

# North Carolina Residential Lease

Date: {TodaysDate}

1. **PARTIES.** This North Carolina Residential Lease (“Agreement”) is between {TenantNames} (collectively, the “Tenant”) and {PropertyManagerEntity} (“Landlord”). Each Tenant is jointly and severally liable for all terms of this Agreement.
2. **PREMISES.** Subject to the terms and conditions in this Agreement, Landlord rents to Tenant, and Tenant rents from Landlord, for residential purposes only, {Address} (“Premises”).
3. **OCCUPANTS.** The Premises shall be used and occupied only as a private residence by Tenant and immediate family of Tenant, provided that the total number of occupants does not exceed the number of occupants allowed under law. Occupancy by other persons for more than seven consecutive days and more than two occasions in any month is prohibited without Landlord's written consent and shall be considered a breach of this Agreement. Tenant is responsible for the conduct of all occupants, guests, and invitees.
4. **AGREEMENT TERM.** The term of this Agreement begins on {StartDate}, and ends at 11:59 p.m. on {EndDate} (“Agreement Term”).
5. **PAYMENT OF RENT.** Tenant shall pay Landlord a monthly rental amount of \${MonthlyRent}, due to Landlord in full on the first business day of the month at Landlord’s address or using electronic funds transfer to an account designated by Landlord for the payment of rent. If Landlord and Tenant agree that Tenant shall make payments through the LeaseRunner Tenant Payment Center, then all {ACH\_Fees}.
6. **CHARGES AND FEES.** Landlord and Tenant agree that the charges and fees are a reasonable estimate of the administrative costs incurred by Landlord. The following apply per N.C. Gen. Stat. § 42-46.
  - A. **Late Fee.** If rent remains unpaid for five days, Tenant shall pay Landlord a late charge of \${Late\_Fee}, which may not exceed 5% of the rental amount, per N.C. Gen. Stat. § 42-46.
  - B. **NSF Fee.** If any payment offered by Tenant to Landlord for rent or any other amount due under this Agreement is returned for lack of sufficient funds, for a stop-payment, or for any other reason, Tenant shall pay Landlord an insufficient funds fee of \${NSF\_Fee} (maximum \$25 per N.C. Gen. Stat. § 25-3-506).
  - C. **Complaint-Filing Fee.** Landlord may charge an administrative complaint-filing fee not to exceed \$15 or 5% of the monthly rent, whichever is greater, only if Tenant was in default under this Agreement, Landlord filed and served a complaint for summary ejectment and/or money owed, Tenant cured the default or claim, and

Landlord dismissed the complaint prior to judgment. Landlord can include this fee in the amount required to cure the default.

- D. **Court-Appeal Fee.** Landlord may charge an administrative court-appearance fee in an amount equal to 10% of the monthly rent only if Tenant was in default under this Agreement; Landlord filed, served, and prosecuted successfully a complaint for summary ejectment and/or monies owed in the small claims court; and neither party appealed the judgment of the magistrate.
- E. **Second Trial Fee.** Landlord may charge a second administrative trial fee for a new trial following an appeal from the judgment of a magistrate. To qualify for the fee, Landlord must prove that Tenant was in default under this Agreement and Landlord prevailed. Landlord's fee may not exceed 12% of the monthly rent.
- F. **Limitations on Fees.** If Landlord claims administrative fees under subsections (C) through (E) above, Landlord is entitled to charge and retain only one of the above fees for Landlord's complaint for summary ejectment and/or money owed.
- G. **Out-of-Pocket Expenses.** In addition to the fees referenced in subsections (C) through (E) above, Landlord also is permitted to charge and recover from Tenant the following actual out-of-pocket expenses:
  - i. filing fees charged by the court;
  - ii. costs for service of process pursuant to N.C. Gen. Stat. § 4 of the North Carolina Rules of Civil Procedure and N.C. Gen. Stat. § 42-29; and
  - iii. reasonable attorneys' fees actually paid or owed, pursuant to this Agreement, not to exceed 15% percent of the amount owed by Tenant, or 15% of the monthly rent stated in this Agreement if the eviction is based on a default other than the nonpayment of rent.

The out-of-pocket expenses and litigation costs are allowed to be included by Landlord in the amount required to cure a default. The term "administrative fees" does not include out-of-pocket expenses, litigation costs, or other fees.

7. **PRORATION OF RENT.** For the period from {StartDate} through the end of the month, Tenant shall pay to Landlord the prorated monthly rent of \${ProratedRent}.

8. **SECURITY DEPOSIT.**

- A. **Amount.** Tenant shall deposit with Landlord the amount of \${SecurityDeposit} as a security deposit against any breach of this Agreement by Tenant.
- B. **Trust Account.** Landlord shall deposit the security deposit in a trust account with a licensed and federally insured depository or a trust institution authorized to do business in North Carolina; or Landlord may, at Landlord's option, furnish a bond from an insurance company

licensed to do business in North Carolina. The security deposits from Tenant may be held in a trust account outside of the State of North Carolina only if Landlord provides Tenant with an adequate bond in the amount of the deposits. Landlord shall notify Tenant within **30 days** after the beginning of the Agreement Term of the name and address of the bank or institution where Tenant's deposit is currently located or the name of the insurance company providing the bond.

- C. **Allowable Charges.** Landlord may use the security deposit for the following, per N.C. Gen. Stat. § 42-51.
- i. Tenant's possible nonpayment of rent and costs for water or sewer services provided pursuant to N.C. Gen. Stat. § 62-110(g) and electric service pursuant to N.C. Gen. Stat. § 62-110(h);
  - ii. damage to the Premises, including damage to or destruction of smoke alarms or carbon monoxide alarms;
  - iii. damages as the result of the nonfulfillment of the Agreement Term, except where Tenant terminates this Agreement under N.C. Gen. Stat. § 42-45, N.C. Gen. Stat. § 42-45.1, or because Tenant was forced to leave the Premises because of Landlord's violation of the warranty of habitability;
  - iv. any unpaid bills that become a lien against the property due to Tenant's occupancy;
  - v. the costs of re-renting the Premises after breach by Tenant, including any reasonable fees or commissions paid by Landlord to a licensed real estate broker to re-rent the Premises;
  - vi. the costs of removal and storage of Tenant's property after a summary ejectment proceeding;
  - vii. court costs; and
  - viii. any fee permitted by the section Charges and Fees above.
- D. **Return Of Security Deposit.** Prior to move-out, Tenant shall provide Landlord with a forwarding address. Per N.C. Gen. Stat. § 42-52, within **30 days** after the termination of this Agreement or surrender and acceptance of the Premises, whichever occurs last, Landlord shall return Tenant's security deposit with an itemized security deposit settlement statement listing any deductions. If, however, the extent of Landlord's claim against the security deposit cannot be determined within **30 days**, Landlord shall provide Tenant with an interim accounting within **30 days** after the termination of the tenancy and delivery of possession to Landlord. Landlord then shall provide a final accounting to Tenant within **60 days** after the termination of the tenancy and delivery of possession to Landlord. If Tenant's address is unknown, Landlord shall apply the deposit as permitted in this subsection and hold the balance of the deposit for collection by the Tenant for at least six months.

- E. **Remedies.** Per N.C. Gen. Stat. § 42-55, if Landlord fails to account for and refund the balance of Tenant's security deposit as required by law, Tenant may institute a civil action to require the accounting of and the recovery of the balance of the deposit. The willful failure of Landlord to comply with the deposit, bond, or notice requirements of law shall void Landlord's right to retain any portion of Tenant's security deposit. In addition to other remedies at law and equity, Tenant may recover damages resulting from noncompliance by Landlord; and upon a finding by the court that the party against whom judgment is rendered was in willful noncompliance with the law, such willful noncompliance is against the public policy of this State and the court may award attorneys' fees to be taxed as part of the costs of court.
9. **KEYS.** Landlord shall provide Tenant with {HouseKeys} house key(s), {MailboxKeys} mailbox key(s), and {GarageOpeners} garage door opener(s) (collectively, the "Keys"). Keys may not be duplicated, and Tenant shall return Keys to Landlord at move-out. Tenant's failure to return the Keys to Landlord at move-out shall incur a \$50 administrative fee, plus the costs of the lock change service. Landlord may be required to change the locks of the Premises if Tenant is a victim of domestic violence, sexual assault, or stalking, per N.C. Gen. Stat. § 42-42.3.
10. **UTILITIES.**
- A. **Responsibilities.** Landlord shall be responsible for paying the following utilities: {LandlordUtilities}. Tenant shall be responsible for paying all other utilities including but not limited to: {TenantUtilities}. Within three business days after the beginning of the Agreement Term, Tenant shall arrange for such utilities or services and for billing directly to Tenant for the Agreement Term. The party responsible for any particular utility or service shall not be liable for failure to furnish the utility or service when the cause of such failure is beyond that party's control.
- B. **Water, Electricity, and Natural Gas Conservation.** Per N.C. Gen. Stat. § 42-42.1:
- i. For the purpose of encouraging water, electricity, and natural gas conservation, pursuant to a written rental agreement, Landlord may charge for the cost of providing water or sewer service to Tenant pursuant to N.C. Gen. Stat. § 62-110(g), electric service pursuant to N.C. Gen. Stat. § 62-110(h), natural gas service pursuant to N.C. Gen. Stat. § 62-110(i), or for electricity or natural gas used by a central system pursuant to N.C. Gen. Stat. § 62-110(j).
  - ii. Landlord may not disconnect or terminate Tenant's electric service, water or sewer services, or natural gas service, , nor may Landlord terminate Tenant's receipt of the benefits of the use of a central system, due to Tenant's nonpayment of the amount due for electric service, water or sewer services, or natural gas service.
11. **SMOKING.** Smoking {Smoking} permitted in the Premises.

12. **PET RESTRICTIONS.** Except for service animals for the disabled, no animal, bird, or other pet is allowed in the Premises at any time, unless Tenant and Landlord have executed a separate written pet agreement. If at any time Tenant allows a pet into the Premises, Landlord may charge Tenant a penalty of \$50 per day, plus the costs of any damages.
13. **NOTICE TO QUIT AND HOLDOVER.**
  - A. **Tenant's Notice.** At least **30 days** prior to the expiration of the Agreement Term, Tenant shall provide Landlord with written notice of Tenant's intention to move out by the end of the Agreement Term. If Tenant fails to provide such written notice, the tenancy shall be month-to-month after the Agreement Term, and all other terms of this Agreement shall continue in full force and effect.
  - B. **Month-to-Month Tenancies.** If this Agreement becomes a month-to-month tenancy, rent shall be uniformly apportioned per day during the notice period, which begins upon the other party's receipt of notice of termination as per the following notice periods:
    - i. Notice by Landlord. Landlord may terminate a month-to-month tenancy by providing **30 days** written notice to Tenant.
    - ii. Notice by Tenant. Tenant may terminate a month-to-month tenancy by providing **30 days** written notice to Landlord.
  - C. **Holdover.** If Tenant continues in possession of the Premises after the date of termination of this Agreement, as provided herein or under law, Tenant shall pay to Landlord a sum not to exceed **double the monthly rental amount of  $\{MonthlyRent\}$**  under this Agreement, computed and prorated on a daily basis, for each day Tenant remains in possession. In addition, the holdover tenant shall be responsible for any further losses and/or costs incurred by Landlord as determined by a proceeding before any court of competent jurisdiction. Landlord's acceptance of partial rent payment does not waive Tenant's breach for which any right of reentry was reserved.
14. **RENT CHANGES.** Landlord may not change the rental amount during the Agreement Term. Landlord may change the rental amount or other agreement terms for a tenancy subsequent to the Agreement Term by providing written notice to Tenant **30 days** prior to the end of the Agreement Term.
15. **POSSESSION OF THE PREMISES.** Tenant shall be responsible for paying rent and complying with all terms of this Agreement after signing this Agreement, even if Tenant fails to take possession of the Premises. If Tenant fails to take possession of the Premises within seven days of the beginning of the Agreement Term, Landlord may terminate this Agreement.
16. **DELAY OF OCCUPANCY.** In the event Tenant's occupancy of the Premises is delayed for construction, repairs, cleaning, a holdover tenant, or any other circumstances beyond Landlord's control, this Agreement shall remain in effect, subject to the abatement of rent on a daily basis during the delay for the first seven days of the Agreement Term. If the delay of occupancy is longer than seven days, Tenant may terminate this Agreement by delivering

written notice to Landlord. After such termination, Landlord's liability to Tenant is limited to the return of all sums previously paid by Tenant to Landlord under this Agreement.

17. **REIMBURSEMENT.** Tenant shall immediately reimburse Landlord for any loss, damage, cost, or repair caused by Tenant or an occupant, guest, or invitee of Tenant. Tenant's unpaid balances shall incur interest at the highest lawful rate.

18. **MAINTENANCE RESPONSIBILITIES.**

A. **Landlord's Responsibilities.** Per N.C. Gen. Stat. § 42-42, Landlord shall:

- i. comply with the current applicable building and housing codes;
- ii. make all repairs and do whatever is necessary to put and keep the Premises in a fit and habitable condition;
- iii. keep all common areas of the property in safe condition;
- iv. maintain in good and safe working order and promptly repair all electrical, plumbing, sanitary, heating, ventilating, air conditioning, and other facilities and appliances supplied or required to be supplied by Landlord provided that notification of needed repairs is made to Landlord in writing by Tenant, except in emergency situations;
- v. provide operable smoke alarms, either battery-operated or electrical, having an Underwriters' Laboratories, Inc., listing or other equivalent national testing laboratory approval, and install the smoke alarms in accordance with either the standards of the National Fire Protection Association or the minimum protection designated in the manufacturer's instructions, which Landlord shall retain or provide as proof of compliance. Landlord shall replace or repair the smoke alarms within 15 days of receipt of notification if Landlord is notified of needed replacement or repairs in writing by Tenant. Landlord shall ensure that a smoke alarm is operable and in good repair at the beginning of each tenancy. Unless Landlord and Tenant have a written agreement to the contrary, Landlord shall place new batteries in a battery-operated smoke alarm at the beginning of a tenancy and Tenant shall replace the batteries as needed during the tenancy, except where the smoke alarm is a tamper-resistant, 10-year lithium battery smoke alarm as required by this subsection. Failure of Tenant to replace the batteries as needed shall not be considered as negligence on the part of Tenant or Landlord. After December 31, 2012, when installing a new smoke alarm or replacing an existing smoke alarm, Landlord shall install a tamper-resistant, 10-year lithium battery smoke alarm. However, Landlord shall not be required to install a tamper-resistant, 10-year lithium battery smoke alarm as required by this subsection in either of the following circumstances:
  - a. the Premises is equipped with a hardwired smoke alarm

with a battery backup; or

- b. the Premises is equipped with a smoke alarm combined with a carbon monoxide alarm that meets the requirements provided in subsection (vii) below;
- vi. if Landlord is charging for the cost of providing water or sewer service pursuant to N.C. Gen. Stat. § 42-42.1 and has actual knowledge from either the supplying water system or other reliable source that water being supplied to tenants within Landlord's property exceeds a maximum contaminant level established pursuant to Article 10 of Chapter 130A of the General Statutes, provide notice that water being supplied exceeds a maximum contaminant level;
- vii. provide a minimum of one operable carbon monoxide alarm per rental unit per level, either battery-operated or electrical, that is listed by a nationally recognized testing laboratory that is OSHA-approved to test and certify to American National Standards Institute/Underwriters Laboratories Standards ANSI/UL2034 or ANSI/UL2075, and install the carbon monoxide alarms in accordance with either the standards of the National Fire Protection Association or the minimum protection designated in the manufacturer's instructions, which Landlord shall retain or provide as proof of compliance. Landlord' installation of one carbon monoxide alarm per rental unit per level shall be deemed to be in compliance with standards under this subsection covering the location and number of alarms. Landlord shall replace or repair the carbon monoxide alarms within 15 days of receipt of notification if Landlord is notified of needed replacement or repairs in writing by Tenant. Landlord shall ensure that a carbon monoxide alarm is operable and in good repair at the beginning of each tenancy. Unless Landlord and the Tenant have a written agreement to the contrary, Landlord shall place new batteries in a battery-operated carbon monoxide alarm at the beginning of a tenancy, and Tenant shall replace the batteries as needed during the tenancy. Failure of Tenant to replace the batteries as needed shall not be considered as negligence on the part of Tenant or Landlord. A carbon monoxide alarm may be combined with smoke alarms if the combined alarm does both of the following:
  - a. complies with ANSI/UL2034 or ANSI/UL2075 for carbon monoxide alarms and ANSI/UL217 for smoke alarms; and
  - b. emits an alarm in a manner that clearly differentiates between detecting the presence of carbon monoxide and the presence of smoke.

This subsection applies only to dwelling units having a fossil-fuel burning heater, appliance, or fireplace, and in any dwelling unit having an attached garage. Any operable carbon

monoxide detector installed before January 1, 2010, shall be deemed to be in compliance with this subsection;

- viii. within a reasonable period of time based upon the severity of the condition, repair or remedy any imminently dangerous condition on the Premises after acquiring actual knowledge or receiving notice of the condition. Notwithstanding Landlord's repair or remedy of any imminently dangerous condition, Landlord may recover from Tenant the actual and reasonable costs of repairs that are the fault of Tenant. For purposes of this subsection, the term "imminently dangerous condition" means any of the following:
- a. unsafe wiring;
  - b. unsafe flooring or steps;
  - c. unsafe ceilings or roofs;
  - d. unsafe chimneys or flues;
  - e. lack of potable water;
  - f. lack of operable locks on all doors leading to the outside;
  - g. broken windows or lack of operable locks on all windows on the ground level;
  - h. lack of operable heating facilities capable of heating living areas to 65 degrees Fahrenheit when it is 20 degrees Fahrenheit outside from November 1 through March 31;
  - i. lack of an operable toilet;
  - j. lack of an operable bathtub or shower;
  - k. rat infestation as a result of defects in the structure that make the premises not impervious to rodents;
  - l. excessive standing water, sewage, or flooding problems caused by plumbing leaks or inadequate drainage that contribute to mosquito infestation or mold;

Landlord is not released of its obligations under any part of this section by Tenant's explicit or implicit acceptance of Landlord's failure to provide Premises complying with this section, whether done before this Agreement was made, when it was made, or after it was made, unless a governmental regulation imposes an impediment to repair for a specific period of time not to exceed six months. Notwithstanding the provisions of this section, Landlord and Tenant are not prohibited from making a subsequent written contract wherein Tenant agrees to perform specified work on the Premises, provided that said contract is supported by adequate consideration other than the letting of the Premises and is not made with the purpose or effect of

evading Landlord's obligations under this section.

- B. Tenant's Responsibilities.** Landlord shall notify Tenant in writing of any breaches of Tenant's obligations under this section, except in emergency situations. Per N.C. Gen. Stat. § 42-43, Tenant shall:
- i. keep the Premises as clean and safe as the conditions of the Premises permit and cause no unsafe or unsanitary conditions in the common areas and remainder of the Premises that Tenant uses;
  - ii. dispose of all ashes, rubbish, garbage, and other waste in a clean and safe manner;
  - iii. keep all plumbing fixtures in the Premises as clean as their condition permits;
  - iv. not deliberately or negligently destroy, deface, damage, or remove any part of the Premises, nor render inoperable the smoke alarm or carbon monoxide alarm provided by Landlord, or knowingly permit any person to do so;
  - v. comply with any and all obligations imposed upon Tenant by current applicable building and housing codes;
  - vi. be responsible for all damage, defacement, or removal of any property inside the Premises unless the damage, defacement, or removal was due to ordinary wear and tear, acts of Landlord, defective products supplied or repairs authorized by Landlord, acts of third parties not invitees of Tenant, or natural forces;
  - vii. notify Landlord, in writing, of the need for replacement of or repairs to a smoke alarm or carbon monoxide alarm. Landlord shall ensure that a smoke alarm and carbon monoxide alarm are operable and in good repair at the beginning of each tenancy. Unless Landlord and Tenant have a written agreement to the contrary, Landlord shall place new batteries in a battery-operated smoke alarm and battery-operated carbon monoxide alarm at the beginning of a tenancy and **Tenant shall replace the batteries as needed during the tenancy, except where the smoke alarm is a tamper-resistant, 10-year lithium battery smoke alarm as required by N.C. Gen. Stat. § 42-42(a)(5a)**. Failure of Tenant to replace the batteries as needed shall not be considered as negligence on the part of Tenant or Landlord.

- C. Smoke And Carbon Monoxide Alarm Reimbursement.** Per N.C. Gen. Stat. § 42-44:

- i. Landlord. If Landlord fails to provide, install, replace, or repair a smoke alarm under the provisions of N.C. Gen. Stat. § 42-42(a)(5) or a carbon monoxide alarm under the provisions of N.C. Gen. Stat. § 42-42(a)(7) within 30 days of having received written notice from Tenant or any agent of State or local government of Landlord's failure to do so, Landlord shall be responsible for an infraction and shall be subject to a fine of not

more than two hundred fifty dollars (\$250.00) for each violation. After December 31, 2012, if Landlord installs a new smoke alarm or replaces an existing smoke alarm, the smoke alarm shall be a tamper-resistant, 10-year lithium battery smoke alarm, except as provided in N.C. Gen. Stat. § 42-42(a)(5a). Landlord may temporarily disconnect a smoke alarm or carbon monoxide alarm in a dwelling unit or common area for construction or rehabilitation activities when such activities are likely to activate the smoke alarm or carbon monoxide alarm or make it inactive.

- ii. Tenant. If a smoke alarm or carbon monoxide alarm is disabled or damaged, other than through actions of Landlord, Landlord's agents, or acts of God, Tenant shall reimburse Landlord the reasonable and actual cost for repairing or replacing the smoke alarm or carbon monoxide alarm within 30 days of having received written notice from Landlord or any agent of State or local government of the need for Tenant to make such reimbursement. If Tenant fails to make reimbursement within 30 days, Tenant shall be responsible for an infraction and subject to a fine of not more than one hundred dollars (\$100.00) for each violation. Tenant may temporarily disconnect a smoke alarm or carbon monoxide alarm in a dwelling unit to replace the batteries or when it has been inadvertently activated.

D. **Mutuality Of Obligations.** Per N.C. Gen. Stat. § 42-41, Tenant's obligation to pay rent under this Agreement, Tenant's obligation to comply with subsection (B) above, and Landlord's obligation to comply with subsection (A) above shall be mutually dependent.

19. **SURRENDER.** Upon termination of the tenancy, Tenant shall return the Premises to Landlord in a condition identical to that which existed when Tenant took occupancy, except for ordinary wear and tear. Tenant has examined the Premises, including appliances, fixtures, carpets, drapes, and paint; and has found them to be in good, safe, clean, and operable condition; except as noted on the inspection checklist, if any.

20. **REPAIRS AND MAINTENANCE.**

A. **In General.** Except as provided by law, Tenant shall not make any repairs or alterations to the Premises without the prior written consent of Landlord and the homeowners association, if applicable. Repairs and alterations include but are not limited to painting, wallpapering, demolition, carpentry, installation of fixtures, or any other changes to the Premises. Any repairs or alterations that Tenant performs with approved consent must conform to a professional standard of quality. Any repairs or alterations performed by Tenant shall become the property of Landlord, and Tenant shall not be entitled to any compensation for such repairs or alterations.

B. **Keys and Security Systems.** Tenant shall not, without the prior written consent of Landlord, alter or install any locks to the Premises, or alter or install any security alarm system. Tenant shall provide

Landlord with a key or keys capable of unlocking all such altered or new locks as well as with instructions on how to disarm any altered or new security alarm system.

21. **USE VIOLATIONS.** Tenant is responsible for the behavior of Tenant's occupants, guests, and invitees. Tenant shall comply with all rules and regulations of Landlord and the homeowners association, if applicable. Tenant and Tenant's occupants, guests, and invitees shall not use the Premises or any common areas on the property in such a manner that:
  - A. violates any law or ordinance, including laws prohibiting the use, possession, or sale of illegal drugs;
  - B. damages the Premises, common areas, or surrounding property; or
  - C. disturbs the peace and quiet of any other tenant or nearby resident.
22. **RULES AND REGULATIONS.** Tenant is responsible for the behavior of Tenant's guests and invitees. Tenant shall comply with all rules and regulations of Landlord and the homeowners association, if applicable. Tenant and Tenant's guests and invitees shall not use the Premises or any common areas on the property in such a manner that:
  - A. violates any law or ordinance, including laws prohibiting the use, possession, or sale of illegal drugs;
  - B. damages the Premises, common areas, or surrounding property; or
  - C. disturbs the peace and quiet of any other tenant or nearby resident.
23. **EXTENDED ABSENCES.** Tenant shall notify Landlord in advance if Tenant will be away from the Premises for seven or more consecutive days. During such absences, Landlord may enter the Premises as reasonably necessary to inspect the Premises and perform needed maintenance or repairs.
24. **ABANDONMENT.**
  - A. **Evidence of Abandonment.** Tenant's abandonment of the Premises may be evidenced by the return of keys, the substantial removal of the Tenant's personal property, notice by Tenant, the extended absence of Tenant while rent remains unpaid, or evidence that clearly shows the Premises has been voluntarily vacated after the paid rental period has expired and the landlord has no notice of a disability that caused the vacancy. A presumption of abandonment shall arise 10 or more days after Landlord has posted conspicuously a notice of suspected abandonment both inside and outside the Premises and has received no response from Tenant, per N.C. Gen. Stat. § 42-25.9(e).
  - B. **Mitigation of Damages.** If Tenant abandons the Premises, Landlord shall make reasonable efforts to rent it at market rate. If Landlord rents the Premises for a term beginning before the expiration of the Agreement Term, this Agreement terminates as of the date of the new tenancy. If Landlord fails to use reasonable efforts to rent the Premises at market rate or if Landlord accepts the abandonment as a surrender, this Agreement is deemed to be terminated by the Landlord as of the date Landlord has notice of the abandonment. If the tenancy is from month-to-month or week-to-week, the term of this Agreement

for this purpose is deemed to be a month or a week, as the case may be.

C. **Personal Property.** Per N.C. Gen. Stat. § 42-25.9(d), if Tenant abandons personal property of seven hundred fifty dollar (\$750.00) value or less in the Premises, or fails to remove such property at the time of execution of a writ of possession in an action for summary ejectment, Landlord may, as an alternative to the procedures provided in G.S. 42-25.9(g), 42-25.9(h), or 42-36.2, deliver the property into the custody of a nonprofit organization regularly providing free or at a nominal price clothing and household furnishings to people in need, upon that organization agreeing to identify and separately store the property for 30 days and to release the property to Tenant at no charge within the 30-day period. Landlord electing to use this procedure shall immediately post at the Premises a notice containing the name and address of the property recipient, post the same notice for 30 days or more at the place where rent is received, and send the same notice by first-class mail to Tenant at Tenant's last known address. Provided, however, that the notice shall not include a description of the property.

D. **Deceased Tenant Property.** Per N.C. Gen. Stat. § 42-36.3, when a decedent tenant who is the sole occupant of the Premises dies leaving tangible personal property in the Premises, Landlord may, instead of commencing a summary ejectment action, file an affidavit as provided in G.S. 28A-25-7.

25. **QUIET ENJOYMENT AND LANDLORD'S RIGHT TO ACCESS.** So long as Tenant is not in default under this Agreement, Tenant is entitled to quiet enjoyment of the Premises. Landlord may enter the Premises for the following purposes:

- A. to inspect the Premises and determine Tenant's compliance with the terms of the Agreement;
- B. to show the Premises to a prospective tenant, purchaser, or lender;
- C. to estimate repair costs;
- D. to prevent waste;
- E. to prevent excessive noise or disturbances; or
- F. to make any repairs, additions, or alterations.

Except in cases of emergency, Tenant's abandonment of the Premises, court order, or where it is impracticable to do so, Landlord shall give Tenant notice of at least **24 hours** before entering the Premises.

26. **FORCE MAJEURE.** If Landlord or Tenant cannot reasonably perform its obligations under this Agreement because of a natural disaster, war, terrorist activities, civil commotion, an act of God, or any other event beyond Landlord's or Tenant's control (except for non-availability of funds), the party shall not be in breach of this Agreement if the party diligently performs the obligations after the end of the force majeure event. The non-performing party shall give written notice to the other party as soon as practicable in the

event of non-performance due to a force majeure event.

27. **ASSIGNMENT, SUBLEASE, AND RELEASE.** Tenant shall not sublet any part of the Premises or assign this Agreement without the prior written consent of Landlord. Unless Landlord issues Tenant a written release, Tenant shall not be released from this Agreement for any reason including but not limited to school withdrawal or transfer, business or employment transfer, loss of employment, marriage, divorce, separation, or bad health, with the exception of certain military service members, victims of domestic violence, and any other exceptions as may be permitted under federal and/or state law. Landlord may charge Tenant a reasonable administrative fee for any assignment, sublet, or release.

28. **GROUND FOR TERMINATION OF THE TENANCY.**

A. **Termination By Landlord.** Landlord may terminate this Agreement if:

- i. Tenant fails to pay rent or other charges and fees as provided in this Agreement;
- ii. Tenant or Tenant's occupants, guests, or invitees fail to comply with any term of this Agreement;
- iii. Tenant misrepresents any material fact on Tenant's rental application;
- iv. Tenant commits criminal activity per N.C. Gen. Stat. § 42 Article 7, Expedited Eviction of Drug Traffickers and Other Criminals; or
- v. otherwise provided by law.

B. **Termination By Tenant.** Tenant may terminate this Agreement if:

- i. per N.C. Gen. Stat. § 42-12, the Premises is destroyed or damaged so that it cannot be made reasonably fit for the purpose for which it was intended (except at an expense exceeding one year's rent) and the damage or destruction occurred without negligence on the part of Tenant;
- ii. Tenant is a member of the Armed Forces of the United States, the Active Guard and Reserve under section 101 of Title 10 of the United States Code, or a military technician under section 10216 of Title 10 of the United States Code who is required to move per N.C. Gen. Stat. § 42-45; or
- iii. Tenant is a victim of domestic violence, sexual assault, or stalking per N.C. Gen. Stat. § 42-45.1;
- iv. the Premises is being sold in a foreclosure proceeding per N.C. Gen. Stat. § 42-45.2; or
- v. otherwise provided by law.

C. **Victim Protection; Nondiscrimination.** Per N.C. Gen. Stat. § 42-42.2, Landlord shall not terminate a tenancy, fail to renew a tenancy, refuse to enter into a rental agreement, or otherwise retaliate in the rental of a dwelling based substantially on:

- i. Tenant, applicant, or a household member's status as a victim of domestic violence, sexual assault, or stalking; or
  - ii. Tenant or applicant having terminated a rental agreement under N.C. Gen. Stat. § 42-45.1. Evidence provided to Landlord of domestic violence, sexual assault, or stalking may include any of the following:
    - a. law enforcement, court, or federal agency records or files;
    - b. documentation from a domestic violence or sexual assault program;
    - c. documentation from a religious, medical, or other professional.
29. **INSURANCE AND LIABILITY.** Landlord's insurance does not cover Tenant's personal possessions in the event of loss or damage due to fire, windstorm, flood, theft, vandalism, or other similar cause. If Tenant desires to insure personal possessions or to insure against Tenant's personal liability, Tenant should obtain renters insurance. Tenant's insurance shall be the primary insurance responsible for payment in the event of a loss, and Tenant or Tenant's insurance company will reimburse Landlord or Landlord's insurance company, if necessary. Tenant shall only be liable for personal injury or property damage caused by the negligence or willful acts of Tenant. Landlord shall only be liable for personal injury or property damage caused by the negligence or willful acts of Landlord.
30. **SUBORDINATION.** This Agreement is subordinate to any existing or future mortgages or deeds of trust.
31. **RELEASE OF TENANT INFORMATION TO THIRD PARTIES.** Tenant authorizes Landlord to provide normal business information about Tenant, including Tenant's rental history, to a third party who requests the information for a legitimate governmental, judicial, law enforcement, or business purpose.
32. **CONDEMNATION.** If any part of the Premises is condemned, this Agreement shall end and all condemnation proceeds shall belong to Landlord.
33. **NOTICES AND AUTHORITY TO RECEIVE LEGAL PAPERS.** Landlord, any person managing the Premises, and anyone designated by Landlord are authorized to accept service of process and receive other notices and demands at Landlord's address listed below. Unless otherwise specified in this Agreement or required under law, all notices required under this Agreement shall be in writing and shall be delivered to the other party personally, or sent by first class mail, postage prepaid, or securely and conspicuously posted, as follows:
  - A. To Tenant: the Premises, or at Tenant's last known address
  - B. To Landlord: {PropertyManagerEntity}, {PropertyManagerAddress}
34. **ADDITIONAL PROVISIONS.** Additional provisions are as follows:  
{AdditionalProvisions}
35. **ATTORNEY'S FEES.** Tenant shall pay for Landlord's legal fees and court

costs associated with any default by Tenant, to the extent permitted under law. In any action or legal proceeding to enforce any part of this Agreement, the prevailing party shall recover damages, reasonable attorneys' fees, and court costs.

36. **WAIVER.** The failure by Landlord to insist in any one or more cases upon strict performance of any of the terms and conditions of this Agreement shall not be construed as a waiver or a relinquishment for the future of any such term or condition of this Agreement.
37. **VALIDITY OF EACH PART.** If any portion of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable.
38. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between Landlord and Tenant. No promises or representations, other than those contained herein or implied by law, have been made by Landlord or Tenant. Any addendum or modification to this Agreement must be in writing and signed by Landlord and Tenant.

Effective as of the date first set forth above.

{SignatureBlock\_ALL\_Signatures+Date+Emails}