

**THE RETREAT OF CLEMSON, CLEMSON, SOUTH CAROLINA
AGREEMENT OF LEASE
3 BEDROOM**

THIS LEASE (this "Lease") is made and entered into this day _____ of _____, 20____, by and between The Retreat of Clemson, LLC d/b/a The Retreat of Clemson, by its agent, CAPSTONE PROPERTIES, LLC (hereinafter referred to as "Landlord" and "Agent," respectively), and _____ (hereinafter referred to as "Tenant"). In addition to the following terms and conditions, three documents entitled "THE RETREAT OF CLEMSON RULES & REGULATIONS," "MOLD ADDENDUM," and "MOVE IN/ MOVE OUT CONDITION REPORT" are attached hereto as Exhibits A, B, and C respectively and are incorporated herein and are made a part hereof by reference, and their contents form additional terms and conditions of this Lease.

1. DESCRIPTION OF PREMISES AND TERM: Landlord hereby lets and leases unto Tenant and Tenant hereby lets and leases from Landlord a rental space in Apartment Unit No. _____ of THE RETREAT OF CLEMSON located at 101 West Lane, Clemson, South Carolina. The subject apartment unit at THE RETREAT OF CLEMSON consists of three (3) bedrooms, three (3) bathrooms, a kitchen and a living and dining area. It is understood that Tenant's rental space (hereinafter the "Premises") consists of the exclusive use and occupancy of one of the three bedrooms, one of the three bathrooms, and the shared use and occupancy of the kitchen, living and dining areas with the other tenants of such apartment unit.

The Premises are to be used and occupied by Tenant as a residence for the period beginning August 15, 2009, and ending July 31, 2010, at 1:00 p.m. (hereinafter the "Term"). Under no circumstances shall this Lease be construed to extend beyond 365 days from the beginning date of the Term. It is expressly understood that this Lease is for the entire Term regardless of whether Tenant is transferred, ceases to be enrolled in a college or university in Clemson, South Carolina, or for any other reason is unable to continue occupying the Premises. Accordingly, Tenant's obligation to pay rent hereunder (and Guarantor(s)'s obligation to ensure payment of the same) shall continue for the entire Term of this Lease and until all sums due Landlord hereunder have been paid in full.

Landlord shall not be liable to Tenant for any damages resulting from Landlord's inability to deliver possession of the Premises to Tenant within thirty (30) days of the commencement of the Term, provided however, Tenant shall not be liable for payment of any rent until possession of the Premises has been delivered to Tenant. Tenant may cancel this Lease if possession of the Premises has not been delivered, due to Landlord's inability to deliver, within thirty (30) days of the commencement of the Term. It is understood and agreed that Tenant's rights hereunder are subject and subordinate to any existing or future mortgages or liens encumbering the Unit or the Apartments.

Tenant understands that the Term of this Lease ends on July 31, 2010, and that Tenant must have vacated the Premises no later than 1:00 p.m. on that date in order to allow Landlord time to prepare the Premises for the subsequent tenants, whose rental term immediately follows that of Tenant. Tenant further understands that failure to vacate as prescribed results in significant expense to Landlord; therefore, Tenant expressly agrees to a hold-over payment of ONE HUNDRED FIFTY DOLLARS (\$150.00) PER DAY for each day Tenant remains in the Premises past the last day of the Term. Tenant agrees that this penalty is in addition to any other remedies available to Landlord under this Lease or under South Carolina law, and that any such penalty imposed may be withheld from Tenant's Security Deposit if one has been made.

2. RENT: Tenant, in return for the use of the Premises, and in consideration of the covenants and agreements contained herein, shall pay to Landlord without further demand the sum of FIVE THOUSAND SEVEN HUNDRED DOLLARS (\$5,700.00), without offset or deduction.

Rent shall be paid as follows: The first installment of FOUR HUNDRED SEVENTY FIVE DOLLARS (\$475.00) shall be due no later than August 1, 2009. Commencing September 1, 2009, rent shall be paid on the first day of each month, in advance, in equal monthly installments of FOUR HUNDRED SEVENTY FIVE DOLLARS (\$475.00). The last installment of FOUR HUNDRED SEVENTY FIVE DOLLARS (\$475.00) shall be due on July 1, 2010. Rent shall be paid at the office of THE RETREAT OF CLEMSON, 101 West Lane, Clemson, South Carolina 29631. Checks tendered for rent shall be made payable to THE RETREAT OF CLEMSON. **Tenant hereby acknowledges that the term of this lease is less than a full calendar year, and that the contract amount has been allocated into twelve payment installments for the ease and convenience of both Landlord and Tenant.**

In the event the rent is not paid at the office of the Apartments prior to the close of the business day on the 3rd day of the month, Tenant shall pay a late charge which shall be treated as additional rent. If the 3rd day of the month falls on a Saturday, Sunday, or a holiday observed by the Apartments, the rent must be placed in the designated rent drop prior to the opening of the first business day following the weekend or holiday. If rent payments are mailed, the late charge will be applied to any mail received after the 3rd day of the month. To ensure timely payment, please mail payment by the 20th day of the preceding month. For payments received late, the following charges apply:

\$50.00 for rent received after the 3rd of the month
\$100.00 for rent received after the 8th of the month
\$150.00 for rent received after the 13th of the month

Tenant's initials: _____

In the event Tenant elects to pay the rent by check, Tenant shall pay Landlord a charge of THIRTY DOLLARS (\$30.00), plus any additional bank charges, for any check returned to Landlord for non-sufficient funds, or which otherwise fails to clear the issuer's bank. Said charge shall be due and payable immediately upon notification to Tenant of such instance, and shall be in addition to any late charges resulting from the check's failure to clear. The returned check fee shall constitute additional rent hereunder. Landlord reserves the right at any time during the Term hereof to specify and demand a particular form of payment (whether such form of payment be cash, money order, or check) for all monies due from a Tenant who has had a payment history encompassing two (2) or more checks returned for non-sufficient funds, or other problematical payment history; provided however, Landlord shall give such specified Tenant and Guarantor no less than fifteen (15) days advance notice in the event such election is made by Landlord. Landlord shall at all times have the right to refuse payment in the form of "cash" for monies due hereunder.

Tenant acknowledges that any rent received by Landlord will first be applied to any outstanding charges (such as late charges, cleaning service fees, returned check charges) incurred by or on behalf of Tenant prior to applying the same to the current monthly rent. If the payment tendered by Tenant fails to cover the total charges outstanding, then Tenant shall immediately pay the difference, plus any late charge incurred by virtue of Tenant's failure to timely pay all sums due from Tenant to Landlord.

NOTICE: IF YOU DO NOT PAY RENT ON TIME.

This is your notice. If you do not pay your rent in full within 5 days of the due date, which is the first day of the month, the Landlord can start to have you evicted. You will get no other notice as long as you live in the Premises. This paragraph of this Lease comports with the notice requirements specified in Section 27-40-710(B) of the South Carolina Code of Laws, 1976, as amended.

3. SECURITY DEPOSIT (If Applicable): Tenant has deposited with Landlord a Security Deposit in the amount of TWO HUNDRED DOLLARS (\$200.00) to secure the performance of Tenant's obligations hereunder. Landlord shall have the right, but not the obligation, to apply the Security Deposit in whole or in part to the payment of any unpaid rent or other charges due from Tenant under the terms of this Lease. Landlord's right to possession of the Premises for nonpayment of rent or for any other breach of this Lease by Tenant shall not be affected by the fact that Landlord holds a Security Deposit. Upon expiration or termination of this Lease, and upon surrender of the Premises to Landlord, and upon full payment of all sums due Landlord hereunder, the Security Deposit or any portion remaining un-applied shall be returned to Tenant. Tenant understands and agrees that any potential liability of Tenant for damages to the Premises is not limited to the amount of the Security Deposit, if any.

4. CONDITION OF PREMISES: Tenant hereby acknowledges that as of the beginning of the Term the Premises and its furnishings and fixtures are in good repair and tenantable condition, except as otherwise specifically noted on the Move In/Move Out Condition Report, attached hereto as Exhibit C and incorporated herein and made a part hereof by reference.

It is understood that the Unit may be occupied by other resident(s) prior to the Tenant's scheduled occupancy date. In the event that Tenant moves into an occupied apartment unit, Landlord assumes no responsibility for the condition of the common areas. **Tenant's initials:** _____

5. TENANT'S OBLIGATIONS AND RESPONSIBILITIES: Tenant agrees to keep and maintain the Premises in good and clean condition, excepting reasonable wear and tear, and to make no alternations or additions thereto without the prior written consent of Landlord or Agent. Tenant will keep the sinks, lavatories and commodes open and will immediately report any malfunctions to Agent. Tenant shall reimburse Landlord for the cost of all repairs made necessary by, or resulting from, Tenant's abuse or careless use of the Premises or to other apartment units in the complex.

Tenant shall be liable for and shall pay all costs and expenses for damages to the bedroom leased to Tenant (including, but not limited to, replacing or repairing all broken or damaged applicable furnishings or fixtures, and any defacement of or damage to walls, ceilings, floors, carpets, and doors) regardless of whether such damage was caused by Tenant or Tenant's guests or invitees. Tenant shall promptly report to the Agent any repairs required. Tenant shall reimburse Landlord for the cost of any repairs attributable to or caused by any abuse, carelessness, or misuse of the Premises by Tenant or Tenant's guest(s) and Landlord shall invoice the Tenant for the costs of any such repairs, including a reasonable charge for management overhead, which charges shall constitute additional rent.

It is understood that Tenant will be occupying the Unit jointly with other tenants, and Tenant shall also be held liable for a pro rata share of any damages to the common areas of the Premises and its furnishings, fixtures, walls, ceilings, floors, carpets and doors unless the party solely responsible for such damages can be reasonably ascertained. Accordingly, Tenant shall exercise responsibility to ensure that the entire Unit is maintained in good order and repair. Tenant shall immediately report to the Agent and to local law enforcement agencies any acts of vandalism to the Premises, the Unit, or other apartment units in the Apartments.

Although Tenant may have visitors from time to time, it is understood that occupancy of the Premises is expressly reserved for Tenant only, and any person occupying the Premises as a guest for more than seven (7) days during the Term shall be treated as a guest only if the Agent is notified in writing by Tenant and consents thereto. Otherwise, the occupancy of the Premises by an unauthorized guest in excess of said seven (7) day period shall be deemed a breach of this Lease, and Landlord shall be entitled to recover from the Tenant and guest (whose liability shall be joint and several) an amount of rent equal to that being paid by Tenant, in addition to the right of Landlord to declare this Lease in default and pursue any of Landlord's other remedies hereunder or by law.

Tenant's initials: _____

6. **LIABILITY:** Neither Landlord nor Agent shall be liable for any personal conflict of Tenant with the co-tenants, Tenant's guests or invitees, or with any other tenants who reside at the Apartments; therefore, a conflict between tenants does not constitute grounds for termination of this Lease. Neither Landlord nor Agent shall be liable for any personal injury to Tenant or damage or loss to Tenant's property, including but not limited to any injury, loss or damage caused by burglary, assault, vandalism, theft, or any other crimes. All personal property placed or kept in the Premises, or in any storage room or space, or anywhere on the adjacent property of Landlord shall be at Tenant's sole risk and Landlord shall not be liable for any damages to, or loss of, such property. **Tenant is encouraged to secure apartment-dwellers or similar insurance to cover any loss or damage to personal property.**

7. **LANDLORD'S RIGHT OF INSPECTION AND ENTRY:** Tenant agrees that the Landlord, or its Agent or representative may enter the Premises **without consent** of Tenant (1) at any time in case of emergency (Prospective changes in weather conditions which pose a likelihood of danger to the property may be considered an emergency.); **(2) between the hours of 9:00 a.m. and 6:00 p.m. for the purpose of providing regularly scheduled periodic services.** A maintenance request or a request for an inspection by any other tenants of the Unit shall constitute notice to the other tenant and permission for the Landlord to enter the Unit without further notice. Tenant shall also permit the Landlord or the Agent, or their respective agents or employees, upon scheduled appointments with 24 hour notice, to enter the Premises for the purpose of displaying the same to prospective tenants or purchasers. No such prior appointment shall be necessary if this Lease has been declared in default or if the Premises have been abandoned by Tenant. Prior to any entry, Landlord or Agent shall announce the intention of entering.

8. **ASSIGNMENT OR SUBLETTING:** Tenant shall not allow anyone to share the Premises, nor shall Tenant assign, sublet, or transfer any interest in the Premises, or any part thereof; provided however, upon Landlord's written consent, which consent Landlord may reasonably withhold in its discretion, Tenant may assign this Lease to a third party. In the event Landlord consents to an assignment of this Lease, Tenant shall not remain liable under this Lease in the event of a default by the assignee. In order to document an assignment, Tenant must execute a re-lease agreement and Tenant shall be assessed a fee of TWO HUNDRED DOLLARS (\$200.00) for this transaction. If it is the Landlord who provides an assignor acceptable to Tenant, Tenant will forfeit the entire sum of the Security Deposit, if any.

9. **USE OF PREMISES; COMPLIANCE WITH LAWS AND SCHOOL REGULATIONS:** Tenant shall use and occupy the Premises as a private dwelling and for no other purposes. Tenant agrees to abide by all governmental laws, orders, and regulations and to avoid disruptive behavior or conduct. Additionally, if Tenant is a full or part-time student at a university or college, then Tenant also agrees to obey the rules and regulations outlined in that particular institution's Student Code of Conduct or similar instrument(s), and failure to do so may, at Landlord's sole discretion, be deemed to be a breach of this Lease by Tenant.

10. **SERVICES:** Each apartment unit at the Apartments has a separate meter for utilities and Tenant and the other tenants of the Unit shall be solely responsible for paying for all utilities furnished to the Unit. Neither Landlord nor Agent shall be liable for loss or damages resulting from the interruption of heat, electricity, water, sewer, telephone, cable TV, or any other utility services, or for the malfunction of machinery or appliances serving the Unit or any part of the Apartments. Neither Landlord nor Agent shall be liable for injury or damage to person or property caused by any defect in the heating, gas, electricity, water, or sewer systems serving the Unit. In no event shall Landlord or Agent be liable for damages or injury to persons or property caused by wind, rain, fire or other acts of God, and Tenant hereby expressly waives all claims for such injury, loss, or damage and agrees to indemnify Landlord and Agent against any and all claims of injury or damage as may be asserted by invitee of Tenant.

11. **OTHER SERVICES:** If Agent or Landlord elects to provide any optional services, such as laundry service, rental of vacuum cleaners, or small appliances, etc., the charges for such other services utilized by Tenant shall be deemed additional rent and Tenant's failure to timely pay for the same shall be treated as a default hereunder.

12. **SECURITY:** Landlord may, at its sole option, employ courtesy managers who may reside at the Apartments. It is expressly understood and agreed that the providing of courtesy managers is purely discretionary on the part of the Landlord and in no way has Landlord agreed or committed to insure, guarantee, indemnify, or to otherwise protect Tenant's person or property, or the person or property of any guest, invitee, or other tenants at the Apartments. Likewise, Landlord, at its sole option, may elect to install certain security devices or measures that are not required by law. For example, each apartment unit may be equipped with a switch which, when activated, will sound an alarm indicating an emergency within that particular apartment unit. The installation of such an alert or alarm system representation by Landlord that it will monitor such system or that it will provide personnel to respond when an alarm has been activated. It is further understood that the Landlord may elect to discontinue any such service at any time, with or without notice to Tenant. Tenant agrees to comply with the security procedures and response actions set forth in the Rules and Regulations affixed hereto as Exhibit A.

13. **SALE OF UNIT:** Tenant acknowledges and agrees that the Unit may be sold to a third party without notice to Tenant and without consent of Tenant and that any such sale shall not be an event of default hereunder. In the event Landlord sells the Unit and the new owner assumes this Lease, Tenant and Guarantor shall continue to perform hereunder and shall pay rent and other amounts due hereunder to the new owner of the Unit at the address provided to Tenant by Landlord and such new owner. In the event Landlord sells the Unit and the new owner does not assume this Lease, the Landlord hereby reserves the right, upon fifteen (15) days advance written notice, to (i) relocate Tenant to another comparable apartment unit at the Apartments whereby Landlord shall assist Tenant in moving Tenant's personal property to such new apartment unit and Tenant and Guarantor shall continue to perform hereunder, or (ii) if another comparable apartment unit at the Apartments is not available at such time, terminate this Lease whereupon Tenant shall vacate the Unit or the Landlord will be entitled to exercise the rights and remedies available to it under South Carolina law and in accordance with Section 13 of this Lease. In either such case, such relocation or termination shall not be an event of default hereunder.

Tenant's initials: _____

14. DEFAULT, ABANDONMENT, FORFEITURE, OR TERMINATION: Upon Landlord's written notice to Tenant of Tenant's breach of any other term, covenant, agreement, or condition herein contained, or Landlord's sale of the Unit to a new owner who does not assume this Lease and a comparable apartment unit is not available for transfer and the Tenant does not vacate as provided in Section __ of this Lease, or if Tenant abandons or vacates the Premises prior to the expiration of the Term, or if Tenant fails to make payment of rent within fifteen (15) days of the date rent is due to be paid, then at its sole option, after fifteen (15) days of notice of breach or sale, or without notice if rent has been unpaid for fifteen (15) days, LANDLORD MAY PEACEFULLY REENTER AND REPOSSESS THE PREMISES, AND REMOVE AND PUT OUT TENANT AND TENANT'S PERSONAL PROPERTY IN THE MANNER PROVIDED BY SECTION 27-40-710 (D) OF THE SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED. Section 2 of this Lease contains notice to Tenant concerning nonpayment of rent, therefore Landlord is not required to furnish any separate or additional written notice to Tenant in order to commence eviction proceedings for nonpayment of rent even after the original term of the rental agreement has expired.

In the event of such re-entry and repossession by Landlord, Tenant shall be liable for all costs and fees, including without limitation reasonable attorney's and expert's fees, and other damages incurred by Landlord and such re-entry shall not be deemed an acceptance by Landlord or a surrender of any rights hereunder by Landlord or otherwise constitute a release of Tenant from the terms of this Lease.

It is intended, and the parties agree, that Landlord's remedies shall be as broad as permitted under South Carolina law and shall include, without limitation, (a) the right to cancel this Lease, reserving the right to collect any unpaid rents, charges, and assessments for damages to the Premises; or (b) the right to accelerate the then entire unpaid balance of the rent for the Term then remaining or the right to stand by and collect rental payments as they become due; or (c) the right to sublease and rent the Premises for the account of the Tenant, in which event the proceeds from subletting shall be applied first to the cost of subletting (including advertising and commissions), second, to the cost of repairing any damage to the Premises, and third, to Tenant's rent obligations hereunder, with Tenant and Guarantor(s) remaining fully responsible for any deficiency in the rent payments for the remainder of the Term. The exercise of any one remedy shall not be deemed exclusive of the right to collect the entire amount of unpaid rent or damages, or of Landlord's right to avail itself of any remedy allowed under South Carolina law.

In the event of a default hereunder, in addition to any other remedies, Landlord is entitled to employ an attorney at law to enforce Landlord's rights hereunder, and all reasonable fees and costs connected therewith shall be paid by Tenant. Tenant acknowledges and agrees that in the event of any default, the minimum reasonable attorney's fee for which Tenant shall be liable is the sum of \$500.00. Any rents or damages which remain unpaid after default shall bear interest at the rate of eight and three-quarter percent (8.75%) per annum compounded quarterly, or the highest rate allowable under state law, whichever is greater. In the event of breach of this agreement by Landlord, attorney's fees will be the responsibility of Landlord.

15. DAMAGE TO THE PREMISES: If the Premises are partially destroyed by fire or other casualty not attributable to the negligence or carelessness of Tenant or Tenant's guests or invitees, the Premises shall be promptly restored and repaired by Landlord and any rent for the period that the Premises are untenantable shall abate, unless Landlord provides Tenant with suitable alternative living space, in which event rent will not be abated. If, however, the Premises are substantially destroyed, then this Lease may be terminated by either Landlord or Tenant, in which event the rent due hereunder shall cease to accrue as of the date of such damage or destruction. Notwithstanding the foregoing, it is expressly understood and agreed that Tenant shall not be excused from paying rent if the damage or destruction to the Premises is the result of or is attributable to the negligence or carelessness of Tenant or the guests or invitees of Tenant, and Tenant shall be charged for the cost of any repairs or clean-up attributable to Tenant's carelessness or negligence.

In the event of fire or other casualty, Tenant shall immediately notify the Agent. Tenant agrees to maintain his or her own insurance on personal property, furniture, clothing, and valuables kept by Tenant in or about the Premises, and Landlord shall have no liability with respect to the same whether such items are lost or damaged by theft, fire, or other casualty.

16. RELOCATION/TRANSFER: It is understood that the Unit contains two (2) other bedrooms in which other tenants may reside. For purposes of operating efficiency, Landlord reserves the right, upon five (5) days advance written notice when possible, to relocate Tenant to another apartment unit at the Apartments. Landlord shall assist Tenant in moving Tenant's personal property to such new apartment unit. Landlord retains the right to assign another tenant to the other bedrooms in the Unit. Landlord, to the extent practical, will honor tenants' requests for the sharing of a particular apartment unit. Upon a tenant's request for relocation, a new Security Deposit or a new restoration fee may be required at Landlord's discretion.

If Tenant requests to be transferred to another apartment unit, including another bedroom within the Unit, during the Term of this Lease or between the commencement of a new lease term, a transfer fee of ONE HUNDRED FIFTY DOLLARS (\$150.00) will be due and payable to Landlord. This transfer fee is in addition to a Security Deposit or a restoration fee which Landlord may charge.

17. PARKING AND COMMON AREAS: Various areas of the Apartments are designated and intended for the use in common by all tenants, including the parking areas, walkways, swimming pool, and other amenities made available by Landlord. Tenant agrees to abide by the Rules and Regulations governing the Apartments, which are attached hereto as Exhibit A. Landlord retains the right to modify and amend such Rules and Regulations upon giving Tenant written notice of any such modifications or amendments.

Tenant's initials: _____

18. PARENTAL OR SPONSOR'S GUARANTY: Most of the tenants of the Apartments are college-age students. The Landlord may require, as a condition of this Lease, a binding Guaranty (the "Guaranty") by Tenant's parent or sponsor (the "Guarantor"). Landlord reserves the right to cancel this Lease if such Guaranty is not fully executed, notarized, and returned to the Agent within fifteen (15) days of the date of execution of this Lease by Tenant, or if such executed Guaranty is not returned to the Agent prior to occupancy, whichever is shorter. Tenant understands that the Guaranty must be obtained directly from the Guarantor and that Landlord reserves all rights, both civil and criminal, for any false execution or forgery of the Guaranty. Tenant acknowledges that this Lease is for an "essential necessity" of Tenant, thus Tenant shall be fully bound by all of the terms and conditions hereof irrespective of Tenant's age or legal status. The execution of the Guaranty constitutes an additional assurance to Landlord of the performance of the covenants of this Lease and shall not be construed as a release of Tenant's responsibilities and obligations hereunder.

Tenant's initials: _____

19. PET POLICY: Pets are not allowed on the Premises.

20. CHECK-IN AND CHECK-OUT PROCEDURES: Preceding Tenant's taking possession of the Premises, the Agent or some other designated representative of the Agent shall conduct an inspection of the Premises. Upon taking possession of the Premises, Tenant shall immediately conduct an inspection and note on Exhibit C incorporated herein by reference, any conditions observed, whether or not Landlord agrees to repair or remedy same. Upon Tenant's surrendering possession thereof at the termination of this Lease, Tenant may elect to conduct a joint inspection of the Premises with the Agent or a designated representative of the Agent and note in the space provided on Landlord's copy of said Exhibit C the condition of Premises, including all appliances, furnishings and fixtures therein, and any damage done thereto which is deemed by Landlord to have risen during Tenant's occupancy and use of the Premises. Tenant shall surrender possession of the Premises in a clean and sanitary condition, including, but not limited to, all appliances and the kitchen, living and dining, and bath area. It is understood and agreed that Tenant's failure to follow the prescribed check-out procedures and to return all keys to Landlord may result in the partial or full forfeiture of the Security Deposit posted hereunder, but in no event shall such forfeiture be construed as liquidated damages. Tenant shall request a receipt for all keys submitted to the Landlord. If all keys issued to Tenant are not returned to the Landlord, Tenant shall pay all costs associated with re-keying the Premises. If Tenant fails to check out of the Premises by the end of the Term, a charge of ONE HUNDRED FIFTY DOLLARS (\$150.00) PER DAY will be charged for each day past the last day of the Term the Tenant holds over.

21. RULES AND REGULATIONS: The Rules and Regulations attached hereto as Exhibit A and incorporated herein by reference, are an important part of this Lease. By executing this Lease, Tenant acknowledges that he or she has read and agrees to abide by the Rules and Regulations. Landlord reserves the right to make reasonable changes to the Rules and Regulations and, upon notification to Tenant of such changes, such amended Rules and Regulations shall be deemed as equally binding upon Tenant as if originally set forth herein. The purpose of the attached THE RETREAT OF CLEMSON RULES & REGULATIONS is to promote the convenience, safety, and welfare of the Tenants, preserve Landlord's property from abusive use, and make a fair distribution of services and facilities.

22. TENANT OBJECTION NOTIFICATION: Tenant shall, within five (5) days after occurrence, notify Landlord, in writing, of any alleged violation by Landlord of any of its obligations arising under this Lease or otherwise. Landlord has designated CAPSTONE PROPERTIES, LLC as its agent for the purposes of managing and operating the Apartments, and for exercising any of Landlord's rights hereunder. Any notices or demands to Landlord, whether pursuant to this Lease or otherwise, must be in writing and must be delivered by hand delivery or Certified Mail, Return Receipt Requested, to: Capstone Properties, LLC, President, 431 Office Park Drive, Birmingham, Alabama 35223. The failure of Tenant to make such notification in writing within the time prescribed shall constitute a total and complete waiver of said objection and shall not be alleged by Tenant as any grounds for nonperformance of any provision of this Lease in a court of law or otherwise. For the purpose of serving notices or receiving demands, persons authorized are: Capstone Properties, LLC, President, 431 Office Park Drive, Birmingham, Alabama 35223.

23. SECTION HEADINGS: The paragraph and section headings and numbers are for convenience of reference only and shall not limit or otherwise affect the meaning of the terms of this Lease.

24. CONSENT TO WAIVER OF PERSONAL JURISDICTION AND VENUE: Landlord and Tenant hereby (a) irrevocably submit to the jurisdiction of the state courts of South Carolina in the County in which the Premises are located and to the jurisdiction of the United States District Court for the District of South Carolina, Anderson Division, for the purpose of any suit, action or other proceeding arising out of or based on this Lease; (b) waive and agree not to assert by way of motion as a defense or otherwise, in any suit, action or proceeding, any claim (i) that they are not subject personally to the jurisdiction of the above-named courts or forum, (ii) that the suit, action, or proceeding is brought in an inconvenient forum, (iii) that the venue of the suit, action or proceeding is improper. Venue for any suit, action or proceeding under this Lease shall be in the state court of the County in which the Premises are located or the federal court for the District of South Carolina, Anderson Division.

25. VALIDITY OF AGREEMENT/SOUTH CAROLINA RESIDENTIAL LANDLORD AND TENANT ACT: The provisions of this Lease are intended to comply with the South Carolina Residential Landlord and Tenant Act (S.C. Code of Laws § 27-40-10 et. seq.). If any provision of this Lease shall, in whole or in part, prove to be invalid for any reason, such invalidity shall affect only the portion of such provision which shall be invalid, and in all other respects this Lease shall stand as if such invalid provision, or other invalid portion thereof, had not been a part hereof. The parties agree that this Lease shall be enforced to the fullest extent permitted by law. Accordingly, if, in any judicial proceeding, a court shall determine that any such provision is invalid or unenforceable as written, the parties consent to an interpretation by the court which will provide enforcement to the maximum extent permitted by law including compliance with the South Carolina Residential Landlord and Tenant Act.

Tenant's initials: _____

26. MERGER CLAUSE: This Lease contains the entire understanding between and among the parties and supersedes any prior understandings or agreements between or among them respecting the subject matter. There are no representations, arrangements, understandings or agreements, oral or written, relating to the subject matter of this Lease, except those fully expressed herein. No changes, alteration, modifications, additions, or qualifications shall be made or be binding except as provided by Paragraph 20 herein (pertaining to modifications to the RULES AND REGULATIONS) unless made in writing and signed by each of the parties.

27. BILLING: Landlord, at its sole discretion, and as a service to Tenant may provide to Tenant a monthly invoice or statement for rent and other charges due. The absence of an invoice or statement does not negate the amounts due and Landlord may elect at any time to discontinue such monthly billing. If Landlord renders an invoice or statement which Tenant reasonably believes to be incorrect, Tenant may file a written objection thereto by following procedures set forth in a separate statement or procedure or set forth in the Rules and Regulations which are a part of this Lease.

28. TERMINATION: It is understood that in the event Tenant wants to be released from the obligation of this Lease, he/she must find someone to take over the full obligation of this Lease. If Tenant does not find someone, he/she may sign a re-lease agreement, which will be kept on file in Landlord's office in the event of an inquiry from a prospective resident. It is understood by Tenant that completion of re-lease agreement does not release Tenant from his/her obligation until someone has completed all necessary paperwork and all parties including Landlord have signed said form. Tenant understands that in the event someone is not found by either Tenant or Landlord, Tenant will be responsible for payment for the entire Term of this Lease. Fees associated with the re-lease agreement are set forth in Paragraph 8, "ASSIGNMENTS OR SUBLETTING". **As stated in Paragraph 17, "PARENTAL OR SPONSORS GUARANTY", it is understood by Tenant that failure to return the Guaranty does not release Tenant from his/her responsibilities and obligations for the entire Term of this Lease.** Tenant's initials: _____

CAUTION – IT IS IMPORTANT THAT YOU THOROUGHLY READ THIS LEASE BEFORE YOU SIGN IT

ACKNOWLEDGEMENT

Tenant hereby acknowledges that he or she has read this Lease, the rental application, and the Rules and Regulations (Exhibit A). Tenant understands that the Rules and Regulations may be amended from time to time and are for the purpose of protecting the Premises and providing for the safety and well being of all occupants of the Unit, and affirms that Tenant will, in all respects, comply with the terms and provisions of this Lease. Tenant acknowledges that this Lease is a legal document and is intended to be enforceable against Tenant and any Guarantor in accordance with its terms and conditions. Tenant should seek competent legal advice if any portion of this Lease or related documents is not clear or otherwise understood by Tenant.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed, effective the day and year first above written.

_____, Tenant _____ (DATE)

Landlord: THE RETREAT OF CLEMSON LLC, through its Agent, Capstone Properties, LLC

By: _____ (DATE)

MANAGER (print manager's name)

- Attachments:
Exhibit A - RULES AND REGULATIONS
Exhibit B - MOLD ADDENDUM
Exhibit C - MOVE IN/MOVE OUT CONDITION REPORT

Tenant's initials: _____