

UTILITY ADDENDUM

Apartment Community: The Madison

Date: 05/28/2021

Resident(s): Andrew K Vo ("Resident," "you," or "your")

This is an addendum to the Lease and controls in the event of any conflict with the Lease. All capitalized terms not otherwise defined in this Utility Addendum ("Addendum") will have the same meaning as given in the Lease.

1. **PAYMENT OF UTILITIES.** Responsibility for payment of utilities and services, including charges for usage, deposits, and any charges, taxes and fees associated with the utility service or billing (collectively, "costs") and the method of allocating the payment of utilities, services and costs will be as indicated below:
 - a. **Electric service and associated fees will be paid:**
 - ☐ By Us, entirely
 - ☒ By Us, up to a maximum of \$0 per month per leased bedroom. Any remainder will be charged to you through us or a billing company using one of the following methods:
 - ☒ Direct-metered. Please see the description below
 - ☐ Sub-metering. Please see the description below
 - ☐ Flat Rate, the current flat rate is \$ per month
 - ☐ Allocation: 50/50 Occupants. Please see the description below
 - ☐ By you, directly to the service provider
 - b. **Gas service and associated fees will be paid:**
 - ☐ By Us entirely
 - ☒ By Us, up to a maximum of \$0 per month. Any remainder will be charged to you through us or a billing company using one of the following methods:
 - ☒ Direct-metered. Please see the description below
 - ☐ Sub-metering. Please see the description below
 - ☐ Flat Rate, the current flat rate is \$ per month
 - ☐ Allocation: . Please see the description below
 - ☐ By you, directly to the service provider
 - c. **Water/Sewer service and associated fees will be paid:**
 - ☐ By Us entirely
 - ☐ By Us, up to a maximum of \$ per month. Any remainder will be charged to you through us or a billing company using one of the following methods:
 - ☐ Direct-metered. Please see the description below
 - ☐ Sub-metering. Please see the description below
 - ☒ Allocation: 50/50 Occupants. Please see the description below
 - ☐ By you, directly to the service provider

You are responsible for a \$4.00 Water/Sewer service fee with each installment along with a \$10.00 Water/Sewer annual establishment fee.

PUC rules requires the Landlord to publish figures from the previous calendar year if that information is available. The average monthly bill for all dwelling units in the apartment community last year was \$ per unit, varying from \$ for the lowest month's bill to \$ for the highest month's bill for any unit. This information may or may not be relevant since the past amounts may not reflect future changes in utility-company water rates,

weather variations, future total water consumption, changes in water-consumption habits of residents, and other unpredictable factors.

d. **Trash service and associated fees will be paid:**

☐ By Us entirely

☐ By Us, up to a maximum of \$ per month. Any remainder will be charged to you through us or a billing company using one of the following methods:

☒ Flat Rate, the current flat rate is \$2 per month

☐ Allocation: . Please see the description below

☐ By you, directly to the service provider

e. **HVAC service and associated fees will be paid:**

☒ By Us entirely

☐ By Us, up to a maximum of \$ per month. Any remainder will be charged to you through us or a billing company using one of the following methods:

☐ Sub-metering: You will pay for HVAC service based on the apartment unit's consumption measured by a measuring device. Specifically, the HVAC bills will be allocated to each apartment unit based on a percentage assigned to each apartment unit based on the amount of time or amount that HVAC utility was used in that apartment unit compared to the total amount of HVAC utility used by all of the apartment units on the property. The utility charges for each unit will be divided by the number of days each bed was occupied in each unit to come up with each resident's charge.

☐ Flat Rate, the current flat rate is \$ per month

☐ Allocation: . Please see the description below

☐ By you, directly to the service provider

f. **Cable service and associated fees will be paid:**

☒ By Us entirely

☐ By you, directly to the service provider, should you elect to establish service

g. **Internet service and associated fees will be paid:**

☒ By Us entirely

☐ By Us (public wireless only) – dedicated service will be paid by You, should you elect to establish service

☐ By you, directly to the service provider, should you elect to establish service

h. **Local telephone service and associated fees will be paid:**

☐ By Us entirely

☒ By you, directly to the service provider, should you elect to establish service

Note that if Resident resides in an area that offers deregulated utility services, Resident may contract with any of the applicable deregulated providers in lieu of being billed pursuant to the methods set forth herein (assuming all residents in the unit agree to use that provider on one bill). Should Resident wish to change the billing option to use a deregulated provider during the course of the Lease Term, Resident must notify Landlord in writing. No change in billing options is permitted until all residents have paid all amounts due under the current option and until Resident has signed a new Utility Addendum. If Resident chooses to change from Landlord's billing option to the provider option, Resident will not receive a refund of any portion of any previously paid administrative fees, if applicable.

2. The following are the applicable descriptions of the bill method(s) indicated above, minus any cap if applicable:

Direct-Metered. We will remain the customer of record for the utility. The local utility provider measures the utility usage in each apartment unit and bills us directly for such charges. The utility charges for each unit will be divided by the number of days each bed was occupied in each unit to come up with each resident's charge. All line items that appear on the utility bill will be billed back to you including, but not limited to, trash, taxes, stormwater, and all other miscellaneous charges.

Sub-Metered. Your premises is sub-metered to determine water/sewer usage. You will pay for utility service based on the apartment unit's consumption measured by a submeter. Your sub-metered charges will be determined using either of the following methods:

- a. The utility bill will be allocated to each apartment unit based on the total utility bill divided by the total resident consumption to come up with a utility rate. This rate will then be multiplied by the consumption measured by the sub-meter in your unit. The utility charge for each unit will be divided by the number of days each was occupied in each unit to come up with each resident's charge.
- b. Your apartment unit's measured consumption will be multiplied by a rate based on the utility provider's rate and, or, bill (by dividing the dollar amount on the provider bill by the consumption amount on the provider bill). The apartment unit's cost will then be divided by the number of days each bed was occupied in each unit to come up with each resident's charge.

Allocation. You will pay for utilities based on an allocation formula, not actual meter reads. The utility bills received by us from the local utility will be used to calculate the charges per resident. Your allocated charges will be determined using one of the following methods below:

- a. **50/50 Occupants.** Fifty percent of the property's utility bill will be allocated to each apartment unit based on a percentage assigned to each apartment unit based on the square footage of that apartment unit compared to the total amount of rentable and occupied square feet of all apartment units at the property. This per apartment unit cost will then be divided by the number of occupied beds in that unit to come up with each resident's charge. The remaining fifty percent of the property's utility bill will be allocated to each apartment unit based on a percentage assigned to each apartment unit based on the number of occupants residing in each apartment unit compared to the total number of occupants at the property. This per apartment unit cost will then be divided by the number of occupied beds in that unit to come up with each resident's charge.
- b. **Square Footage.** The property's utility bill will be allocated to each apartment unit based on a percentage assigned to each apartment unit based on the square footage of that apartment unit compared to the total amount of rentable and occupied square feet of all apartment units at the property. The per apartment unit cost will then be divided by the number of days each bed was occupied in that unit to come up with each resident's charge.
- c. **Occupants.** The property's utility bill will be allocated to each apartment unit based on a percentage assigned to each apartment unit based on the number of occupants residing in each apartment unit compared to the total number of occupants at the property. This per apartment unit cost will then be divided by the number of occupied beds in that unit to come up with each resident's charge.
- d. **Factored Occupants.** The property's utility bill will be allocated to each apartment unit based on a percentage assigned to each apartment unit based on the number of occupants in that apartment unit compared to the total number of occupants at the property. For purposes of this calculation, a unit with one resident will be considered to have one occupant; a unit with two residents will be considered to have 1.6 occupants; and any additional occupants in the unit will be considered .3 additional occupants. Each apartment unit's charge will then be divided by the number of days each bed was occupied in that unit to come up with each resident's charge.

3. If an allocation formula above is used, we or our billing company will calculate your allocated share of the utility services in accordance with state and local laws. If allowed by state law, we, at our sole discretion, may change the above methods of determining your allocated share of the utility services, by written notice to you.

If a flat fee method for trash or other utility service is used, Resident and Landlord agree that the charges indicated in this Addendum (as may be amended with written notice as specified above) represent a fair and reasonable amount for the service(s) provided and that the amount billing is not based on a monthly per unit cost.

4. You agree that we may estimate any and all utility charges above upon your move-out (or at any other time) and such amounts shall be deemed final. You are responsible for all setup, deposits, and activation fees of all utilities not paid for by us. The billing methods described above may be changed by us by providing you with 60 days prior written notice, and you acknowledge that in certain situations it is necessary to make a change to the billing method.
5. At our option, we may bill utilities through a utility billing company or directly by us. These utility charges will be considered as additional rent. For utilities billed directly by our billing company, you must make payment in full of the utility charges to the billing company prior to the due date listed on each bill. Whether or not we bill you directly or through a utility billing company, you agree that the actual cost to us and/or our billing company when you fail to pay the utility bill on time is difficult or impossible to determine, but you agree that in the event of a late payment, we and/or our billing company incur certain costs, such as additional bookkeeping and administrative charges, additional charges from the billing company, costs in printing and

mailing late notices, lost opportunity costs of the payment, etc. Regardless of whether we bill you directly or through a utility billing company, utility payments are due as additional monthly rent each month. The failure to make the utility payment is a material and substantial breach of the Lease and will entitle the Landlord to exercise all remedies available under the Lease. The Landlord is entitled to use your Security Deposit to recover unpaid utility charges.

6. In the event that Resident is responsible for all or a portion of electric, water, sewer, trash or gas charges pursuant to this Lease (to either Landlord or the local utility(ies)), Landlord shall have the right to hire a third party provider to provide utility billing services to Resident at any time during the Lease Term. In such event, Resident expressly agrees to pay an annual fee of up to \$60 in connection with such utility billing services. You acknowledge that the billing company is not a public utility. Any disputes related to the computation of your bills will be between you and us.

7. General Information:

- a. Any disputes relating to the computation or accuracy of your bills are between you and us, rather than the utility. You are encouraged to file billing disputes in writing with the person identified on your bill to contact about disputes – usually us, or a billing company.
 - b. During reasonable business hours, you have a right to examine the following information which will be kept in the management office: (i) utility bills received from the respective utilities from the prior billing period and for all billing periods during the last twelve (12) months; (ii) calculations of your respective period's utility billings; (iii) calculations of average utility costs; (iv) your sub-meter readings and the readings from our master meter; and (v) any sub-meter test results if they have been tested during that time; and (vi) other information required to be kept pursuant to applicable rules and to allow you to verify our billings for utilities to you.
 - c. We will use our reasonable efforts to repair reported leaks and broken sub-meters within seven (7) days after you let us know, in writing, of the issue. If the respective utility in the common area is not metered, we will use reasonable efforts to have any leak repaired within seven (7) days after we become aware of the issue.
8. Payment for your respective utilities is due no later than sixteen (16) days after the date that the bill is postmarked or hand delivered to your Unit. In order to avoid late fees, all amounts are due by or before the 1st of the monthly billing cycle. You are required to pay the amount due, as additional monthly rent, to the same place that you make your regular rent payments. If your payment is late, if your check does not clear, or if there is no payment received, you are in default under this Lease and, subject to any limitations imposed by applicable law, the fees, and other remedies under the Lease are available to us.
9. Utilities not paid by us must remain on, in your name, through the Lease Expiration Date regardless of whether you have moved out, except and unless you have relet the Premises pursuant to the terms of the Lease. Refusal to maintain utility service in your name, when required to do so, will constitute a violation of the Lease and we may exercise all remedies available to us under the Lease.
10. If Resident fails to place all applicable utilities in Resident's name as of Lease Commencement and Landlord is subsequently charged with utility charges attributable to Resident's occupancy, then Resident shall be issued (and shall pay) a bill for such services by Landlord or the billing provider (which shall include a service charge in the amount of Fifty Dollars (\$50.00) on each occasion); such service charge is used to compensate Landlord for Resident's failure to become the customer of record for such accounts, including, but not limited to charges assessed by the third party billing provider to Landlord for processing of the bill for the delinquent time period, opportunity cost of the money not paid, and other administrative costs. Resident and Landlord agree that the charge described above is a reasonable estimate of the costs incurred.
11. We may furnish to the Leased Premises a terminal, or where applicable, wireless access, for your connection to an internet service provider. When we provide internet access, you may find it necessary to purchase a network interface card or other hardware in order to connect to internet service. We are not responsible for the purchase of these items and we cannot guarantee compatibility with any device you may have. If you are in violation of the Lease or of an internet service provider's terms and conditions of service, we have the right, in addition to all other remedies provided by law or the Lease, to discontinue internet service connections to the Leased Premises. We are not liable for any interruption, surge, inability to connect, failure or the internet provider to provide such services, nor for any damages, directly or indirectly related to such matters. We are also not liable for, and you agree to take sole responsibility for, and to indemnify, defend and hold Landlord and Manager harmless from, any damages or claims you or any other person may suffer or have as a result of your use of the internet, including, but not limited to, computer viruses, loss of data, invasion of privacy, defamation, fraud, and copyright and trademark infringement.

12. If you want additional cable channels, or alternative providers of cable or internet services, the installation, maintenance and all monthly charges will be your sole expense, and you assume full liability for any damages caused by the installation of the above mentioned services.

The installation of a satellite dish is not allowed.

13. You agree not to tamper with, adjust, or disconnect any utility or sub-metering system or device. Violation of this provision constitutes a violation of this Addendum and the Lease and will entitle the Landlord to exercise all remedies available under the Lease.
14. Except for any active or actionable negligence caused by Landlord, we are not liable for any losses or damages you incur as the result of outages, interruptions, or fluctuations, in utilities provided to your Unit. You release Manager and Landlord for any and all such claims and waive any claims due to such outages, interruptions, or fluctuations.
15. Should any provision of this Addendum be found legally invalid or unenforceable, this does not invalidate or diminish any other provision herein. We will not be in default under any provision hereof unless you have provided us with written notice of the specific issue and we have failed to cure such matter within a reasonable time after receipt of your notice.

Resident Signature

Date

Landlord or Landlord's Representative

Date