

STANDARD REAL ESTATE RENTAL AGREEMENT

This Agreement made this 11 day of December, 2008, is between PROSPER 4 LESS,LLC _____ (hereinafter referred to as "Management") and Jose Luis Salcido owner(hereinafter referred to as "Resident"). Management rents to Resident, and Resident rents from Management, property located at:

Address 6714 MOSSDALE BLVD.LANCASTER, State: California, Zip: 93535, the full legal description of which is the same as recorded with the Clerk of the Superior Court of Kern County, and is made a part hereof by reference (hereinafter referred to as the "Property"), under the following terms and conditions:

1. TERM: The initial term of this Agreement shall be for \$700.00 Dollars per months beginning on the 15 day of DECEMBER, 2008.
2. CONDITION: Resident accepts Property in its present "AS-IS" condition and acknowledges that Resident has received a list of any existing damages to Property, been given the right to inspect same, and has approved said list except as previously specified in writing to Management. Resident acknowledges receipt of the "Move-In Inspection Form" and accepts the responsibility to complete said form within seven (7) days of taking possession and return a completed, signed copy to Management. Failure to do so shall be Resident's acknowledgment that Property is in perfect condition in every particular and that any damages, including breakage, bums and wear or otherwise not shown shall be Resident's responsibility and expense.
3. MAINTENANCE, REPAIRS: Resident acknowledges that the premises are in good order and repair, unless otherwise indicated herein. Resident shall, at his own expense, and at all times, maintain the premises in a clean and sanitary manner, including all equipment and appliances therein and shall surrender the same, at the termination hereof, in as good condition as received, normal wear and tear excepted. Resident expressly stipulates and agrees that Management is granting a rental discount in exchange for Resident's agreeing to perform and bear the expense of, or have performed, minor maintenance and repairs on the dwelling, therefore Management shall NOT be responsible for maintenance and repairs of the premises during the term of this Agreement or any extensions, unless otherwise provided for herein. If Resident repair responsibilities conflict with any state laws to the contrary, Resident expressly agrees to fully waive and relinquish any protections so provided. Resident shall be responsible for damages caused by his negligence and that of his family or invitees and guests. Resident shall mow, irrigate and maintain any surrounding grounds, including lawns, shrubbery and gutters, and keep the same clear of rubbish, trash, weeds or leaves if such grounds are part of the Property and are available for the use of Resident. Should Resident fail to do so, Management, after attempting to notify Resident, may, but is not required to, maintain lawns and/or shrubbery by using a professional yard maintenance company. Resident agrees to pay the cost of any such yard maintenance as additional rent.
4. APPLIANCES: All appliances of any kind including window air conditioners are specifically excluded from this Agreement. Such appliances remain as a convenience to Resident and Management assumes no responsibility for their operation. No part of the monthly rent is attributable to them. Any appliance on premises at the signing of this Agreement shall be returned by Resident upon move-out in the same condition as at the signing of this Agreement.
5. ALTERATIONS: Resident shall not make, or allow to be made, any alterations, installations, repairs or redecoration of any kind to the Property without prior written permission of Management, provided, however, that notwithstanding such consent, Resident agrees that all alterations including, without limitation, any items affixed to the Property, shall become the property of Management upon the termination of this Agreement. This includes, but is not limited to, ceiling fans, mini blinds, carpeting, fencing, lighting fixtures, shrubs, flowers, etc. Removal of these items shall be considered theft subject to civil and criminal prosecution.
6. USE: The Property shall be used for Residential purposes only and shall be occupied by the undersigned 2 ____ adults, children as named in the original application to rent, *only*. Occupancy by guests staying over 14 days will be considered in violation of this agreement and additional monthly rent of \$100.00 per person shall be due, chargeable from the beginning date of this Agreement, unless prior written consent is given by Management. The Property shall be used so as to comply with all state, county, and municipal laws and ordinances and shall be kept in a clean and orderly condition. Resident shall not use the Property or permit it to be used for any disorderly or unlawful purpose or in any manner so as to interfere with neighbors. Resident shall be responsible and fully liable for the conduct of his/her guests. Acts of guests in violation of this Agreement or Management's rules and regulations may be deemed by Management to be a breach by Resident.

Resident's Initials

- (b) **Utilities:** Resident is responsible for payment of all utilities, to include water, sewage, garbage collection, cable TV, electricity, gas, local telephone service; even if the bills remain in Management's name. Failing to pay the utility bills will be interpreted as a default and a violation of this Agreement. Any installation costs are the responsibility of Resident. Any wall jacks, telephone or cable installation shall remain with the Property.
- (c) **Telephones:** Resident shall obtain a home telephone and must supply Management with home and work telephone numbers immediately and agrees to immediately notify Management of any change of numbers during the term of this Agreement.
- (d) **Storage:** No goods or materials of any kind or description which are combustible or would increase fire risk, shall be stored on the Property. Any storage shall be at Resident's risk and expense, Management shall not be responsible for any loss or damage.
- (e) **Walls:** No nails, screws or adhesive hangers except standard picture hooks, shade brackets and curtain rod brackets may be placed in walls, woodwork, or any part of the Property.
- (f) **GOOD HOUSEKEEPING IS EXPECTED OF EVERYONE:** Resident agrees to keep the Property in a clean and sanitary condition, and to remove any trash or rubbish as it accumulates.
- (g) **Pest control:** Resident agrees to provide pest control as needed. Any infestation shall constitute a default of this Agreement.
- (h) **Furnace maintenance:** Resident shall change furnace filter(s) monthly during the heating/cooling season.
- (i) **Smoke alarm:** Resident shall keep smoke alarm (if and fire extinguisher if provided) in working order including replacing the battery as needed. Resident accepts any liability associated with the use and upkeep of all such devices and understands how to and agrees to test same.
- (j) **Kerosene Heaters and Appliances:** Resident agrees not to use any form of Kerosene space heater in the dwelling.
- (k) **Water beds:** Resident shall not have or keep any water bed in the dwelling without prior written permission of Management. A condition of approval is a waterbed insurance policy paid by Resident with Management listed as loss payee.
- (l) **Vehicles:** Vehicles shall **NOT** be parked on lawn at any time. Non-operative vehicles are not permitted on Property. Any such non-operative vehicle may be removed by Management at the expense of Resident, for storage for public or private sale, at Management's option, and Resident shall have no right of recourse against Management thereafter.
- (m) **Yard care:** Resident will be responsible for maintaining the lawn, bushes, and trees in a neat and attractive manner. If not cared for, Management has the right to have this done professionally and Resident herewith agrees to pay the cost for same.
- (n) **Gutters:** Resident shall have gutters cleaned each fall or as needed.
- (o) **Basements:** Management in no way warrants any basement against any leakage of any kind at any time.
- (p) **Septic:** If residence has septic tank, resident shall not abuse system; do not deposit tobacco, coffee grounds or unnecessary food or other wastes or materials, including diapers and sanitary napkins, down sinks or commodes. Resident shall regularly add septic tank treatment, available at home supply stores, to the system to keep it operating properly and efficiently. Resident is prohibited from adding a garbage disposal to any house, which has a septic system.

Resident's Initials

7. **PROPERTY LOSS & LIABILITY:** Management shall not be liable for damage, theft, vandalism, or other loss of any kind to Resident's personal property or the personal property of Resident's family members or guests. Management shall not be responsible or liable for any injury, loss or damage to any person or property of Resident or any other person.
8. **RENTERS INSURANCE:** Resident agrees to purchase comprehensive insurance, known as a Renter's Insurance Policy, against all perils, including but not limited to insurance on personal property or property of other persons from protection of loss due to or caused by theft, vandalism, bursting or breaking pipes, by or from fire, windstorm, hail, flooding, leakage, steam, snow or ice, by or from running water, backing up of drainage pipes, seepage, or the overflow of water or sewage on the Property. Said policy shall include liability coverage of \$300,000.00 minimum.
9. **LEAD, ASBESTOS, MOLD AND/OR RADON:** If Property was constructed prior to 1980 it may contain lead and/or asbestos containing materials. This shall serve as constructive notice that this Property was constructed in approximately _____. Resident may have Property tested for lead, asbestos, mold and/or radon levels prior to occupancy. Should Resident determine that the levels of lead, asbestos, mold and/or radon are unacceptable to Resident, Resident may void this Agreement prior to taking possession of Property, but not later than three (3) days after entering into this Agreement with Management. Resident herewith acknowledges receipt of the Federal Pamphlet *Protect Your Family From Lead in Your Home* and the Lessor's disclosure form attached hereto and made a part hereof by reference.
10. **NO ASSIGNMENT OR SUBLETTING:** Continued occupancy of the premises is a requirement. Resident may not sub-let Property or assign this Agreement without the prior written consent of Management. Any subletting, if granted, shall not release Resident from their obligations outlined herein.
11. **FIRE:** If the Property is made uninhabitable by fire or other casualty, not the fault of Resident, this Agreement shall be voidable by either party.
12. **HOLDING OVER:** Should the Resident hold over on the Property after expiration of the term of this Agreement and with the consent of Management, the possession shall not be construed as a renewal for the same term, but shall be construed as a month to month tenancy in accordance with the terms hereof, as applicable, and Rental Rate shall be charged at a rate 50% higher than the Rental Rate as contained in Paragraph 3 hereinabove. There shall be no renewal of this Agreement by operation of law.
13. **RIGHT OF ACCESS:** Management may enter the Property without notice to Resident for inspection and maintenance during reasonable hours. Management shall attempt to notify Resident of the need for access, but has no obligation to do so. If locks have been changed without providing Management with a key, Management may forcibly enter without being liable for damage or unlawful entry. In case of emergency, Management may enter at any time. During the last sixty (60) days of occupancy, or upon notification of intent to vacate, Management may place a sign on the Property and/or may install a lock-box and show the Property during reasonable hours. Management will attempt to notify Resident, but has no obligation to do so.
14. **DEFAULT BY RESIDENT:** Should Resident fail to pay any rent or other charges as and when due hereunder, or if Resident abandons the property or fails to perform any of its obligations hereunder, Management, at its option, may terminate all rights of Resident hereunder, unless Resident, within 24 hours after notice thereof, shall cure such default. If Resident abandons or vacates the Property, while in default of the payment of rent, Management may consider any property left on the Property to be abandoned and may dispose of same in any manner allowed by law, without responsibility or liability therefore. All personal property at the Property is hereby subject to a lien in favor of Management for payment of all sums due hereunder, to the maximum extent under law. Upon the adjudication of Resident in Bankruptcy, or if any facts contained in Resident's application are untrue or misleading, then, upon the happening of any of said events, Resident shall be in default hereunder and Management may, at its option, immediately terminate this Agreement by written notice to Resident. In the event of a default by Resident, Management may elect to (i) continue this Agreement and enforce all of Management's rights and remedies hereunder, including the right to recover the rent as it comes due, or (ii) at any time, terminate all of Resident's rights hereunder and recover from Resident all damages Management may incur by reason of the breach of this Agreement, including the cost of recovering the Property, and including the worth at the time of termination, or at the time of an award should a suit be instituted to enforce this provision, of the amount by which the unpaid rent for the balance of the term exceeds the amount of such rental loss which Resident proves could be reasonably avoided.
15. **ABANDONMENT:** Anytime the Property is left unoccupied for more than seven (7) days while rent remains unpaid without notice to Management, Management may consider the Property abandoned. Management may, at its option, declare this Agreement forfeited and re-rent said premises without any liability whatsoever. Resident shall be obligated to pay based on the balance of the rental agreement or the early termination requirement, whichever is greater. If Resident removes or attempts to remove any personal property from the premises other than in the usual course of continuing occupancy, without having first paid Management all monies due, Management shall have the right, without notice, to obtain an injunction to stop removal as Management has an attachment interest in the personal belongings of the non-paying Resident. Management shall also have the right to remove, store or dispose of any of Resident's personal property remaining on the premises after the termination of this agreement. Any such personal property shall be considered Management's property, and title thereto shall vest in Management.

Resident's Initials

16. **CROSS DEFAULT:** If Resident has entered into any other agreements concerning Property and Resident defaults on any provisions of those agreements, then this Agreement shall also be considered in default and, at the option of Management, this Agreement may be voided.

17. **REMEDIES CUMULATIVE:** All remedies under this Agreement or by law or equity shall be cumulative. In the event that either Management or Resident brings legal action to enforce the terms hereof or relating to the rental Property, the prevailing party shall be entitled to all costs incurred in connection with such action including reasonable attorney's fees. In the event a collection agency becomes necessary to collect any accounts due on this Agreement, Resident agrees to pay said commission. If any term or provision of this Agreement or application thereof to any person shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

18. **NO ESTATE IN LAND:** This Agreement shall create the relationship of landlord and tenant between Management and Resident; no estate shall pass out of Management; Resident has only a usufruct and not an estate for years.

19. **MORTGAGEE'S RIGHTS:** Resident's rights under this Agreement shall be subject to any bonafide mortgage or deed to secure debt, which is now or shall hereafter be placed on Property.

20. **MANAGEMENT'S PERMISSION OR CONSENT:** If any provision of this Agreement requires the written permission or consent of Management as a condition to any act of Resident, such written permission or consent may be granted or withheld in the sole discretion of Management and/or may contain such conditions as Management deems appropriate and shall be effective only so long as Resident complies with such conditions. Moreover, any written permission or consent given by Management to Resident may be modified, revoked, or withdrawn by Management at any time, at Management's sole discretion, upon written notice to Resident.

21. **NOTICES:** Any notice required by this Agreement, except as otherwise set forth shall be in writing and shall be deemed to be given if delivered personally or mailed via first class mail.

- (a) If to Resident, to the Property or the last known address of Resident;
- (b) If to Management, to the address as contained in Paragraph 3.

22. **ACCURACY AND RESPONSIBILITY:** Management has relied upon the information contained in Resident's application to enter into this Agreement. Resident warrants that their rental application is fine, complete and accurate. Resident agrees that if he/she has falsified any statement in the rental application, Management has the right to terminate this Rental Agreement immediately and further agrees that Management shall be entitled to retain any performance fee and any prepaid rents as fair and just liquidated damages. Resident further agrees in the event Management exercises its option to terminate this Rental Agreement, he/she will remove him/herself, family and possessions from the Property within 24 hours of notification by Management. Resident further agrees to indemnify Management for any damages to Property including, but not limited to, the cost of making residence suitable for renting to

23. **INDEMNIFICATION:** Management shall not be liable for any damage or injury to Resident, or any other person, or to any property, occurring on the Property, or any part thereof, or in common areas thereof, unless such damage is the proximate result of the negligence or unlawful act of Management, his agents, or his employees. Resident does hereby indemnify, release, and save harmless Management and Management agents from and against any and all suits, actions, claims, judgments, and expenses arising out of or relating to any loss of life, bodily or personal injury, property damage, or other demand, claim or action of any nature arising out of or related to this Agreement or the use of this Property and premises.

24. **ENTIRE AGREEMENT:** This Agreement and any attached addendum constitutes the sole and entire Agreement between the parties and no representation, promise, or inducement not included in this Agreement, oral or written, shall be binding upon any party hereto. Attachments: Move-in Inspection Report; EPA Lead Paint Disclosure; EPA Lead Paint Pamphlet; Other:

25. Tenants Acknowledge that only the Land is being

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in person or by a person duly authorized, the day and year above written. If this Agreement is not signed by all the Residents named herein and/or on rental application, the one(s) signing warrants that he or she has the authority and is acting as agent to sign for the other.

Tenants Sign _____

(Print Name)

Resident's Initials

Sign

Print

DATE

Social Security Number:

RESIDENT (PrintName)

Social Security Number:

DATE

MANAGEMENT (Authorized Representative)

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT

If not fully understood, please seek the advice of an attorney before signing

Resident's Initials

Resident's Initials