

## STANDARD MITIGATED RISK ADDENDUM

This Addendum is attached to and becomes a part of the Lease Agreement. For the duration of the Lease, Resident is required to maintain and provide the following minimum required insurance coverage:

- \$100,000 Limit of Liability for Resident legal liability for damage to Landlord's property for no less than the following causes of loss: fire, smoke, explosion, backup or overflow of sewer, drain or sump, and water damage ("Required Insurance").

Resident is required to furnish Landlord with evidence of Required Insurance prior to occupancy of leased premises and at the time of each lease renewal period. If at any time Resident does not have Required Insurance, Resident is in breach of the Lease and Landlord shall have, in addition to any other rights under the Lease, the right but not the obligation to purchase Required Insurance coverage protecting the sole interest of the Landlord and seek contractual reimbursement from the Resident for all costs and expenses associated with such purchase.

Resident may obtain Required Insurance or broader coverage from an insurance agent or insurance company of Resident's choice. If Resident furnishes evidence of such insurance, Resident must name Landlord and The Madison as additional interest or interested party and maintain the insurance for the duration of the Lease. If Resident does not maintain Required Insurance, the insurance requirement of this Lease may be satisfied by Landlord, who may purchase such coverage through the Landlord Required Insurance Policy ("LRIP"). The coverage provided under the LRIP will provide the Required Insurance coverage listed above. An amount equal to the total cost to the Landlord for the LRIP coverage shall be charged to Resident by the Landlord as a recoverable expense or fee under the Lease. Some important points of this coverage, which Resident should understand are:

1. LRIP is designed to fulfill the insurance requirement of the Lease. Landlord is the Insured under the LRIP. This is single interest insurance. Resident is not an Insured, Additional Insured or beneficiary under the LRIP. All loss payments are made to the Landlord.
2. LRIP coverage is NOT personal liability insurance or renters insurance. LRIP does not cover the Resident's personal property (contents), additional living expenses or liability arising out of bodily injury or property damage to any third party. If Resident requires any of these coverages, then Resident should contact an insurance agent or insurance company of Resident's choice to obtain personal liability insurance or renters insurance to protect Resident's interests.
3. Coverage under the LRIP may be more expensive than the cost of Required Insurance obtainable by Resident elsewhere. At any time, Resident may contact an insurance agent or insurance company of their choice for insurance options to satisfy the Required Insurance under this Lease.
4. If Resident has purchased Renters Insurance and at any time allows such Renters Insurance to lapse in breach of the Lease Agreement, Landlord may purchase LRIP without notice and add the total cost associated therewith to Resident's rent payment.
5. Licensed insurance agents may receive a commission on the LRIP.
6. Landlord may have a profit interest or ownership of the insurance company taking the risk of the LRIP.
7. The total cost to the Resident for the Landlord obtaining LRIP shall be eleven dollars and ninety-five cents (\$11.95) per month and shall not be pro-rated for any partial month. This is an amount equal to the actual premium charge to the Landlord including any premium taxes and fees due to state governing bodies and also includes a four dollar and ninety-five cent (\$4.95) administrative expense fee for the expense of processing payments and administering this program. There is no other fee, cost or charge added to or included within this total cost.
8. In the event that loss or damage to Landlord's property exceeds the amount recovered from LRIP or Required Insurance, Resident shall remain contractually liable to Landlord for such amount. In the event of liability to any other party for bodily injury or property damage, Resident shall remain liable to such other party.
9. It shall be the Resident's duty to notify Landlord of any subsequent purchase of personal liability or Renters Insurance.

As used in this Addendum: "Lease" may be interchangeable with "Lease Agreement"; "Resident" may be interchangeable with "Resident" or "Tenant", and "Landlord" may be interchangeable with or "Owner".

Scheduling of the premises under the LRIP is not mandatory and Resident may purchase Required Insurance from an insurance agent or insurance company of Resident's choice at any time and coverage under the LRIP will be terminated by the Landlord.

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Resident Signature

Date