shall not be left without adult supervision for long periods of time such as several hours.

REFUSE

30. In order to preserve the appearance and cleanliness of your Building, Tenants shall take care to prevent waste from dropping or spilling on carpeting, concrete, walkways, and or other common areas. The Premises must be kept clean, sanitary, and free from objectionable odors.

31. No littering of paper, cigarette butts, or trash is allowed around the Premises. No trash or other materials may be accumulated which will cause a hazard or be in violation of any health, fire, or safety ordinance or regulation. Tenant agrees to dispose their ordinary household trash by placing it into a leak-proof bag or container for transporting to the appropriate dumpsters located at the Building. Garbage is to be placed inside the containers provided and lids should not be slammed.

32. Garbage should not be allowed to accumulate inside the Premises and should be placed in the outside containers on a daily basis to avoid infestation by ants, flies, or other pests.

33. Tenants shall not use the Building's garbage removal facilities to dispose of any personal property, including but not limited to appliances, records, Christmas trees, or bed mattresses. Tenant shall dispose of all said personal property separately and at the Tenants sole cost.

34. Furniture must be kept inside the Premises. Unsightly items must be kept out of vision. Articles are not to be left in the hallways or other common areas. Clothing, curtains, rugs, etc. shall not be shaken or hung outside of any window, ledge, or balcony.

35. Tenants are required to cooperate with any recycling programs in effect.

36. Tenants are liable for any costs involved in hauling or disposing of any personal items during their tenancy and after vacating the premise.

37. Items too large to fit in any trash chute or refuse container must be carried to a designated area or disposed of by Tenant at Owners direction.

38. Refuse is to be placed inside designated containers. Doors and lids of trash receptacles should be closed properly and not slammed.

39. Tenants are responsible for the general cleanliness and sanitation of the Building. Please keep that in mind at all times.

40. Cardboard boxes and other large refuse must be broken down or folded before being placed in the designated containers.

DELIVERIES

41. Owner is not responsible for the delivery, acceptance or receipt of, damage to or loss of messages, packages, mail or other material left at entrances to the Building or elsewhere in the Building.

UNIT CARE

42. Before washing or cleaning walls, drapery or carpet Tenant must consult Owner for the appropriate method or for vendors to perform such work.

43. Tenant shall be responsible for any damage caused by the employment of any improper method or vendor and for the cost of redoing the work or restoring damaged articles or property to the Owner's satisfaction, if the method applied or the vendor employed was unsatisfactory.

44. Tenant may not install air conditioners, ventilators or window screening devices without Owner's prior written

approval.

45. Tenant shall not paint the premises or any portion thereof without prior written consent of Owner. In the event such permission is given, Tenant shall restore the original paint colors prior to vacating the Premises. Tenant shall be responsible for all costs involved in such repainting.

46. Any accessories such as towel bars, coat hooks or built-in closet shelves, etc., may not be added without the prior written consent of Owner. Once accessories are installed they may not be removed even upon vacating the Premises, except if Owner provides notice to Tenant to remove them at Lease Expiration.

47. Garbage disposals, dishwashers and other appliances must be used only for the intended purpose for which they were designed and constructed.

48. During the moving in and out, the Tenant is responsible for any damages to the walls, floors, stairs, hand-rails, and other common areas. All boxes and packing materials should be broken and disposed of in the appropriate dumpsters or recycling receptacles. **Nothing should be left outside the apartment unit.** Frequently, after a Tenant moves out, their apartment needs further cleaning and finishing touches. Cleaning involves the windows, baseboards, blinds, wall heater, stove and oven, refrigerator, cabinets, bathroom tub, tiled tub surroundings, sink and sink cabinet, toilet, tiled floors, kitchen and bathroom, under stove and refrigerator.

Charges for cleaning are based on prevailing rates which are currently fifty dollars (\$50.00) per hour, per worker for general cleaning required in the Premises. Any cleaning or repairs contracted by Owner's employee's or Owner's agents will be charged at the actual rate plus fifty dollars (\$50.00) per hour to cover supervisory costs.

DAMAGES

49. Tenant will be required to pay for all damage caused by their **negligence or thoughtlessness** to apartments, furnishings, appliances, electrical, plumbing and laundry equipment. Appliances, plumbing fixtures, heating and electrical systems must be used only for the purposes and in the matter for which they were designed.

50. For any damages or problems which includes plumbing, sewage, disposals, etc. Tenant shall call the Maintenance Supervisor, at **916.224.3715**. If the Maintenance Staff cannot be located, the Occupant shall call a professional serviceman at Tenant's own expense. Tenant will only get reimbursed for any charges if the Tenant has Owner's written permission before the time of work.

MAINTENANCE, REPAIRS, AND ALTERATIONS

51. If the Premise is supplied with smoke/CO detection device(s) upon occupancy, it shall be the responsibility of the Tenant to regularly test the detector(s) to ensure that the device(s) is/are in operable condition. The Tenant will inform management immediately, in writing, of any defect, malfunction or failure of such smoke/CO detector(s). Tenant is responsible to replace smoke/CO detector batteries, if any, as needed unless otherwise prohibited by law. Tenant is responsible to replace smoke/CO detector batteries if any, as needed unless otherwise prohibited by law.

52. Tenant shall advise management, in writing, of any items requiring repair (e.g., dripping faucets, toilets, or plumbing, or broken light switches, etc.) **Notification should be immediate in an emergency**, or for normal problems, within business hours. Repair requests should be made as soon as the defect is noted. Service requests should not be made to maintenance people or other such personnel. **Costs of repair or clearance of stoppages in waste pipes or drains, water pipes or plumbing fixtures caused by Tenant negligence or improper usage are the responsibility of the Tenant.** Payment for corrective action must be paid by Tenant on demand.

53. No alterations or improvements shall be made by Tenant without the consent of management. Any article attached to the woodwork, walls, floors or ceilings shall be the sole responsibility of the Tenant. Tenant shall be liable for any repairs necessary during or after tenancy to restore Premises to original condition. Glue or tape shall not be used to affix pictures or decorations.

54. Owner highly recommends that Tenant obtain inside wiring protection insurance from SBC/ATT Pacific Bell (WirePro service for approximately \$8 per month) to protect against failure of telephone service in the Premises.

DRAIN STOPPAGES

55. As of the date of this Agreement, Owner warrants that the Premises and Building sewage drains are in good working order. The drain lines will not accept thing such as diapers, sanitary napkins, tampons, and wads of toilet paper, balls of hair, grease, oil, table scraps, coffee grounds, rice, and papers other than toilet paper. **Tenant agrees to pay for clearing the drains of any and all stoppages of this type.**

GROUNDS & GARDEN

56. If the Premises described herein is a single family dwelling or duplex, Tenant is to take proper care of any surrounding grounds, lawns or shrubbery, including watering lawns and landscaping on a regular basis. Tenant is

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to keep Premises clear of debris, rubbish, and unsightly materials and not to commit or allow the collection of waste on the Premises.

ROOF ACCESS

57. Tenant shall not access the Building's roof, balconies and/or fire escapes at any time for any reason other than an emergency; nor shall Tenant at any time obstruct access to the roof or fire balconies/escapes by any means, including but not limited to placing planters in these areas.

PETS

58. No pets or animals, such as dogs, cats, parrots, rodents, reptiles, etc. are allowed in the Building or Premises except by written permission of Owner. Tenant shall pay a fee of fifty dollars (\$50) per day for bringing unauthorized pets into the Building or Premises.

DOCUMENT COMPLETION

59. Tenants shall be responsible for completing all necessary paperwork within ten (10) business days of request by Owner or majority of co-Tenants. Such paperwork shall include lease renewal notifications and addenda, departing co-tenant forms, adding new co-tenant forms, updated email, telephone and job contact information, repair form notices and any information or consent forms requested by Owner or majority of co-Tenants.

NOTICES

60. All questions and concerns shall be directed to the Owner in writing as is necessary.

FINES & FEES

61. Tenants found to be in repeated violation of the House Rules will receive a written warning notice. After receiving written notice, the offending tenant will be levied with a hundred dollar (\$100.00) fine for each future infraction of House Rules. Such fines are separate from rent and shall be paid by separate check within five (5) days of notification by Owner or Owner's agent. If said fines are not paid within (5) days, they may be deducted from the Security Deposit at Owner's sole discretion.

UPDATES & AMENDMENTS:

62. Owner reserves the right to amend these Building Rules and Regulations at any time and at its sole discretion. Owner shall deliver to Tenant anytime such additional rules as well as post said rules for a reasonable period of time in the common areas.

Acknowledged:

✓

Tenant

Date

RENTAL / LEASE AGREEMENT

**ADDENDUM NO. 1
TO
RENTAL LEASE AGREEMENT ("Agreement")**

THIS ADDENDUM is entered into by and between Cascade Capital – Berkeley Multi-family IV, LLC ("Owner") and the undersigned tenant(s) ("Tenant").

WHEREAS, Tenant is renting from Owner the Premises described in the Agreement,

WHEREAS, this Addendum No. 1 is an agreement and part of the Agreement between Owner and Tenant,

IN CONSIDERATION OF THEIR MUTUAL PROMISES OWNER AND TENANT AGREE AS FOLLOWS:

1) Smoke/CO Detector Notice and Agreement. The Premise is equipped with a smoke/CO detection device(s). The Tenant acknowledges the smoke/CO detector(s) was tested and its operation explained by Owner or Owner's agent in the presence of the Tenant at the time of initial occupancy and the smoke/CO detector(s) in the Premises was working properly at that time. Each Tenant shall perform the smoke/CO detector's manufacturer's recommended test to determine if the smoke/CO detector(s) is/are operating properly.

Initial ONLY if BATTERY OPERATED:

✓ _____

By initialing as provided above, Tenant understands that said smoke/CO detector(s) and alarm is a battery operated unit and it shall be Tenant's responsibility, individually and collectively, to:

- a) Ensure that the battery is in operating condition at all times;
- b) Replace the battery as needed (unless otherwise provided by law); and
- c) If, after replacing the battery, the smoke/CO detector(s) does (do) not work, inform the Owner or authorized Owner agent immediately in writing.

Tenant must inform the Owner or Owner's agent immediately in writing of any defect, malfunction, or failure of any detector(s). If local law requires the Owner to test the smoke/CO detector(s), the Tenant shall allow the Owner or Owner's agent access to the Premises for that purpose.

2) Insurance Facts for Tenants. Owner informs Tenant about insurance coverage so that Tenant can protect against loss, if Tenant wishes, and to prevent misunderstanding about the Owner's insurance coverage. This information is not an effort by Owner or Owner's agent to change responsibilities of insurance, such changes are done by the state legislature and the courts.

- a) Generally, except under special circumstances, the OWNER IS NOT legally responsible for loss to the Tenant's personal property, possessions or personal liability, and OWNER'S INSURANCE WILL NOT COVER such losses of damages.
- b) If damages or injury to Owner's property is caused by Tenant, Tenant's guest(s) or child / children, the Owner's insurance company may have the right to attempt (under the "subrogation clause") to recover from the Tenant payments made under the Owner's policy.
- c) The following is a non-inclusive list of examples of possible costly misfortunes that, except for special circumstances, Tenant could be legally responsible for:
 - 1) Your babysitter injures herself/himself in your Premises.
 - 2) Your defective electrical extension cord starts a fire which causes damage to the Building and your personal property and/or the personal property of others.
 - 3) A friend, guest, or your handyman, is injured while helping you slide out your refrigerator so you can clean behind it.
 - 4) While fixing your television set, a handyman hired by you is injured when he slips on the floor you have just waxed.
 - 5) Your locked car is broken into and your personal property, and that of a friend or guest, is

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stolen.

6) A burglar breaks your front door lock and steals your valuables or personal property.

d) If you desire to protect yourself and your property against loss, damage, or liability, the Owner strongly recommends that you consult with your insurance agent and obtain appropriate coverage for fire, theft, liability, worker's compensation and other perils. The cost of insurance is reasonable considering the peace of mind, the protection, and the financial recovery of loss that you get if you are adequately protected by insurance.

3) Proper Maintenance of Hardwood Floors. If the Premises contain hardwood floors, the following are easy steps to maintain a hardwood floor properly, maximizing its beauty and longevity.

What to Do:

*Vacuum or sweep floor regularly.

*Remove spills promptly. Use a soft cloth and a hardwood floor cleaner, made specifically for hardwood floors that does not leave a residue, to clean wet spills.

*Place mats at exterior doors to trap sand and grit from incoming traffic.

*Use area rugs on high traffic pathways and pivot areas: at ends of steps, near doorways, etc. All rugs should allow floor to breathe. Avoid rubber-backed or non-ventilated rugs. When rugs are impractical, periodically check for wear.

*Install felt pads or furniture guards on "feet" of furniture.

*Maintain the relative humidity in your Premises between 45% and 55% because excessive humidity can cause wood fibers to swell, creating cracks in the finish.

*Renew a worn surface with a new coat of polyurethane finish before the wood is exposed.

What Not to Do:

*Do not let sand, dirt, or grit build up.

*Never damp mop a wood floor.

*Avoid walking on wood floors in high heels. They can severely damage wood floors. Keep heels in good repair.

*Keep pet's claws properly trimmed to avoid excessive scratches and gouges.

*Do not use wax, oil, soap, or other household cleaners on your polyurethane finished wood floor. The use of these products can dull today's floor finishes and make refinishing difficult.

Tenant has read this Addendum, understands it, and agrees to all of the terms and conditions contained in it.

AGREED AND ACCEPTED:

✓

Tenant

Date