

**BOARD OF REGENTS
BRIEFING PAPER**

1. AGENDA ITEM TITLE: University of Nevada, Reno - Request to Approve the Reno City Center Lease Agreement for 85 Studio Apartments at 175 E. Second Street, Reno, Nevada, for Affordable Graduate Student Housing

MEETING DATE: October 14, 2022

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

At the September 8 - 9, 2022 Board of Regents meeting, approval was received for the preliminary terms and conditions related to the lease of 85 studio apartments at 175 E. Second Street, Reno, Nevada, better known as the newly redeveloped Reno City Center, for affordable graduate student housing. At that meeting, President Sandoval referenced that approval of the final lease agreement would be brought back at a future Board of Regents meeting once negotiations and documents were completed.

The University has now completed negotiations for a master lease with Reno City Center for 85 studio apartments. As mentioned in the September presentation, a significant volume discount was negotiated by the University, which will be passed on to the University's graduate students. UNR is now requesting Board of Regents approval of the Reno City Center Lease Agreement. (Exhibit 1) Upon approval, UNR will immediately begin the sub-lease process with its graduate students, both existing and incoming, with the housing available in August of 2023. While Graduate Students remain the priority, housing may be made available to entry level faculty and staff on a space available basis to ensure full occupancy.

The property known as Reno City Center is one of Reno's newest downtown mixed-use projects located within the heart of downtown Reno. The property is located less than one mile from the UNR campus at 175 E. Second Street, Reno, NV. (Exhibit 2) The property is also on the Regional Transportation Commission's High-Speed Bus Line which provides a free public transit connection to the main campus for graduate students and staff.

Final Terms

- Term of the Lease: 3 years
- Options to Renew: 3, one-year options
- Monthly Rent: \$84,575 (\$995/unit)
- Annual Increases: up to 5% per year, including during each option period
- Occupancy: August 1, 2023

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

University of Nevada, Reno President Brian Sandoval requests approval of the Reno City Center Lease Agreement for property located at 175 E. Second Street, Reno, Nevada. President Brian Sandoval further requests the Chancellor or designee be granted authority to execute the Lease, and any ancillary documents associated with the Lease, after consultation and review by the NSHE Chief General Counsel.

4. IMPETUS (WHY NOW?):

As presented at the September 8 - 9, 2022 Board meeting, graduate student success is a key

component of keeping and advancing the University of Nevada, Reno's R-1 status and providing an advanced work force for Nevada. A key metric for Carnegie R1 ranking requires a correlation of doctoral student growth to graduate assistant positions. However, there are a number of known obstacles to graduate students' success, and unsurprisingly, financial obstacles are dominant as they distract students from their academic work, undermine mental health, and orient students toward earning a living rather than earning a degree. Financial obstacles exist in every field in light of an increased cost of living and emergency expenses related to the pandemic. These obstacles often require students to take on additional employment, in order to fund basic living expenses, which can delay graduation.

Finding affordable housing has become one of the most significant issues related to recruiting and retaining graduate students. The University is pursuing a multi-pronged approach to continue addressing this priority area. One piece of the solution includes assistance with affordable housing.

For the 2022-2023 school year, there were 256 graduate student applications for 44 open spaces at Ponderosa Village which clearly shows the significant level of unmet need. The 85 studio housing units at the Reno City Center are being offered to the University at a substantial discount compared to market values for comparable studios. Area vacancy rates are very low and most studios and 1 & 2 bedroom apartments around the University are currently sold out at considerably higher rates. The proposed lease would help to alleviate housing cost barriers and occupancy would be available next academic year.

The University has now completed negotiations with the developer and is ready to execute the lease agreement. The terms and conditions are consistent with the preliminary terms presented and discussed at the September 8 - 9, 2022 Board meeting.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- Access (Increase participation in post-secondary education)**
- Success (Increase student success)**
- Close the Achievement Gap (Close the achievement gap among underserved student populations)**
- Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)**
- Research (Co-develop solutions to the critical issues facing 21st century Nevada and raise the overall research profile)**
- Not Applicable to NSHE Strategic Plan Goals**

INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

Graduate student success is a key component of keeping and advancing the University's R-1 status and providing an advanced work force for Nevada. Finding affordable housing has become one of the most significant issues related to recruiting and retaining graduate students. A master lease for 85 studio apartments at Reno City Center would allow the University to manage this block of units for graduate student housing in an effort to provide access, increase success, and help to close the achievement gap for this key metric group.

6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- Rental rates for the Reno City Center studios are well below market rates for comparable housing as the University was able to negotiate a volume discount.
- Reno City Center is in close proximity to campus, less than a mile away, and on the high-

speed transit bus line.

- Reno City Center is a premier new mixed-use project in Downtown Reno offering several services and amenities to Graduate Students.
- These units will provide additional options for graduate students, and on a space available basis, would be made available to entry level faculty and staff.

7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- The University of Nevada, Reno will have a financial obligation to meet by master leasing these studios, but with strong regional occupancy coupled with substantially reduced market rent and the recruitment benefit, the University believes there is a only a very small cash flow risk to this initiative.

8. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

- None identified at this price point, proximity to campus, or size.

9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

10. COMPLIANCE WITH BOARD POLICY:

Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 1.9

Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____

Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____

Other: _____

Fiscal Impact: Yes X No _____

Explain: Annual rent will be \$1,014,900 with 5% annual increases. This rent will be paid through rental income.

Exhibit 1

**RENO CITY CENTER
LEASE AGREEMENT**

between

RENO CITY CENTER, LLC,
a Nevada limited liability company

(Landlord)

and

**BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION ON
BEHALF OF THE UNIVERSITY OF NEVADA, RENO,**

(Tenant)

_____, 2022

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**RENO CITY CENTER
LEASE AGREEMENT**

In consideration of the agreements, covenants and promises contained in this Lease and other good and valuable consideration, the receipt, sufficiency and validity of which is hereby acknowledged, Landlord and Tenant agree as follows:

ARTICLE 1 - FUNDAMENTAL LEASE PROVISIONS

Date of this Lease: _____, 2022.

Project: The real property and improvements now or to be located thereon as depicted on the Site Plan attached as **Exhibit “A”**, located at 175 East Second Street, City of Reno, Washoe County, Nevada. (**Article 3**)

Premises: The following *approximate* measurements (the “**Premises**”): 85 apartments on floors 3-7 of the Project, each floor containing 17 apartments with a minimum of 300 square feet per apartment. Each Residence (as hereinafter defined) at minimum, will be furnished by Landlord, at Landlord’s expense with a bed, desk, chair, kitchenette (including refrigerator and stove, may or may not include a kitchenette sink), and television, as shown on **Exhibit “D”** (as may be modified by mutual written agreement of the parties prior to the Commencement Date). **Floor Area:** approximately 37,660 square feet total. The term “**Floor Area**” as used in this Lease shall mean all areas available for the exclusive use and occupancy by Tenant, measured from the exterior surface of exterior walls. The Premises shall not include the Common Areas on each floor of the Project. Tenant and each Resident (as hereinafter defined) shall have the right to access all Common Areas for pedestrian and vehicular ingress and egress to the Premises.

Premises Delivery Date: August 1, 2023.

Address of Premises: Apartments within the Reno City Center Project located at 175 East Second Street, Reno, Nevada, the exact apartment numbers will be provided by Landlord to Tenant not later than December 31, 2022, provided, however, that Landlord may revise the exact apartment numbers by giving written notice to Tenant no later than July 1, 2023 (each apartment a “**Residence**” and collectively, the “**Residences**”).

Landlord: Reno City Center, LLC, a Nevada limited liability company.

Tenant: Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno.

Lease Term: Thirty-six (36) months.

Option to Renew: Tenant shall have three (3) options to renew for a period of one (1) year each (each a “**Renewal Term**”). (**Article 4**)

Minimum Annual Rental: (**Article 5A**)
Lease Term

Year of Lease Term	Monthly Rental	Annual Rental	Monthly Rental Rate Per Residence
1	\$84,575.00	\$1,014,900.00	\$995.00
2	\$88,803.75	\$1,065,645.00	\$1,044.75

3	\$93,243.94	\$1,118,927.25	\$1,096.99
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Renewal Terms

Year of Lease Term	Monthly Rental	Annual Rental	Monthly Rental Rate Per Residence
4	\$97,906.13	\$1,174,873.61	\$1,151.84
5	\$102,801.44	\$1,233,617.29	\$1,209.43
6	\$107,941.51	\$1,295,298.15	\$1,269.90

Address for Notices: To Landlord:
 9325 W. Sahara Avenue
 Las Vegas, Nevada 89117
 Attention: Christopher Beavor

With a copy to:
 Moran Reeves Conn
 1211 E. Cary Street
 Richmond, Virginia 23219
 Attention: Joseph J. McQuade, Esq.

To Tenant:

University of Nevada, Reno
 Attn: Office of Community & Real Estate Management
 1664 N. Virginia St./MS 243
 Reno, NV 89557-0243

With a copy to:

University of Nevada, Reno
 Attn: General Counsel
 1664 N. Virginia St./MS 550
 Reno, NV 89557-0550

(Article 33)

Permitted Use of Premises: Solely to be used as the principal and primary residence of a Resident (as define in **Article 15G**). No retail or commercial or professional use of the Premises shall be made unless Tenant has obtained the prior written consent of Landlord and such use conforms to Governmental Restrictions and the reasonable rules and regulations promulgated by Landlord. No use that requires clients or customers coming to the Premises or the Project will be permitted. In addition, home office use that unreasonably increases the use of electricity or adds to the number of telephone lines in the Project is also prohibited. Tenant shall promptly notify Landlord upon the termination or expiration of a Resident sublease.

(Article 7)

Late Charge: The greater of (i) ten percent (10%) of all past due Minimum Annual Rental or Additional Rent, or (ii) fifty and no/100 U.S. Dollars (\$50.00).

(Article 5D)

Broker(s): Silver State Realty & Investments, a Nevada Corporation.

(Article 36L)

References in this **Article 1** are for convenience and designate some of the other Articles where references to the particular Fundamental Lease Provisions appear. Each reference in this Lease to any of

the Fundamental Lease Provisions shall be construed to incorporate all of the terms provided under each such Fundamental Lease Provision. In the event of any conflict between any Fundamental Lease Provision and the balance of the Lease, the balance of this Lease shall control.

ARTICLE 2 - EXHIBITS; DEFINITIONS

A. **EXHIBITS.** The following agreements, drawings and special provisions are attached to this Lease as Exhibits and are made a part of this Lease:

<u>Exhibit “A”</u>	Site Plan of the Project.
<u>Exhibit “B”</u>	Sublease Agreement and Addendum(s)
<u>Exhibit “C”</u>	Estoppel Certificate
<u>Exhibit “D”</u>	Sample Floorplan
<u>Exhibit “E”</u>	Contingency Plan

B. **DEFINITIONS.** For the purposes of this Lease, the following terms shall have the meanings described below:

Affiliate. Any Person directly or indirectly, through one or more intermediaries, Controlling, Controlled by or under common Control with another Person which, in the case of a partnership, shall include each of the general partners thereof and in the case of a limited liability company, shall include each manager or member thereof.

City. The City of Reno, Nevada, a Nevada municipal corporation.

Control. The possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person.

Declarations. Together, those covenants, conditions, reservations, restrictions, easements, rights, rights of way and other matters of record, if any, in the office of the County Recorder of Washoe County as of the Date of the Lease, binding upon the Project and run with the land.

Default Rate. The rate of twelve percent (12%) per annum.

Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inclement weather (including rain), inability to obtain labor or materials or reasonable substitutes therefor, failure or disruption of utilities or critical electronic systems (including so called “**rolling**” blackouts), epidemic, pandemic, Governmental Restrictions, governmental regulations, governmental controls (including delays in issuing required permits and approvals), judicial orders, acts of the public enemy (including terrorist acts) or hostile governmental action, civil commotion, fire or other casualty, eminent domain and other causes beyond the reasonable control of the party obligated to perform. For the purposes of this definition, “**terrorist acts**” mean any act by a Person or Persons, intending or actually causing harm, who are acting either independently or in any way connected, directly or indirectly, to organizations, whether or not recognized by any governmental authority, against the interest of the United States or directly or indirectly against either Landlord or Tenant, which acts occur in the Reno, Nevada metropolitan area or result in a substantial disruption in the operation of Reno-Tahoe International Airport in Reno, Nevada.

Governmental Restrictions. Any or all applicable laws, statutes, ordinances, codes, decrees, rulings, regulations, writs, injunctions, orders, rules, conditions of approval or authorization of any governmental entity, agency or political subdivision, whether now in force or which may hereafter be in force.

Losses and Liabilities. All liabilities, claims, losses, causes of action, charges, penalties, damages, costs or expenses (including reasonable attorneys' fees and costs), of whatsoever character, nature and kind, whether to property or Person, whether by direct or derivative action, and whether known or unknown, suspected or unsuspected, or latent or patent.

Person. An individual, corporation, partnership, joint venture, association, firm, joint stock company, trust, limited liability company, unincorporated association or other entity.

Real Estate Taxes and Assessments. All real property taxes, possessory interest taxes, government property lease excise taxes, personal property taxes assessed against the buildings and improvements within the Project, excise taxes, assessments, whether arising from any improvement or special taxing district, or otherwise.

Removable Personal Property. All personal property, furniture and fixtures of every kind and nature, belonging to Tenant, excluding, however, property which is attached to or normally would be attached or affixed to the Premises in such a manner that such property would become a part of the realty, regardless of whether such property is in fact so placed in or on or affixed to the Premises.

Representatives. The officers, directors, shareholders, partners, Affiliates, council members, board members, staff, committee members, planning and other commissioners, officials, employees, members, managers, agents, principals, independent contractors, attorneys, accountants and representatives of the referenced Person and the predecessors, heirs, successors and assigns of any such Person.

RUBS. Resident utility billing system, which will allocate costs based on a combination of square footage of each residence within the building the Premises are located in and the number of residents in each residence.

Transfer/Transferee/Transferor. Any conveyance, transfer, sale, assignment, lease, license, concession, franchise, gift, hypothecation, mortgage, pledge, encumbrance, or the like, to any Person (a "**Transferee**") or from any Person (a "**Transferor**"), directly or indirectly, whether by operation of law or otherwise. For the avoidance of doubt, a sublease by Tenant to a Resident under **Article 15G** shall not constitute a Transfer.

ARTICLE 3 - PREMISES

Landlord leases the Premises to Tenant and Tenant leases and accepts the Premises from Landlord, subject to the further terms, covenants and conditions of this Lease.

ARTICLE 4 - TERM; OPTION

Although this Lease shall be effective as of the Date of this Lease and shall continue thereafter during the Lease Term unless sooner terminated as provided in this Lease, the Lease Term shall be computed from the first day of the calendar month following the Commencement Date (as defined in **Article 5A**). Landlord shall tender to Tenant, and Tenant shall be deemed to have accepted from Landlord, possession of the Premises on the Commencement Date. Tenant has the right to extend (the "**Option**") the Lease Term three (3) times for one (1) year each (each a "**Renewal Term**"), provided Tenant gives

Landlord written notice (the “**Option Notice**”) of its election to exercise the Option at least three hundred sixty-five (365) days, but no more than four hundred fifty (450) days prior to the expiration of the then existing Lease Term. The terms and conditions of the Lease during each Renewal Term shall remain the same and in full force and effect, except for the following: (1) Tenant shall have no further right to extend the Lease Term beyond the expiration of the third (3rd) Renewal Term; and (2) the Minimum Annual Rental for each Renewal Term shall be determined as set forth in **Article 1** of the Lease. All charges and expenses payable by Tenant as set forth in the Lease shall be unchanged and shall be due and payable by Tenant during any Renewal Term.

ARTICLE 5 - RENTAL

A. **MINIMUM ANNUAL RENTAL.** Tenant shall pay, as base rental for the use and occupancy of the Premises, the Minimum Annual Rental in twelve (12) equal monthly installments during each year of the Lease Term, in advance, on the first day of each calendar month, without setoff or deduction, notice or demand commencing on **August 1, 2023** (the “**Commencement Date**”).

B. **ANNUAL ESCALATION.** On the annual anniversary of the Commencement Date, including during each Renewal Term, the Minimum Annual Rental then payable under this Lease shall be increased as provided for in **Article 1**.

C. **INTENTIONALLY DELETED.**

D. **PAYMENT AND LATE CHARGE.** Tenant shall pay, as Additional Rent, all sums of money required to be paid pursuant to the terms of this Lease in addition to Minimum Annual Rental, whether or not the same are designated “**Additional Rent.**” If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless be collectible as Additional Rent with the next installment of Minimum Annual Rental falling due, but this shall not be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable or limit any remedy available to Landlord on account of late payments by Tenant. If Tenant shall fail to pay, when the same is due and payable, any Minimum Annual Rental or other amounts or charges, such unpaid amounts shall bear interest at the Default Rate from the date due to the date of payment. In addition to bearing interest, if Tenant shall fail to pay any monthly installment of Minimum Annual Rental on or before the third (3rd) day of the month for which such installment is due, or if Tenant shall fail to pay any Additional Rent when due, which failure continues for five (5) days, the Late Charge shall become due and payable. All Minimum Annual Rental and other charges shall be paid by Tenant to Landlord at Landlord’s management office or at such other place as may from time to time be designated by Landlord in writing. If Landlord so requests, payments of Minimum Annual Rental or other charges under this Lease shall be paid by wire transfer of immediately available funds pursuant to such wiring instructions as Landlord may, from time to time, furnish to Tenant. If Tenant pays any installment of Minimum Annual Rental or other charges under this Lease by check and such check is returned for insufficient funds or other reasons not the fault of Landlord, then (i) Landlord may require, by delivering written notice to Tenant, that all future payments on account of Minimum Annual Rental or other charges under this Lease be paid by cashier’s check or by certified funds, and (ii) Tenant shall pay to Landlord a service charge in the amount of two hundred fifty and no/100 U.S. Dollars (\$250.00), as well as all bank fees incurred by Landlord. Such payment shall be made within five (5) days after written notice by Landlord to Tenant that such check has not been honored.

ARTICLE 6 - DELIVERY OF PREMISES; CONTINGENCY PLAN

A. **DELIVERY.** Delivery of all 85 Residences shall be on August 1, 2023. With respect to the Residences, delivery shall mean that each Residence is in “rent ready” condition. “Rent ready” condition shall mean each Residence is in good working condition, including recently cleaned and painted (or touched

up, if deemed acceptable by Tenant), and that each Residence shall contain the following: (i) the fixtures as are standard for each Residence shall be in good working condition; (ii) all floors within each Residence shall be fully covered with a combination of wood, tile or linoleum or carpeting; (iii) blinds and/or drapes on all windows within each Residence shall be in good condition; (iv) all appliances in each Residence shall be in good condition; and (v) each Residence shall contain furnishings as described in **Article 1**. Prior to delivery of the Premises, Tenant and Landlord shall conduct a joint walk through of the Residences to verify that the aforementioned conditions have been satisfied and prepare a punchlist of minor items to be remedied by Landlord within thirty (30) days thereafter.

B. **CONTINGENCY PLAN**. If Landlord, for any reason (including without limitation a Force Majeure event), cannot or does not deliver possession of the Residences to Tenant on or before August 1, 2023, then for each Residence not delivered to Tenant for occupancy by August 1, 2023, Landlord shall, at Landlord's sole cost and expense, provide the benefits identified on **Exhibit "E"**.

ARTICLE 7 - USE

The Premises are solely to be used as the residence of a Resident (as defined in **Article 15G**). No retail, commercial or professional use of the Premises shall be made unless Tenant has obtained the prior written consent of Landlord and such use conforms to Governmental Restrictions and the reasonable rules and regulations promulgated by Landlord. No use that requires clients or customers coming to the Premises or the Project will be permitted. In addition, home office use that unreasonably increases the use of electricity or adds to the number of telephone lines in the Project is also prohibited. Tenant shall promptly notify Landlord upon the termination or expiration of a Resident sublease.

Landlord reserves the right to determine the name of the Project, the additions to the Project, the nature of the business and uses of all or any part of the Project and to make improvements and additions to the Project, provided however, that such improvements and additions shall not unreasonably interfere with the access or reasonable quiet enjoyment of the Residence. In addition, Landlord may, in its sole discretion, change the location of other tenants and the nature of any occupancy of any premises in the Project at any time, except only as expressly provided otherwise in this Lease.

ARTICLE 8 - UTILITIES SERVICES

A. **ON PREMISES**.

(i) Landlord shall at Landlord's sole cost and expense, pay for sewer, trash, Real Estate Taxes and Assessments, and property insurance (collectively, the "**Landlord Utilities**"). Tenant shall, at Tenant's sole cost and expense, pay for all utilities not included in the Landlord Utilities used by Tenant on the Premises from and after Commencement Date, including water and electricity as provided in **Article 8A(ii)**, below.

(ii) Landlord shall, at Tenant's cost and expense, provide water (based upon RUBS) and electricity (which shall be separately metered per Residence). Landlord shall bill Tenant for such utilities no later than the twentieth (20th) day of the month following the month of Landlord's receipt of the utility charge. Payment for such invoices shall be due not later than twenty (20) days after receipt of written invoice .

(iii) Each Resident has the option to include the following services per Residence: parking, access to the Amenities (as defined in **Article 19**), television and data service. Each Resident electing such additional services will enter into a separate agreement with Landlord for the same.

B. **INTERRUPTION**. Unless caused by Landlord's negligence or willful misconduct, Landlord shall not be liable in damages or otherwise for any failure or interruption of (i) any utility service being furnished

to the Premises, or (ii) the heating, ventilating and air conditioning system, if any. No such failure or interruption, whether resulting from a casualty or otherwise, shall entitle Tenant to terminate this Lease or to abate the payments Tenant is required to make under this Lease. In the event of any failure or interruption of (i) any utility service being furnished to the Premises, or (ii) the heating, ventilating or air conditioning system as a result of any casualty, the rights and obligations of Landlord and Tenant shall be governed by the terms and conditions set forth in **Article 18** below. Landlord shall use best efforts to keep utility service to the building.

C. **SELECTION OF UTILITY SERVICE PROVIDERS.**

(i) At all times during the Lease Term Landlord shall have the right to select the utility company or companies that shall provide electric, telecommunication and/or other utility services to the Premises (including a utility company that is an Affiliate of Landlord) and, subject to all Governmental Restrictions, Landlord shall have the right at any time and from time to time during the Lease Term to either (a) contract for services from electric, telecommunication and/or other utility service provider(s) other than the provider with which Landlord has a contract as of the Date of this Lease (the "**Current Provider**"), or (b) continue to contract for services from the Current Provider.

(ii) Tenant shall at all times cooperate with Landlord and any electric, telecommunication and/or other utility service provider with which Landlord has contracted and, as reasonably necessary, shall allow Landlord or such electric, telecommunication and/or other utility service provider reasonable access to any electric, telecommunication and/or other utility lines, feeders, risers, wiring and any other machinery within the Premises.

(iii) In the event Landlord elects to redistribute electric utility service to the Premises, Tenant shall not be obligated to pay for the cost of such electric services to the extent such cost exceeds the kilowatt per hour charge for electric service to the Premises that Tenant would have incurred had Tenant contracted directly with the utility company from whom Landlord is purchasing electric service.

D. **INTERRUPTION/DISRUPTION OF SERVICES.**

(i) Unless caused by Landlord's negligence or willful misconduct, and except as otherwise expressly set forth in this Lease, no damages, compensation, claims or Losses and Liabilities shall be payable by Landlord and this Lease and the obligation of Tenant to perform all of its covenants and agreements set forth in this Lease shall in no way be affected, impaired, reduced or excused in the event that there shall be an interruption, curtailment or suspension of the Project's HVAC, utility, sanitary, elevator, water, telecommunications, security (including equipment, devices, and personnel) or other Project systems serving the Premises or any other services required to be performed by Landlord under this Lease (an "**Interruption of Service**"), by reason of: (a) any damage or destruction which is the subject of **Article 18**; (b) any condemnation which is the subject of **Article 23**; (c) an accident; (d) an emergency; (e) shortages of labor or materials; or (f) an event of Force Majeure.

(ii) Landlord reserves the right, without any liability to Tenant, except as otherwise expressly set forth in this Lease, and without being in breach of any covenant of this Lease, to effect an Interruption of Service, as may be required by this Lease or by applicable Governmental Restrictions, or as Landlord in good faith deems advisable, whenever and for so long as may be necessary to make repairs, alterations, upgrades, or changes to the Project's HVAC, utility, sanitary, elevator, water, telecommunications, security or other Project systems serving the Premises or any other services required of Landlord under this Lease. In each instance, Landlord shall exercise commercially reasonable diligence to eliminate the cause of the Interruption of Service if resulting from conditions within the Project and to conclude the Interruption of

Service. Landlord shall give Tenant prior written notice, when practical, of the commencement and anticipated duration of any such Interruption of Service.

(iii) The occurrence of an Interruption of Service pursuant to this **Article 8D** shall not (a) constitute an actual or constructive eviction of Tenant in whole or in part; (b) entitle Tenant to any abatement or diminution of Minimum Annual Rental or other charges payable under this Lease (except as otherwise expressly set forth in this Lease); (c) relieve or release Tenant from any of its obligations under this Lease; or (d) entitle Tenant to terminate this Lease.

ARTICLE 9 - INDEMNITY - INSURANCE - WAIVER OF SUBROGATION

A. INDEMNIFICATION AND WAIVERS.

(i) **Tenant Indemnity.** To the extent limited in accordance with NRS 41.0305 to 41.039, inclusive, Tenant shall, at Tenant's sole cost and expense, Indemnify Landlord Parties against all Claims to the extent arising from (a) any Personal Injury, Bodily Injury or Property Damage occurring in or at the Premises caused by the negligent acts or omissions of the Tenant Parties; (b) intentionally omitted; (c) Tenant's failure to comply with any Governmental Restrictions; (d) any misrepresentation made by Tenant in connection with this Lease; (e) any liens or encumbrances arising out of any work performed or materials furnished by or for Tenant; or (f) commissions or other compensation or charges claimed by any real estate broker or agent other than the Broker(s), with respect to this Lease by, through or, under Tenant. Tenant will assert the defense of sovereign immunity as appropriate in all cases, including malpractice and indemnity actions. Tenant's indemnity obligation for actions sounding in tort is limited in accordance with the provisions of NRS 41.035.

(ii) **Intentionally deleted.**

(iii) **Landlord Indemnity.** To the fullest extent permitted by law, Landlord shall, at Landlord's sole cost and expense, Indemnify Tenant Parties against all Claims arising from (a) any Personal Injury, Bodily Injury or Property Damage occurring in or at the Premises caused by the negligent acts or omissions of the Landlord Parties; (b) intentionally omitted; (c) Landlord's failure to comply with any Governmental Restrictions; (d) any misrepresentation made by Landlord in connection with this Lease; or (e) commissions or other compensation or charges claimed by any real estate broker or agent other than the Broker(s), with respect to this Lease by, through or, under Landlord.

(iv) **Definitions.** For purposes of this Lease: (a) the term "**Tenant Parties**" means Tenant and Tenant's Representatives; (b) the term "**Landlord Parties**" means Landlord, Landlord's lender, Mortgagee, their respective Representatives and all Persons claiming through any of these Persons; (c) the term "**Indemnify**" means indemnify, defend (with counsel reasonably acceptable to the Indemnified Party) and hold free and harmless for, from and against; (d) the term "**Claims**" means all liabilities, claims, damages (including consequential damages), losses, penalties, litigation, demands, causes of action (whether in tort or contract, in law or at equity or otherwise), suits, proceedings, judgments, disbursements, charges, assessments, and expenses (including attorneys' and experts' fees and expenses incurred in investigating, defending, or prosecuting any litigation, claim, or proceeding); and (e) the terms "**Bodily Injury**", "**Personal Injury**" and "**Property Damage**" will have the same meanings as in the form of commercial general insurance policy issued by Insurance Services Office, Inc. most recently prior to the date of the injury or loss in question.

(v) **Obligations Independent of Insurance.** The indemnification provided in this **Article 9** shall not be construed or interpreted as in any way restricting, limiting or modifying either Party's insurance or other obligations under this Lease, and the provisions of this **Article 9** are independent of the Parties' respective

insurance and other obligations. A Party's compliance with the insurance requirements and other obligations under this Lease does not in any way restrict, limit or modify such Party's indemnification obligations under this Lease.

(vi) **Survival.** The provisions of this **Article 9** will survive the expiration or earlier termination of this Lease until all Claims involving any of the indemnified matters are fully and finally barred by the applicable statutes of limitations.

B. **WAIVER OF SUBROGATION.** Landlord and Tenant each hereby waive any Losses and Liabilities one may have against the other, and Landlord Parties, and their respective Representatives, on account of any Losses and Liabilities occasioned to Landlord or Tenant, as the case may be, or their respective property, the Premises, its contents or to other portions of the Project, arising from any risk generally covered by a "**causes of loss - special form**" property insurance policy and from any risk covered by any policy of property insurance then in effect (whether or not the party suffering the Losses and Liabilities actually carries any insurance, recovers under any insurance or self-insures) or which right of recovery arises from loss of earnings or rents resulting from loss or damage to any such property. In addition, Landlord and Tenant, for themselves and on behalf of their respective insurance companies, waive any right of subrogation that any such insurance company may have against Landlord, Landlord's Mortgagee, Landlord Parties, any other tenant of the Project, Tenant, or Tenant Parties, and their respective Representatives, as the case may be. It is the intent of the Parties that the Parties shall look solely to their respective insurance company for recovery.

C. **TENANT'S INSURANCE.** From and after the Commencement Date, Tenant shall carry, at Tenant's sole cost and expense, the following types of insurance, in the amounts specified or in such higher amounts as requested by Landlord and which are customary in the locale where the Project is located:

(i) Tenant is self-insured for general liability in accordance with the provisions of NRS Chapter 41 for personal injury, bodily injury (including wrongful death) and damage to property. Tenant shall maintain funds sufficient to meet all its liability obligations thereunder. Tenant shall also maintain an excess commercial general liability policy with a combined single limit of not less than five million and no/100 U.S. Dollars (\$5,000,000.00) per occurrence insuring against any and all liability of the insured with respect to the Premises, or arising out of the maintenance, use or occupancy thereof, including premises operations, products and completed operations providing coverage at least as broad as ISO policy form CG 0001. All policies of insurance to be procured by Tenant shall be issued by insurance companies having a general policy holders rating of not less than A:/VIII in the most current available "**Best's Key Rating Guide**", qualified to do business in the State where the Project is situated. All property policies shall be issued in the name of Tenant, and shall name Landlord and its Representatives as "**loss payees as their interests may appear**". All liability policies obtained by Tenant shall name Landlord, Landlord's Mortgagee, Landlord's management agent, and their respective Representatives, as additional insureds. In addition, Tenant's liability policies shall be endorsed as needed to provide cross-liability coverage for Tenant, Landlord, and Landlord's Mortgagee and shall provide for severability of interests. Certified copies of executed policies of insurance or an insurance binder in the form of Acord Form No. 75 (January 2007) or its equivalent or such other evidence as may be reasonably acceptable to Landlord and Landlord's Mortgagee and evidence of required additional insured endorsements on ISO Form CG 20-26 or its equivalent (collectively referred to in this **Article 9C** as "**Certificates**") shall be delivered to Landlord prior to any entry by Tenant in the Premises and thereafter, executed copies of renewal policies or Certificates thereof shall be delivered to Landlord within thirty (30) days prior to the expiration of the term of each such policy. The excess liability policy shall contain a provision that Landlord, Landlord's Mortgagee, Landlord's management agent and their respective Representatives, although named as additional insureds, shall nevertheless be entitled to recovery under the policy for any loss occasioned to such parties by reason of the negligence of Tenant or its Representatives. In addition, as between Landlord and Tenant, Tenant

shall be solely responsible for the payment of any deductible under any of Tenant's policies of insurance. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent. Tenant shall give Landlord twenty (20) days' notice in writing in advance of any cancellation or lapse or the effective date of any material change in the policy, including any reduction in the amounts of insurance. All liability, property and other casualty policies shall be written as primary policies and shall provide that any insurance which Landlord or Landlord's Mortgagee may carry is strictly excess, secondary and non-contributing with any insurance carried by Tenant. The insurance requirements contained in this **Article 9** are independent of Tenant's waiver, indemnification and other obligations under this Lease and shall not be construed or interpreted in any way to restrict, limit or modify Tenant's waiver, indemnification or other obligations or to in any way limit Tenant's obligations under this Lease

(ii) Tenant is advised that the personal property and vehicles of Tenant, any Resident and Resident's Occupants' guest and invitees are not insured by Landlord against loss or damage for any cause. Tenant or Resident is advised to carry its own insurance (renter's insurance) to protect from any such loss or damage and that insurance to cover Tenant and Resident's responsibilities under **Article 21** of this Lease should be obtained. Tenant shall comply with any requirement imposed by Landlord's insurer to avoid: (a) any increase in Landlord's insurance premium, or (b) loss of insurance. Tenant further acknowledges and agrees that Tenant shall bear the risk of loss of any and all of personal property whether located in the Premises, the Project or any surrounding areas. Tenant agrees not to hold Landlord, his/her agents and/or employees liable in any manner for or on account of any loss or damages sustained by reason of the acts or omissions of third parties, or arising from any casualty (including but not limited to fire, theft, explosion, winds, earthquake, flood and/or water damage).

D. **LANDLORD'S INSURANCE.** Landlord shall maintain in effect a policy or policies of insurance covering the Project, in an amount not less than eighty percent (80%) of full replacement cost (exclusive of the cost of excavations, foundations and footings) from time to time during the Lease Term or the amount of such insurance Landlord's Mortgagee may require Landlord to maintain, whichever is the greater, providing protection against any peril generally included in the classification "**Causes of Loss-Special Form**" (including flood, earthquake damage and/or terrorism coverage if so elected by Landlord), together with insurance against sprinkler damage, vandalism and malicious mischief, and if Landlord so elects, the following endorsements: boiler and machinery, difference in conditions, business income and extra expense (with extended period of indemnity), contingent business income and extra expense (with extended period of indemnity), service interruption, pollution, building ordinance or law and excess rental value. In addition, Landlord shall maintain commercial general liability insurance with a combined single limit of not less than three million and no/100 U.S. Dollars (\$3,000,000.00), per occurrence, three million and no/100 U.S. Dollars (\$3,000,000.00), annual aggregate, insuring against any and all liability of Landlord with respect to the operation and use of the Project, and if deemed necessary by Landlord, fidelity and owned or rented automobile coverage. At least one million and no/100 U.S. Dollars (\$1,000,000.00) of such insurance coverage shall be primary coverage and the remaining two million and no/100 U.S. Dollars (\$2,000,000.00) of such coverage may be pursuant to an umbrella or excess liability policy. Landlord's obligation to carry the insurance required in this **Article 9D** may be brought within the coverage of any so-called blanket policy or policies of insurance.

E. **DANGEROUS CONDITIONS.** Tenant shall not carry any stock or goods or engage in any abnormal or dangerous activity in or about the Premises which will increase the insurance rates upon the building of which the Premises are a part. Tenant shall pay to Landlord, upon demand, the amount of any increase in premiums for insurance against loss by fire, casualty, liability or workers' compensation that may be charged during the Lease Term on the amount of insurance to be carried by Landlord on the building of which the Premises are a part resulting from the foregoing or from Tenant doing any act in or about the Premises which does so increase the insurance rates, unless Landlord shall have consented to such act on

the part of the Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload of the electrical lines of the Premises, Tenant shall, at Tenant's sole cost and expense, make whatever changes are necessary to comply with the requirements of the insurance underwriters and all applicable Governmental Restrictions, but this shall not be deemed to constitute Landlord's consent to such overloading.

ARTICLE 10 - DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Lease is and shall remain subordinate to the Declarations existing as of the Date of this Lease.

ARTICLE 11 - ALTERATIONS

Landlord, in its sole discretion, must approve any alterations which are made to the Premises. Tenant and Residents shall not paint, wallpaper, refinish floors, or otherwise redecorate, or make alterations, repairs or additions to, the Premises without first obtaining the written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion. Any such permitted additions or alterations of the Residence shall be removed by Tenant at Tenant's sole cost and expense and each Residence restored to its original condition prior to the end of the tenancy (normal wear and tear excepted) unless Landlord gives Tenant written notice, which notice may be given at the time of any mandatory walk through of any Residence prior to the end of the tenancy, that all or any designated portion of said alterations and additions shall remain in the Residence in which event neither Tenant nor Resident shall remove the alterations. In addition, Tenant shall not display in any Residence any signs, exterior lights or marking which are viable from outside of the Residence, and no awnings or other projections shall be attached to the outside of the Premises without first obtaining the written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion. Notwithstanding any of the foregoing, Residents shall be permitted to hang pictures and the like on the walls of the Residence, without the necessity of obtaining Landlord's prior approval, provided that the same are not visible from outside the Residence and Tenant shall be responsible to repair any holes created by such conduct exceeding one (1) centimeter in width/length.

ARTICLE 12 - MECHANICS' LIENS

A. **NO LIENS.** Tenant shall not allow or cause any mechanic's and material supplier's liens, or any similar liens or encumbrances to be recorded against the Premises. Resident shall indemnify, protect, defend and hold Landlord Parties harmless from and against any and all Claims in connection with any such mechanic's and material supplier's liens, or any similar liens or encumbrances recorded against the Premises.

B. **LANDLORD'S PAYMENT.** If Tenant shall fail to pay any charge for which a mechanics' or materialmen's lien claim and/or suit to foreclose a lien have been filed, and if Tenant shall not have provided security to protect the property and Landlord against such claim of lien, Landlord may (but shall not be so required) pay the claim and any costs, and the amounts so paid, together with reasonable attorneys' fees incurred in connection therewith, shall be immediately due and owing from Tenant to Landlord, and Tenant shall pay the same to Landlord, as well as interest at the Default Rate from the dates of Landlord's payments until all such costs and interest are paid in full.

C. **NOTICE.** Tenant shall, upon obtaining knowledge of any claim of lien filed against the Premises, or any action affecting the title to the Project, give Landlord prompt written notice of the same.

D. **NON-RESPONSIBILITY NOTICES.** Landlord, and its Representatives shall have the right to go upon and inspect the Premises at all reasonable times and shall have the right to post and keep posted thereon notices of non-responsibility, or such other notices which Landlord may deem to be proper for the

protection of Landlord's interest in the Premises. Landlord will give Tenant at least twenty-four (24) hours' written notice prior to entering into a Residence pursuant to this **Article 12D** unless (a) an emergency exists; or (b) it is impracticable or impossible for Landlord to do so.

ARTICLE 13 - INTENTIONALLY OMITTED

ARTICLE 14 - REMOVABLE PERSONAL PROPERTY

A. **INSTALLATION, REPLACEMENT AND REMOVAL.** All Removable Personal Property of Tenant or Resident shall remain the property of Tenant or Resident, as the case may be, and such owner may remove any and all of their Removable Personal Property which they may have stored or installed in the Premises. In no event may Tenant or Resident affix furniture, fixtures, equipment or other personal property to the structural members of the Premises or make alterations which would impact the structural integrity of the Premises without first procuring the written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. Tenant shall, at Tenant's sole cost and expense, immediately repair any damage occasioned to the Premises and/or the Project by reason of the removal of any Removable Personal Property.

B. **TERMINATION.** Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in good condition and repair (normal wear and tear excepted) and all building systems, including, without limitation, plumbing, heating, ventilating and air conditioning system, and mechanical and electrical systems, shall be free of damage caused by Tenant and shall deliver to Landlord all keys to the Premises. On the last day of the Term, Landlord and Tenant shall jointly inspect the condition of each Residence, and Landlord shall identify any damage therein for which Tenant is responsible to repair under this Lease. Tenant shall thereafter have ten (10) days to perform such repairs. The failure by Tenant to perform such repairs required by this **Article 14B** may, at the Landlord's option, be considered a holdover of such Residence by Tenant governed by the provisions of **Article 26** below.

ARTICLE 15 - ASSIGNING, MORTGAGING, SUBLETTING, CHANGE IN OWNERSHIP

A. **TRANSFER.** Other than subletting to Residents (as defined in **Article 15G**), which Tenant shall be allowed to do without Landlord approval, Tenant may not Transfer this Lease or Tenant's interest in and to the Premises or any part thereof (or advertise that the Premises or this Lease are available for Transfer) or permit any other Person to occupy the Premises without first procuring the written consent of Landlord, which consent Landlord may give or withhold in its reasonable discretion. Tenant shall submit such information as Landlord may reasonably request in connection with Tenant's request for consent to a Transfer, including the provision of such information to allow Landlord to perform a credit check, in order to evaluate the solvency and financial responsibility of the proposed Transferee. Any attempted or purported Transfer without the written consent of Landlord shall constitute an Event of Default, shall be void and shall confer no rights upon any third Person.

B. **DEEMED TRANSFER.** If Tenant or any Transferee is a corporation, unincorporated association, limited liability company or a partnership, the Transfer of any stock or ownership interests or the issuance of new stock or ownership interests in such corporation, association, limited liability company or partnership, whether in a single transaction or in a series of transactions, shall be deemed a Transfer within the meaning of and subject to the provisions of this **Article 15**.

C. **ASSUMPTION.** Each Transfer to which there has been consent shall be by an instrument in writing, in a form satisfactory to Landlord, and shall be executed by the Tenant and the Transferee, in each instance, as the case may be. Each Transferee, shall agree in writing for the benefit of Landlord to assume, to be bound by, and to perform the terms, covenants and conditions of this Lease to be done, kept and

performed by Tenant, including the payment of all amounts due or to become due under this Lease. Each subtenant shall agree in writing for the benefit of Landlord that its sublease is subordinate to this Lease. One executed copy of such written instrument shall be delivered to Landlord. The failure to first obtain in writing the consent of Landlord or the failure to comply with the provisions of this **Article 15** shall constitute an Event of Default and shall render any such Transfer void.

D. **INTENTIONALLY OMITTED.**

E. **LANDLORD TRANSFER FEE.** Whenever Landlord's consent is requested under this **Article 15** (even if such consent is ultimately not granted), Tenant shall pay to Landlord the sum of one thousand five hundred and no/100 U.S. Dollars (\$1,500.00) for Landlord's reasonable attorneys' fees, accounting fees and other costs incurred by Landlord in connection with the processing and documentation of any such requested Transfer of this Lease.

F. **LANDLORD'S ASSIGNMENT.** Landlord shall have the right to freely assign this Lease without notice to or consent of Tenant. In the event of an assignment of this Lease by Landlord, Landlord shall provide written notice promptly after such assignment is effective but in no case more than thirty (30) days after the assignment is effective. In the event of any Transfer of Landlord's interest in the Premises and/or Project, including a so-called sale-leaseback, once the Transferee has accepted in writing all responsibilities of the Landlord in under this Lease, the Transferor shall be automatically relieved of any and all obligations on the part of Landlord accruing from and after the date of such Transfer. Upon the termination of any Lease in a sale-leaseback transaction prior to termination of this Lease, the former lessee thereunder shall be become and remain liable as Landlord hereunder until a further Transfer.

G. **SUBLEASING.** Tenant shall have the right to sublet each Residence at any time without the consent of Landlord to (i) full-time or part-time students attending the University of Nevada, Reno; and (ii) employees or contractors of the University of Nevada, Reno (each a "**Resident**" and collectively, the "**Residents**"). Nothing contained in this **Article 15G** shall be construed to require Tenant to terminate a Resident's sublease prior to its natural expiration date in the event such Resident graduates or disenrolls from, or otherwise terminates their employment with, the University of Nevada, Reno. Any subletting of the Premises by Tenant pursuant to this **Article 15G** shall be conditioned on the following:

- (a) Tenant is not then in default beyond applicable notice and cure periods hereunder;
- (b) Landlord is provided, for each Resident, a copy of each sublease, within ten (10) days following the effective date thereof;
- (c) Any subletting of the Premises shall be subject to the terms of this Lease, any and all reasonable rules and regulations of the Landlord governing the Premises, provided that such rules and regulations are provided in writing to Tenant and/or its sublessee or are posted within the Project (collectively, the "**Residence Rules**"), whether made known before or after the Date of this Lease, and Tenant shall, with respect to any sublease, remain liable for all duties and obligations of Tenant hereunder;
- (d) Tenant agrees that Landlord shall not be liable for any leasing commissions, finish-out costs, rent abatements or other costs, fees or expenses incurred by Tenant in subleasing or seeking to sublease its leasehold interest in the Premises, and Tenant shall be solely liable and, to the extent limited in accordance with NRS 41.0305 to 41.039, inclusive, agrees to indemnify and defend Landlord and Landlord Representatives with respect to any and all such commissions, costs, fees and expenses. Tenant will assert the defense of sovereign immunity as appropriate in all cases, including malpractice and indemnity actions. Tenant's indemnity obligation for actions sounding in tort is limited in accordance with the provisions of NRS 41.035;

(e) Tenant shall ensure that each Resident's sublease will be in the form attached hereto as **Exhibit "B"**; and

(f) Tenant will comply with all Governmental Regulations in connection with all subleases;

ARTICLE 16 - CONDITION OF RESIDENCES

Landlord warrants that the Residences are suitable for use as residences by Tenant's students and employees and that they are free from any condition known to Landlord that is dangerous to the health, life, and safety of residential tenants. Subject to Tenant's Responsibilities listed in **Article 17A** below, Landlord will maintain the Project in a safe and sanitary condition and shall comply with all Governmental Restrictions pertaining to the condition of the Project.

ARTICLE 17 - REPAIRS AND MAINTENANCE

A. **TENANT'S OBLIGATIONS.** Tenant shall maintain the Premises in good and tenantable condition, excluding normal wear and tear, (except that portion of the Premises to be maintained by Landlord as provided in **Article 17B**), including, without limitation, all Removable Personal Property in the Premises. Tenant shall not cause any damage to the utility meters, pipes and conduits, fixtures, air conditioning and heating equipment serving the Premises and other equipment therein. Any glass broken within the interior of the Residence shall be promptly replaced by Tenant with glass of the same kind, size and quality, unless such damage was caused or contributed to by Landlord's conduct. Tenant acknowledges that mold spores are present essentially everywhere and that mold can grow in most any moist location. Emphasis is properly placed on prevention of moisture and on good housekeeping and ventilation practices. Tenant acknowledges the necessity of housekeeping, ventilation, and moisture control (especially in kitchens and bathrooms) for mold prevention. Tenant agrees to immediately notify Landlord if it observes mold/mildew and/or moisture conditions (from any source, including leaks), and allow Landlord to evaluate and/or make recommendations.

B. **LANDLORD'S OBLIGATIONS.** Subject to the provisions of **Article 17A**, Landlord shall keep, repair and maintain in good and tenantable condition the roof (including replacements thereof), exterior walls, structural parts of the Premises and structural floor, pipes, conduits, air conditioning, and heating equipment for the furnishing to the Premises of various utilities (except to the extent that such repairs may be necessitated by the actions or omissions of Tenant, or the obligation of the appropriate public utility company), all Common Areas including hallways, elevators, parking areas and Amenities areas. As used in this **Article 17B**, "**exterior walls**" shall be deemed not to include storefront or storefronts, plate glass, window cases or window frames, doors or door frames, or similar enclosures.

C. **EMERGENCY REPAIRS.** In the event of emergency repairs, Tenant grants to Landlord the right to enter upon the Premises at any time, without prior notice to Tenant. Landlord shall not be required to make repairs necessitated by the negligence or misconduct of Tenant, Resident or Tenant's Representatives, or by reason of the failure by Tenant to perform or observe any of its obligations contained in this Lease, or caused by alterations, additions, or improvements made by or on behalf of Tenant. In no event shall Landlord be liable to Tenant for failure to make repairs unless Tenant has previously notified Landlord of the need for such repairs and Landlord has failed to commence and complete such repairs within a reasonable period of time following receipt of Tenant's notification.

D. **LANDLORD'S RIGHT TO MAKE REPAIRS.** If Tenant refuses or neglects to make repairs and/or maintain the Premises in a manner reasonably satisfactory to Landlord, Landlord shall have the right, but not the duty, in addition to Landlord's other rights and remedies, (i) for repairs causing damage to multiple residences, the Common Areas or to any part of the Project, in the reasonable discretion of

Landlord, upon giving Tenant ten (10) days' prior written notice; or (ii) for all other repairs, upon thirty (30) days' prior written notice of Landlord's election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. The cost of such work shall be paid by Tenant, as Additional Rent promptly upon receipt of a bill therefore, as well as interest thereon at the Default Rate until all such costs and interest are paid in full.

E. **ENTRY**. Landlord will give Tenant at least twenty-four (24) hours' written notice prior to entering into a Residence pursuant to this **Article 17** unless (a) an emergency exists; or (b) it is impracticable or impossible for Landlord to do so. Tenant shall permit Landlord and Landlord's Representatives to enter the Premises upon such written notice during usual business hours for the purpose of inspecting the Premises and performing repairs under this **Article 17**. Landlord or any Landlord Representative authorized by Landlord may go upon the Premises and make any necessary repairs to the Premises and perform any work. Nothing contained in this **Article 17** shall imply any duty on the part of Landlord to do any such work which, under any provision of this Lease, Tenant may be required to do, nor shall it constitute a waiver of Tenant's default in failing to do the same. No exercise by Landlord of any rights contained in this **Article 17** shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby nor to any abatement of Minimum Annual Rental or Additional Rent.

ARTICLE 18 - RECONSTRUCTION

A. **INSURED DAMAGE**. In the event any Residence(s) shall be damaged during the Lease Term by fire or other perils covered by Landlord's insurance:

(i) Landlord shall, subject to Force Majeure, within a period of thirty (30) days after receipt by Landlord of insurance proceeds and the adjustment of the loss with Landlord's Mortgagee and insurer, and provided there is not then in existence an Event of Default, commence repair, reconstruction and restoration of the affected Residence(s) and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect.

(ii) In the event of a partial or total destruction of either any Residence(s) or the buildings comprising the Project during the last year of the Lease Term, Landlord shall have the option to terminate this Lease upon giving written notice to Tenant within thirty (30) days after such destruction. For purposes of this subparagraph (ii), "**partial destruction**" shall be deemed destruction to an extent of at least thirty-three and one-third percent (33 $\frac{1}{3}$ %) of the then full replacement cost of the Residence(s) or buildings comprising the Project as of the date of destruction.

(iii) In the event that Landlord's Mortgagee shall require that insurance proceeds be applied against the principal balance due on Landlord's loan, then Landlord may, at Landlord's option and upon sixty (60) days' written notice to Tenant, elect to terminate this Lease as to such affected Residence(s).

B. **UNINSURED DAMAGE**. In the event any Residence(s) shall be damaged as a result of any casualty not covered by Landlord's insurance, to any extent whatsoever, Landlord shall notify Tenant in writing, within thirty (30) days after such casualty, that Landlord has elected to either (a) declare this Lease null and void as of the date of the fire or other peril with respect to the affected Residence(s); or (b) to continue this Lease in effect and repair or rebuild the Residence(s) to substantially the same condition as immediately prior to such casualty. If Landlord elects to repair, subject to Force Majeure, Landlord shall commence such repair, reconstruction, and restoration of the Residence(s) within one hundred eighty (180) days following the date of the casualty.

C. **RECONSTRUCTION**. In the event of any reconstruction of the Premises pursuant to this **Article 18**, such reconstruction shall be completed in the sole discretion of Landlord, provided, however,

that Landlord shall provide Tenant with written notice of its decision of whether to reconstruct the affected Residence(s) within thirty (30) days after the casualty. Landlord's obligation to repair and reconstruct the Premises shall be limited to the amount of net proceeds of insurance received by Landlord, subject to reduction pursuant to **Article 18A(ii)** above.

D. **TERMINATION.** Upon any termination of this Lease under any of the provisions of this **Article 18**, Landlord and Tenant each shall be released without further obligations to the other coincident with the surrender of possession of the Premises to Landlord, except for items which have previously accrued and remain unpaid.

E. **ABATEMENT.** In the event of repair, reconstruction and restoration of any Residence(s) as a result of any casualty other than one caused by Tenant or a Resident, the Minimum Annual Rental and Additional Rent shall be abated proportionately with the degree to which Tenant's use of any Residence(s) is impaired commencing from the date of destruction and continuing during the period of such repair, reconstruction or restoration. Tenant shall continue its use of the Residence(s) during any such period to the extent reasonably practicable from the standpoint of reasonable person. Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises, or the building of which the Premises are a part, or for any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

F. **WAIVER.** Tenant hereby waives any statutory and common law rights of termination which may arise by reason of any partial or total destruction of the Premises which Landlord is obligated to restore or may restore under any of the provisions of this Lease.

ARTICLE 19 - COMMON AREAS; AMENITY EXPENSES

A. **DEFINITION.** The term "**Common Areas**" refers to all areas within the exterior boundaries and ingress and egress roadways of the Project which are now or in future available for general use, convenience and benefit of Landlord, Tenant and all other tenants and other Persons entitled to occupy Floor Area in the Project including, without limitation, automobile parking areas, pool, clubhouse, game room, business center, parking structures, driveways, sidewalks, landscaped and planted areas, service areas and all other service facilities and equipment. Landlord may, at its sole cost and expense, install laundry facilities within the Project. Such facilities may be used by Tenant and/or Residents, provided that Tenant and Resident's follow the rules and regulations promulgated by Landlord regarding the use of such facilities. All costs of such facilities shall be the responsibility of Landlord and all profits, if any, are the property of Landlord. The term "**Amenities**" refers to such portion(s) of the Common Areas for which Landlord requires payment of an additional fee for the privilege of accessing and using the same.

B. **TENANT'S RIGHT TO USE COMMON AREAS.** Tenant and each Resident and their respective invitees are, except as otherwise specifically provided in this Lease, hereby authorized, empowered and privileged to use the Common Areas, excluding the Amenities, in common with other Persons during the Lease Term, except those portions of the Common Areas on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except for those portions of the Common Areas used in the maintenance or operation of the Project. Upon election to access the Amenities pursuant to **Article 8(A)(iii)**, such Resident and their invitees are, except as otherwise specifically provided in this Lease or in any agreement between such Resident and Landlord regarding the Amenities, authorized, empowered and privileged to use the applicable Amenities in common with other Persons during the Lease Term, provided, however, that Landlord shall have the right to terminate such Resident's rights in accordance with the terms and conditions of such agreement between Resident and Landlord. Landlord shall construct the Common Areas and shall keep or cause to be kept the portions of the Common Areas owned by Landlord in a neat, clean and orderly condition, properly lighted and

landscaped. Notwithstanding anything herein to the contrary, Tenant shall have the right to access any Common Areas for pedestrian and vehicular ingress and egress to the Premises, at no expense to Tenant.

C. **AMENITY EXPENSES.** The fees for access to the Amenities shall be agreed to on a per Residence basis by Landlord and the applicable Resident, provided that, if Landlord charges other residents of the apartments within the Project for the Amenities separately from their rent, Landlord shall not charge Residents higher fees for accessing the Amenities than Landlord charges to other residents of the apartments within the Project. Residents electing to access Amenities shall be directly responsible to Landlord for payment of any fees associated with such access. The following Amenities will require an additional expense for use, estimated prices of such Amenity may be requested and will be provided by Landlord, when available (the Amenities are subject to change by Landlord): access to the pool, use of the clubhouse, use of game room and use of business center.

D. **INTENTIONALLY OMITTED.**

E. **INTENTIONALLY OMITTED.**

F. **RULES AND REGULATIONS.** Landlord shall have the right (but not the obligation) to establish, and from time to time change, alter, amend and enforce against Tenant and the other users of the Common Areas such reasonable rules and regulations (including designating certain parking areas as exclusively for the use of a party) as may be deemed reasonably necessary or advisable for the proper and efficient operation and maintenance of the Common Areas. These rules and regulations may include, without limitation, the hours during which the Common Areas shall be open for use. Tenant shall conform to and abide by all such rules and regulations in Tenant's use of the automobile parking areas of the Common Areas; provided, however, that all such rules and regulations shall apply equally and without discrimination to all Persons entitled to the use of the automobile parking facilities. Landlord shall not be responsible to Tenant or to any other Person for the non-performance by any other tenant, occupant or invitee of the Project of any rules and regulations now or in the future promulgated by Landlord.

G. **CONTROL.** Landlord shall at all times during the Lease Term have the sole and exclusive control of the Common Areas, and may at any time or from time to time during the Lease Term exclude, remove and restrain any Person from using the Common Areas, excepting, however, bona fide invitees of Tenant, and other tenants of Landlord who make use of the Common Areas in accordance with the rules and regulations established by Landlord. Landlord shall have the right to close, if necessary, all or any portion of the Common Areas from time to time as may be necessary, in the opinion of Landlord's counsel, to prevent a dedication thereof or the accrual of any rights of the public therein and to use any portion of the Common Areas while making improvements, repairs or alterations to the Project; provided, however, that absent an emergency, Landlord shall afford Tenant reasonable ingress and egress to the Premises at all times. The rights of Tenant in and to the Common Areas shall at all times be subject to the rights of Landlord and the other tenants of Landlord to use the Common Areas in common with Tenant, and it shall be the duty of Tenant to keep all of the Common Areas free and clear of any obstructions created by Tenant.

H. **COMMON AREA PATROLS.** Landlord may provide security measures for the Common Areas in such manner as Landlord shall determine from time to time in its sole discretion. Tenant acknowledges that any security service provided by Landlord hereunder may be at such intervals and with such manpower as Landlord may determine in its sole discretion. Tenant further acknowledges that such security services are intended to be deterrent in nature and Landlord does not undertake to insure that damage to Persons or property will thereby be prevented upon the Premises or the Project. Tenant acknowledges that this Lease does not impose upon Landlord, any owner of a portion of the Project or any other tenant or occupant of the Project a duty to guard against the criminal acts of a third party.

ARTICLE 20 - INTENTIONALLY OMITTED

ARTICLE 21 - DEFAULT BY TENANT

A. **DEFAULT**. The occurrence of any or more of the following events shall constitute a material breach and default of this Lease (each, an “**Event of Default**”):

(i) Any failure by Tenant to pay Minimum Annual Rental or any other charge within ten (10) days of Landlord’s written notice that such payment is late and has not been received (for the avoidance of doubt, a failure by any Resident to pay any fees for Amenities they elect to access under **Article 8(A)(iii)** shall not constitute an Event of Default by Tenant); or

(ii) Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant not provided for in **subparagraph (i)** above and **subparagraphs (iii), (iv), (v), (vi), (vii), (viii), (ix) and (x)** below where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant, provided that if the nature of such breach is such that although curable, the breach cannot reasonably be cured within a thirty (30) day period, an Event of Default shall not exist if Tenant shall commence to cure such breach and thereafter rectifies and cures such breach with due diligence, but in no event later than sixty (60) days after the written notice, provided, however, that Landlord will provide reasonable extensions provided Tenant is using diligent efforts to cure such breach; or

(iii) Abandonment or vacation of all of the Residences by Tenant for more than ninety (90) successive days; or

(iv) A general assignment by Tenant for the benefit of creditors, or the filing by or against Tenant of any proceeding under any insolvency or bankruptcy law (provided that the same is not dismissed within sixty (60) days of filing), or the appointment of a trustee or receiver to take possession of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease; or

(v) Any three (3) or more failures of the type described in **Article 21A(i)** in any twelve month period; or

(vi) Intentionally deleted; or

(vii) Intentionally deleted; or

(viii) The occurrence of an Event of Default as defined in any other provision of this Lease where such Event of Default continues for thirty (30) days after written notice thereof by Landlord to Tenant, provided that if the nature of such breach is such that although curable, the breach cannot reasonably be cured within a thirty (30) day period, an Event of Default shall not exist if Tenant shall commence to cure such breach and thereafter rectifies and cures such breach with due diligence, but such cure period shall in no event be later than sixty (60) days after the written notice, provided, however, that Landlord will provide reasonable extensions provided Tenant is using diligent efforts to cure such breach; or

(ix) Intentionally deleted; or

(x) Intentionally deleted.

B. REMEDIES.

(i) **Re-Entry and Termination.** Upon and during the continuance of an Event of Default, Landlord, in addition to any other remedies available to Landlord at law or in equity, at Landlord's option, may without further notice or demand of any kind to Tenant or any other Person:

(a) Declare the Lease Term ended and reenter the Premises and take possession thereof and remove all Persons therefrom, and Tenant shall have no further claim to the Premises; or

(b) Without declaring this Lease ended, reenter the Premises and relet the Residence(s) or any part thereof for such term or terms (which may be for a term less than or extending beyond the term hereof) and at such rental or rentals and upon such other terms and conditions as Landlord in its reasonable discretion may deem advisable.

(ii) **Express Termination Required.** Should Landlord have reentered the Premises under the provisions of subparagraph B(i)(b) above, Landlord shall not be deemed to have terminated this Lease, or the liability of Tenant to pay any Minimum Annual Rental or other charges thereafter accruing, or to have terminated Tenant's liability for damages under any of the provisions of this Lease, by any such reentry or by any action, in unlawful detainer or otherwise, to obtain possession of the Premises, unless Landlord shall have notified Tenant in writing that Landlord had elected to terminate this Lease. Tenant further covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes of the State where the Project is situated and the surrender of possession pursuant to such notice shall not (unless Landlord elects to the contrary at the time of or at any time subsequent to the serving of such notices and such election is evidenced by a written notice to Tenant) be deemed to be a termination of this Lease.

(iii) **Damages.** In the event of an uncured Event of Default, Landlord may pursue damages from Tenant as follows:

(a) Tenant shall be liable for any unpaid Minimum Annual Rental or other charges which had been earned at the time of such termination;

(b) Subject to Landlord's obligations under Article 21(B)(iii)(d) below, Tenant shall be liable for the unpaid Minimum Annual Rental or other charges which would have been earned after termination;

(c) Tenant shall be liable for any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to any costs or expenses incurred by Landlord in (i) retaking possession of the Premises, including reasonable attorneys' fees, (ii) maintaining or preserving the Premises after the occurrence of an Event of Default, (iii) preparing the Premises for reletting to a new tenant, including repairs or alterations to the Premises for such reletting, (iv) leasing commissions, (v) the unamortized commissions paid to the Broker(s), and (vi) any other costs necessary or appropriate to relet the Premises.

(d) Landlord shall have a duty to mitigate damages, including by exercising commercially reasonable efforts to relet each Residence at market rents. Rents received by Landlord from such reletting shall be applied first to the payment of any indebtedness from Tenant to Landlord other than Minimum Annual Rent due hereunder; second, to the payment of reasonable costs and expenses under Article 21(B)(iii)(c) above; third, to the payment of Minimum Annual Rent due and to become due hereunder, and, if after such application to Minimum Annual Rent there is any deficiency in the Minimum Annual Rent to be paid by Tenant under this Lease, Tenant shall pay any deficiency to Landlord monthly on the dates specified herein and any payment made or suits brought to collect the amount of the deficiency for any month shall not

prejudice in any way the right of Landlord to collect the deficiency for any subsequent month. Except to the extent caused by Landlord's failure to exercise its duty to mitigate, the failure of Landlord to relet any Residence(s) shall not release or affect Tenant's liability hereunder, nor shall Landlord be liable for failure to relet, or in the event of reletting, for failure to collect the rent thereof, and in no event shall Tenant be entitled to receive any excess of net rents collected over sums payable by Tenant to Landlord hereunder.

(iv) Intentionally deleted.

(v) Intentionally deleted.

(vi) **Computation of Certain Sums.** For all purposes of this **Article 21B**, other charges shall be computed on the basis of the average monthly amount thereof accruing during the immediately preceding twenty-four (24) month period, except that if it becomes necessary to compute such amounts before such a twenty-four (24) month period has occurred then such amounts shall be computed on the basis of the average monthly amounts accruing during such shorter period. Notwithstanding the provisions of this Lease to the contrary, if this Lease is rejected in any bankruptcy action or proceeding filed by or against Tenant and the effective date of such rejection is on or after the date on which that month's Minimum Annual Rental and other charges are due and owing, then the Minimum Annual Rental and other charges owing under this Lease for the month during which the effective date of such rejection occurs shall be due and payable in full and shall not be prorated.

(vii) **Storage of Fixtures.** Upon the occurrence of and during the continuation of any Event of Default, Landlord may, at Landlord's option, permit all of Tenant's fixtures, furniture, equipment, improvements, additions, alterations, and other personal property to remain on the Premises or, at Landlord's option, require Tenant to forthwith remove same. In the event of any entry or taking possession of the Premises, Landlord shall have the right, but not the obligation to remove all or any part of the fixtures, furniture, equipment and other personal property located in the Premises and may place the same in storage at a public warehouse at the expense and risk of the owner or owners thereof.

(viii) **Cumulative Remedies.** The remedies given to Landlord in this **Article 21B** shall be in addition and supplemental to all other rights or remedies which Landlord may have at law, in equity or by statute and the exercise of any one remedy shall not preclude the subsequent or concurrent exercise of further or additional remedies. Upon the occurrence of an uncured Event of Default, all privileges and contingencies which may be exercised by Tenant under this Lease including, without limitation, options to renew, extend and expand, as well as relocation rights, contraction rights, exclusive rights or other rights which may be exercised by Tenant during the Lease Term shall be void and of no further force and effect.

(ix) **No Waiver.** The waiver by Landlord of any breach of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition of any subsequent breach of the same or any other term, covenant or condition of this Lease. The subsequent acceptance of Minimum Annual Rental or other charges due under this Lease shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular amount so accepted regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such amount. The acceptance by Landlord of less than the full amount of Minimum Annual Rental or other charges due under this Lease shall not constitute a waiver by Landlord of its right to require that the full amount of Minimum Annual Rental or other charges then due under this Lease be paid in full. No covenant, term, or condition of this Lease (including the provisions of this **Article 21B(ix)**) shall be deemed to have been waived by Landlord unless such waiver shall be in writing and signed by Landlord.

(x) Intentionally deleted.

ARTICLE 22 - DEFAULT BY LANDLORD

In the event Landlord shall neglect or fail to perform or observe any of the covenants, provisions or conditions contained in this Lease on Landlord's part to be observed or performed, which failure shall continue for thirty (30) days after written notice of such default is delivered by Tenant to Landlord (or if more than thirty (30) days shall be required because of the nature of the default, if Landlord shall fail to commence the curing of its default within the thirty (30) day period and thereafter rectifies and cures such breach with due diligence), then in that event Landlord shall be responsible to Tenant for any and all actual damages sustained by Tenant as a result of Landlord's breach, but not special, consequential or punitive damages. Notwithstanding anything to the contrary set forth in this Lease, the institution or incorporation of any changes to this Lease or any documents related to this Lease which are required by Governmental Restrictions shall not be a default or breach by Landlord of this Lease. Should Tenant give written notice to Landlord to correct a default, provided that Landlord has given Tenant prior written notice of the name and address of the holder of any mortgage or deed of trust of Landlord, Tenant shall give similar notice to such holder of any mortgage or deed of trust of Landlord and prior to any cancellation of this Lease, the holder of the mortgage or deed of trust shall be given a reasonable period of time to correct or remedy Landlord's default, although they shall have no obligation to do so. If and when the holder of the mortgages or deeds of trust has made performance on behalf of Landlord, the default of Landlord shall be deemed cured. Tenant shall have no right to terminate this Lease, except as expressly provided elsewhere in this Lease.

ARTICLE 23 - EMINENT DOMAIN

A. **ENTIRE TAKING.** In the event the entire Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking, and Landlord and Tenant shall each thereupon be released from any liability thereafter accruing under this Lease, excluding any Claims which by this Lease or by applicable Governmental Restrictions would survive the expiration or earlier termination of this Lease. If this Lease so terminates, Minimum Annual Rent shall be paid through and apportioned as of the date on which Tenant is legally obligated to vacate the Premises.

B. **PARTIAL TAKING.** If any part of a Residence(s) is taken under the power of eminent domain by any public or quasi-public authority as to render the remainder of the Residence(s) unusable for the purposes for which the Residence(s) was leased, either Landlord or Tenant shall have the right to terminate this Lease as to such Residence(s) as of the date Tenant is required to vacate a portion of the Residence(s), upon giving notice in writing of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that the Residence(s) have been so appropriated or taken. In the event that this Lease shall terminate as to such Residence(s), then Minimum Annual Rent shall, be equitably adjusted as of the date on which Tenant is legally obligated to vacate such Residence(s), in proportion to the area of the Residence(s) so taken.

C. **RIGHT TO AWARD.** In the event of any such taking or purchase in lieu thereof, Landlord and Tenant shall each be entitled to receive and retain such separate awards and/or portion of lump sum awards as may be allocated to their respective interests in any condemnation proceeding, and, in addition, Landlord shall be entitled to the unamortized value of any fixtures and leasehold improvements not capable of removal.

D. **INTENTIONALLY OMITTED.**

E. **VOLUNTARY TRANSFER**. For the purposes of this **Article 23**, a voluntary sale or conveyance in lieu of condemnation, but under threat of condemnation, shall be deemed an appropriation or taking under the power of eminent domain.

F. **WAIVER**. Tenant hereby waives any statutory and common law rights of termination which may arise by reason of any partial taking of the Premises under the power of eminent domain.

ARTICLE 24 - ATTORNEYS' FEES

If Landlord or Tenant files a suit against the other which is in any way connected with this Lease, the unsuccessful party shall pay to the prevailing party a reasonable sum for attorneys' fees, taxable costs and disbursements, including the reasonable fees, costs and disbursements of consultants, professionals, paralegals, whether at trial, appeal and/or in bankruptcy court, all of which will be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. Furthermore, in the event that any legal proceeding commenced by a party to this Lease is dismissed voluntarily or involuntarily by such party other than in connection with a negotiated settlement, the party that initiated the proceeding shall be deemed the non-prevailing party for purposes of this prevailing party attorneys' fees provision. To the fullest extent permitted by law, such fees, costs and disbursements will be based upon the actual and reasonable fees, costs and disbursements incurred and not by reference to the amount in controversy.

ARTICLE 25 - SALE OF PREMISES BY LANDLORD

In the event of any Transfer of the Premises by Landlord or assignment by Landlord of this Lease, once the Transferee has accepted in writing all responsibilities of the Landlord in under this Lease, the Transferor shall be entirely freed and relieved of all liability under any and all covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such Transfer.

ARTICLE 26 - HOLDOVER BY TENANT

Tenant shall not remain in possession of the Premises after the expiration or earlier termination of the Lease Term without the express written consent of Landlord. No acceptance of Minimum Annual Rental or other sum and no act or statement by any employee, servant or agent of Landlord shall constitute the consent of Landlord to Tenant's holding over. Should any Resident holdover without the express written consent of Landlord, such tenancy shall be at the sufferance of Landlord and not a renewal of the Lease Term and in such case, Minimum Annual Rental and other charges due pursuant to this Lease as to the affected Residence(s) shall be payable at one hundred fifty percent (150%) the amount payable during the last year of the Lease Term and such tenancy at sufferance shall be subject to every other term, covenant and provision of this Lease.

ARTICLE 27 - SUBORDINATION - ATTORNMENT

A. **SUBORDINATION**. This Lease is and shall be automatically subject and subordinate to all present and future ground or underlying leases, mortgages and deeds of trust and to all renewals, modifications, consolidations, replacements and extensions thereof. Although the provisions of this **Article 27A** are intended to be automatic and self-operative, Tenant shall, not later than twenty (20) days following Landlord's request, execute such instruments as Landlord may reasonably request to assure the subordination of this Lease to any ground or underlying lease, mortgage, deed of trust or other lien now or in the future placed by Landlord upon the Project, the Premises or any portion thereof. If any lessor or lienholder shall so request, Tenant shall, not later than twenty (20) days following request be a party to a

subordination, non-disturbance and attornment agreement and recognize and attorn to said lessor or lienholder (or successor in interest of the lessor or lienholder) as its “**landlord**” under the terms of this Lease. Such subordination, non-disturbance and attornment agreement shall be in a form reasonably prescribed by the lessor or lienholder, as the case may be, provided, however, that notwithstanding anything contained in this Lease to the contrary, all forms and instruments to be executed by Tenant under this **Article 27** shall be subject to reasonable negotiation by Tenant and, if applicable, any such mortgagee or lender. If Tenant shall fail to execute the instruments requested pursuant to this **Article 27A** within the twenty (20) day period set forth in this **Article 27A**, which failure continues for an additional ten (10) days following written notice thereof by Landlord to Tenant, Tenant shall have committed an Event of Default and in addition to the other remedies available to Landlord under this Lease, Tenant shall be assessed a service charge in the amount of two hundred fifty and no/100 U.S. Dollars (\$250.00) payable when the next installment of Minimum Annual Rental is due.

B. **ATTORNMENT**. Notwithstanding anything to the contrary set forth in this **Article 27**, Tenant hereby attorns and shall attorn to any Person purchasing or otherwise acquiring the Project, the Premises or the real property thereunder or any portion thereof at any sale or other proceeding or pursuant to the exercise of any rights, powers or remedies under a mortgage or deed of trust as if such Person had been named as Landlord herein, it being intended that, except as set forth in **Article 27E**, this Lease shall continue unmodified and in full force and effect. Landlord and Tenant acknowledge and agree that Landlord’s Mortgagee shall have no obligation or liability whatsoever to Tenant with respect to this Lease or otherwise unless and until Landlord’s Mortgagee acquires title to the Project.

C. **NOTICES TO MORTGAGEES**. Tenant shall send to each mortgagee of any mortgage covering the Project or any portion thereof (a “**Mortgagee**”) (after notification of the identity of such Mortgagee and the mailing address thereof) copies of all notices that Tenant sends to Landlord; such notices to each such Mortgagee shall be sent concurrently with the sending of the notices to Landlord and in the same manner as notices are required to be sent pursuant to **Article 33** of this Lease. Tenant will accept performance of any provision of this Lease by such Mortgagee as performance by, and with the same force and effect as though performed by, Landlord. If any act or omission of Landlord would give Tenant the right, immediately or after lapse of a period of time, to cancel or terminate this Lease, or to claim a partial or total eviction, Tenant shall not exercise such right until (a) Tenant gives written notice of such act or omission to Landlord and to each such Mortgagee, and (b) a reasonable period of time for remedying such act or omission elapses following the time when such Mortgagee becomes entitled under such mortgage to remedy such act or omission (which reasonable period shall in no event be less than the period to which Landlord is entitled under this Lease or otherwise, after similar notice, to effect such remedy and which reasonable period shall take into account such time as shall be required to institute and complete any foreclosure proceedings).

D. **ESTOPPEL CERTIFICATE**. If, upon any Transfer of the Premises or the land thereunder by Landlord, or for any other reason, an estoppel certificate shall be required from Tenant, Tenant shall execute, acknowledge and deliver, within twenty (20) days after written request by Landlord, a statement addressed to any Transferee, to Landlord and/or to Landlord’s Mortgagee, in such as attached hereto as **Exhibit “C”** or in such form and with such other information as may be reasonably requested by Landlord certifying that this Lease is unmodified and in full force and effect (if such be the case), certifying the commencement and termination dates of the Lease Term, certifying that there has been no assignment of this Lease, and if such be the case, certifying that neither Landlord or Tenant is in breach or default of this Lease and that there are no defenses or offsets to Tenant’s obligations, or stating those claimed by Tenant. In the event Tenant fails to deliver such estoppel certificate to Landlord within the twenty (20) day period above provided, it shall be deemed that this Lease is unmodified and in full force and effect, that Landlord is not in breach or default of this Lease and that Tenant has no defenses or offsets against Landlord. If Tenant shall fail to execute the estoppel certificate requested pursuant to this **Article 27D** within the twenty

(20) day period set forth in this **Article 27D**, which failure continues for an additional ten (10) days following written notice thereof by Landlord to Tenant, Tenant shall have committed an Event of Default and in addition to the other remedies available to Landlord under this Lease, Tenant shall be assessed a service charge in the amount of two hundred fifty and no/100 U.S. Dollars (\$250.00) payable when the next installment of Minimum Annual Rental is due.

E. **MODIFICATION**. Upon Landlord's request, Tenant shall modify this Lease in accordance with the requirements of Landlord's Mortgagee provided such modifications do not (i) increase the Minimum Annual Rental or Additional Rent, (ii) alter the Lease Term, (iii) materially and adversely affect Tenant's leasehold estate, or (iv) change, alter or preclude Tenant's continued use, utilization and operations of the Premises.

F. **LENDER PROTECTIONS**. Notwithstanding anything in this Lease or any mortgage to the contrary, but only on the condition that Mortgagee or Successor Landlord (defined below), as the case may be, recognizes this Lease and so long as there is not in existence an Event of Default, does not disturb Tenant's possession of the Premises, any party that becomes owner of the Premises as a result of (i) foreclosure under any mortgage, (ii) any other exercise by any Mortgagee holding a mortgage affecting the Premises, the Project, the land beneath the Project or any interest of Landlord therein of rights and remedies (whether under any mortgage or under applicable law, including bankruptcy law) as holder of a mortgage, or (iii) delivery by Landlord to a Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in the Premises in lieu of any of the foregoing ("**Successor Landlord**") shall not be liable for or bound by any of the following matters:

(i) any right of Tenant to any offset, defense, claim, counterclaim, reduction, deduction, or abatement against Tenant's payment of Minimum Annual Rental or Additional Rent or performance of Tenant's other obligations under this Lease, arising (whether under this Lease or under applicable law) from Landlord's breach or default under this Lease, including a breach of representations and warranties made by Landlord, if any ("**Offset Right**") that Tenant may have against Landlord or any other party that was landlord under this Lease at any time before the occurrence of any attornment by Tenant ("**Former Landlord**") relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment. The foregoing shall not limit (a) Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment, or (b) Successor Landlord's obligation to correct any conditions that existed as of the date of attornment and violate Successor Landlord's obligations as landlord under this Lease, or (c) an Offset Right arising under this Lease with respect to cost and expenses (but not damages) incurred by Tenant after Tenant has notified Mortgagee and given Mortgagee an opportunity to cure as provided in this Lease, or (d) any right or remedy of Tenant with respect to any breach or default which continues from and after the date when Successor Landlord obtains title to or takes possession or control of the Premises;

(ii) to commence or complete any initial construction of improvements in the Premises or any expansion or rehabilitation of existing improvements thereon, but this shall not impair Tenant's right to exercise such remedies as may be available to Tenant under this Lease as a result of Former Landlord's and/or Successor Landlord's failure to commence or complete such initial construction or expansion or rehabilitation, as the case may be;

(iii) to reconstruct or repair improvements following a fire, casualty or condemnation, but this shall not impair Tenant's right to exercise such remedies as may be available to Tenant under this Lease as a result of Former Landlord's and/or Successor Landlord's failure to reconstruct or repair following any such fire, casualty or condemnation, as the case may be;

(iv) any modification or amendment of the Lease, or any waiver of the terms of the Lease that materially increases Landlord's obligations or materially reduces any monetary obligation of Tenant under this Lease, made without the written consent of the Mortgagee at the time such amendment, modification or waiver was effectuated, unless such amendment, modification or waiver was subsequently affirmed by a subsequent Mortgagee;

(v) any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of this Lease;

(vi) any payment of Minimum Annual Rental or Additional Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, this Lease expressly required such a prepayment; and

(vii) to pay Tenant any sum(s) that any Former Landlord owed to Tenant unless such sums, if any, shall have been actually delivered to Mortgagee or Successor Landlord by way of an assumption of escrow accounts or otherwise, but this shall not impair Tenant's right to exercise such remedies as may be available to Tenant under this Lease as a result of the non-payment of any such sum(s) to Tenant.

ARTICLE 28 - QUIET POSSESSION

So long as there is not in existence an Event of Default, Tenant may quietly have, hold and enjoy the Premises during the Lease Term, free from hindrance or molestation by Landlord or Persons claiming by, through or under Landlord subject, however, to the matters referred to in **Articles 10** and **27**.

ARTICLE 29 - INTENTIONALLY OMITTED

ARTICLE 30 - INTENTIONALLY OMITTED

ARTICLE 31 - RELOCATION

A. **RELOCATION OF PREMISES**. Landlord may, at any time from and after the Date of this Lease, by delivering written notice to Tenant at least thirty (30) days in advance (except in the case of an emergency), elect to relocate Tenant to other premises within the Project (the "**Substitute Premises**") so long as (i) Landlord shall not relocate more than five (5) Residence(s) within any thirty (30) day period; (ii) Residents shall not be required to relocate in the months of December or May of any given year; and (iii) the Substitute Premises shall contain approximately the same Floor Area and include the reasonably same improvements and furnishings as the affected Residence(s). Landlord shall not be required to comply with the above requirements if the relocation is due to an emergency, or necessary to perform repairs or remedy dangerous conditions. Landlord's notice shall be accompanied by a space plan of the Substitute Premises. Tenant shall vacate and surrender the affected Residence(s) to Landlord and shall occupy the Substitute Premises within ten (10) business days after Landlord has substantially completed the work to be performed by Landlord in the Substitute Premises pursuant to **Article 31B** below. Minimum Annual Rental and other charges shall be payable by Tenant at the same rate under **Article 5A** as payable by Tenant with respect to the Premises. From and after the relocation by Tenant to the Substitute Premises, the Substitute Premises shall be deemed to be the Premises for the purposes of this Lease. Tenant acknowledges that the covenants and agreements contained in this **Article 31A** are reasonable and necessary to protect the legitimate business interests of Landlord and that Landlord asserts that Landlord asserts that any violation of these covenants or provisions would result in irreparable injury and therefore Landlord shall be entitled to seek

equitable relief. In the event Tenant disputes Landlord's notice to relocate Tenant to the Substitute Premises or in the event Tenant refuses to accept possession of the Substitute Premises, Landlord may, by delivering written notice to Tenant, elect to terminate this Lease.

B. **LANDLORD'S OBLIGATIONS.** In the event Landlord shall elect to relocate Tenant to the Substitute Premises, except as provided below, Tenant shall not be entitled to any compensation for any inconvenience for interference with Tenant's use nor any abatement or reduction of Minimum Annual Rental or Additional Rent, but Landlord shall, at Landlord's sole cost and expenses perform the following:

(i) Furnish and install in the Substitute Premises, fixture, equipment, improvements, appurtenance and leasehold improvements at least equal in kind and quality to those contained in the Premises at the time of Landlord's election;

(ii) Provide personnel to perform the moving of each impacted Resident's personal property, equipment and trade fixtures from the Premises to the Substitute Premises;

(iii) Reimburse Tenant for any other actual and reasonable out of pocket cost incurred by Tenant or any Resident in connection with moving from the Premises to the Substitute Premises, provided such cost are approved by Landlord in advance which approval shall not be unreasonably withheld; and

(iv) If relocation is not due to Landlord's need to perform repairs or remedy dangerous conditions within the affected Residence(s), one (1) month's payment of the Minimum Annual Rent related to such Residence(s) shall be waived by Landlord for interruption to Tenant's occupancy.

C. **COOPERATION BY TENANT.** Tenant shall reasonably cooperate with Landlord so as to facilitate performance by Landlord of its obligations under **Article 31B.**

ARTICLE 32 - CAPTIONS AND TERMS

The captions of Articles of this Lease are for convenience only, are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.

ARTICLE 33 - NOTICES

Wherever in this Lease it shall be required or permitted that notice or demand be given or served by either party to this Lease to or on the other, such notice or demand shall be given or served, and shall not be deemed to have been duly given or served unless in writing and forwarded by certified or registered mail, return receipt requested, or by personal delivery (which may include public or private express delivery and overnight courier services) addressed to the addresses of the parties specified in **Article 1.** Either party may change such address by written notice in the manner specified above for the giving of notices to the other; provided, however, neither party may designate a foreign address or an address for delivery of notices which does not indicate a street address (i.e., building name or number and street identification), city, state and zip code. Notice shall be deemed received as of the date such notice is (i) delivered to the party intended to receive such notice, (ii) delivered to the then designated address of the party to receive such notice, (iii) rejected or other refusal to accept at the then designated address of the party to receive such notice, (iv) undeliverable because of a changed address of which no notice was given, or (v) three (3) days following deposit in the United States mail, if properly served by certified or registered mail, return receipt requested. Notices by a party may be given by the legal counsel to such party and/or an authorized agent of such party. In this regard, any notice to be given by or on behalf of Landlord under this Lease shall be effective if given by Landlord's legal counsel and/or Landlord's property manager. In no event shall notices be transmitted electronically, whether by facsimile, text message or electronic mail.

ARTICLE 34 - OBLIGATIONS OF SUCCESSORS

This Lease and the covenants and conditions contained in this Lease shall inure to the benefit of and be binding upon Landlord, its successors and assigns and shall be binding upon Tenant, its successors and assigns and shall inure to the benefit of Tenant and only such Transferees of Tenant to whom the Transfer of this Lease and/or the Premises by Tenant has been consented to by Landlord as provided for in **Article 15**.

ARTICLE 35 - MIXED USES

Tenant hereby acknowledges that the Project is part of multi-purpose, mixed use development which may include, by way of illustration and not limitation, retail shopping, restaurants, multi-family, office conventions, trade shows or other activities requiring large venues, parking facilities, parks and other open spaces where pedestrians may congregate, and other features commonly found in a large, multi-purpose, or mixed use commercial facility. Tenant acknowledges and understands that the foregoing proposed uses may create or result in traffic congestion, closing of portions of the Project (including parking facilities) reduction in available parking and increased pedestrian traffic; provided, however, that absent an emergency, Landlord shall afford Tenant reasonable ingress and egress to the Premises at all times. Tenant further acknowledges and agrees that Landlord shall not be liable for any Losses or Liabilities that Tenant may sustain or incur by reason of any of the foregoing. Further, Tenant shall not be entitled to terminate this Lease or to abate the payments Tenant is required to make under this Lease as a result of the foregoing.

ARTICLE 36 - MISCELLANEOUS

A. **NO PARTNERSHIP**. Nothing contained in this Lease shall be deemed or construed as creating an agency, partnership or joint venture relationship between Landlord and Tenant or between Landlord and any other Person or cause Landlord to be responsible in any way for the debts or obligations of Tenant or any other Person. Except to the extent a Person is expressly identified in this Lease as an intended third party beneficiary, there are no third party beneficiaries of any of the terms, covenants and provisions of this Lease.

B. **SEVERABILITY**. If any provision of this Lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. It is the intention of Landlord and Tenant that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

C. **COVENANTS**. All of the provisions of this Lease are to be construed as covenants and agreements as though words importing such covenants and agreements were used in each provision of this Lease.

D. **INTENTIONALLY OMITTED**.

E. **ENTIRE AGREEMENT**. There are no oral agreements between Landlord and Tenant affecting this Lease, the Premises or the Project and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, letters of intent, site plans, leasing proposals, agreements and understandings, written or oral, whether prior or contemporaneous, if any, between Landlord and Tenant or displayed by Landlord to Tenant with respect to the Premises and the Project, all of which shall be deemed superseded and of no further force and effect and none of which shall be used to interpret or construe this Lease. This Lease is and shall be considered to be the only agreement between Landlord and

Tenant concerning the matters expressed herein. All negotiations and oral agreements acceptable to Landlord and Tenant have been merged into and are included in this Lease. There are no representations or warranties between Landlord and Tenant except as expressly set forth in this Lease and all reliance with respect to representations is solely upon the express representations and agreements contained in this Lease. No course of prior dealings between Landlord and Tenant or their respective officers, employees, agents or Affiliates shall be relevant or admissible to supplement, explain or vary any of the express terms of this Lease. This Lease may not be modified in any respect except by an instrument signed in writing by Landlord and Tenant. Any course of conduct between Landlord and Tenant shall not constitute an amendment of this Lease.

F. **NO OTHER TENANCIES.** LANDLORD RESERVES THE ABSOLUTE RIGHT TO EFFECT SUCH OTHER TENANCIES IN THE PROJECT AS LANDLORD, IN THE EXERCISE OF LANDLORD'S SOLE BUSINESS JUDGMENT, SHALL DETERMINE TO BEST PROMOTE THE INTERESTS OF THE PROJECT. TENANT DOES NOT RELY ON THE FACT, NOR DOES LANDLORD REPRESENT, THAT ANY SPECIFIC TENANT OR NUMBER OF TENANTS SHALL DURING THE LEASE TERM OCCUPY ANY SPACE IN THE PROJECT. THE VACATION, ABANDONMENT OR CESSATION OF OPERATIONS BY ANY TENANT, INCLUDING A MAJOR TENANT, SHALL NOT DIMINISH OR EXCUSE TENANT'S OBLIGATIONS UNDER THIS LEASE.

G. **GOVERNING LAW.** The laws of the State where the Project is situated shall govern the validity, performance and enforcement of this Lease, without regard to any conflict of laws principles to the contrary. Although the printed provisions of this Lease were drawn by Landlord, this Lease is the product of due negotiation between Landlord and Tenant, both of whom have been represented by (or have had the opportunity to be represented by) capable legal counsel. As such, this Lease shall not be construed either for or against Landlord or Tenant, but this Lease shall be interpreted in accordance with the plain meaning of the language contained in this Lease. In this regard, when used in this Lease, the word "**include**" shall be deemed to include the words "**without limitation**" and the use of the singular shall be deemed to include the plural and vice versa. In addition, if either party has made a scrivener's error with regard to division, multiplication, addition or subtraction of any numbers or arithmetic calculation in this Lease, this Lease shall not be construed for or against either party by reason of the authorship or alleged authorship of any provision hereof.

H. **NO WAIVER.** A waiver of any breach or default shall not be a waiver of any other breach or default. Landlord's consent to, or approval of, any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary the need to obtain Landlord's written consent to or approval of any subsequent similar act by Tenant. Any course of conduct by Landlord and Tenant not in strict conformance with the provisions of this Lease shall be deemed to be a temporary relief from the express provisions of this Lease and not a waiver and shall be subject to reversal or retroactive revocation by Landlord at any time with or without notice. The grant or extension by Landlord of a waiver or indulgence to other tenants or occupants of the Project shall not constitute a waiver of any term, covenant or provision of this Lease for the benefit of Tenant.

I. **FORCE MAJEURE.** Except as otherwise expressly provided in this Lease, any prevention, delay or stoppage due to Force Majeure, shall excuse the performance by a party for a period equal to any such prevention, delay or stoppage, except the obligations imposed with regard to Minimum Annual Rental and other charges to be paid by Tenant pursuant to this Lease.

J. **WAIVER OF REDEMPTION.** Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event Tenant shall be evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises by reason of the violation by Tenant

of any of the covenants and conditions of this Lease or otherwise. The rights given to Landlord in this **Article 36J** are in addition to any rights that may be given to Landlord by any statute or otherwise.

K. **LABOR.** Tenant shall use only licensed contractors in the making and/or installation of any repairs, alterations or improvements to the Premises.

L. **BROKER.** Tenant warrants that Tenant has dealt with no brokers, leasing agents or finders in connection with the execution of this Lease other than the Broker(s) (whose commissions shall be payable by Landlord pursuant to a separate agreement). No commission or fee shall be payable in connection with any expansion of the Premises or extension of the Lease Term, except to the extent expressly set forth in a separate agreement between Landlord and Broker.

M. **DISCLAIMER.** LANDLORD AND TENANT ACKNOWLEDGE AND AGREE THAT EACH OF LANDLORD AND TENANT IS SOPHISTICATED AND EXPERIENCED IN COMMERCIAL REAL ESTATE TRANSACTIONS AND HAS BEEN REPRESENTED BY COMPETENT LEGAL COUNSEL IN CONNECTION WITH THE PREPARATION, NEGOTIATION AND EXECUTION OF THIS LEASE. AS REFERENCED IN **ARTICLE 36E** ABOVE, LANDLORD AND TENANT INTEND THAT THIS LEASE CONSTITUTE THE ENTIRE AGREEMENT OF THE PARTIES.

N. **NO MERGER.** There shall be no merger of this Lease, nor of the leasehold estate created by this Lease, with the fee estate in the Premises by reason of the fact that this Lease or the leasehold estate created by the Lease or any interest in this Lease may be held, directly or indirectly, by or for the account of any Person who shall own the fee estate in the Premises or any interest in such fee estate, and no such merger shall occur unless and until all Persons (including any leasehold mortgagee) having an interest in this Lease or in the leasehold estate created by this Lease shall join in a written instrument effecting such merger and shall duly record the same.

O. **FORMATION.** Neither the preparation nor delivery of this Lease to Tenant for examination shall be deemed to be an offer by Landlord to lease the Premises to Tenant or a reservation of or option to lease the Premises, but shall be merely a part of the negotiations between Landlord and Tenant and the execution of this Lease by Tenant shall be deemed to constitute an offer by Tenant to lease the Premises from Landlord upon the terms and conditions contained in this Lease which offer may be accepted or rejected by Landlord in its sole and absolute discretion and if accepted, such acceptance shall only be by the execution of this Lease by Landlord. Landlord shall not be deemed to have accepted Tenant's offer to lease the Premises and Landlord shall have no obligation or liability to Tenant whatsoever until such time as Landlord shall have executed this Lease and delivered a copy of such executed Lease to Tenant and all conditions precedent to Landlord's obligations have been satisfied or waived.

P. **BROKERAGE DISCLOSURE.** Landlord and Tenant acknowledge and agree that Landlord has disclosed to Tenant that Landlord and/or Landlord's Affiliates or constituent partners or members are licensed real estate brokers in the States of Arizona and Nevada and that employees, Affiliates and constituent partners or members of Landlord, Landlord's Affiliates and/or Landlord's constituent partners or members are licensed real estate salespersons in the States of Arizona and Nevada.

Q. **NO REPRESENTATIONS.** Except as otherwise provided in this Lease, no representations, inducements, understanding or anything of any nature whatsoever, made, stated or represented by Landlord or anyone acting for or on Landlord's behalf, either orally or in writing, have induced Tenant to enter into this Lease, and Tenant acknowledges, represents and warrants that Tenant has entered into this Lease under and by virtue of Tenant's own independent investigation. **IN CONNECTION WITH THE ABOVE, TENANT ACKNOWLEDGES AND REPRESENTS TO LANDLORD THAT IN ACCORDANCE**

WITH THE TERMS HEREIN, TENANT WILL HAVE AN OPPORTUNITY TO INSPECT AND EVALUATE THE PREMISES AND THE FEASIBILITY OF THE USES AND ACTIVITIES TENANT IS ENTITLED TO CONDUCT THEREON; THAT TENANT IS EXPERIENCED; THAT TENANT WILL RELY ENTIRELY ON TENANT'S EXPERIENCE, EXPERTISE AND ITS OWN INSPECTION OF THE PREMISES UPON DELIVERY OF THE SAME IN PROCEEDING WITH THIS LEASE; THAT, TO THE EXTENT THAT TENANT'S OWN EXPERIENCE WITH RESPECT TO ANY OF THE FOREGOING IS INSUFFICIENT TO ENABLE TENANT TO REACH AND FORM A CONCLUSION, TENANT HAS ENGAGED THE SERVICES OF PERSONS QUALIFIED TO ADVISE TENANT WITH RESPECT TO SUCH MATTERS. TENANT IS NOT RELYING ON ANY EXPRESS OR IMPLIED, ORAL OR WRITTEN REPRESENTATIONS, OR WARRANTIES MADE BY LANDLORD OR ITS REPRESENTATIVES, OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS LEASE.

R. **SPECIALLY DESIGNATED NATIONALS AND BLOCKED PERSONS LIST.** Tenant represents and warrants to Landlord that neither Tenant nor any of its trustees, officers, directors, partners, or members (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("**OFAC**") pursuant to Executive Order number 13224, 66 Federal Register 49079 (September 25, 2001) (the "**Order**"); (ii) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of the OFAC or any other applicable requirements contained in any enabling legislation or other executive orders in respect of the Order (the Order and such other rules, regulations, legislation or orders are collectively in this **Article 36R** called the "**Orders**"); (iii) is engaged in activities prohibited in the Orders; or (iv) has been convicted, pleaded no lo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering.

S. **INTENTIONALLY OMITTED.**

T. **CONSENT BY LANDLORD AND TENANT.** Whenever under this Lease provision is made for Tenant to secure the consent or approval of Landlord or for Landlord to secure the consent or approval of Tenant, unless otherwise expressly provided to the contrary in connection with such provision, such consent or approval shall be in writing and shall not be unreasonably withheld, conditioned or delayed. In the event any matter or any course of action which Tenant proposes to take under this Lease would require the approval of a party to the Declarations if Landlord proposed a similar matter or proposed to take a similar course of action under the Declaration, as the case may be, if the City or such party, as the case may be, withholds its approval of such proposed matter or course of action, any withholding of approval by Landlord with respect to the matter or Tenant's proposed course of action shall conclusively be deemed reasonable.

U. **TIME IS OF THE ESSENCE.** Time is declared to be of the essence of this Lease and each and every provision of this Lease. For the purposes of all time requirements and limits set forth in this Lease, such requirements and limits (i) shall not include the day from which the period commences; (ii) shall expire precisely at 5:00 p.m., Reno, Nevada time on the final day; and (iii) shall be construed to mean calendar days (unless otherwise expressly stated); provided that if the final day of a time period falls on a Saturday, Sunday or legal holiday in the jurisdiction where the Premises are located, such period shall extend to the first business day thereafter. For the purposes of this Lease, a legal holiday shall mean a day on which the United States Post Office nearest the Premises is not open for counter business.

V. **INTENTIONALLY OMITTED.**

W. **SAVINGS PROVISION.** LANDLORD AND TENANT ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE ACTUAL DAMAGES TO BE SUFFERED BY LANDLORD AS A RESULT OF A FAILURE BY

TENANT TO TIMELY AND FULLY RENDER CERTAIN PERFORMANCES AS DESCRIBED IN THIS LEASE AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS LEASE, THE LATE CHARGE DESCRIBED IN ARTICLE 5D, THE RETURNED CHECK FEE DESCRIBED IN ARTICLE 5D, THE HOLDOVER RENTAL DESCRIBED IN ARTICLE 26 AND THE SERVICE CHARGES DESCRIBED IN ARTICLES 27A AND 27D REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH LANDLORD WOULD INCUR AS A RESULT OF TENANT'S FAILURE TO TIMELY AND FULLY PERFORM ITS OBLIGATIONS UNDER THIS LEASE AS SPECIFIED IN SUCH ARTICLES. THEREFORE, LANDLORD AND TENANT DO HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT LANDLORD WOULD SUFFER IN THE EVENT OF THE FAILURE BY TENANT TO TIMELY AND FULLY PERFORM ITS OBLIGATIONS AS SET FORTH IN SUCH ARTICLES IS AN AMOUNT EQUAL TO THE LATE CHARGE, THE RETURNED CHECK FEE, AND/OR THE HOLDOVER RENTAL DESCRIBED IN THIS LEASE, AS THE CASE MAY BE. SUCH AMOUNTS SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH BY TENANT OF ITS OBLIGATIONS UNDER SUCH ARTICLES AND THE PAYMENT OF SUCH AMOUNTS AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR A PENALTY, BUT IS INTENDED TO CONSTITUTE REASONABLE LIQUIDATED DAMAGES TO LANDLORD.

Landlord's Initials

Tenant's Initials

X. **SURVIVAL**. All representations, obligations, indemnities, warranties, covenants, conditions and agreements contained in this Lease which are either expressed as surviving the expiration or earlier termination of this Lease or, by their nature, are to be performed or observed, in whole or in part, after the termination or expiration of this Lease, shall survive the termination or expiration of this Lease.

Y. **INTENTIONALLY OMITTED**.

Z. **COUNTERPARTS**. This Lease may be executed simultaneously, with or without notary acknowledgement, in one or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument and it shall not be necessary that any single counterpart bear the signature of all parties. A telecopy, facsimile or other electronic signature (such as a pdf) of any signatory shall be considered to have the same binding effect as an original signature.

AA. **ACCORD AND SATISFACTION**. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly installments of Minimum Annual Rental or other charges due and payable under this Lease (collectively called "**Rent**" in this **Article 36AA**), shall be deemed to be other than on account of the earliest stipulated Rent due and not yet paid, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed in accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease and Landlord may apply the proceeds of such check among the various components of Rent as Landlord so determines.

BB. **VENUE**. LANDLORD AND TENANT HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY SUBMIT TO THE JURISDICTION OF THE DISTRICT COURT OF WASHOE COUNTY, NEVADA (OR IF THE REQUISITES OF JURISDICTION OBTAIN, THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA SITTING IN WASHOE COUNTY, NEVADA) IN CONNECTION WITH ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG LANDLORD AND TENANT ARISING OUT OF OR IN ANY WAY RELATED TO THE

PREMISES, THIS DOCUMENT OR ANY OTHER AGREEMENTS, DOCUMENTS OR INSTRUMENTS EXECUTED AND DELIVERED IN CONNECTION WITH OR OTHERWISE RELATING TO THE PREMISES. IN THIS REGARD, THE EXCLUSIVE VENUE OF ANY SUCH DISPUTE SHALL BE IN WASHOE COUNTY, NEVADA. LANDLORD AND TENANT HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY DEFENSE OF FORUM NON CONVIENENS OR ANY OTHER OBJECTION TO VENUE IN WASHOE COUNTY, NEVADA.

CC. **RESERVATION**. Nothing contained in this Lease shall be construed to waive or limit Tenant's defense of sovereign immunity, which defense is hereby expressly reserved, nor to waive or limit the protections afforded to Tenant under NRS 41.0305 to 41.039.

DD. **FISCAL FUND-OUT TERMINATION**. Notwithstanding any other provision, term or condition of this Lease to the contrary, Tenant, pursuant to Article 9, Section 3 of the Nevada Constitution, or any applicable law enacted by the Nevada legislature, may terminate this Lease in the event any funding authority fails to appropriate funds to enable the obligations of this Lease to be fulfilled. Such termination shall be effective thirty (30) days after receipt of written notice from Tenant to terminate pursuant to this **Article 36DD**. Tenant shall not be considered in default of any provision, term or condition of this Lease by terminating this Lease pursuant to this **Article 36DD**.

EE. **APPROVAL CONTINGENCY**. Effectiveness of this Lease is contingent upon approval by the Board of Regents of the Nevada System of Higher Education in their sole and absolute discretion.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD:

RENO CITY CENTER, LLC,
a Nevada limited liability company

By: Bristlecone Management, LLC,
a Nevada limited liability company
Its: Manager

By: _____
Name: Christopher Beavor
Its: Manager

TENANT:

**BOARD OF REGENTS OF THE NEVADA SYSTEM
OF HIGHER EDUCATION, ON BEHALF OF THE
UNIVERSITY OF NEVADA, RENO**

Recommended by:

Brian Sandoval
President, University of Nevada, Reno

Date: _____

Approved by:

Dale Erquiaga
Acting Chancellor, Nevada System of Higher Education

Date: _____

EXHIBIT "A"
SITE PLAN OF PROJECT

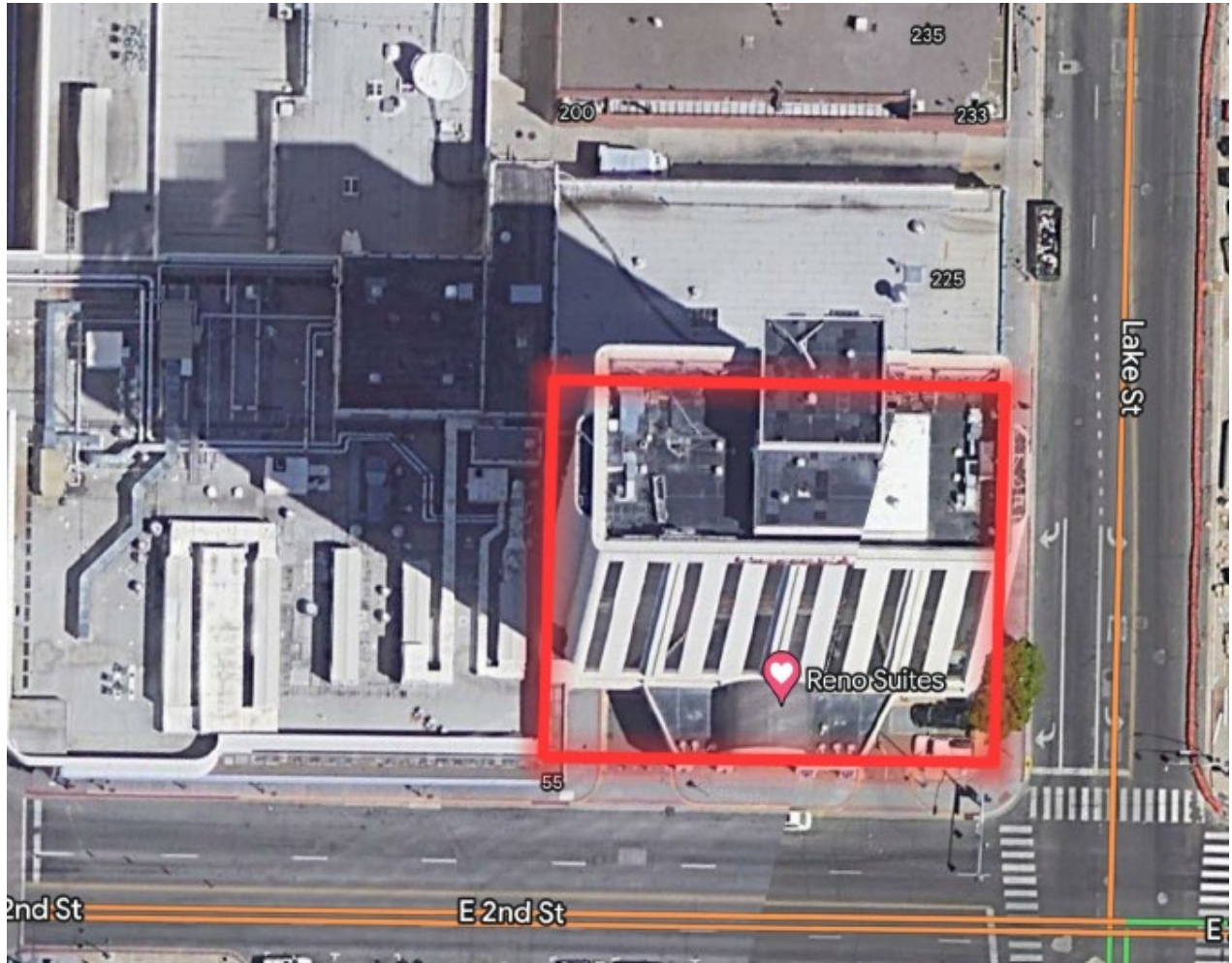


Exhibit A

EXHIBIT "B"
SUBLEASE FORM AND ADDENDUM(S)

See Attached

Exhibit B

SUBLEASE AGREEMENT

This Sublease Agreement (“Sublease”) is made and entered into by and between **Click to enter tenant name** as “Subtenant,” **Click to enter guarantor name** as “Guarantor,” and the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno as “University.”

1. SUBLEASE OF PREMISES:

University has entered into a certain Reno City Center Lease Agreement (the “Lease”) with Reno City Center, LLC (“Owner”), whereby University has leased certain residential units located within Reno City Center, located at 175 East Second Street, City of Reno, Washoe County, Nevada (the “Project”). During the Term (as defined in Section 3), and subject to all of the conditions set forth herein, University hereby subleases to Subtenant that certain dwelling unit commonly known as, **Apartment Click to enter apartment number**, hereinafter referred to as the Residence.

2. RELOCATION:

University has the right to relocate Subtenant from one apartment in the Project to another apartment within the Project by providing thirty (30) days’ written notice; provided, however, that prior notice shall not be required if the relocation is due to an emergency, or necessary to perform repairs or remedy dangerous conditions. In the event of an involuntary relocation, related to disciplinary issues as determined by University, minimum notice requirement does not apply. Should relocation occur all other terms in this Sublease remain in full force and effect.

a. Voluntary: All requests for voluntary relocation from within the Project must be made in writing to the University. If the relocation request is approved, all expenses incurred by Subtenant as a result of moving, including moving expenses and set up expenses at the new Residence will be the sole responsibility of the Subtenant. All approved voluntary relocations will be subject to a \$150 transfer fee.

b. Involuntary: Involuntary relocations, not related to disciplinary issues as determined by the University, will be eligible for reimbursement of basic relocation expenses, including but not limited to moving expenses and set up expenses at new Residence (telephone, television, utilities, etc.). Subtenant must be able to provide proof of expenses for service in their name for both the prior and new Residence.

3. USE:

The Residence shall be used exclusively as a residence for only the persons listed above. Guests staying more than fourteen (14) days in a calendar year without prior written consent of the University shall constitute a violation of this Sublease. No business of any type or kind may be conducted from the Residence.

4. TERM:

Unless otherwise terminated sooner as provided for herein, the term of this Sublease (“Term”) shall commence on **Click to enter starting date**, and terminate at 11:59 AM local time on **Click to enter ending date** (“Termination Date”). Subtenant understands and agrees that there are no holdover rights under this Sublease. Should the Subtenant wish to reside in the Residence past the Termination Date, they must file an application for a new Sublease with University no later than ninety (90) days prior to the Termination Date. University shall inform Subtenant no less than sixty (60) days prior to the Termination Date if their application for a new sublease agreement has been accepted. Subtenant acknowledges and agrees that University shall have no duty or other obligation to extend the Term of this Sublease or enter into a new

Sublease with Subtenant. Should the Subtenant remain in the unit past the Termination Date without signing a new Sublease, than an immediate Unlawful Detainer will be served on the Residence.

Notwithstanding anything contained herein to the contrary, this Sublease shall automatically terminate upon the expiration or any early termination of University's Lease with Owner.

5. **RENT:**

Rent for the Term of the Sublease shall be \$**Click to enter annual rent** payable in equal installments of \$**Click to enter monthly rent** payable on or before the **first (1st) day of each calendar month to The Board of Regents**. Rent for Graduate Students and Professional Students may be paid online via MyNevada or by personal check, money order or cashier's check to the UNR Cashier's Office. Rent for Staff and Faculty members may be paid by personal check, money order, or cashier's check to the Office of Community and Real Estate Management. No cash will be accepted. If Subtenant's personal check for payment of rent is returned by Subtenant's bank unpaid due to insufficient funds or closed account, Subtenant will thereafter be required to pay sums to University by certified check or money order only. Subtenant further agrees to pay \$50.00 for each dishonored check or returned payment. In the event rent is not received by University on or before the fifth (5th) day of each month, Subtenant agrees to pay a late charge of \$50.00. For each additional day that payment is not received, a \$5 late charge will be assessed. The late charge period is not a grace period. University is entitled to make demand for any unpaid rent on the second day of the rental period. **Rent Defined:** Rent is deemed to be all monies owing to University by Subtenant including, but not limited to, deposits, utility charges, damages, cleaning and other charges.

6. **UTILITIES:**

Utility charges are to be paid as follows:

ITEM	TO BE PAID BY
WATER	UNIVERSITY
ELECTRIC	UNIVERSITY
TELEPHONE	SUBTENANT
CABLE TELEVISION	SUBTENANT
INTERNET	SUBTENANT

Subtenant acknowledges that telephone, cable television, internet are optional services which must be arranged through Owner. Subtenant shall be solely responsible for the payment of any utilities not paid by the University, including without limitation any option utilities arranged through Owner. Subtenant must change the utility billing into their name within one (1) business day of occupancy, failure to do so will result in a fifty dollar (\$50) fine. Subtenants are also responsible for changing the utilities out of their name upon move out, University shall not be responsible for any utility charges incurred as a result of the Subtenant failing to change the billing.

7. **SECURITY DEPOSIT:**

Subtenant shall, as security for the performance of all provisions of this Sublease, pay University \$**Click to enter deposit amount** (the "Security Deposit"). The Security Deposit is refundable to the Subtenant when the Residence is vacated in a condition satisfactory to the University, and all other obligations of this Sublease have been fulfilled by Subtenant. This includes, but is not limited to residing for the agreed length

of time, unpaid rents, unpaid charges, unreturned keys and necessary repairs and/or painting and/or cleaning. Subtenant shall be supplied with a statement for charges against the Security Deposit within thirty (30) days of the expiration or early termination of the Sublease. The Residence will be considered vacant when University receives the keys from Subtenant, or the property is deemed to have been abandoned. Refundable portions of Security Deposit will be returned via check to Subtenant's last known address.

8. CONDITION OF RESIDENCE:

Subtenant stipulates that Subtenant has examined or will examine the Residence, including all improvements thereto, and that they are at the time of this Sublease, in good order, repair and a safe, clean and tenantable condition. Specific exceptions to the above are noted on the Sublease Addendum: Inventory and Condition Report attached hereto. Subtenant acknowledges that the Sublease Addendum: Inventory and Condition Report must be completed within five (5) days of Subtenant's move-in date. University agrees to keep and maintain the Residence in a safe and habitable condition, in compliance with all applicable codes and statutes of the County of Washoe and State of Nevada.

9. REPAIRS:

The Subtenant shall make no repairs to the Residence or fixtures located within the Residence without the prior written consent of the University. The Subtenant shall immediately notify the University of any need for repair or maintenance to the Residence. Approved repairs and other maintenance issues will then be performed by University, Owner and/or their respective vendors. Subtenant shall be responsible for the cost of repairs caused by their negligent acts or omissions, or those of their invited guests. Subtenant shall surrender the Residence on the Termination Date in as good of condition as when received, normal wear and tear excepted.

Subtenant is responsible and agrees to pay for any damage done by wind or water caused by leaving windows/doors open. Subtenant is responsible for repairs of damages due to frozen water lines inside the Residence resulting from Subtenant's failure to keep sufficient heat on in the unit in cold weather. Subtenant is responsible for maintaining the Residence in a clean and sanitary condition.

10. ALTERATIONS AND FIXTURES:

The Subtenant shall make no alterations to the Residence, incur any debt against the Project or create any lien upon the Residence for any work done or material furnished without the prior written consent of the University. Any fixtures installed by the Subtenant shall be at Subtenant's expense, shall be affixed in a manner that will not damage the Residence, and shall be removed by the Subtenant by the expiration of the Term. Subtenant shall be responsible for any repairs required as the result of the removal of any fixture. In the event such fixture or other personal property of the Subtenant is not removed by the expiration of the Term, the University may treat the same as abandoned and charge the Subtenant the cost paid for removal of the property and repair of the Residence.

11. DAMAGE TO THE PREMISES:

If, by no fault of the Subtenant, the Residence is totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, which render the Residence uninhabitable, either University or Subtenant may terminate this Lease by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current rent prorated on a thirty (30) day basis. If the Residence is only partially damaged, but still inhabitable, University shall promptly repair the damage, and rental shall be reduced based on the extent to which the damage interferes with Subtenant's reasonable use of the Residence. If damage occurs as a result of an act of Subtenant, the other occupants of the Residence or

Subtenants invitee(s) or guest(s), only University shall have the right of termination, and no reduction in rent shall be made.

12. **INSPECTION AND ENTRY:**

Owner, University, and their respective agents may enter said Residence at reasonable time and upon giving reasonable notice to inspect, clean, repair, redecorate, or show the premises to prospective subtenants, purchasers, representatives, or lending institutions. For the purposes of this paragraph, reasonable notice to Subtenant shall be twenty-four (24) hours (oral or written), unless otherwise agreed to, unless there is an emergency in which entry may be without prior notice.

13. **KEYS AND LOCKS:**

Subtenant agrees that they will not change the lock on any door, nor shall they apply any locks to interior doors. Should Subtenant lock themselves out and be unable to gain access they may call the Owner's on-site management during normal business hours and, after showing identification, a manager will let them in. **If the lockout is after normal business hours the Subtenant must call Owner's after-hours number and, after showing identification, a manager will let them in.**

14. **PETS:**

Owner prohibits pets within the Residence. As such, no animals or pets, excluding service animals, shall be brought to the Residence. If Subtenant should bring a pet to reside in the Residence, it shall be a violation of this Sublease and may be grounds for eviction.

15. **VEHICLES:**

Motorcycles, mopeds and automotive parts or components, may not be kept in or around the buildings, except in designated parking areas. Use of hoverboards, self-balancing scooters, drones/Unmanned Aerial Systems (UAS) and similar devices on the Project Premises is prohibited.

16. **PARKING:**

Subtenant acknowledges and agrees that parking will be administered at an additional cost and provided by Owner. Subtenant acknowledges and agrees that Rent does not include any parking permit fees.

Subtenant Initials

17. **MAIL, PACKAGES, DELIVERIES:**

Subtenant will be provided keys to a mailbox located on the property. Subtenant is responsible for checking out and returning keys upon termination of the Sublease. Subtenant will be responsible for any charges accrued due to lost keys or replacement locks. If desired, Owner's on-site management will accept packages on your behalf, subject to the terms and conditions of the attached Sublease addendum: Package Acceptance Policy.

18. WASTE DISPOSAL:

Subtenant agrees to dispose of ordinary household trash by placing it into a community dumpster or recycling bin. Subtenant agrees to dispose of extraordinary trash, including but not limited to, Christmas trees and furniture, by hauling it away at Subtenant’s own expense. At no time will Subtenant dispose of waste in a manner that will attract pests to the Residence, this includes composting.

19. DANGEROUS MATERIALS:

Subtenant shall not keep or have on the Residence any article or thing of a dangerous inflammable, flammable, or explosive character that might unreasonably increase the danger of fire on the Residence or that might be considered hazardous or extra-hazardous by any responsible insurance company. Subtenant shall not use, store, or manufacture any illegal substances on the Residence.

20. COMMUNITY RULES AND REGULATIONS:

Subtenant acknowledges receipt of the Sublease Addendum: Community Policies, Rules and Regulations Addendum (“Community Rules”), and agrees to abide by its terms. Subtenant further agrees to comply with all applicable laws, the Lease, posted rules of the Project, and with the applicable rules and regulations of the University, including without limitation the University of Nevada, Reno Student Code of Conduct and/or the Board of Regents of the Nevada System of Higher Education Handbook, as applicable.

21. NUISANCE:

It is a misdemeanor to commit or maintain a public nuisance or to allow any building or boat to be used for a public nuisance. Any person who willfully refuses to remove such a nuisance when there is a legal duty to do so, is guilty of a misdemeanor. NRS 202.470. A public nuisance may be reported to the local law enforcement agency. A violation of building, health or safety codes or regulations may be reported to the responsible government entity in the local area such as the code enforcement division of the county/city government or the local health or building departments.

Disturbances resulting from parties can include, as defined by the City of Reno, excessive noise and loud music that disturbs the peace of their neighbors, party-goers out on the street in front of the home where the party is being held, trash and debris in the streets around the home following a party, underage drinking, fights and confrontations, date-rape, and accidents that can result from driving while intoxicated; reports of any such behavior can result in eviction from tenancy.

22. POSSESSION AND USE OF MARIJUANA:

Pursuant to regulations and policy of the Nevada System of Higher Education, the University of Nevada, Reno, and Owner, and the attached Sublease Addendum: Recreations and Medical Marijuana Use, the use, possession or cultivation of marijuana, including marijuana for recreational or medical purposes, on the Residence is expressly prohibited. Violations of these regulations and policies can result in eviction of Subtenant.

23. PHYSICAL POSSESSION:

If University is unable to deliver possession of the Residence at the commencement hereof, University shall not be liable for any damage caused thereby, nor shall this Sublease be void or voidable, but, except as otherwise provided below, Subtenant shall not be liable for any Rent until possession is delivered. Notwithstanding the foregoing, in the event University cannot deliver possession of the Residence to

Subtenant as a result of Owner's failure to timely deliver the Residence to University, University agrees to provide Subtenant hotel accommodations, at a location of University's reasonable discretion, within one (1) mile of the University of Nevada, Reno campus. If University offers to provide such hotel accommodations, Subtenant shall not be entitled to any abatement of Rent.

24. SUBTENANT REPRESENTATIONS; CREDIT:

Subtenant warrants that all statements in the Subtenant's rental application are accurate. Subtenant authorizes University to obtain Subtenant's credit report at the time of application and periodically during tenancy in connection with approval, modification, or enforcement of this Sublease. University may cancel this Sublease:

- a. before occupancy begins;
- b. upon disapproval of the credit report(s); or
- c. at any time, upon discovering that information in Subtenant's application is false.

SUBTENANT HEREBY AUTHORIZES UNIVERSITY TO SUBMIT, AT THE OPTION OF THE UNIVERSITY, A NEGATIVE CREDIT REPORT REFLECTING ON SUBTENANT'S RECORD TO A CREDIT REPORT AGENCY IF SUBTENANT FAILS TO FULFILL THE TERMS OF PAYMENT AND OTHER OBLIGATIONS UNDER THIS SUBLEASE.

25. ASSIGNMENT AND SUBLETTING:

Subtenant shall not assign this Sublease or sublet any portion of the Residence without prior written consent of University. Any attempted assignment made in violation of this Section shall be void.

26. SURRENDER OF PREMISES:

At the expiration of the term of the Sublease, Subtenant shall quit and surrender the Residence in as good state and condition as they were at the commencement of this Sublease, reasonable use and wear excepted.

27. DEFAULT AND RIGHT TO TERMINATE:

The occurrence of any one or more of the following events shall constitute a default and breach of this Sublease by the Subtenant:

- a. The vacating or abandonment of the Residence by Subtenant.
- b. The failure by Subtenant to make any payment of Rent or any other payment required to be made by Subtenant hereunder, as and when due, where such failure shall continue for a period of five (5) calendar days after written notice from University to Subtenant.
- c. The failure by Subtenant to observe or perform any of the covenants or conditions of this Sublease to be observed or performed by Subtenant, other than payment of Rent, where such failure shall continue for a period of five (5) days after written notice from University to Subtenant of the failure. However, if the covenants and conditions of the Sublease violated by the Subtenant cannot afterwards be performed, then no notice need be given.

d. University may terminate this Sublease by giving Subtenant thirty (30) days' advance written notice upon or after the happening of any one (1) or more of the following events:

- i. The filing by Subtenant of voluntary petition in bankruptcy;
- ii. the institution of proceedings in bankruptcy against Subtenant and the adjudication of Subtenant as a bankrupt pursuant to such proceedings if such adjudication shall remain unvacated or unstayed for period of at least thirty (30) days;
- iii. the taking by a court of competent jurisdiction of Subtenant and its assets pursuant to proceedings brought under the provisions of any federal reorganization act if the judgment of such court shall remain unvacated or unstayed for a period of at least thirty (30) days;
- iv. the appointment of a receiver of Subtenant's assets if such appointment by a court of competent jurisdiction shall remain unvacated or unstayed for a period of at least thirty (30) days or
- v. the divestiture of Subtenant's estate herein by other operation of law.

In the event it is necessary for University to evict Subtenant from the Residence and/or pursue legal action against Subtenant, Subtenant shall be responsible for all costs of such action, as awarded by the court having jurisdiction in the matter. Subtenant shall also be responsible for all reasonable charges to University by University's attorney for handling such actions.

28. ABANDONMENT:

If at any time during the Term of this Sublease, Subtenant abandons the Residence or any part thereof, University may, at its option, enter the Residence by any means without being liable for any prosecution therefore, and without becoming liable to Subtenant for damages or for any payment of any kind whatever, and may at its discretion, as agent for Subtenant, relet the Residence, for the whole or any part of the then unexpired Term, and may receive and collect all rent payable by virtue of such reletting, and at University's option, hold Subtenant liable for any difference between the rent that would have been payable under this Sublease during the balance or the unexpired Term, if this Sublease had continued in force, and the net rent for such period realized by University by means of such reletting. If University's right of re-entry is exercised following abandonment of the Residence by Subtenant, then University may consider any personal property belonging to Subtenant and left on the Residence to also have been abandoned, in which case University may dispose of all such personal property in any manner University shall deem proper and is hereby relieved of all liability for doing so.

29. INDEMNIFICATION AND INSURANCE:

University or its agents shall not be liable for any damage or injury to Subtenant, or any other person, or to any property, occurring on or at the Project, or any part thereof, or in common areas thereof, unless such liability is based on the intentional act or omission of University, his agents or employees. Without limiting the foregoing, University is not responsible to any Subtenant, or any guest or occupant, for damage or loss of personal property or personal injury from, including but not limited to, fire, smoke, rain, flood, water and pipe leaks, hail, ice, snow, lightning, wind, explosions, earthquake, interruption of utilities, theft, hurricane, negligence of other residents, occupants, or invited/uninvited guests or vandalism unless otherwise required by law. In all cases, University's liability, if any, shall be subject to the limitations set forth in NRS 41.0305 through NRS 41.039.

Subtenant shall indemnify, defend and hold harmless Owner, University, and their respective regents, officers, employees and agents from and against any and all liabilities, claims, losses, costs or expenses to the person or property of another, lawsuits, judgments and/or expenses, including attorney fees, arising either directly or indirectly from any act or failure to act by Subtenant or any of Subtenant's guests or invitees which may occur during or which may arise out of the performance of this Sublease.

Subtenant is advised that the **University's policy of insurance does not cover replacement of personal property items belonging to Subtenant.** Subtenant is required to enroll in the Project's personal liability insurance program outlined in the attached Sublease Addendum: Risk Mitigation. The cost of Subtenant's participation in such program is included in Subtenant's monthly Rent.

30. EMERGENCY CONTACT:

Should an emergency situation arise (fire, flood, etc.), Subtenant is hereby instructed to contact Owner's on-site management at (775) 785-1111. Matters which are not an emergency should be addressed to University during normal business hours only.

31. ADDITIONAL TERMS:

Subtenant agrees that violation of any of the covenants of this Agreement or the nonpayment of Rent when due shall be sufficient cause for eviction from the Residence. No waiver by University at any time of any of the terms of this Sublease shall be deemed as subsequent waiver of the same, or of the strict and prompt performance thereof by Subtenant.

32. RELEASE OF SUBTENANT RECORDS:

Except as provided herein, the University shall not release financial information about a Subtenant to a third party, other than a Subtenant's rent payment records and the amount of the Subtenant's rental payment, without the prior written consent of the Subtenant or upon service on the University of a subpoena for the production of records. This Section 32 shall not preclude the University from releasing information pertaining to Subtenant (i) to Owner to the extent required for Landlord to comply with the terms of the Lease, (ii) in the event of an emergency, or (iii) to the legal representatives of the Subtenant, including executors and administrators of estates in the performance of their duties. The confidentiality requirements of the Section 32 shall not apply where the Subtenant is in default of this Sublease, nor will it preclude the use of information to recover monies owed by the Subtenant.

Without limiting the foregoing, Subtenant acknowledges that University's Lease with Owner requires University to furnish Owner with a copy of this Sublease within ten (10) days of the effective date hereof. To the extent Subtenant is a student of University and this Sublease could be considered Subtenant's education record under the Family Educational Rights and Privacy Act of 1974, and its implementing regulations (collectively, "FERPA"), Subtenant hereby expressly authorizes University to provide a fully executed copy of this Sublease to Owner for purposes of complying with Owner's requirements for the Project. To the extent required or permitted under FERPA, Subtenant may revoke this authorization by providing written notice to University in the manner stated in Section 33. Unless earlier terminated in accordance with the foregoing, this authorization will automatically expire on the Termination Date.

Subtenant Signatures

Sublease Agreement | Subtenant Initials: _____

33. **NOTICE:**

Any and all notices allowed or required to be given to University under this Sublease shall be in writing and deemed duly served or given if personally delivered or sent by certified or registered U.S. mail, postage prepaid and addressed as follows:

University of Nevada, Reno
Attn: Office of Community & Real Estate Management
1664 N. Virginia St./MS 243
Reno, NV 89557-0243

With a copy to:
University of Nevada, Reno
Attn: General Counsel
1664 N. Virginia St./MS 550
Reno, NV 89557-0550

34. **BINDING EFFECT:**

The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, and assigns of the parties hereto and all covenants are to be construed as conditions of this Sublease. No waiver by University of any breach of any provision hereof, nor shall any continuing or subsequent acceptance of rent hereunder by University be deemed to be a waiver of any preceding breach by Subtenant of any terms, covenants, or conditions of this Sublease, other than the failure of Subtenant to pay the particular rental so accepted, regardless of University's knowledge of such preceding breach at the time of the acceptance of such rent.

35. **CHOICE OF LAW AND VENUE:**

This Sublease and the terms contained herein shall be governed and interpreted by the laws of the state of Nevada, without regard to its conflicts of law principles. Venue for any and all disputes arising out of or in any way related to the Residence or this Sublease shall be the Second Judicial District Court of the State of Nevada in and for the County Washoe, or such other court of competent jurisdiction in Washoe County, Nevada.

36. **CLERY DISCLOSURE:**

In compliance with the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act, the University of Nevada, Reno has made crime reporting statistics available online at: <https://www.unr.edu/police/crime-logs-and-statistics/clery-act>.

37. **MEGAN'S LAW DISCLOSURE:**

In accordance with Megan's Law, information about specific registered sex offenders is made available to the public at <http://www.nvsexoffenders.gov>.

38. **ADDENDA:**

The following Addenda are expressly incorporated herein and made a part of this Sublease:

- a. Sublease Addendum: Payment and Performance Guaranty (if applicable)

**SUBLEASE ADDENDUM
PAYMENT AND PERFORMANCE GUARANTY**

This Payment and Performance Guaranty ("Guaranty") is being executed by **Click to enter guarantor name** ("Guarantor") on **Click or tap to enter a date** for the benefit of the Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno ("University") in order to guarantee both payment and performance of the Sublease Agreement dated **Click or tap to enter a date** (the "Sublease"), which sublease has been executed by and between **Click to enter tenant** (the "Resident") and University for the premises described as **Apartment Click or tap here to enter text** (the "Residence") of the Reno City Center Project, located at 175 East Second Street, City of Reno, Washoe County, Nevada.

1. Guarantor hereby acknowledges and understands that the Guarantor's execution of this Guaranty is a material inducement to University executing the Sublease and otherwise subleasing the Residence to Resident, and that the Guarantor has a substantial interest in ensuring that the University subleases the Residence to Resident.
2. Guarantor hereby agrees to guarantee the due and proper payment and performance of the Sublease by Resident, and Resident's obligations under the Sublease, including, without limitation, paying rent and other money charges pursuant to the Sublease. Guarantor hereby waives notice of non-payment and non-performance, and shall pay and perform Resident's obligations under the Sublease immediately upon written demand by University. This Guaranty is absolute, continuing, and unconditional.
3. This Guaranty shall remain in full force and effect until the earlier of either the mutual written termination of this Guaranty by University and Guarantor, or the complete satisfaction of all of Resident's obligations under the Sublease. Any changes or modifications to this Guaranty shall be in writing signed by both parties.
4. This Guaranty shall be construed and governed in accordance with the laws of the state of Nevada, without giving effect to its conflict of laws doctrine. Venue for any and all disputes arising out of or in any way related to the Residence or this Guaranty shall be the Second Judicial District Court of the State of Nevada in and for the County Washoe, or such other court of competent jurisdiction in Washoe County, Nevada.
5. In the event any action is brought by University against Guarantor arising out of or in any way connected with the promises of Guarantor hereunder, Guarantor agrees to pay University's reasonable attorney fees and all costs associated with said action incurred by University.

[Signatures on next page]

IN WITNESS WHEREOF, the Guarantor and University have executed this Guaranty effective as of the date first set forth above.

Guarantor Signature

Date

**BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION,
ON BEHALF OF THE UNIVERSITY OF NEVADA, RENO**

[TBD]

Date

**SUBLEASE ADDENDUM
BED BUGS**

1. INFESTATIONS:

Whether or not you experience a pest infestation in the Residence depends largely on you maintaining the Residence in a neat, clean and sanitary condition, and immediately informing us of any indication or sign of pests. In the event you observe a rodent or an insect, including but not limited to bed bugs, or experience symptoms consistent with insect bites, you must promptly notify University of that fact. You understand that a pest infestation can occur suddenly, even in a sanitary living environment, and proliferate if not treated quickly. You agree to properly dispose of refuse, to refrain from using and/or storing second-hand clothing, mattresses, linens and bedding items, luggage and furnishings in the Residence, and to always maintain the Residence in a clean and sanitary condition, so as to greatly avoid the risks of certain types of pest infestation.

2. ACCESS FOR INSPECTION AND PEST TREATMENT:

You must allow Owner, University, and their respective pest control agents access to the Residence at reasonable times to inspect for or treat bed bugs as allowed by law. You and your family members, occupants, guests, and invitees must cooperate and will not interfere with inspections or treatments. Owner and University have the right to select any licensed pest control professional to treat the Residence and building. Owner and University can select the method of treating the Residence, building and common areas for bed bugs. Owner and University can also inspect and treat adjacent or neighboring dwellings to the infestation even if those dwellings are not the source or cause of the known infestation. Unless otherwise prohibited by law, you are responsible for and must, at your own expense, have your own personal property, furniture, clothing and possessions treated according to accepted treatment methods established by a licensed pest control firm approved by Owner and University. You must do so as close as possible to the time your Residence is treated. If you fail to do so, you will be in default, and we will have the right to terminate your right of occupancy and exercise all rights and remedies under the Sublease. You agree not to treat the dwelling for a bed bug infestation on your own.

3. NOTIFICATION: You must promptly notify University:

- of any known or suspected bed bug infestation or presence in the Residence, or in any of your clothing, furniture or personal property.
- of any recurring or unexplained bites, stings, irritations, or sores of the skin or body which you believe is caused by bed bugs, or by any condition or pest you believe is in the Residence.
- if you discover any condition or evidence that might indicate the presence or infestation of bed bugs, or of any confirmation of bed bug presence by a licensed pest control professional or other authoritative source.

4. COOPERATION: If the presence or infestation of bed bugs is confirmed, you must cooperate and coordinate with Owner, University and their respective pest control agents to treat and eliminate the bed bugs. You must follow all directions to clean and treat the Residence and building that are infested. You must remove or destroy personal property that cannot be treated or cleaned as close as possible to the time the Residence is treated. Any items you remove from the Residence must be disposed of off-site and not in the property's trash receptacles. If the presence or infestation of bed bugs is confirmed in your Residence, you may be required to temporarily vacate the Residence and remove all furniture, clothing and personal belongings in order for us to perform pest control services. If you fail to cooperate, you will be in default,

and we will have the right to terminate your right of occupancy and exercise all rights and remedies under the Sublease.

5. **RESPONSIBILITIES:** You may be required to pay all reasonable costs of cleaning and pest control treatments incurred in treating your Residence for bed bugs. If the presence or infestation of bed bugs is confirmed after you vacate your Residence, you may be responsible for the cost of cleaning and pest control treatments. If Owner or University must move other residents in order to treat adjoining or neighboring dwellings to your Residence, you may be liable for payment of any expenses incurred to relocate the neighboring residents and to clean and perform pest control treatments to eradicate infestations in other dwellings. If you fail to pay for any costs you are liable for, you will be in default, and we will have the right to terminate your right of occupancy and exercise all rights and remedies under the Sublease, and obtain immediate possession of the Residence. If you fail to move out after your right of occupancy has been terminated, you will be liable for holdover rent under the Sublease.

6. **TRANSFERS:** If you are allowed to transfer to another dwelling in the community because of the presence of bed bugs, you must have your personal property and possessions treated according to accepted treatment methods or procedures established by a licensed pest control professional. You must provide proof of such cleaning and treatment to University's satisfaction.

7. **RENT:** Payment of Rent is not discretionary, and during any period of pest infestation and the abatement of same, whether or not you continually occupy the Residence, you cannot stop payment of or reduce Rent.

BED BUGS - A Guide for Rental Housing Residents

Bed bugs, with a typical lifespan of 6 to 12 months, are wingless, flat, broadly oval-shaped insects. Capable of reaching the size of an apple seed at full growth, bed bugs are distinguishable by their reddish-brown color, although after feeding on the blood of humans and warm-blooded animals-their sole food source- the bugs assume a distinctly blood-red hue until digestion is complete.

Bed bugs don't discriminate

Bed bugs increased presence across the United States in recent decades can be attributed largely to a surge in international travel and trade. It's no surprise then that bed bugs have been found time and time again to have taken up residence in some of the fanciest hotels and apartment buildings in some of the nation's most expensive neighborhoods.

Nonetheless, false claims that associate bed bugs presence with poor hygiene and uncleanliness have caused rental housing residents, out of shame, to avoid notifying owners of their presence. This serves only to enable the spread of bed bugs.

While bed bugs are, by their very nature, more attracted to clutter, they're certainly not discouraged by cleanliness.

Bottom line: bed bugs know no social and economic bounds; claims to the contrary are false.

Bed bugs don't transmit disease

There exists no scientific evidence that bed bugs transmit disease. In fact, federal agencies tasked with addressing pest of public health concern, namely the U.S. Environmental Protection Agency and the Centers for Disease Control and Prevention, have refused to elevate bed bugs to the threat level posed by disease transmitting pests. Again, claims associating bed bugs with disease are false.

Identifying bed bugs

Bed bugs can often be found in, around and between:

- Bedding
- Bed frames
- Mattress seams
- Upholstered furniture, especially under cushions and along seams
- Around, behind and under wood furniture, especially along areas where drawers slide
- Curtains and draperies
- Along window and door frames
- Ceiling and wall junctions
- Crown moldings
- Behind and around wall hangings and loose wallpaper
- Between carpeting and walls (carpet can be pulled away from the wall and tack strip)
- Cracks and crevices in walls and floors
- Inside electronic devices, such as smoke and carbon monoxide detectors
- Because bed bugs leave some persons with itchy welts strikingly similar to those caused by fleas and mosquitoes, the origination of such markings often go misdiagnosed. However, welts caused by bed bugs often times appear in succession and on exposed areas of skin, such as the face, neck and arms. In some cases, an individual may not experience any visible reaction resulting from direct contact with bed bugs.
- While bed bugs typically prefer to act at night, they often do not succeed in returning to their hiding spots without leaving traces of their presence through fecal markings of a red to dark brown color, visible

on or near beds. Blood stains tend also to appear when the bugs have been squashed, usually by an unsuspecting host in their sleep. And, because they shed, it's not uncommon for skin casts to be left behind in areas typically frequented by bed bugs.

Preventing bed bug encounters when traveling

Because humans serve as bed bugs' main mode of transportation, it is extremely important to be mindful of bed bugs when away from home. Experts agree that the spread of bed bugs across all regions of the United States is largely attributed to an increase in international travel and trade. Travelers are therefore encouraged to take a few minutes upon arriving to their temporary destination to thoroughly inspect their accommodations, so as to ensure that any uninvited guests are detected before the decision is made to unpack.

Because bed bugs can easily travel from one room to another, it is also recommended that travelers thoroughly inspect their luggage and belongings for bed bugs before departing for home.

Bed bug do's and don'ts

- **Do not bring used furniture from unknown sources into your dwelling.** Countless bed bug infestations have stemmed directly from the introduction into a resident's unit of second-hand and abandoned furniture. Unless the determination can be made with absolute certainty that a piece of second-hand furniture is bed bug-free, residents should assume that the reason a seemingly nice looking leather couch, for example, is sitting curbside, waiting to be hauled off to the landfill, may very well be due to the fact that it's teeming with bed bugs.
- **Do address bed bug sightings immediately.** Rental housing residents who suspect the presence of bed bugs in their unit must immediately notify the owner.
- **Do not attempt to treat bed bug infestations.** Under no circumstance should you attempt to eradicate bed bugs. Health hazards associated with the misapplication of traditional and non-traditional, chemical-based Insecticides and pesticides poses too great a risk to you and your neighbors.
- **Do comply with eradication protocol.** If the determination is made that your unit is indeed playing host to bed bugs, you must comply with the bed bug eradication protocol set forth by both your owner and their designated pest management company.

**SUBLEASE ADDENDUM
COMMON AREA LAUNDRY FACILITY**

1. **PURPOSE OF ADDENDUM:** This Addendum establishes the rules and regulations governing Subtenant's use of the common area laundry facilities.

2. **COMMON AREA LAUNDRY FACILITIES USE:**

a. **Washer and Dryer Terms.** Use shall be permitted commencing on the commencement date of your Sublease and expire concurrently with the Termination Date, including any renewal periods. Owner or agent(s) reserve the right to remove the equipment, as provided by law for repairs or damages.

b. **Identification of Washer and Dryer.** Subtenant is permitted non-exclusive use of the Project Laundry Facility: LOCATED IN THE COMMON AREA ON FLOOR # **XX** at 175 E Second Street Reno, Nevada 89501.

c. **Responsibility for Damages.** Subtenant agrees to immediately report any and all repairs or maintenance needed to the equipment to Owner's on-site management at 1-775-785-1111. Subtenant will be responsible for any damages to Owner's property, or to the personal property of others, if Subtenant causes intentional damage, such as graffiti, destruction, placing foreign objects in machine, cutting cords, etc. (and Subtenant will be billed by Owner for such damage). Neither University nor Owner are liable for any damage caused by the equipment. Subtenant assumes the sole risk and liability for the delivery, repair, maintenance or removal of equipment unless such claims arise from any proximately caused negligence or intentional act committed by Owner or its agents.

3. **RESIDENT USE AND MAINTENANCE OF WASHER AND DRYER:** Subtenant agrees to use the equipment for normal household purposes, to use diligence in using the equipment, and to take proper care of the equipment. An equipment operations manual will be provided by Owner to Subtenant upon request. Subtenant acknowledges that they know how to operate the equipment. Subtenant is liable for all damages to the equipment caused by Subtenant beyond normal wear and tear including, but not limited to, scratches, dents, dings and costs for repairs. If Subtenant removes the equipment from the common area, they shall pay Owner the actual cost of replacing the equipment.

**SUBLEASE ADDENDUM
COMMUNITY POLICIES, RULES AND REGULATIONS**

1. RULES AND REGULATIONS:

Any Subtenant, who commits, incites, or aids others in committing any acts of misconduct shall be subject to notification by management in accordance with Sublease requirements and serious violations of the Sublease and these Community Policies, Rules and Regulations may result in a Sublease violation requiring notification and corrective action up to potential Sublease termination. Subtenant, and each guest of Subtenant, shall not engage in any of the following:

- Individual or group activities within any area of the Residence or common areas of the Project that causes a disturbance, of any nature include inappropriate behavior, or behavior that threatens the rights and safety of other persons and/or property.
- Harassment, verbal or physical abuse, or the threat of physical abuse, including self- destructive behavior, on the Project Premises or other conduct that threatens or endangers the health or safety of any person.
- Failure to correct any violation as formally provided to you by University.
- Tampering with or the misuse of fire alarms (including sounding a false fire alarm), fire extinguishers, fire hoses, sprinkler heads, or any fire equipment or limiting egress from the buildings by tampering with exit signs and doors.
- Unlawful manufacture, distribution, sale, use, or possession of illegal, addictive, dangerous, or controlled substances (including alcohol) on the premises. Empty alcohol containers and drug paraphernalia are prohibited. Alcohol may be only be consumed within the individual Residence and not on any of the common area grounds, buildings or amenities (provided that this prohibition does not apply to any bar or restaurant located at the Project licensed to serve alcoholic beverages).
- Theft, vandalism, misuse, or misappropriation of the premises, or possession of stolen goods.
- Possession or use of any items which may be deemed as explosive and combustible.
- Failure to follow emergency procedures (fire, tornado, etc.).
- Setting a fire or the possession or use of candles or any type of open-flame (including incense) or open filament device.
- Commission of any federal, state, or local crime.
- Violation of a published University campus policy.
- Violation of any rules posted at the Project.

2. SIGNIFICANT VIOLATIONS:

The following violations are considered significant violations of community standards and could result in Sublease termination and subject Subtenant to a University of Nevada, Reno disciplinary investigation.

- Possession/ consumption of drugs.
- Physical assault (including sexual assault).
- Possession of firearms in violation of NRS 202.265.
- Intentionally setting a fire, falsely pulling a fire alarm or causing a fire alarm to occur.
- Suspension, expulsion or termination by the University.
- Insufficient credits (if Resident is a student).

3. **ALCOHOL POLICY:**

Possession (internal or external) or consumption of alcoholic beverages in the Residence is permitted only by Subtenants and their guests 21 years of age or older, all Subtenants and or guests consuming alcohol must be inside their Residence, with doors closed.

- **Common Areas:** Open or unconcealed containers of alcohol are not permitted in common areas such as entrances, hallways, or lounges, or on adjacent grounds (provided that this prohibition does not apply to any bar or restaurant located at the Project licensed to serve alcoholic beverages).

4. **GENERAL CONDITIONS FOR USE OF COMMON AREAS AND AMENITIES:**

Resident(s) permission for use of all common areas, resident amenities, and recreational facilities (together, “Amenities”) located at the Project is a privilege and license granted by Owner, and not a contractual right except as otherwise provided for in the Sublease or any written contract between Resident and Owner. Such permission is expressly conditioned upon Resident’s adherence to the terms of the Sublease and this Addendum, and such permission may be revoked by Owner at any time for any lawful reason. In all cases, the most strict terms of either the Sublease or this Addendum shall control. Owner reserves the right to set the days and hours of use for all Amenities and to change the character of or close any Amenity based upon the needs of Owner and in Owner’s sole and absolute discretion, without notice, obligation or recompense of any nature to Resident. Owner and management may make changes to the rules for use of any Amenity at any time in accordance with State statute.

Additionally, Resident(s) expressly agrees to assume all risks of every type, including but not limited to risks of personal injury or property damage, of whatever nature or severity, related to Resident’s use of the Amenities at the Project. This provision shall be enforceable to the fullest extent of the law.

THE TERMS OF THIS ADDENDUM SHALL ALSO APPLY TO RESIDENT(S)’ OCCUPANTS, AGENTS AND INVITEES, TOGETHER WITH THE HEIRS, ASSIGNS, ESTATES AND LEGAL REPRESENTATIVES OF THEM ALL, AND RESIDENT(S) SHALL BE SOLELY RESPONSIBLE FOR THE COMPLIANCE OF SUCH PERSONS WITH THE SUBLEASE AND THIS ADDENDUM.

5. **FIRE HAZARDS:** In order to minimize fire hazards and comply with city ordinances, Resident shall comply with the following:

- Residents and guests will adhere to the community rules and regulations and other Owner policies concerning fire hazards, which may be revised from time to time with written notice to Resident.

- No person shall knowingly maintain a fire hazard.
- **Grills, barbecues, and any other outdoor cooking or open flame devices will be used only in authorized areas.** Such devices will not be used close to combustible materials, tall grass or weeds, on exterior walls or on roofs, indoors, on balconies or patios, or in other locations which may cause fires.
- **Fireplaces:** Only firewood is permitted in the fireplace, if any. No artificial substances, such as Duraflame® logs are permitted. Ashes must be disposed of in metal containers, after ensuring the ashes are cold.
- Flammable or combustible liquids and fuels shall not be used or stored (including stock for sale) in dwellings, near exits, stairways, breezeways, or areas normally used for the ingress and egress of people. This includes motorcycles and any apparatus or engine using flammable or combustible liquid as fuel.
- No person shall block or obstruct any exit, aisle, passageway, hallway or stairway leading to or from any structure.
- Resident(s) are solely responsible for fines or penalties caused by their actions in violation of local fire protection codes.

6. **EXTERMINATING:** Unless prohibited by statute or otherwise stated in the Sublease, Owner may conduct extermination operations in Resident’s dwelling several times a year and as needed to prevent insect infestation. Owner will notify Resident in advance of extermination in the Residence, and give Resident instructions for the preparation of the Residence and safe contact with insecticides. Resident will be responsible to prepare the Residence for extermination in accordance with Owner’s instructions. Resident must request extermination treatments in addition to those regularly provided by Owner in writing. Resident agrees to perform the tasks required by Owner on the day of interior extermination to ensure the safety and effectiveness of the extermination. These tasks will include, but are not limited to, the following:

- Clean in all cabinets, drawers and closets in kitchen and pantry.
- If roaches have been seen in closets, remove contents from shelves and floor.
- Remove infants and young children from the Residence.
- Remove pets or place them in bedrooms, and notify Owner of such placement.
- Remove chain locks or other types of obstruction on day of service.
- Cover fish tanks and turn off their air pumps.
- Do not wipe out cabinets after treatment.

In the case of suspected or confirmed bed bug infestation, Resident will agree to the following:

- Resident will wash all clothing, bed sheets, draperies, towels, etc. in extremely hot water.
- Resident will thoroughly clean, off premises, all luggage, handbags, shoes and clothes hanging containers.

- Resident will cooperate with Owner’s cleaning efforts for all mattresses and seat cushions or other upholstered furniture, and will dispose of same if reasonably requested.

**RESIDENTS ARE SOLELY RESPONSIBLE TO NOTIFY OWNER IN WRITING
PRIOR TO EXTERMINATION OF ANY ANTICIPATED HEALTH OR SAFETY CONCERNS
RELATED TO EXTERMINATION AND THE USE OF INSECTICIDES**

7. **DRAPES AND SHADES**: Drapes or shades installed by Resident, when allowed, must be lined in white and present a uniform exterior appearance.
8. **WATER BEDS**: Resident shall not have water beds or other water furniture in the Residence without prior written permission of University.
9. **BALCONY OR PATIO**: Balconies and patios shall be kept neat and clean at all times. No rugs, towels, laundry, clothing, appliances or other items shall be stored, hung or draped on railings or other portions of balconies or patios. No misuse of the space is permitted, including but not limited to, throwing, spilling or pouring liquids or other items, whether intentionally or negligently, over the balconies or patios.
10. **SIGNS**: Resident shall not display any signs, lights or markings on the exterior of the Residence. No awnings or other projections shall be attached to the outside of the building of which Residence is a part.

**SUBLEASE ADDENDUM
CONDITION INSPECTION REPORT**

(See attached)

**University of Nevada, Reno Real Estate
Condition Inspection Report**

Address: RCC Studio #

Tenant(s): _____

Move In Date: _____

Move Out Date: _____

ITEM	MOVE IN CONDITION	MOVE IN COMMENTS	MOVE OUT CONDITION	MOVE OUT COMMENTS
EXTERIOR				
Hallway	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Entry Door	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Windows	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Screens	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Locks	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
LIVING/BEDROOM				
Flooring	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Walls	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Ceiling	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Blinds	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Light Fixture	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Doors	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Bed	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Outlets	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Smoke Alarm	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	
Television	<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor		<input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor	

Sublease Agreement | Subtenant Initials: _____

**University of Nevada, Reno Real Estate
Condition Inspection Report**

Desk	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Chair	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
KITCHEN AREA								
Flooring	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Walls	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Ceiling	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Blinds	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Light Fixture	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Oven	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Range	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Refrigerator	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Sink/Faucet	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Garbage Disposer	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Counter	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Cabinets	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
BATHROOM								
Floor & Floor Covering	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Walls	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Ceiling	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Light Fixture	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Door	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Shower/Tub	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Toilet	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	

Sublease Agreement | Subtenant Initials: _____

**University of Nevada, Reno Real Estate
Condition Inspection Report**

Sink/Faucet	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Counter	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Cabinets	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Towel Rack	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	
Other:	<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor		<input type="checkbox"/> Good	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor	

MOVE IN ACKNOWLEDGEMENTS

I (we) have inspected the property identified above and, except as noted above, have (a) not observed mold, mildew or moisture, and (b) found the property to be in good and clean condition.

I (we) understand that any and damage, other than that noted above, is my (our) responsibility and, if not repaired, I (we) will be financially liable for the costs of repair, which may be deducted from my (our) security deposit upon move out.

Date of Inspection: _____

Signatures:

 Subtenant: _____

 Subtenant: _____

 UNR Staff: _____

MOVE OUT INSPECTION

Date of Inspection: _____

Signatures:

 Subtenant: _____

 Subtenant: _____

 UNR Staff: _____

**SUBLEASE ADDENDUM
CONSTRUCTION**

1. **PURPOSE OF ADDENDUM:** This Addendum notifies Resident that existing, on-going, or future construction at the Project may affect your use, view, and enjoyment of such Project.
2. **RESIDENT ACKNOWLEDGMENT OF CONSTRUCTION ON PROJECT:** Resident acknowledges that the Project, including its common areas and residences, may currently or in the future, be under repair, renovation, improvement, or construction. Owner does not guarantee that the repair, renovation, improvement, or construction will be completed on a set date or time and therefore, is not under any obligation to have said repair, renovation, improvement, or construction completed by a set date or time. Resident also acknowledges that the repair, renovation, improvement, or construction does not represent a breach of University's obligations under the Sublease.
3. **USE OF AMENITIES AND SERVICES:** Repair, renovation, improvement, or construction at the Project may create conditions where Resident's use of the Project's amenities and services may be limited or not available.
4. **NOISE AND OTHER DISTURBANCES:** Repair, renovation, improvement, or construction at or near the Project may create noise or other disturbances, and the Project itself, or portions thereof, may be unfinished for some time with respect to landscaping, building exteriors, interiors, amenities, walkways, lighting and the like. Resident acknowledges that these conditions may create inconveniences that may be beyond the control of the Owner or University. Resident agrees that despite these inconveniences, the obligations of the Resident, including payment of rent, as set forth in the Sublease will still be in effect.
5. **NO ABATEMENT OF RENT:** To the extent allowed by state law or local ordinance, Resident agrees that any inconvenience associated with the repair, renovation, improvement, or construction, such as, but not limited to, those disclosed herein, will not be deemed to give Resident any offset to rent obligations, or other compensation, nor will they be the basis for a complaint(s) or defense(s) against University for rent relief, constructive eviction, fitness and habitability, peaceful and quiet enjoyment, nuisance, or any other claim, right or remedy.
6. **DELAY OF OCCUPANCY:** Resident acknowledges that occupancy of the Residence may be delayed due to repair, renovation, improvement, or construction of the property, including common areas and apartments. Such repair, renovation, improvement, or construction may cause unforeseen delays due to scheduling conflicts, delay in permit issuance, acts of God, and other things beyond the control of Owner or University.

Notwithstanding the foregoing, in the event Owner has not delivered possession of the Residence to University, thereby delaying University's ability to deliver possession to Resident, until possession of the Residence is delivered to Resident, Resident shall be provided (a) accommodations at a hotel of Owner's reasonable choosing located within one (1) mile of the University of Nevada - Reno campus, and (b) a twenty-five and no/100 U.S. dollar (\$25.00) per diem payment, which payment shall be provided in the form of a gift card.

Subject to the foregoing contingency plan, Resident hereby knowingly and voluntarily accepts the risks of delays and the Residence not being ready for occupancy on the date set forth in the Sublease. Resident agrees that University's failure to have the Residence ready on the set date in the Sublease due to a repair, renovation, improvement, or construction delay does not constitute a willful failure to deliver possession of the Residence. Resident shall not be entitled to the abatement of any Rent under the Sublease due to any delay in delivering possession of the Residence.

7. **SEVERABILITY**: If any provision of this Addendum is invalid or unenforceable under applicable law, such provision shall be ineffective to the extent of such invalidity or unenforceability only without invalidating or otherwise affecting the remainder of this Addendum. The court shall interpret the Addendum in a manner such as to uphold the valid portions of this Addendum while preserving the intent of the parties.

**SUBLEASE ADDENDUM
CRIME/DRUG FREE HOUSING**

1. **ADDENDUM APPLICABILITY:** In the event any provision in this Addendum is inconsistent with any provision(s) contained in other portions of, or attachments to, the Sublease, then the provisions of this Addendum shall control. For purposes of this Addendum, the term “Project Premises” shall include the Residence, all common areas, all other dwelling units on the property or any common areas or other dwelling units on or about other property owned by or managed by the Owner. The parties hereby amend and supplement the Sublease as follows:

2. **CRIME/DRUG FREE HOUSING:** Resident, members of the Resident’s household, Resident’s guests, and all other persons affiliated with the Resident:

a. Shall not engage in any illegal or criminal activity on or about the Project Premises. The phrase, “illegal or criminal activity” shall include, but is not limited to, the following:

i. Engaging in any act intended to facilitate any type of criminal activity.

ii. Permitting the Project Premises to be used for, or facilitating on the Project Premises any criminal or drug related activity, by any member of the household or guest.

iii. The unlawful manufacturing, selling, using, storing, keeping, purchasing or giving of an illegal or controlled substance or paraphernalia as defined in city, county, state or federal laws, including but not limited to the State of Nevada and/or the Federal Controlled Substances Act.

iv. Violation of any federal drug laws governing the use, possession, sale, manufacturing and distribution of marijuana, regardless of state or local laws. (So long as the use, possession, sale, manufacturing and distribution of marijuana remains a violation of federal law, violation of any such federal law shall constitute a material violation of the Sublease.)

v. Engaging in, or allowing, any behavior that is associated with drug activity. including but not limited to having excessive vehicle or foot traffic associated with their unit.

vi. Any breach of the Sublease that otherwise jeopardizes the health, safety, and welfare of the Owner, Owner’s agents, or other residents, or involving imminent, actual or substantial property damage.

vii. Engaging in any activity that constitutes waste, nuisance, or unlawful use.

b. AGREE THAT ANY VIOLATION OF THE ABOVE PROVISIONS CONSTITUTES A MATERIAL VIOLATION OF THE SUBLEASE AND GOOD CAUSE FOR TERMINATION OF TENANCY. A single violation of any of the provisions of this Addendum shall be deemed a serious violation, and a material default, of the parties’ Sublease. It is understood that a single violation shall be good cause for termination of the Sublease. Notwithstanding the foregoing comments, University may terminate Resident’s tenancy for any lawful reason, and by any lawful method as provided in the Sublease.

3. **CRIMINAL CONVICTION NOT REQUIRED:** Unless otherwise provided by law, proof of violation of any criminal law shall not require a criminal conviction.

**SUBLEASE ADDENDUM
MIXED USE COMMUNITY**

1. **PURPOSE OF ADDENDUM:** The purpose of this Addendum is to provide you with notice that the Residence is located in a mixed-use living environment. The area surrounding the Residence contains both residences and commercial businesses. These commercial entities will produce certain noises, sounds, and odors up to twenty-four (24) hours a day.

2. **RESIDENT ACKNOWLEDGEMENT:** Resident acknowledges, understands and hereby agrees:
 - a. The Residence is located in the immediate area of commercial businesses, including, but not limited to, bars, nightclubs, restaurants and retail stores.

 - b. Certain challenges may be associated with living in immediate proximity to such commercial businesses.

 - c. These challenges may include these businesses emitting, but are not limited to: lights, noises sounds (including but not limited to music, voices and other forms of entertainment), vibrations, odors and smoke, which may penetrate the walls and floors of the Residence.

 - d. Such challenges may occur up to twenty-four (24) hours a day.

3. **RESIDENT DUE DILIGENCE:** University has encouraged Resident to research the area around their Residence. You agree that you were given the opportunity to exercise due diligence by reading this Addendum and researching the area surrounding the Residence. You acknowledge and understand the risks disclosed herein. Having conducted your due diligence, you agree to fully assume the risks set forth in this Addendum.

4. **ASSUMPTION OF RISK:** You have chosen to reside at the Residence despite any inconveniences such as those disclosed herein or any other inconvenience, which may be associated with living in a mixed-use environment. You further agree: You are voluntarily assuming the risks of inconvenience and nuisance related to residing in a Residence located in a mixed-use area. You agree that any inconvenience associated with the mixed-use and/or the surrounding area, such as, but not limited to, those disclosed herein, will not be deemed to give you any offset to rent obligations, nor will they be the basis for a complaint against University for rent relief, constructive eviction, fitness and habitability, peaceful and quiet enjoyment, nuisance, or any other claim, right or remedy. Neither Owner nor University shall have any duty to evict any commercial business for any lights, sounds, vibrations, odors, etc. that may occur as a result of their commercial business.

5. **SEVERABILITY:** If any provision of this Addendum is invalid or unenforceable under applicable law, such provision shall be ineffective to the extent of such invalidity or unenforceability only without invalidating or otherwise affecting the remainder of this Addendum.

**SUBLEASE ADDENDUM
MOLD INFORMATION AND PREVENTION**

Owner and University desire to maintain a quality living environment for Subtenant. To help achieve this goal, it is important for the parties to work together to minimize any mold growth in the Residence. This Addendum contains information for, and responsibilities of, Subtenant regarding mold.

1. **ABOUT MOLD:** Mold is found virtually everywhere in our environment-both indoors and outdoors and in both new and old structures. Molds are naturally occurring microscopic organisms which reproduce by spores and have existed practically from the beginning of time. All of us have lived with mold spores all our lives. Without molds we would all be struggling with large amounts of dead organic matter.

Mold breaks down organic matter in the environment and uses the end product for its food. Mold spores (like plant pollen) spread through the air and are commonly transported by shoes, clothing and other materials. When excess moisture is present inside a dwelling, mold can grow. A 2004 Federal Centers for Disease Control and Prevention study found that there is currently no scientific evidence that the accumulation of mold causes any significant health risks for person with normally functioning immune systems. Nonetheless, appropriate precautions need to be taken.

2. **PREVENTING MOLD BEGINS WITH YOU:** In order to minimize the potential for mold growth in your dwelling, you must do the following:

a. Keep your dwelling clean-particularly the kitchen, the bathroom(s), carpets and floors. Regular vacuuming, mopping and using a household cleaner to clean hard surfaces is important to remove the household dirt and debris that harbor mold or food for mold. A vacuum cleaner with a high-efficiency particulate air (“HEPA”) filter will help remove mold spores. Immediately throw away moldy food.

b. Do not block or cover any ventilation or air conditioning ducts. Whenever possible, maintain a temperature of 50 to 80 degrees Fahrenheit in the Residence.

c. Remove visible moisture accumulation on countertops, windows, windowsills, walls, ceilings, floors, and other surfaces as soon as reasonably possible. Periodically clean and dry the walls and floors around the sink, bathtub, shower, toilet, windows, and patio doors using a common household disinfecting cleaner. Blot dry spills on carpeting.

d. Look for leaks in washing machine hoses, faucets, and discharge lines, especially if the leak is large enough to infiltrate into nearby walls.

e. Turn on any exhaust fans in the bathroom and kitchen *before* you start showering or cooking with open pots. When showering, be sure to keep the shower curtain *inside* the tub or fully close the shower doors. Also, the experts recommend that after taking a shower or bath, you: (1) wipe moisture off of shower walls shower doors, the bathtub and the bathroom floor; (2) leave the bathroom door open until all moisture on the mirrors and bathroom walls and tile surfaces has dissipated; and (3) hang up your towels and bath mats so they will completely dry out.

f. Open windows and doors on days when the outdoor weather is warm (70 degrees or above) and dry (humidity is below 40 percent) to help humid areas of the Residence dry out. Keep the air conditioner off when doing this. Keep windows and doors closed in damp, humid, or rainy weather.

g. Clean the lint filter in the clothes dryer after each use and promptly report any damage to the vent connection. If condensations forms in the area, wipe it dry. Dry damp clothing as quickly as possible.

h. Limit houseplants to a reasonable number to limit excess humidity and limit molds that could grow on the soil surface. Avoid over watering.

i. Do not overfill closets or storage areas. Overcrowding restricts airflow.

j. Promptly report to the Community Manager:

i. Any leak, water damage, or signs of water infiltration;

ii. Any malfunction in the heating, ventilation, or air conditioning system;

iii. Windows or exterior doors that do not open or close properly;

iv. Any areas of visible mold (except very small areas that respond to routine cleaning);

v. Musty or moldy odors;

vi. Health issues that Subtenant thinks may be linked to the air quality within the Residence.

3. **IN ORDER TO AVOID MOLD GROWTH**, it is important to prevent excessive moisture buildup in your Residence. Failure to promptly pay attention to leaks and moisture that might accumulate on dwelling surfaces or that might get inside walls or ceilings can encourage mold growth. Prolonged moisture can result from a wide variety of sources, such as:

a. rainwater leaking from roofs, windows, doors and outside walls, as well as flood waters rising above floor level;

b. overflows from showers, bathtubs, toilets, lavatories, sinks, washing machines, dehumidifiers, refrigerator or A/C drip pans or clogged up A/C condensation lines;

c. leaks from plumbing lines or fixtures, and leaks into walls from bad or missing grouting/caulking around showers, tubs or sinks;

d. washing machine hose leaks, plant watering overflows, pet urine, cooking spills, beverage spills and steam from excessive open-pot cooking;

e. leaks from clothes dryer discharge vents (which can put lots of moisture into the air); and

f. insufficient drying of carpets, carpet pads, shower walls and bathroom floors.

4. **IF SMALL AREAS OF MOLD HAVE ALREADY OCCURRED ON NON-POROUS SURFACES** (such as ceramic tile, formica, vinyl flooring, metal, wood or plastic), the federal Environmental Protection Agency (EPA) recommends that you first clean the areas with soap (or detergent) and water, let the surface dry, and then within 24 hours apply a pre-mixed, spray-on-type household biocide, such as Lysol Disinfectant, Pine-Sol Disinfectant® (original pine-scented), Tilex Mildew Remover® or Clorox Cleanup®. (Note: Only a few of the common household cleaners will actually kill mold). Tilex® and Clorox® contain bleach which can discolor or stain. **Be sure to follow the Instructions on the container.** Applying biocides without first cleaning away the dirt and oils from the surface is like painting over old paint without first cleaning and preparing the surface.

Always clean and apply a biocide to an area 5 or 6 times larger than any visible mold because mold may be adjacent in quantities not yet visible to the naked eye. A vacuum cleaner with a high-efficiency

particulate air (HEPA) filter can be used to help remove non-visible mold products from porous items, such as fibers in sofas, chairs, drapes and carpets- provided the fibers are completely dry. Machine washing or dry cleaning will remove mold from clothes.

5. **DO NOT CLEAN OR APPLY HOUSEHOLD BIOCIDES TO:**

- a. visible mold on *porous surfaces* such as sheetrock walls or ceilings; or
- b. *large areas* of visible mold on *non-porous* surfaces.

Instead, notify University in writing; University will take appropriate action.

6. **COMPLIANCE:** Complying with this Addendum will help prevent mold growth in your Residence, and both you and University will be able to respond correctly if problems develop that could lead to mold growth. If you have questions regarding this Addendum, please contact University.

If you fail to comply with this Addendum, you can be held responsible for property damage to the Residence and any health problems that may result.

**SUBLEASE ADDENDUM
PACKAGE ACCEPTANCE POLICY**

1. **PURPOSE OF ADDENDUM:** By initialing this Addendum, you wish for Owner to sign for, and to accept, U.S. mail and privately - delivered packages or other items on your behalf, subject to the terms and conditions set forth herein.

2. **PACKAGE ACCEPTANCE:**

a. **Generally.** You hereby authorize Owner and Owner's agent to accept, on your behalf, any package or item delivered to Owner's on-site management office during disclosed business hours, including but not limited to any package delivered by the U.S. Postal Service *or* by any private courier service or individual. You also specifically authorize Owner to sign on your behalf if the person or entity delivering said package or item requires an adult signature prior to delivery, including but not limited to the delivery of certified or registered mail. A photo I.D. is required before any packages will be released. Packages will only be released to verified residents or approved representatives.

b. **Limitations.** You understand and agree that Owner may refuse to accept any package for any reason or no reason at all.

3. **TIME LIMITATION:** Due to limited storage space, Owner requires you pick up your package as soon as possible. You also agree that Owner shall have no duty whatsoever to hold or store any package for more than 30 days after receipt (accordingly, you should notify the Owner's on-site management office if you are going to be away from the Residence and expect to be receiving a package(s)). After said time, you agree that any such package is deemed abandoned and you authorize Owner to return the package to its original sender.

4. **DUTY OF CARE, ASSUMPTION OF RISKS:** As to any package for which Owner signs and/or receives on your behalf, you understand and agree that Owner has no duty to notify you of receipt of such package, nor does Owner have any duty to maintain, protect, or deliver said package to you, nor does Owner have any duty to make said package available to you outside disclosed business hours. Any packages or personal property delivered to Owner or stored by Owner shall be at your sole risk, and you assume all risks whatsoever associated with any loss or damage to your packages and personal property, including but not limited to, claims for theft, misplacing or damaging any such package, except in the event of Owner's or Owner's agent's gross negligence or willful misconduct. You also authorize Owner to throw away or otherwise dispose of any package that Owner, in its sole discretion, deems to be dangerous, noxious, or in the case of packaged food, spoiled.

5. **SEVERABILITY:** If any provision of this Addendum is illegal, invalid or unenforceable under any applicable law, then it is the intention of the parties that (a) such provision shall be ineffective to the extent of such invalidity or unenforceability only without invalidating or otherwise affecting the remainder of this Addendum, (b) the remainder of this Addendum shall not be affected thereby, and (c) it is also the intention of the parties to this Addendum that in lieu of each clause or provision that is illegal, invalid or unenforceable, there be added as a part of this Addendum a clause or provision similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

**SUBLEASE ADDENDUM
RECREATIONAL AND MEDICAL MARIJUANA USE**

The Ballot Question 9, Medical Use of Marijuana (2000) and Nev. Rev. Stat. 453A permits the limited use of marijuana in specific and limited circumstances. However, this is not the case under federal law. Under federal law, specifically the Controlled Substances Act (CSA), marijuana is still categorized as a Schedule I substance. This means that under federal law, the manufacture, distribution, or possession of marijuana is strictly prohibited. Because the U.S. Department of Housing and Urban Development is controlled by the federal government, it agrees that the use of marijuana, whether prescribed for medical reasons or not, is a criminal offense and will not be protected under the fair housing laws. Therefore, apartment complexes are not required to accommodate the use of marijuana by a tenant who is a current medical marijuana user. Disabled tenants who are registered medical marijuana users, however; should not feel discouraged to request reasonable accommodations if the need arises

The Project Premises follows and complies with federal law regarding marijuana use and is, and will continue to be, a drug free community. Possession, use, manufacture or sale of any illegal substance, including marijuana, or any use of marijuana by Resident and/or guests will result in immediate termination of the Sublease.

**SUBLEASE ADDENDUM
RISK MITIGATION**

As provided in the Sublease Agreement, Subtenant is required to maintain property damage liability insurance during the Term of the Sublease and any subsequent renewal periods.

Owner offers a cost-effective insurance program which includes liability and expanded liability coverage at \$100,000 per occurrence, pet damage of \$1,000 with a \$250 deductible per occurrence, loss of rents up to \$10,000 per occurrence and \$5,000 of tenant contingent contents with a \$500 deductible. Subtenant is required to enroll in such program, and the costs are included in your base Rent. Neither Owner nor Sublandlord provide any representations or warranties with respect to the insurance or services provided by the program or the sufficiency of such insurance.

Subtenant agrees that a failure by Subtenant to comply with any of the terms and conditions of this Addendum shall constitute a default under the Sublease to the extent permitted by applicable law. In the event of such default, to the extent permitted by applicable law, Sublandlord shall have all rights and remedies available to it under the Sublease.

**SUBLEASE ADDENDUM
SHORT-TERM SUBLETTING OR RENTAL PROHIBITION**

1. **SHORT TERM SUBLEASE OR RENTING PROHIBITED:** Without limiting the prohibition in the Sublease on subletting, assignment, and licensing, and without limiting any of University’s rights or remedies, this Addendum further supplements and defines the requirements and prohibitions contained in the Sublease. You are hereby strictly prohibited from subletting, licensing, or renting to any third party, or allowing occupancy by any third party, of all or any portion of the Residence, whether for an overnight use or duration of any length, without our prior written consent in each instance. This prohibition applies to overnight stays or any other stays arranged on Airbnb.com or other similar internet sites.

2. **PROHIBITION ON LISTING OR ADVERTISING DWELLING ON OVERNIGHT SUBLETTING OR RENTING WEBSITES:** You agree not to list or advertise the Residence as being available for short term subletting or rental or occupancy by others on Airbnb.com or similar internet websites. You agree that listing or advertising the dwelling on Airbnb.com or similar internet websites shall be a violation of this Addendum and a breach of your Sublease.

3. **VIOLATION OF LEASE AGREEMENT:** Your Sublease allows for use of your Residence as a private residence only and strictly prohibits conducting any kind of business in, from, or involving your dwelling unless expressly permitted by law. Separately, your Sublease prohibits subletting or occupancy by others of the dwelling for any period of time without our prior written consent. Permitting your dwelling to be used for any subletting or rental or occupancy by others (including, without limitation, for a short term), regardless of the value of consideration received or if no consideration is received, is a violation and breach of this Addendum and your Sublease.

4. **REMEDY FOR VIOLATION:** Any violation of this Addendum constitutes a material violation of the Sublease, and as such we may exercise any default remedies permitted in the Sublease, including termination of your tenancy, in accordance with local law. This clause shall not be interpreted to restrict our rights to terminate your tenancy for any lawful reason, or by any lawful method.

5. **RESIDENT LIABILITY:** You are responsible for and shall be held liable for any and all losses, damages, and/or fines that University incurs as a result of your violations of the terms of this Addendum or the Sublease. Further, you agree you are responsible for and shall be held liable for any and all actions of any person(s) who occupy your Residence in violation of the terms of this Addendum or the Sublease, including, but not limited to, property damage, disturbance of other residents, and violence or attempted violence to another person.

6. **SEVERABILITY:** If any provision of this Addendum is invalid or unenforceable under applicable law, such provision shall be ineffective to the extent of such invalidity or unenforceability only without invalidating or otherwise affecting the remainder of this Addendum. The court shall interpret the provisions herein in a manner such as to uphold the valid portions of this Addendum while preserving the intent of the parties.

**SUBLEASE ADDENDUM
SMOKE FREE COMMUNITY**

1. **DEFINITION OF SMOKING:** Smoking refers to any use or possession of a cigar, cigarette, e-cigarette, hookah, vaporizer, or pipe containing tobacco or a tobacco product while that tobacco or tobacco product is burning, lighted, vaporized, or ignited, regardless of whether the person using or possessing the product is inhaling or exhaling the smoke from such product. The term tobacco includes, but is not limited to any form, compound, or synthesis of the plant of the genus *Nicotiana* or the species *N. tabacum* which is cultivated for its leaves to be used in cigarettes, cigars, e-cigarettes, hookahs, vaporizers, or pipes. Smoking also refers to use or possession of burning, lighted, vaporized, or ignited non-tobacco products if they are noxious, offensive, unsafe, unhealthy, or irritating to other persons.

2. **SMOKING ANYWHERE INSIDE BUILDINGS OF THE COMMUNITY IS STRICTLY PROHIBITED:** All forms and use of burning, lighted, vaporized, or ignited tobacco products and smoking of tobacco products inside any dwelling, building, or interior of any portion of the community is strictly prohibited. Any violation of the no-smoking policy is a material and substantial violation of this Addendum and the Sublease.

The prohibition on use of any burning, lighted, vaporized, or ignited tobacco products or smoking of any tobacco products extends to all Residents, their occupants, guests, invitees and all others who are present on or in any portion of the community. The no-smoking policy and rules extend to, but are not limited to, the management and leasing offices, building interiors and hallways, building common areas, dwellings, club house, exercise or spa facility, tennis courts, all interior areas of the community, commercial shops, businesses, and spaces, work areas, and all other spaces whether in the interior of the community or in the enclosed spaces on the surrounding community grounds. Smoking of non-tobacco products which are harmful to the health, safety, and welfare of other residents inside any dwelling or building is also prohibited by this Addendum and other provisions of the Sublease.

3. **SMOKING OUTSIDE BUILDINGS OF THE COMMUNITY:** Smoking is permitted only in specially designated areas outside the buildings of the community. Smoking must be at least 20 feet from the buildings in the community, including administrative office buildings. The smoking-permissible areas are marked by signage.

Smoking on balconies, patios, and limited common areas attached to or outside of your Residence is not permitted.

Even though smoking may be permitted in certain limited outside areas, Owner reserves the right to direct that you and your occupants, family, guests, and invitees cease and desist from smoking in those areas if smoke is entering the dwellings or buildings or if it is interfering with the health, safety, or welfare or disturbing the quiet enjoyment, or business operations of Owner, other residents, or guests.

4. **YOUR RESPONSIBILITY FOR DAMAGES AND CLEANING:** You are responsible for payment of all costs and damages to your Residence, other residents' dwellings, or any other portion of the community for repair, replacement, or cleaning due to smoking or smoke related damage caused by you or your occupants, family, guests, or invitees, regardless of whether such use was a violation of this Addendum. Any costs or damages Owner and/or University incurs related to repairs, replacement, and cleaning due to your smoking or due to your violation of the no-smoking provisions of the Sublease are in excess of normal wear and tear. Smoke related damage, including but not limited to, the smell of tobacco smoke which permeates sheetrock, carpeting, wood, insulation, or other components of the dwelling or building is in excess of normal wear and tear in this smoke free community.

5. **SUBLEASE TERMINATION FOR VIOLATION OF THIS ADDENDUM:** University has the right to terminate your Sublease or right of occupancy of the Residence for any violation of this Addendum. Violation of the no-smoking provisions is a material and substantial default or violation of the Sublease. Despite the termination of the Sublease or your occupancy, you will remain liable for Rent through the end of the Term or the date on which the Residence is re-rented to a new occupant, whichever comes first. Therefore, you may be responsible for payment of Rent after you vacate the leased premises even though you are no longer living in the Residence.

6. **EXTENT OF YOUR LIABILITY FOR LOSSES DUE TO SMOKING:** Your responsibility for damages, and cleaning under this Addendum are in addition to, and not in lieu of, your responsibility for any other damages or loss under the Sublease or any other addendum.

7. **YOUR RESPONSIBILITY FOR CONDUCT OF OCCUPANTS, FAMILY MEMBERS, AND GUESTS:** You are responsible for communicating this community's no-smoking policy and for ensuring compliance with this Addendum by your occupants, family, guests, and invitees .

8. **THERE IS NO WARRANTY OF A SMOKE FREE ENVIRONMENT:** Although Owner prohibits smoking in all interior parts of the community, there is no warranty or guaranty of any kind that your Residence or the community is smoke free. Subtenant acknowledges that adoption of a smoke-free living environment, and the efforts to designate the community as smoke-free does not in any way change the standard of care that the Owner or University would have to Subtenant to render buildings and premises designated as smoke free any safer, more habitable, or improved in terms of air quality standards than any other rental premises. University specifically disclaims any implied or express warranties that the building, common areas, or Residence will have any higher or improved air quality standards than any other rental property. University cannot and does not warranty or promise that the Residence or community will be free from secondhand smoke. Smoking in certain limited outside areas is allowed as provided above. Subtenants, including subtenants with respiratory ailments, allergies, or any other physical or mental condition relating to smoke, are put on notice that University does not assume any higher duty of care to enforce this Addendum than that provided by applicable law.

Enforcement of this no-smoking policy is a joint responsibility which requires your cooperation in reporting incidents or suspected violations of smoking. You must report violations of this no-smoking policy before Owner is obligated to investigate and act, and you must thereafter cooperate with Owner in prosecution of such violations.

This is an important and binding legal document, pursuant to which you are agreeing to follow Owner's no-smoking policy and you are acknowledging that a violation could lead to termination of your Sublease or right to continue living in the Residence. If you or someone in your household is a smoker, you should carefully consider whether you will be able to abide by the terms of this Addendum.

EXHIBIT "C"
ESTOPPEL CERTIFICATE

The Board of Regents of the Nevada System of Higher Education, on behalf of the University of Nevada, Reno, is the tenant ("**Tenant**") under a Reno City Center Lease Agreement ("**Lease**") dated _____ 20____, between Tenant and **RENO CITY CENTER, LLC**, a Nevada limited liability company, as landlord ("**Landlord**"), with respect to the premises ("**Premises**") having a Floor Area (as defined in the Lease) of _____. With the understanding that either [(i) _____ ("**Lender**") will rely upon the representations made herein in making a loan ("**Loan**") to Landlord and accepting an assignment of Landlord's interest in the Lease pursuant to an Assignment of Leases and Rents to be entered into between Lender, as assignee, and Landlord, as assignor ("**Assignment of Leases**"), or (ii) _____ ("**Transferee**") will rely upon the representations made herein in purchasing a portion of or all of the Project, and/or, (iii) Landlord will rely upon the representations made herein in extending certain accommodations and/or making certain payments to Tenant,] Tenant hereby represents and certifies to [Landlord, Lender and/or Transferee], as of the date hereof, as follows:

1. The Lease is in full force and effect and has not been modified, supplemented, cancelled or amended in any respect, except as follows:

2. The Lease, as affected by those changes in **Paragraph 1** above, represents the entire agreement of the parties with respect to the Premises.

3. Tenant has no claims, defenses or rights of offset against any rents payable thereunder, except as follows:

4. The term of the Lease commenced on _____ and, exclusive of any option or renewal term, will expire on _____ ("**Initial Term**"), with the right to extend the Lease for one (1) additional period of three (3) years, and on or before the first said date the Tenant became obligated to pay fixed minimum rent in monthly installments, which rent obligation is continuing and is not past due or delinquent in any respect. No installment of rent has been or will be prepaid more than one (1) month in advance.

5. As of the date of this Certificate, except as otherwise provided below, there exists no breach or default, nor state of facts which, with notice, the passage of time, or both, would result in a breach or default on the part of either Tenant or Landlord. Further, except as otherwise provided below, to the best of Tenant's knowledge, no claim, controversy, dispute, quarrel or disagreement exists between Tenant and Landlord.

6. Tenant has no option or preferential right to purchase all or any part of the Premises (or the real property of which the Premises is a part) nor any right or interest with respect to the Premises other than as Tenant under the Lease.

7. Tenant has no option, right of first offer or right of first refusal to lease or occupy any other space within the property of which the Premises are a part, except as follows:

8. Tenant has no right to renew or extend the terms of the Lease except as follows:

Tenant shall have one (1) option to renew for a period of three (3) years.

9. Tenant has no preferential right to parking spaces or storage area except as follows:

10. There has not been filed by or against Tenant a petition in bankruptcy, voluntary or otherwise, any assignment for the benefit of creditors, any petition seeking reorganization or arrangement under the bankruptcy laws of the United States, or bankruptcy laws with respect to Tenant.

11. So long as the Loan is outstanding, Tenant will provide Lender with all information, including but not limited to evidence of payment of taxes and insurance (if Tenant is obligated for such payments under the Lease) as the Landlord may be reasonably entitled under the Lease, and Tenant will give Lender the same notices, including without limitation notices of default, and thereafter the same right to cure any defaults or take any action as the Landlord may be entitled under the Lease, without the obligation to cure such defaults or take such action, and such time in addition to that which Landlord is entitled as may be reasonably necessary to cure such defaults or take such action, provided Lender has indicated its intention to cure or take action and pursues the same with diligence.

12. Tenant acknowledges Landlord's assignment of the Lease and the rents to be paid thereunder to Lender and, so long as the Loan is outstanding, Tenant will not agree to any modification, amendment or supplement of the Lease or any of its provisions without the prior written consent of Lender.

13. Any provisions of the Lease notwithstanding and so long as the Loan is outstanding, Tenant agrees that it will not cause or permit any termination of the Lease before the end of the Initial Term or withhold or reduce the rent or any installment of rent during the Initial Term below the amounts herein referred to without prior written notice to Lender. Subject to the rights of Lender contained herein, nothing in this paragraph shall constitute a waiver by the Tenant of its rights against the Landlord under the Lease or limit the rights of the Tenant to maintain any action at law or equity against the Landlord.

14. So long as the Loan is outstanding, Lender or its designee may enter upon the Premises in accordance and upon compliance with Article 17E of the Lease.

15. Lender and Landlord have represented to Tenant, and Tenant therefore acknowledges, that pursuant to the Assignment of Leases, Lender is presently entitled to collect and receive all rents to be paid under the Lease directly from Tenant. Based upon such representations, Tenant agrees to pay all rents and installments of rent as they become due directly to Lender in the manner and at such address as Lender may hereafter direct by written notice to Tenant. Until such notice is given by Lender to Tenant, Tenant shall pay all rent and installments of rent to Landlord in accordance with the provisions of the Lease.

16. All information, notices or requests provided for or permitted to be given or made pursuant to this Certificate shall be deemed to have been properly made or given by depositing the same in the United States Mail, postage prepaid and registered or certified return receipt requested and addressed to the addresses set forth below, or to such other addresses as may from time to time be specified in writing by Tenant or Lender to the other:

If to Lender:

Exhibit C

If to Tenant:

University of Nevada, Reno
Attn: Office of Community & Real Estate Management
1664 N. Virginia St./MS 243
Reno, NV 89557-0243

With a copy to:

University of Nevada, Reno
Attn: General Counsel
1664 N. Virginia St./MS 550
Reno, NV 89557-0550

All requests or notices shall be effective upon being deposited in the United States Mail, however the time period in which any response to any notice or request must be made shall commence from the date of receipt of the request or notice by the addressee.

17. Intentionally deleted.

18. There shall be no merger of the Lease or the leasehold estate created thereby with any other estate in the Premises, including without limitation, the fee estate, by reason of the same person or entity acquiring or holding, directly or indirectly, the Lease and said leasehold estate and any such other estate.

19. The Lease and this Certificate have been duly authorized, executed and delivered by the Tenant and constitute legal, valid and binding instruments enforceable against Tenant in accordance with their respective terms, except as such terms may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally.

20. Neither the execution, delivery nor performance of the Lease or this Certificate by Tenant shall violate any applicable law, order, writ, injunction, or decree of any court or governmental authority or result in any default in the terms of any agreement or instrument to which the Tenant is a party or create any lien, charge or encumbrance upon the Premises except those expressly created or permitted by the Lease.

21. Except as otherwise expressly stated in the Lease, the provisions of the Lease, including the rents payable thereunder, were negotiated at arm's length and no consent, authorization or approval of any governmental authority is necessary in connection with Tenant's execution, delivery or performance of the Lease or this Certificate.

22. This Certificate and the representations made herein shall be governed by the laws of the state where the Premises is located and are binding upon and inure to the benefit of [Lender, Landlord's Mortgagee (if applicable), Transferee, Landlord] and Tenant and their respective successors and assigns

and to no other persons or entities, and the representations made herein shall survive the [closing of the Loan] or [closing of the transaction with the Transferee] and the delivery of this Certificate.

IN WITNESS WHEREOF, this Certificate has been duly executed and delivered by the undersigned as of _____, 20__.

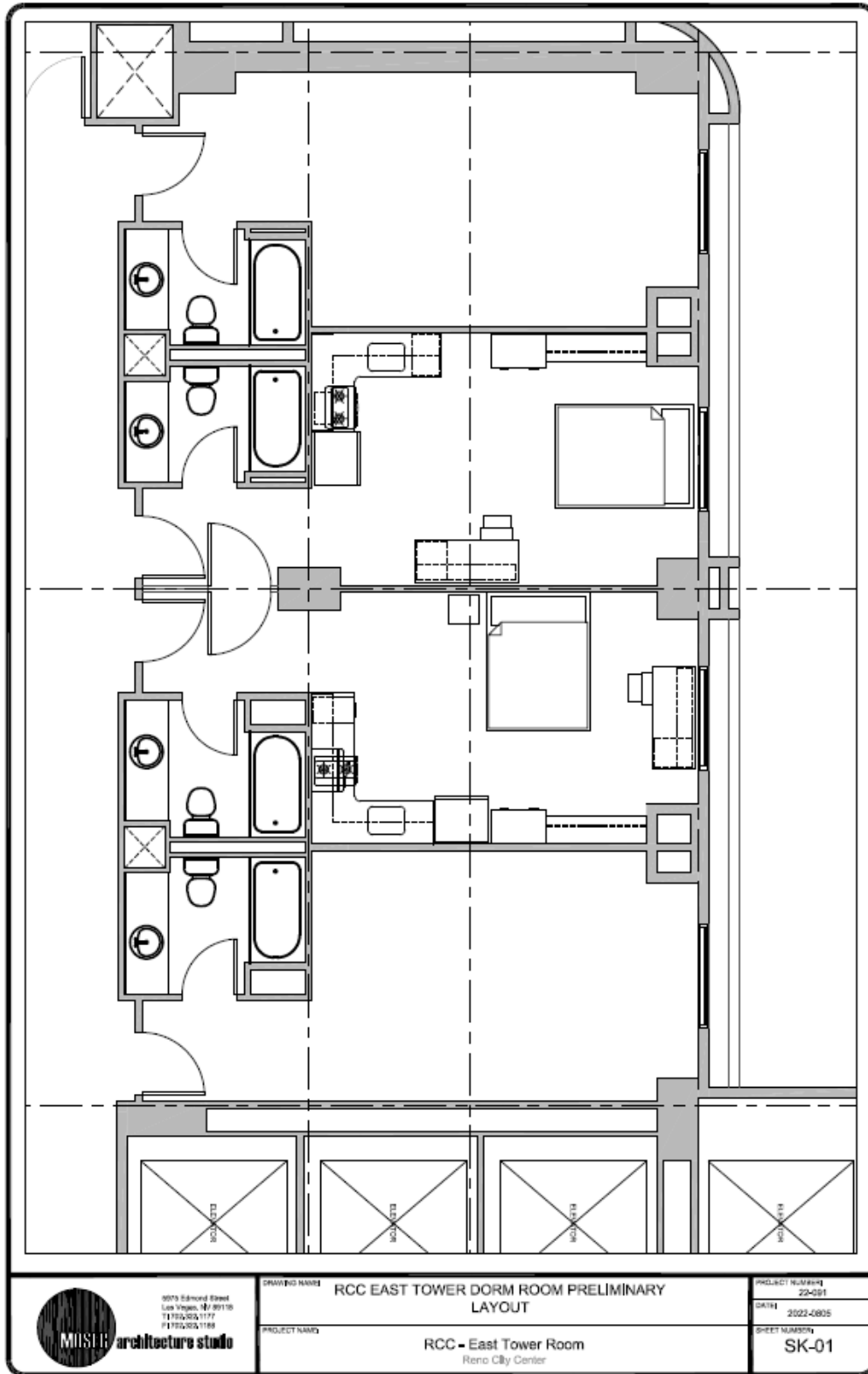
TENANT:

**BOARD OF REGENTS OF THE NEVADA SYSTEM
OF HIGHER EDUCATION, ON BEHALF OF THE
UNIVERSITY OF NEVADA, RENO**

By: _____

Its: _____

EXHIBIT "D"
SAMPLE FLOORPLAN



MUSLE architecture studio
 5575 Edmund Street
 Las Vegas, NV 89116
 702.252.1177
 702.252.1188

DRAWING NAME: **RCC EAST TOWER DORM ROOM PRELIMINARY LAYOUT**
 PROJECT NAME: **RCC - East Tower Room**
 Reno City Center

PROJECT NUMBER: **22-0801**
 DATE: **2022-0805**
 SHEET NUMBER: **SK-01**

Exhibit D

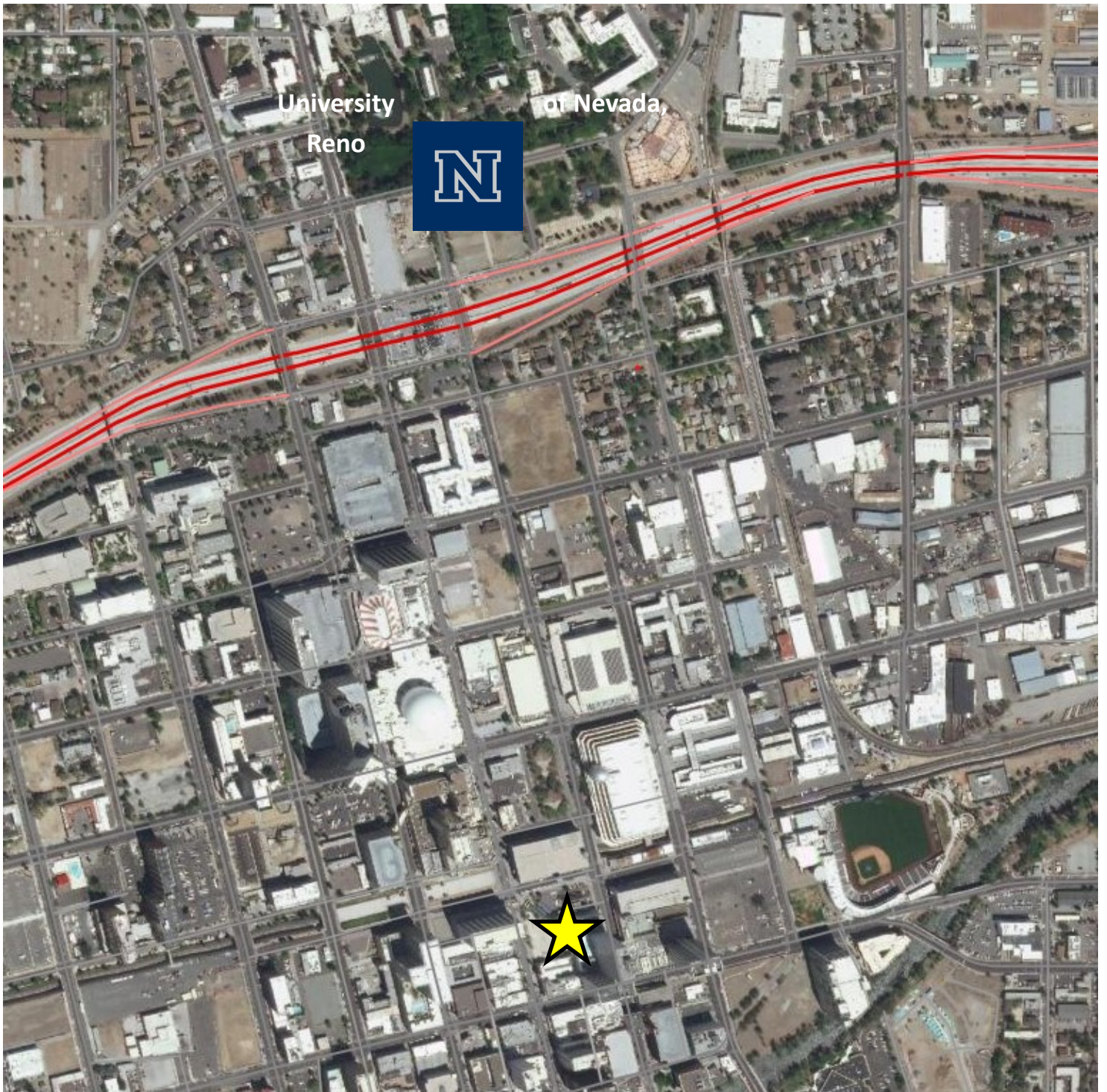
**EXHIBIT “E”
CONTINGENCY PLAN**

In the event that Landlord has not delivered possession of the Residence(s) to Tenant as of August 1, 2023, Landlord shall be obligated to provide the following accommodations, at Landlord’s sole cost, management and expense, until Landlord can deliver possession of the Residence(s):

1. Separate hotel accommodations for each affected Resident (each, a “**Displaced Resident**”) at a hotel of Landlord’s reasonable choosing; provided, however, (a) such hotel shall have a minimum 3-star designation and an occupancy guest rating of at least 80% positive (by way of example, not less than 8 out of 10 rating on an independent site such as Trip Advisor, or other comparable site with at least 100 reviews); (b) rooms shall be assigned based on what floorplan style is then-currently assigned to such Displaced Resident at the Project (by way of example, Displaced Residents of each Residence will be provided accommodations within a similar hotel room); (c) Landlord shall ensure that all Displaced Residents are accommodated in the same hotel, which shall be within one (1) mile of the University of Nevada - Reno campus; and (d) Displaced Residents shall not be required to share hotel rooms with individuals who would not otherwise reside in their same Residence had the Residence been timely delivered.

2. A twenty-five and no/100 U.S. dollar (\$25.00) per diem payment to each Displaced Resident, which payment shall be provided in the form of a gift card. The first such gift card shall be delivered on August 15, 2023. Subsequent gift cards shall be delivered on Monday of each week until possession of the Residence(s) is delivered to the Resident, which gift card shall include the per diem amount for the following seven (7) days. Displaced Residents shall be entitled to keep any excess per diem payments received in the event the Residence(s) are delivered mid-week. Landlord shall deliver all such gift cards to Tenant and Tenant shall be solely responsible for the delivery of the same to each Displaced Resident.

Exhibit 2



Yellow Star shows the proximity to the University of Nevada, Reno Campus